

AGENDA
REGULAR MEETING OF THE AMES CITY COUNCIL
COUNCIL CHAMBERS - CITY HALL - 515 CLARK AVENUE
AUGUST 13, 2019

NOTICE TO THE PUBLIC: The Mayor and City Council welcome comments from the public during discussion. **If you wish to speak, please complete an orange card and hand it to the City Clerk. When your name is called, please step to the microphone, state your name for the record, and limit the time used to present your remarks in order that others may be given the opportunity to speak.** The normal process on any particular agenda item is that the motion is placed on the floor, input is received from the audience, the Council is given an opportunity to comment on the issue or respond to the audience concerns, and the vote is taken. On ordinances, there is time provided for public input at the time of the first reading. In consideration of all, if you have a cell phone, please turn it off or put it on silent ring.

CALL TO ORDER: 6:00 p.m.

CONSENT AGENDA: All items listed under the Consent Agenda will be enacted by one motion. There will be no separate discussion of these items unless a request is made prior to the time the Council members vote on the motion.

1. Motion approving payment of claims
2. Motion approving Minutes of Special Meetings held July 16, 2019, and August 2, 2019, and Regular Meeting held July 23, 2019
3. Motion approving Report of Change Orders for July 16 - 31, 2019
4. Motion approving new 5-day Class B Beer License (August 28, 2019 - September 2, 2019) - The Whimsical Wine Trailer, 1407 University Boulevard
5. Motion approving new 5-day Class B Beer License (September 25 - 29, 2019) - The Whimsical Wine Trailer, 1407 University Boulevard
6. Motion approving new 5-day Class B Beer License (October 30 - November 3, 2019) - The Whimsical Wine Trailer, 1407 University Boulevard
7. Motion approving new 5-day Special Class C Liquor License (August 22 - 26, 2019) - Gateway Market, ISU Alumni Center, pending satisfactory background checks
8. Motion approving new 12-month Class C Liquor License with Class B Wine and Sunday Sales-Hy-Vee Market Grille, 640 Lincoln Way
9. Motion approving Class A Liquor License Ownership Update - Green Hills Residents' Association, 2200 Hamilton Drive, Suite 100
10. Motion approving new 5-day Special Class C Liquor License (August 24 - 28, 2019) - Ames Historical Society, 416 Douglas Avenue, pending premise approval from Inspections and satisfactory background checks
11. Motion approving temporary Outdoor Service Privilege Update (September 13 - 14, 2019) for Special Class C Liquor License - Sips and Paddy's Irish Pub, 126 Welch Avenue
12. Motion approving temporary Outdoor Service Privilege Update (August 30 - 31, 2019) for Special Class C Liquor License - Sips and Paddy's Irish Pub, 126 Welch Avenue
13. Motion approving temporary Outdoor Service Privilege Update (September 15 - 16, 2019) for Special Class C Liquor License - Tip Top Lounge, 201 E Lincoln Way
14. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Class C Liquor License with Catering, Class B Native Wine, Outdoor Service and Sunday

- Sales - The Mucky Duck Pub, 3100 S. Duff Avenue
- b. Class E Liquor License with Class B Wine, Class C Beer and Sunday Sales - Kum & Go # 1215, 4506 Lincoln Way
 - c. Class C Liquor License with Sunday Sales - El Azteca, 1520 S. Dayton Avenue
 - d. Class C Liquor License with Catering and Sunday Sales - Es Tas Stanton, 216 Stanton
 - e. Class B Beer with Sunday Sales - Flame-N-Skewer, 2801 Grand Avenue, Ste. 1125
 - f. Class C Beer Permit with Class B Wine and Sunday Sales - Hy-Vee Gas #5013, 4018 West Lincoln Way
 - g. Class C Liquor License with Sunday Sales - Inside Golf, 2801 Grand Avenue, #1075
 - h. Class C Liquor License with Catering, Outdoor Service and Sunday Sales - Iowa State Center - CY Stephens, CY Stephens- Iowa State University
 - i. Class C Liquor License with Catering, Outdoor Service and Sunday Sales - Iowa State Center – Fisher, Fisher Theatre- Iowa State University
 - j. Class C Liquor License with Sunday Sales - JJC Ames 1 LLC, 2420 Lincoln Way, Suite 103
15. Resolution approving Official Statement for General Obligation Corporate Purpose Bonds, Series 2019A, setting date of sale for August 27, 2019, and authorizing electronic bidding for the sale
 16. Resolution approving Agreement with Iowa Department of Transportation for MPO/STBG-TAP grant funding for 2018/19 Shared Use Path System Expansion - Trail Connection south of Lincoln Way (Beedle Drive to Intermodal Facility)
 17. Resolution approving Certificate of Consistency with City’s 2014-19 CDBG Consolidated Plan on behalf of the Emergency Residence Project
 18. Resolution waiving Purchasing Policies and awarding a single-source control with Donna Gilligan, Nevada, Iowa, in an amount not to exceed \$70,900 for FY 2019/20 organizational development consulting services
 19. Edward Byrne Memorial Justice Assistance Grant:
 - a. Resolution authorizing staff to apply for Grant
 - b. Resolution approving Memorandum of Understanding with Story County
 - c. Motion authorizing Mayor to sign certification indicating that the City will abide by the Grant terms and conditions
 20. Resolution approving Memorandum of Agreement and Agency Access Agreement with Story City Police Department allowing access to Multi-Agency Public Safety Network
 21. Requests from Ames Historical Society for “Uncorked” Exhibit Grand Opening on August 24:
 - a. Resolution approving closure of four metered parking spaces in the 100 Block of 5th Street
 - b. Resolution approving request for a waiver of fee for metered parking spaces
 - c. Motion approving Blanket Temporary Obstruction Permit
 - d. Motion approving Blanket Vending License
 - e. Resolution approving request for a waiver of the fee for Vending License
 - f. Resolution authorizing use of City-owned electrical outlets and approving a waiver of the fee for the cost of electricity used
 22. Requests from American Campus Communities for Campustown Fest on August 29:
 - a. Motion approving Blanket Temporary Obstruction Permit
 - b. Resolution approving closure of Stanton Avenue from Chamberlain Street to driveway 230

- feet south of the intersection
- c. Resolution approving closure of five metered parking spaces in the 200 block of Stanton
 23. Resolution awarding contract to Star Equipment of Ames, Iowa, for a combination unit in the amount of \$77,950 with applied credit of \$10,800 for rental charges, making the net purchasing price of \$67,150
 24. Resolution approving preliminary plans and specifications for 2018/19 Traffic Signal Program (U. S. Hwy. 30 Westbound Off-Ramp and South Dakota Avenue) setting September 4, 2019, as bid due date and September 10, 2019, as date of public hearing
 25. Resolution approving preliminary plans and specifications for 2019/20 Sanitary Sewer Rehabilitation (Munn Woods); setting September 18, 2019, as bid due date and September 24, 2019, as date of public hearing
 26. Resolution approving preliminary plans and specifications for 2018/19 Sanitary Sewer Rehabilitation (Siphon); setting September 18, 2019, as bid due date and September 24, 2019, as date of public hearing
 27. Resolution approving contract and bond for Non-Asbestos Insulation and Related Services & Supplies
 28. Resolution approving Contract Change Order No. 1 with GE Steam Power, Inc., of Windsor, Connecticut, for ash grate parts needed for Unit 7 Boiler project in the amount of \$5,011.02 inclusive of sales tax
 29. Water Treatment Plant Lime Sludge Disposal Operation:
 - a. Resolution approving Change Order No. 1 to FY 2018/19 contract with Wulfekuhle Injection & Pumping, Inc., the deduct amount of \$128,793.30
 - b. Resolution accepting completion of FY 2018/19 contract with Wulfekuhle Injection and Pumping, Inc., in the final adjusted amount of \$253,106.70 and releasing retainage
 - c. Resolution authorizing carry-over of unspent funds in the amount of \$128,793.30 from 2018/19 Operating Budget to FY 2019/20
 - d. Resolution awarding contract to Wulfekuhle Injection and Pumping, Inc., of New Vienna, Iowa, for Year Two (FY 2019/20) in the amount of \$510,693.30
 30. Resolution approving Change Order to Professional Services Agreement with Strand Associates, Inc., to add bidding and construction phase services for Water Pollution Control Facility Methane Engine Generator Replacement Project in an amount not to exceed \$89,200
 31. Resolution accepting partial completion of public improvements and reducing security for Quarry Estates, 2nd Addition
 32. 2016/17 Storm Water Erosion Control Program (S. Skunk River - Carr Park to Homewood Golf Course) Contract B:
 - a. Resolution approving Change Order No. 1 with GreenTech of Iowa, LLC., of Grimes, Iowa
 - b. Resolution accepting completion of project in the amount of \$57,381
 33. Underground Trenching Services: FY 2014/15 through FY 2018/19:
 - a. Resolution accepting completion of primary contract with Ames Trenching & Excavating, Inc., of Ames, Iowa, in the total amount of \$669,729.19
 - b. Resolution accepting completion of secondary contract with Communication Data Link, LLC, of Grimes, Iowa, in the total amount of \$243,017.30

PUBLIC FORUM: This is a time set aside for comments from the public on topics of City business other than those listed on this agenda. Please understand that the Council will not take any action on your comments at this meeting due to requirements of the Open Meetings Law, but may do so at a future meeting. The Mayor and City Council welcome comments from the public; however, at no time is it appropriate to use profane, obscene, or slanderous language. The Mayor may limit each speaker to three minutes.

ADMINISTRATION:

34. Healthy Life Center:
 - a. Resolution approving Memorandum of Understanding between City of Ames and Mary Greeley Medical Center
 - b. Resolution approving Memorandum of Understanding between City of Ames and Story County
 - c. Resolution approving Memorandum of Understanding between City of Ames and Heartland Senior Services
 - d. Resolution approving Lease Agreement between City of Ames and Iowa State University for site
35. Presentation from MetroNet regarding fiber-to-the-premises internet service
36. Staff Report regarding Outside Funding Request Process Priorities
37. Staff Report regarding regulation of massage establishments:
 - a. Motion directing staff to draft ordinance
38. Staff Report regarding Parking Meter Waivers
39. Inclusive Sidewalk at 5th Street and Douglas Avenue:
 - a. Motion directing staff to paint the decorative crosswalk bars with non-specialty paint using City staff labor prior to 2019 Pridefest
40. Motion approving City of Ames participation in Iowa State University's Principles of Community campaign to welcome students to Ames
41. Resolution approving/motion denying exception to Section 22.32(c)(2)(v) to allow alcohol service in Sidewalk Café at Mother's Pub, 2900 West Street

FIRE:

42. Discussion of proposed Rental Housing Code changes

PLANNING & HOUSING:

43. Resolution approving purchase of 1417 Douglas Avenue and allocate funds for asbestos removal and demolition in conjunction with the City's Dangerous Buildings Program

HEARINGS:

44. Hearing on vacation of Public Utility, Surface Water Flowage, and Storm Sewer Easements at 397 Wilder Avenue (Continued from July 23, 2019):
 - a. Resolution vacation of Public Utility, Surface Water Flowage, and Storm Sewer Easements at 397 Wilder Avenue
 - b. Resolution accepting donation of Parcel A (1.2 acres) from Sunset Ridge Property Owners' Association for future park land, contingent upon receiving 10' public utility easement along

the east edge of Parcel A and surface flowage and storm sewer easements over the northeast corner of Parcel A

45. Hearing on Update to 2019-2023 Consolidated Plan and 2019-2020 Annual Action Plan:
 - a. Resolution approving 2019-2023 Consolidated Plan
 - b. Resolution approving 2019-2020 Annual Action Plan
46. Hearing on Water Treatment Plant Handrail Modifications Project:
 - a. Motion accepting report of bids and rejecting all bids
47. Hearing on Wellhead Controls Improvements & Repainting Project:
 - a. Resolution approving plans and specifications and awarding contract to Baker Electric, in the amount of \$287,000
48. Hearing on 2017/18 Water System Improvements Program #1 - Water System Transfers (10th Street, 12th Street, Gray Avenue, Country Club Boulevard, and Cessna Street):
 - a. Resolution approving plans and specifications and awarding contract to Ames Trenching & Excavating, in the amount of \$320,456
49. Hearing on 2017/18 Shared Use Path System Expansion (West Lincoln Way - Sunset Ridge Subdivision to North Dakota Avenue):
 - a. Resolution approving plans and specifications and awarding contract to Manatt's Inc., in the amount of \$193,618.93
50. Hearing on Storm Water Facility Rehab (Somerset Subdivision Pond Improvements):
 - a. Resolution approving plans and specifications and awarding contract to Con-Struct, Inc., in the amount of \$322,997
51. Hearing on 2018/19 Water System Improvements (Burnett Avenue, Murray Drive):
 - a. Resolution approving plans and specifications and awarding contract to Keller Excavating Inc., in the amount of \$1,195,492.10

ORDINANCES:

52. Ordinance to allow multiple buildings on single lots in certain zoning districts:
 - a. Motion to amend ordinance to delete reference to Hospital-Medical zone
 - b. Third passage and adoption of amended ORDINANCE NO. 4390 amending Chapter 29.401(5) to allow multiple buildings on single lots in certain zoning districts

CLOSED SESSION:

53. Motion to hold Closed Session, as provided in Section 21.5(1)(k) of the *Code of Iowa*, to discuss security-related plans or reports:
 - a. Resolution approving Story County Courthouse Security Plan

DISPOSITION OF COMMUNICATIONS TO COUNCIL:

COUNCIL COMMENTS:

ADJOURNMENT:

Please note that this Agenda may be changed up to 24 hours before the meeting time as provided by Section 21.4(2), *Code of Iowa*.

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

AUGUST 2, 2019

The Special Meeting of the Ames City Council was called to order by Mayor John Haila at 4:21 p.m. on the 2nd day of August, 2019, in the City Council Chambers in City Hall, 515 Clark Avenue. As it was impractical for the Mayor and City Council members to be present in person, the Mayor and Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, and *ex officio* Member Devyn Leeson were brought in telephonically. Council Member Nelson joined the meeting telephonically at 4:22 p.m. Council Member David Martin was absent.

24-HOUR TEMPORARY PREMISE TRANSFER OF CLASS C LIQUOR LICENSE FOR DELLA VITI, 323 MAIN STREET, #102: Moved by Gartin, seconded by Corrieri, approving the 24-hour Temporary Premise Transfer of Class C Liquor License for Della Viti, 323 Main Street, #102, to 500 Block of Main Street in conjunction with the Farm-to-Table special event on August 4, 2019.

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

ASBESTOS REMEDIATION AND RELATED SERVICES & SUPPLY CONTRACT FOR ELECTRIC SERVICES: Moved by Betcher, seconded by Corrieri, to adopt RESOLUTION NO. 19-388 approving the contract and bond with Earth Services & Abatement, LLC, for Asbestos Remediation and Related Services & Supply for Electric Services.

Council Member Nelson arrived at 4:22 p.m.

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

COUNCIL COMMENTS: Council Member Betcher commented that she had recently taken a tour of the Ames History Center. She encouraged the Mayor and other Council members to take the Historical Society up on its offer to provide a tour of the Center. Ms. Betcher also advised that the Rummage Rampage was going very well.

ADJOURNMENT: Moved by Corrieri, seconded by Betcher, to adjourn the meeting at 4:23 p.m.

Diane R. Voss, City Clerk

John A. Haila, Mayor

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

JULY 16, 2019

The Special Meeting of the Ames City Council was called to order by Mayor Pro Tem Chris Nelson at 6:00 p.m. on the 16th day of July, 2019, in the City Council Chambers in City Hall, 515 Clark Avenue. Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, and David Martin were present. Mayor Haila and *ex officio* Member Devyn Leeson were absent.

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

1. Resolution setting July 23, 2019, as date of public hearing on conveyance of a portion of City-owned property generally located at 734 E. Lincoln Way.
2. Resolution approving Change Order No. 4 in the amount of \$761,733 (inclusive of sales tax) to Helfrich Brothers Boiler Works, Inc., of Lawrence, Massachusetts, for Unit 7 Boiler Repair Project.

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

PLAN 2040 UPDATE: Planning and Housing Director Kelly Diekmann introduced Marty Shukert of RDG. Mr. Diekmann gave background on the Ames Plan 2040 so far, and told the Council that possible scenarios for growth will be described while taking into account land use, transportation, and utilities. He said the meeting is informational for City Council, and next steps will be discussed. Mr. Diekmann noted that evaluation of infill scenarios will occur in August.

Council Member Gartin asked how Council should be thinking about infill before thinking about adding to the footprint. Mr. Shukert said infill has to be thought about as small scale areas and larger scale areas. He said of the projected population increase of 15,000 people, 20-25% could be accommodated in the infill areas. He said infill is a given and is common to any growth scenario, but the capability of certain areas to accommodate growth will be evaluated.

Council Member Betcher asked about emerging themes and how they were used to develop scenarios. Mr. Shukert said the emerging themes were used to evaluate each scenario, and noted all scenarios achieve a higher overall density than current Ames. Ms. Betcher asked about policy discussions involved in the scenarios. Mr. Diekmann said that will be reviewed at the end of the meeting.

Mr. Shukert told the Council a 1.5% annual growth rate was assumed, and the group was tasked with addressing a projected population increase of 15,000 people and distributing them in different growth areas, of which the final choice could be one scenario or a combination of some or all scenarios. He said a development concept to house 15,000 is the goal, but the future beyond twenty years must be kept in mind.

Mr. Shukert said Iowa State University (ISU) land, land in the 100-year flood plain, and steep slopes were not considered in the scenarios, and they worked to design around environmentally sensitive

areas. Mr. Martin asked about the availability of property. Mr. Diekmann said reaching out to property owners has not been done as this is the first presentation of scenarios.

Mr. Shukert described Low-intensity urban residential as 3-4 units per acre, Medium-intensity urban residential as 6-10 units per acre, High urban residential as 10-20 units per acre, and Mixed use/High-density urban residential as 16 or more units per acre. He said town homes are currently the most popular home of choice nationally. Council Member Martin asked about the difference between gross and net units. Mr. Shukert said the gross figure takes the number of people per square mile divided by 640 and net density only looks at the residential area. Mr. Diekmann said the current Land Use Policy Plan (LUPP) has a general goal of an average of five units per acre over many projects and minimum density requirements for every project of 3.75 net units per acre for single family homes or 10 net units per acre for medium density. He said gross density works well for long term planning. Density examples were shown. It was noted that Northridge neighborhood is about two gross units per acre, Northridge Heights neighborhood is about 4 units per acre, and Edwards neighborhood is about 6 units per acre.

The options were reviewed: North Expansion, East Expansion, South Expansion A, South Expansion B, West Expansion A, an West Expansion B.

Joe Spradling of HDR said the North Expansion option does not have connectivity to Interstate 35 (I-35) so there could be increased pressure south of the area. He said if growth goes north of 190th Street that would drive the need for a new interchange at East Riverside Road. Mr. Spradling noted that the planned growth south of 190th Street can be served by existing infrastructure, but if development goes north it will require a major sewer investment. Council Member Gartin said Council is sensitive to the existing pressure on Grant and Hyde Avenues. Mr. Diekmann said the scenarios will be looked at through a traffic model which will help Council make decisions. Council Council Member Nelson noted that if Ames doesn't go north, Gilbert could come south with the same mission. Mr. Shukert said one of the points of the diagram is trying to push traffic to the east toward Highway 69, which is easier to widen. Discussion ensued. Mr. Nelson said Council may want more answers about Gilbert before proceeding.

Mr. Shukert said the East Expansion option has limited geographic constraints and assumes significant commercial development along the I-35 corridor. He said a new I-35 interchange at East Riverside Road would be essential. Mr. Diekmann said regional commercial is unique to this scenario. Council Member Nelson noted the potential to expand more to the east in the future. Mr. Shukert concurred. Council Member Gartin asked about Ketelsen Marsh. Mr. Diekmann said it is recognized as an environmental resource currently. This scenario would be housing the majority of people in higher density housing. The area was compared to Delaware Avenue in Ankeny. It was noted a major investment for utilities would be needed. Council Member Gartin asked if the investment would be added for the commercial area anyway. Mr. Diekmann said the full East Industrial area cannot be served without another trunk line. Ms. Beatty-Hansen said it seems natural to pair the North Expansion and East Expansion growth areas because of the needed interchange and sewer investments.

The South A Expansion option was reviewed. A new interchange at 260th Street was discussed to reduce additional impact on Duff Avenue. This option was discussed as being close to ISU Research Park. Mr. Diekmann said this would be a village scenario like Somerset, but about four times larger than Somerset. City Manager Steve Schainker asked about expansion of the runway. Mr. Shukert said that was taken into consideration. Mr. Diekmann said the draft plan for runway expansion is being discussed. Council Member Martin asked about the state nursery. Mr. Diekmann said a few years ago the state was looking to sell it. Mr. Shukert said this option would have a good connection to a solid neighborhood. Mr. Spradling said this option would be the easiest sewer connection. Mr. Shukert said this is an area the development community doesn't tend to think about. Council Member Gartin said if public transportation is valued, there could be an argument for higher density. Mr. Shukert discussed affordability and areas where exclusive single family zoning could be eliminated. Mr. Diekmann said there is a push for attached single family homes currently. Mr. Shukert said the conventional single family lot is less popular. Ms. Betcher said the aging population wants the same amenities as the millennial population.

Mr. Shukert reviewed the West B Expansion option and said it's village-like in form, and suggests two pedestrian bridges. Council Member Nelson asked about school districts. It was noted Y Avenue is County Line Road and divides Ames Community School District (ACSD) and United Community School District. The pipeline was noted. Council Member Gartin asked about the buffer around the area. Mr. Shukert said a drainage corridor is on the south, and a green way is on the west. The area would have a gross density of 6.15 units per acre and be predominantly urban density. Mr. Spradling said Highway 30 is the connector but can also be a barrier, so pedestrian bridges would be helpful. He said the area will need incremental sewer improvements. Discussion ensued about development in Boone County. Mr. Diekmann said this option would have more annexations of property than the others.

The West A Expansion option was discussed. It was noted that some negative input has been received about going north of the railroad tracks. Mr. Spradling said there are currently two viaducts so there is a transportation impediment. Mr. Diekmann said east of County Line Road is ACSD and west is United Community School District.

Infrastructure comparisons were observed. Council Member Beatty-Hansen asked about climate change and resiliency used during evaluating the options. Mr. Diekmann said sensitivity was used regarding flooding, and said resilience of the plans will be discussed.

Mr. Diekmann asked if the Council has feedback as the team moves into the next task. Mr. Schainker asked if the parkway in the South A Expansion option is imperative in the event the state nursery does not sell. Mr. Diekmann said the parkway or the interchange would be needed for that option.

Ms. Betcher asked if it can be determined how the scenarios meet Council's goals. Mr. Diekmann said new parameters for the plan will be established in the next steps that can be used to evaluate land use plans. Council Member Betcher wondered about the possibility of collaboration with

Nevada for the trunk line needed for the East Expansion option. The Burke expansion was noted. She said there are many inter-jurisdictional conversations with the different options. Mr. Shukert said it is being assumed those things can be solved. Council Member Martin wondered which options would be more of a net benefit for existing neighborhoods whose residents must travel to other areas of Ames for most amenities. Council Member Gartin said many residents want more commercial on the north side of Ames. Council Member Betcher asked how realistic it is to discuss new interchanges and pedestrian bridges. Mr. Diekmann said there won't be state funding to build an interchange before it's needed, so building into a traffic problem would be needed to justify federal funding. Discussion ensued. Council Member Gartin said he appreciates attention to green space. Council Member Nelson said he appreciates the effort put into this process.

Mr. Diekmann said next steps include public input received over the next weeks on the City website via an interactive tool, an RDG working design studio with public drop-in for questions and comments in late August, discussions on emerging policies and plan elements continuing through the fall, and in September and October emerging policies and draft sections will be discussed and public comment will be received on the complete project. Council Member Gartin said he would like to see a link to this meeting on the web page. Council Member Gartin said tensions exist over infill projects and gentrification as a priority. He said he wants to consider the human aspect and ways to evaluate gentrification. Mr. Shukert said that is a critical issue and it's important to recognize housing affordability and attainability.

Council Member Betcher asked about studentification related to infill. She said studentification involves one population displacing a previous population. Mr. Diekmann said he is not sure if those assumptions will be revisited. Ms. Betcher asked if the working design studio in August will be held after students are back. Mr. Diekmann said it will be toward the end of August.

Mr. Shukert said he appreciates the rich environment and exchange with Council.

DISPOSITION OF COMMUNICATIONS TO COUNCIL:

Council Member Gartin asked about the memo regarding Ada Hayden Water Quality Monitoring. Ms. Beatty-Hansen said the information is on the website.

Moved by Beatty-Hansen, seconded by Betcher, to request a memo from staff on the request from Steven Cannon dated July 6, 2019 regarding parking and visibility at the north end of Brookridge Avenue.

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

Council Member Gartin asked about tools available for residential property maintenance. Mr. Schainker said tools in place could secure a dangerous building but may be unsightly. Council Member Betcher said the document developed a few years ago on minimum property maintenance could be distributed again.

Moved by Betcher, seconded by Beatty-Hansen, to re-circulate the document created regarding

residential property maintenance.

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

COUNCIL COMMENTS:

Council Member Betcher noted the anniversary of employment for City Manager Steve Schainker, who has been with the City of Ames for 40 years.

Council Member Gartin said a high school student in the community took her life recently. He urged people in the community struggling with mental health issues to reach out for help.

ADJOURNMENT:

The meeting adjourned at 8:53 p.m.

Diane R. Voss, City Clerk

John A. Haila, Mayor

Erin Thompson, Recording Secretary

MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

JULY 23, 2019

The Regular Meeting of the Ames City Council was called to order by Mayor John Haila at 6:00 p.m. on July 23, 2019, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law. Present were Council Members Gloria Betcher, Bronwyn Beatty-Hansen, Amber Corrieri, Tim Gartin, and David Martin. Council Member Chris Nelson was absent. *Ex officio* Member Devyn Leeson was also in attendance.

PROCLAMATION FOR “US ARMY CORPORAL RALPH L. BENNETT COMING HOME DAY”: August 3, 2019, was proclaimed as “US Army Corporal Ralph L. Bennett Coming Home Day” by Mayor Haila. Corporal Ralph L. Bennett’s niece, Charlene Mullin, accepted the Proclamation.

Mayor Haila announced that the Council was working off an Amended Agenda. City staff added items 13 RESOLUTION NO. 19-368 approving Certification of Local Government Approval on behalf of Local Non-Profit Organizations Receiving Emergency Shelter Grant Funds and 23 RESOLUTION NO. 19-379 approving Plat of Survey for 110 S Duff Avenue.

CONSENT AGENDA:

Moved by Betcher, seconded by Beatty-Hansen, to pull items 12 and 17 from the Consent Agenda for separate discussion.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Special Meeting held July 12, 2019, and Regular Meeting held July 9, 2019
3. Motion approving Report of Change Orders for July 1-15, 2019
4. Motion approving Class A Liquor License Premise Update - Green Hills Residents’ Association, 2200 Hamilton Drive, Suite 100
5. Motion approving new 5-day Class C Liquor License (July 30 - August 3, 2019) - Dublinbay Pub, 320 S. 16th Street, pending approval from Iowa State University
6. Motion approving new 12-month Class C Liquor License - La Fiesta Bar & Grill, 823 Wheeler St., Ste. 5, pending Food Establishment License and Dram Shop
7. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Class E Liquor License with Class B Wine and Class C Beer and Sunday Sales - AJ’s Liquor II, 2515 Chamberlain
 - b. Special Class C Liquor License with Sunday Sales - Huhot Mongolian Grill, 703 S. Duff Avenue, Suite #105
 - c. Special Class C Liquor License with Outdoor Service and Sunday Sales - India Palace, 120 Hayward Avenue
 - d. Class C Liquor License with Catering, Outdoor Service and Sunday Sales - Cyclone Experience Network, 1800 S. 4th St - Jack Trice Stadium

- e. Class E Liquor License with Class B Wine and Class C Beer - Fareway Meat Market #189, 3720 Lincoln Way
- 8. Requests from Octagon Center for the Arts for 49th Annual Octagon Art Festival on Sunday, September 22, 2019
 - a. Motion approving a blanket Temporary Obstruction Permit and a blanket Vending License for the Central Business District
 - b. RESOLUTION NO. 19-359 approving closure of the following streets from 6:00 a.m. to 6:00 p.m.
 - i. Main Street, east of Clark to just west of Duff Avenue
 - ii. Douglas Avenue between 5th Street and Main Street
 - iii. Kellogg Avenue between south of the alley and Main Street
 - iv. Burnett Avenue between south of the alley and Main Street
 - c. RESOLUTION NO. 19-360 approving waiver of fees for blanket Vending License
 - d. RESOLUTION NO. 19-361 Resolution allowing usage of electricity and approving waiver of costs of electricity
- 9. RESOLUTION NO. 19-362 approving Quarterly Investment Report for Period Ending June 30, 2019
- 10. Alley Right-of-Way North of Lincoln Way and East of Elm Avenue:
 - a. RESOLUTION NO. 19-363 setting August 27, 2019, as date of public hearing on first reading of Ordinance vacating 180' x 16' alley right-of-way
 - b. RESOLUTION NO. 19-364 setting September 24, 2019, as date of public hearing to convey vacated alley right-of-way to Forest Park Properties, LLC
- 11. RESOLUTION NO. 19-366 authorizing an additional full-time position in Finance Department for the period between August 1, 2019, and November 1, 2019
- 12. RESOLUTION NO. 19-367 approving renewal of contract with EMC for Workers' Compensation and Municipal Fire and Police System Medical Claims Administration
- 13. RESOLUTION NO. 19-368 approving Certification of Local Government Approval on behalf of Local Non-Profit Organizations Receiving Emergency Shelter Grant Funds
- 14. RESOLUTION NO. 19-369 approving an exception to City Purchasing Policies and approving an award to General Electric Steam Services, Inc., of Midlothian, Virginia, to provide technical field advisor services for Unit 7 Overhaul in an amount not to exceed \$200,000
- 15. RESOLUTION NO. 19-370 approving Amendment to Engineering Services Agreement with WHKS & Co., of Ames, Iowa, for Sanitary Sewer Rehabilitation Construction Observation in an amount not to exceed \$39,000
- 16. RESOLUTION NO. 19-372 approving bow hunting within the Park System, on City property, and at other eligible property as detailed in Urban Deer Management Ordinance and rule
- 17. RESOLUTION NO. 19-373 approving preliminary plans and specifications for 2018/19 Asphalt Pavement Improvements (Reliable, Delaware, Florida, and Hutchison); setting August 21, 2019, as bid due date and August 27, 2019, as date of public hearing
- 18. RESOLUTION NO. 19-374 approving contract and bond for Water Plant Radio Telemetry Upgrades

19. RESOLUTION NO. 19-375 approving contract and bond for Campustown Public Improvements - Water Service Replacement
20. RESOLUTION NO. 19-376 approving contract and bond for Power Plant Maintenance Contract
21. RESOLUTION NO. 19-377 approving contract renewal for FY 2019/20 with Itron, Inc., of Liberty Lake, Washington, to furnish water meters, radio units, and related parts in an aggregate amount not to exceed \$450,400
22. RESOLUTION NO. 19-378 accepting completion of Year Three of Water Pollution Control Facility Biosolids Disposal Operations
23. RESOLUTION NO. 19-379 approving Plat of Survey for 110 S Duff Avenue

Roll Call Vote: 5-0. Resolutions/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

FUNDING REQUEST FOR CENSUS 2020 EDUCATION CAMPAIGN: City Council Member Gloria Betcher said this is the Council's first opportunity to let the citizens know about the Census 2020.

Public Relations Officer Susan Gwiasda said staff is requesting funding to focus on customizing materials for distribution specific to Ames citizens, particularly in areas that have historically low census return rates due to the student population. She has been working with the Mayor to develop a Complete Count Committee that would represent all the sectors of Ames and are still looking for more volunteers. Ms. Gwiasda advised that census forms can be filled out by hard copy, online, and telephone.

Moved by Betcher, seconded by Martin, to adopt RESOLUTION NO. 19-365 approving the funding request for Census 2020 education campaign in the amount of \$35,000.

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

DONATION OF FIVE ACRES OF LAND ON WOODLAND STREET (OLD EDWARDS ELEMENTARY SCHOOL) FROM AMES COMMUNITY SCHOOL DISTRICT FOR USE AS A CITY NEIGHBORHOOD PARK: Ms. Betcher brought attention to the number of citizens who worked for a long time collecting money to clear away the Edwards School property.

Parks & Facilities Superintendent Joshua Thompson said the Parks & Recreation Department has worked with the Edwards Neighborhood Association and the Ames Community School District in acquiring the land. The three things they needed were no cost, clean and green, and adjustment of the property line. Thanks to the Edwards Neighborhood Association, over \$155,000 dollars was raised for the demolition of Edwards School.

Moved by Betcher, seconded by Martin, to adopt RESOLUTION NO. 19-371 accepting the donation of five acres of land on Woodland Street (Old Edwards Elementary School) from the Ames Community School District for use as a City neighborhood park.

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

PUBLIC FORUM: Mayor Haila opened Public Forum. No one came forward to speak, so he closed Public Forum.

FY 2020/21 ASSET PRIORITIES: Assistant City Manager Deb Schildroth asked the City Council to keep in mind the comprehensive review of the ASSET process that has been going on. The Joint Funders met in May 2019 and discussed a Community Needs Assessment, funding priorities, measuring outcomes, and allocating funds. One of the themes that came out of the meeting was the need for joint priorities or priority areas across funders.

Ms. Schildroth said the Community Needs Assessment is typically piggy-backed with the Health Assessment that Mary Greeley Public Health is required to do every five years. The group that is looking at organizing that is the Story County Quality of Life Alliance. An assessment should be available to use by late winter or early spring for fiscal year 2021/22. The Clear Impact Scorecard is led by United Way of Story County, which will determine trends of services.

Council Member Gartin said he is very supportive of what is on the table. He said the community experienced a tragedy when a 17-year-old high school student took her life recently and asked Ms. Schildroth to discuss the changes that have happened with Youth and Shelter Services (YSS) in terms of mental health care for youth.

According to Ms. Schildroth, state legislation has requirements that school systems offer training to teachers and others within the teaching profession on mental health and recognizing symptoms, addressing issues, learning about resources in the community, and how they can help prevent some of the tragedies that do occur. Locally, YSS offers a wide variety of counseling and psychiatric services to youth. One of the uses of City funds is allowing YSS to schedule crisis appointments; if the appointment doesn't get used, the City pays for the slot. If the appointment does get used, Medicaid or insurance covers when available; otherwise, the City pays for it. She said legislature passed the creation of a children's mental health system, which is the responsibility of the 15 regions throughout the state to figure out how those services will be provided and funded.

Mayor Haila advised the Council Members that staff is looking for direction from them on approving the ASSET priority services. Ms. Schildroth advised the items listed currently exist for fiscal year 2020, but there is one small change that outlines the input given from the volunteers. The only change is under Transportation Cost Offset Programs, which is no longer specific to elderly or families.

Council Member Beatty-Hansen verified the service they are approving tonight is the one with the two bullets. Mayor Haila clarified that the goal is to get all of the services funded.

Mr. Gartin said he is concerned that the volunteers have limited the education development funds

for summer enrichment and prevention of loss of learning under No. 3. By specifically creating a parameter of summer focus, the effort might not fit with the goals of the year-round Raising Readers Program. Mr. Gartin asked if further clarification is needed under the skilled development and enhancement for the volunteers to continue to focus on reading as a skill.

Council Member Martin added that the addition is not meant to exclude things, but to draw attention to these items to make sure they aren't overlooked.

Moved by Betcher, seconded by Corrieri, to adopt Alternative No. 1, thereby approving the City's current ASSET priority service categories for FY 2020/21, with the recommended prioritization of the sub-bullets.

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

DEVELOPMENT AND OPERATION OF A 2-MW COMMUNITY SOLAR FARM:

Electric Services Director Donald Kom said that in 2016, the Electric Department started noticing people putting solar electric panels on their own homes. Other people who didn't own a home or didn't have the ability to put panels on their homes created the idea for a community solar project. In response to this interest in a community solar project, the City contracted with Wind Utility Consulting, PC, to evaluate options for the development of a large community solar project in Ames. The evaluation results showed that with federal tax incentives, it worked out better to have the project be owned, maintained, and operated by a third party. Other models were considered so that the City could potentially purchase the project after a certain amount of time. Another model was examined to build the project and allow any business or customer who wished to participate in the project to have a share in it in the form of "Power Packs." The project, identified as SunSmart Ames, has three components - Site Selection, Power Purchase Agreement with the solar developer, and an Electric Customer Participation Program. Currently, 72% of the project has been subscribed.

The preferred site for the Solar Farm is located adjacent the Ames Municipal Airport. It is ideally suited for solar development and has the public visibility that benefits a community solar farm. Interested electric customers have been subscribing to "Power Packs" in the SunSmart Ames project, and upon execution of a developer's contract, will pay a one-time fee in return for billing credits equal to their pro-rated share of monthly generation output from the farm. At present, Electric Services has received "Intent to Purchase" forms for approximately 70% of full capacity of the project.

A Request for Proposal (RFP) was issued to 94 developers for proposals to build, own, and operate a two-megawatt solar farm. Staff received proposals from 14 developers. The evaluation team was composed of staff from Electric Services, Iowa State University Facilities Planning & Management Utilities, and the City's consultant.

Based on the interviews, responses to the follow-up questions and the determination of the best value to the Utility rate payers and the City, the evaluation team ranked the final four developers.

Based on the total scores and a unanimous decision by the evaluation team, staff concluded that ForeFront Power provides the best value for the ratepayers. Furthermore, the staff believes the system being offered by ForeFront will be able to handle peak demand better due to its design; the developer offers a stable financing package, and the panels will be more visible from Highway 30. At the time the City approved the Letter of Intent with ForeFront, this project was not to move forward until at least 80% of the project has been committed to by the ratepayers, so the City Council approved a Letter of Intent (LOI) with Forefront Power.

Staff has received executed contracts from ForeFront Power with a flat cost at \$60/MWh. However, over the past several days, staff was able to negotiate a slightly lower contract price of \$59/MWh with no changes to the rest of the contract. This lower price will decrease the cost of a Power Pack by an amount yet to be determined. To accept this lower price, ForeFront is requiring that the City be the first party to sign the agreement as a good faith indication of intent to proceed. Upon approval of the contract with ForeFront, staff will finalize the Customer Agreement that will convert the Power Pack "pledges" into "commitments."

City Council Member Betcher asked if there would be an opportunity to buy only part of a Power Pack or if you could buy a Power Pack for another individual. Director Kom said to help those who find the \$333 a struggle, there is a 12-month payment plan. If people wanted to put money together to buy a Power Pack for an organization, it is possible, and as long as they are an electric customer of the City of Ames, it can be done for individuals as well.

Mr. Martin asked when the last day was to purchase a Power Pack. Mr. Kom said they will continue to market the Community Solar Farm up to and through 100%; there are still 1700 power packs available for purchase.

Ex officio Devyn Leeson asked how people who aren't necessarily homeowners or long-term residents can get involved. Mr. Kom said if they are going to stay in Ames, they can take the Power Pack with them anywhere in Ames as long as they are a City electric customer. If a person is leaving Ames, they have the ability to sell it back to the City or they can donate it to a worthy cause.

Council Member Gartin asked Mr. Kom to identify who was involved in the marketing efforts so they could be recognized. Director Kom said Susan Gwiasda, the late Steve Wilson, Derek Crisler, Mel Crippin, KHOA, KASI, and Kiwanis, a group of very excited citizens, and more. Mr. Gartin asked for a ballpark number of individual owners. Mr. Kom said it is in the hundreds, but less than 1,000.

Mayor Haila opened public input. Seeing no one wishing to speak, he closed public input.

Moved by Beatty-Hansen, seconded by Corrieri, to approve RESOLUTION NO. 19-380 approving Energy Services Agreement with ForeFront Power of San Francisco, California, to construct and maintain a 2-MW Community Solar Farm at the Airport site.

Roll Call Vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby

made a portion of these Minutes.

RETAIL SOLAR NET METERING REVIEW: Electric Services Director Kom, explained that when a resident installs a solar panel on their house, it is installed behind the meter so the house uses any energy that is produced by that solar panel first, which reduces the amount of energy that a customer buys from the City. At one time, there was a strong desire for people to install more kilowatts than they are using at any given time. The Net Metering Program deals with the excess energy that is produced. The unused energy gets stored on the system for use at a later time. As the City is taking that overproduced energy, they were buying less off the market. The problem is that market energy is the cheapest energy compared to the full retail energy; so instead of buying the market energy, they were paying more for the full retail energy and missing out on the market energy. The other piece is that there is a certain amount of fixed infrastructure that goes in. There was no way to recover the fixed costs from residents who used the infrastructure. The solution was that the City would pay the resident the full retail rate for the energy component of the overproduced amount.

Council Member Gartin asked if the City's approach was consistent with peer communities. Mr. Kom said it's all over the board. Alliant's approach doesn't limit how much solar can be put on, but how much is in the one net metering bucket, and then everything else is purchased. Cedar Falls pays a flat 4.9 cents for anything that is overproduced. Midland pays 2.9 cents. Another co-op paid 2.7 cents. MidAmerican did look at some legislation; they are starting to have concerns about not being able to recover some of the fixed costs.

Mr. Kom said there is some value in the solar reducing the peak demands, but only see about 25% of the benefit as peak times are between 5:00 - 7:00 p.m. Also, solar is green and it doesn't adjust how they use the Power Plant; it just adjusts how they buy from the market.

Director Kom explained that valuing capacity or valuing the reduction in the peak is a stair step approach. There is enough generation to meet the load today and tomorrow, so at 130 megawatts, having more capacity has no value today. If the load is at 140 megawatts, and they are looking at spending money for another Power Plant, the extra capacity helps because it pushes off the need to spend that 50 million on another generator for one more year. It's like adding a bedroom to your home; you can't just spend a couple hundred dollars.

Council Member Beatty-Hansen said one of the qualities that isn't quantifiable is resiliency during natural disasters. Mr. Kom said the key to making dispersed generation work is to have the infrastructure that connects it all, but they need to find a fair way to pay for that infrastructure that allows the homes connected to the grid with solar, to still pay for the linemen. In today's rate structure, the way to do that is to separate the fixed cost from the energy cost.

Further discussion was had regarding the solar energy purchases from customers who are overproducing energy.

Mayor Haila opened public input.

Mark Steffen, 2316 Aspen Road, Ames, said in past videos of the meetings, he was able to demonstrate the most egregious cost shift from rate payers is from the residential to the commercial customer because the City deeply discounts rates to incentivize new businesses to come to Ames. Development of storage infrastructure for the future of this community needs to be addressed. There are 100 of the 140 solar generating customers who only have one solar panel. Mr. Steffen said he has 18 solar panels. There is a much smaller number of average size customers.

Mr. Steffen suggested that the City Council should adopt the Alliant policy because it addresses the big concern of overproduction. It also addresses the concern of the people who have been prevented from putting up rooftop solar as the payout was stretched way out. It pays them the full value of up to what they consume, so they just can't overproduce.

Mayor Haila confirmed that Mr. Steffen is advocating to change the program against EUORAB's recommendation to not change it. Mr. Steffen said that the Council should consider a different model of governing the municipal utility. Other communities have an elected light plant board because there's so much to deal with.

Erv Klaas, 2200 Hamilton Drive, Unit 508, said the most important question is whether a capitalistic society like the United States and a capitalistic international order is capable of reducing their greenhouse emission enough to sustain life. He said he represents the Climate Action Team and will continue to advocate for more solar energy in the City. The Climate Action Team would like to see 100% renewable energy in ten years. He suggested when 30-40% of the houses in the City begin producing electricity with solar means or if the ordinances are changed so the City can put solar on the flat roofs of the commercial buildings or canopies on the large parking lots on Campus, fixed costs would be paid mostly by those who don't have solar panels. But if they have solar panels, they reap the benefits and maybe that's an incentive for everyone to put solar panels on their houses.

Mr. Gartin asked if he or the Climate Action Team have a position for net metering. Mr. Klaas said they haven't had a chance to meet to talk about it, but they believe increased solar is important.

Marybeth Buchele, 4122 Cockrane Parkway, Ames, said she built a home six years ago with the intent to put solar on the south end of the roof which faces a large creek. Looking at the project, they thought they could put in 35% of electric usage, however, before they could get the solar panels in, the City changed the compensation. The project went from an eight-to-ten-year payoff to a 35 to 50-year payoff. The change in the compensation has shut down individuals putting in solar projects because the payoff is not there. The numbers for the power packs show the payoff in 20 years, with \$30 more in electrical credits than what was paid in the beginning with the price of the Power Pack. Financially, solar has been made to not be economically feasible in Ames.

No one else wished to speak, so Mayor Haila closed public input.

Director Kom suggested staff could use the Alliant model to figure out what the numbers would be for the City. The original program was that extra energy could be theoretically stored and brought

back, but that didn't capture the fixed costs. He said the City's new Energy Services Coordinator Kayley Lain reminded him that someone had asked about the capacity value of solar. A rebate is offered on that, and the City has paid out more than \$218,000 in rebates for customer-owned solar.

Mr. Gartin asked if they do something tonight, it's not set in stone forever; they can always come back to visit this in the future if they were to leave things as EUORAB recommends. Mr. Kom confirmed Council can reassess and change this program at any time.

Council Member Amber Corrieri said she would be interested in getting additional information in looking at the numbers as it relates to the Alliant model or any of the other models and how it relates to what they are currently doing.

Mayor Haila said the issue would come back to Council, not to EUORAB. Mr. Gartin said he would be supportive to have EUORAB look at the numbers. Ms. Corrieri said the Council may want to change, but in order to do that and make the right decision, she would like more information from staff. Ms. Betcher said EUORAB should look at the Alliant model since they have not considered that.

Moved by Corrieri, seconded by Beatty-Hansen, to have staff bring additional information back to Council and EUORAB on the Alliant Model and a different model to see a comparison of those to what they are doing now.

Mr. Gartin said he would be supportive with the expectation that EUORAB receives the information and that Council gets a chance to hear from them.

Council Member Beatty-Hansen said it's a good thing to investigate other systems for potential room to grow in the incentives of solar. Mr. Martin said he is more interested in a greater incentivization, not just more information. He asked to amend the motion to ask for an eye toward improving the incentives for solar. Ms. Beatty-Hansen said she is also supportive of that.

City Manager Schainker confirmed they are looking for new models to increase the benefit.

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

RENTAL CODE CHANGES: Mayor Haila said there will be two or three options for public input, but not at this meeting. This is not to revisit and redo everything; tonight is to find out from Council if there are any items that they do not want to consider.

Building Official Sara Van Meeteren recalled that the City Council had held a workshop on June 18, 2019, to bring back options for the Rental Code as a result of the invalidation of the rental concentration cap by the State Legislature. The addition of the third Housing Inspector has allowed staff to more strictly adhere to the time frames set by Code for issuing a Letter of Compliance (LOC) because they can accommodate a higher inspection load.

Council had requested additional options for holding landlords accountable at the June 18, 2019, Council Workshop. All of the options classify violations using the same point system. Violations classified as simple misdemeanors (noise, nuisance parties, anything the police would site) would be assessed two points per occurrence and violations classified as municipal infractions (parking, garbage, snow removal) would be assessed one point per occurrence. To be considered an occurrence, the tenant and/or owner would have been issued a citation and been found guilty of the violation by the court. Once the property has accumulated four points in a lease cycle, it would be subject to the enforcement actions. The first option is to impose suspension/revocation, which would need clarification on when the suspension/revocation is to be effective. The second option is to increase annual registration fees, or introduce fees in addition to those already in Chapter 13. The third option is to use municipal infraction fees based on the point system. If, after the first enforcement action, the property accumulates four more violations in a year, it would be subject to the Second Tier of enforcement. The Third Tier of enforcement would be in effect for the third and subsequent occurrences.

The draft ordinance includes a provision that prohibits a property (not the owner) that has had the LOC revoked from being able to register as a rental for two years from the date of revocation. If the Council members should choose this option, they will also need to consider when the suspension should become effective. This decision will determine when the tenants would be required to vacate the unit.

Ms. Van Meeteren said 50 percent of the Code cases are on rental properties. There are only a couple Code sections that are only enforceable on rental properties: grass height and garbage containers. When you take those out of the equation, only 44% are on rental properties, so over 50% are on owner-occupied properties.

The second item was making illegal properties ineligible for an LOC. If a property is found to have been rented without a LOC, it would make them unable to apply for a LOC. If the Council members should choose to move forward with this, they will need to determine how long the ineligibility applies. The options are indefinite and tied to the property, ineligible for one year, or ineligible under same ownership.

The third item was rent abatement. It allows the City to prohibit the owner from accepting any rent. This provides an option for staff to provide information to the tenants on their legal options. Staff has added a subsection that would give them authority to use this tool when they are unable to get a landlord to make corrections required as the result of an inspection. Rent abatement could be used in addition to, or as an alternative to, a citation.

The fourth item was the removal of the consanguinity clause. Chapter 13 of the *Ames Municipal Code* includes those related to the owner within the first degree of consanguinity (mother, father, sister, brother) in the definition of "owner-occupied dwelling unit." This allows children of the owner to reside in a home without the owner present. In this situation, the child/children could have one additional paying roommate reside in the unit with them without being subject to the Rental Code.

If there were ever more than one paying roommate, the property would need to be registered as a rental property. Removing the consanguinity clause would eliminate the ability for owner's relatives from being considered owner-occupied. It was noted that it is impossible to know the number of properties this change would affect.

The last item was to freeze bedrooms in Near-Campus Neighborhoods. A list was obtained from the City Assessor's Office of all the bedrooms they have for all the owner-occupied properties in the Near-Campus Neighborhoods. It would freeze the bedrooms so if an owner-occupied property today wanted to become a rental tomorrow, they would be a rental with the number of bedrooms that is currently on file. If someone questions their bedroom count at the initial inspection, the Inspector will review Building Permit records. Should the inspector find a Building Permit dated prior to January 1, 2018, for an additional bedroom that is not reflected in the Assessor's records, the bedroom count will reflect the additional bedroom.

Moved by Beatty-Hansen, seconded by Corrieri, to discuss making illegal rentals ineligible for a Letter of Compliance.

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

Moved by Betcher, seconded by Beatty-Hansen, to discuss rent abatement.

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

Moved by Beatty-Hansen, seconded by Corrieri, to discuss removal of consanguinity.

Ms. Betcher asked Ms. Van Meeteren to clarify that this would be an option that is difficult to enforce or if it would not make any difference if they have an LOC. Ms. Van Meeteren said it would not be hard to enforce, but it would be hard to get the word out and get people to be compliant on the front end because they don't know how to reach those people.

Vote on Motion: 2-3. Voting aye: Beatty-Hansen, Corrieri. Voting nay: Betcher, Martin, Gartin. Motion failed.

Moved by Betcher, seconded by Beatty-Hansen, to discuss freezing bedrooms.

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

Moved by Betcher, seconded by Beatty-Hansen, to discuss holding landlords accountable for nuisance issues.

Vote on Motion: 3-2. Voting aye: Betcher, Martin, Beatty-Hansen. Voting nay: Gartin, Corrieri. Motion carried.

Illegal Rentals Ineligible for LOC: Ms. Beatty-Hansen said Option 3 looked the best to her, which is ineligible under the same ownership. Ms. Corrieri asked how the City would prevent someone from just changing the name of their LLC. Mr. Martin said he likes the one year better and Ms. Corrieri agreed. Ms. Beatty-Hansen asked if they could use the one year Transitional Letter of

Compliance for the one year that they are ineligible for an LOC. Ms. Van Meeteren said they could not use that. Mr. Gartin asked what is anticipated to happen to the property when someone gets tagged and they lose their LOC. Ms. Corrieri said the owner could sell it, could stop maintaining it, or they could let it sit vacant. Ms. Betcher added that they could occupy it or have a family member occupy it under the consanguinity clause. Ms. Beatty-Hansen said they could continue to operate it illegally until fines start to be imposed.

Council Member Gartin said he is frustrated by the efforts of people to circumvent the Council's efforts to create a uniform system. If people can't get income for an investment property because their LOC has been taken away, they can't pay their mortgage and that property will go to foreclosure or the owner would have to sell the property. Ms. Betcher advised that staff prefers to go with education first, then "drop the hammer" after that. Ms. Corrieri said if there were an illegal rental reported, they would be informed with a time frame to comply with the Rental Code, and if they failed to comply within that time, then they would become ineligible for an LOC. Ms. Van Meeteren confirmed that was correct. She said currently, when it gets to that point, they would issue a municipal infraction citation of \$500. Ms. Corrieri verified that instead of the current process, if they refuse to comply, they would now become ineligible for an LOC, so there would be a warning system in place.

Ms. Betcher said the people who are uninformed are going to take the education and do the right thing; and if they don't, that's what the system should be addressing. Mayor Haila asked what happens if it's not registered anyway and you can't get an LOC and they can continue operating illegally. Ms. Van Meeteren said it's a municipal infraction for each day that they are in violation. Once they are found guilty, the \$500 citation would go up to \$750, and then \$1,000. Ms. Corrieri asked what time frame they have to comply. Ms. Van Meeteren said the initial letter gives the property owner two weeks to contact the City to let them know what's going on and to begin the process of becoming compliant. If another letter is needed, they might give them another 14 days, but then if they aren't responsive, they would move forward with citations. The time frame allotted for the violation correction is detailed in the Code.

Mr. Martin asked if making someone ineligible for an LOC would have been useful in the past. Ms. Van Meeteren said, in her opinion, the fine would be more reasonable and is typically enough to get people to comply. Ms. Betcher asked if the fine was sufficient or if it should be increased. Ms. Corrieri pointed out that the fine is daily.

Building Official Sara Van Meeteren suggested structuring the Code language to make these consequences as options that the City could assign instead of having just one penalty. Ms. Corrieri said the vast majority of landlords maintain their properties. There is a matter of fairness to the landlord community if they allow illegal rentals to continue while requiring certain things from the people who are following the Code.

Mr. Leeson asked if there was value in considering potentially delaying the ineligibility of the LOC for the renter's sake to allow time for them to find another property to live in. Ms. Van Meeteren said

with the nuisance violations, the first category was suspension or revocation. Council needs to decide when it would be effective, which is similar to this. The renter could be allowed to complete their lease or by July 31st, whichever comes first. Or they could set a specific time frame like 30 or 60 days. A citation doesn't evict the tenants, but it does penalize the landlord for not complying.

Moved by Martin, seconded by Corrieri, to add ineligibility for one year to the toolbox available for dealing with the problem for illegal rentals.

Mr. Schainker confirmed that the penalty follows the property, not the owner.

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

Rent Abatement: Council Member Betcher asked if Iowa City has had any issues with trying to enforce the order. Ms. Van Meeteren said they have used the order four times and have not had any push-back and have not received any reports of retaliation on the renters. Ms. Betcher said initially, the order sounded like a good idea, but providing the information that that option is available is going to put that back in the court of the renters and they can decide. Mr. Martin said having an order from the City is a much stronger position for the renter, so maybe they can authorize the ability to issue the order with consent of the renter to give the renter more power to address the situation.

Ms. Betcher asked if this penalty option applies to any corrections that are required. Ms. Van Meeteren said Iowa City adopted what the *State Code* said and they added if it was an unregistered rental. The City of Ames is proposing to also add if the landlord isn't compliant with anything, not just life-safety, they can default to this penalty option.

Further discussion was had regarding the civil legal ramifications of this penalty between the renter and the landlord.

Moved by Martin, second Beatty-Hansen, to add the ability to issue an order to the toolbox of remedies as proposed for illegal unregistered properties plus any other violation.

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

Freeze bedrooms in Near-Campus Neighborhoods: City Council Member Amber Corrieri reminded Ms. Beatty-Hansen that the request is for Near-Campus Neighborhoods because they already froze rentals in Near-Campus Neighborhoods, now they are just discussing owner-occupied in the same area.

Ms. Corrieri said it's a fairness issue: if they are freezing bedrooms for all the current landlords, why would they allow new properties to come on line without the same rights. She would prefer to either get rid of the other one or make it apply to everyone. Ms. Betcher agreed with Ms. Corrieri. She said from the emails she had received from the landlords, they seem to support this because of the fairness issue. Ms. Beatty-Hansen clarified they could add a bedroom if they wanted, but wouldn't add occupancy if they went to get an LOC.

Moved by Beatty-Hansen, seconded by Betcher, to freeze bedrooms for owner-occupied properties in the Near-Campus Neighborhoods.

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

Holding Landlords Accountable for Nuisance Issues: Ms. Betcher said they received a suggestion which she thought was worth discussing: separating the issues of nuisance parties and noise complaints from issues outside maintenance issues that landlords actually could do something about. She proposed that they hold landlords accountable for those issues, but not the nuisance parties and the noise complaints because evicting residents is problematic. Ms. Corrieri asked if landlords are currently not being held accountable for maintenance issues. Ms. Van Meeteren said the Code allows them to revoke a LOC for any violation. Ms. Beatty-Hansen said, of all the options, financially holding someone accountable is preferable over the revocation of LOCs.

Council Member Betcher asked if the tools are in place, why are there still problems with uncleared walks, etc. She questioned whether it was a problem with enforcement ability due to limited staff. In response to Ms. Corrieri's question about any fines being assessed, Ms. Van Meeteren said she had no recollection of writing citations to landlords; it's more owner-occupied properties. Ms. Betcher said there seemed to be unresolved complaints and she doesn't know how to fix it.

Mr. Gartin asked for the legal perspective from City Attorney Mark Lambert on whether the landlord could be held accountable for actions of the tenant. Mr. Lambert said the City could do that; the landlord owns the property and controls the property. If the tenant isn't complying, the City can penalize the landlord who can then turn around and penalize the tenant.

Mr. Leeson said there are more rentals in Ames than owner-occupied properties, but the issues are happening more at owner-occupied properties, so he isn't sure that holding landlords accountable will be productive. Ms. Betcher explained that she was looking at this for everyone, not just rentals. Mr. Martin said if the City already has the ability to assess infractions and they are not using it, what good is it to come up with other consequences that will not be deployed as well. Ms. Corrieri agreed that the City should be enforcing the tools they already have.

Moved by Beatty-Hansen, seconded by Gartin, to move to delete holding landlords accountable for nuisance issues from the toolbox.

Mr. Martin commented that people can still submit complaints with Ames-on-the-Go.

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

Ms. Betcher said one suggestion for stepping up enforcement was to use some of the people who are already deployed like Community Safety Officers looking for parking violations; they could add inspections to things to look for.

Mayor Haila, reviewed that three of the five penalties will come back to City Council in a draft

ordinance. After that, there will be a two-week period for people to look at it. Council will come back again, and will have public input on those three items.

Mayor Haila called for a recess at 8:34 p.m. Council reconvened at 8:40 p.m.

VACATION LODGING: Planning & Housing Director Kelly Diekmann said the City Council had asked staff in June to bring back the discussion of the Guest Lodging Ordinance component. Vacation Lodging is the whole house rental through an Air B&B type of service. Council asked staff to bring back a report on how to manage those properties. Staff is looking for direction on whether they want to allow vacation rentals to exist in the licensing structure.

Mr. Diekmann said that there is a large variation of approaches utilized around the country as a means of restricting Vacation Lodging along with licensing. Some of these include:

- Prohibit (some cities are backtracking from previously permitting to restricting, such as Nashville)
- Allow only in higher density/commercial zoning districts
- Cap the percentage of licenses that may be issued
- Impose a separation distance between licensed Vacation Lodging units

Ms. Beatty-Hansen asked Mr. Diekmann to clarify whether someone operating an illegal short-term lodging would be ineligible for an LOC for one year. Mr. Diekmann said they would need to first distinguish the LOC issue from the guest lodging use since no version of this is allowed in the City right now. If the owner of an illegal rental wants to change and operate the property as a vacation rental, they wouldn't be able to do that if Council adopts the new Ordinance.

Ms. Betcher said vacation rentals are a commercial use and asked for a vacation lodging definition. Mr. Diekmann said vacation rentals are a short-term lodging use, so the Code considers hotels and motels as a version of residential use, but they are a separate category. By definition they pay Hotel/Motel Tax, whereas, a rental property, which is a household living use, does not pay taxes on the leases of the residents, so it is distinguishable. Vacation lodging is put under a residential category instead of a commercial category, but it is only allowed in a commercial zone right now.

Mr. Gartin suggested that they could treat these properties as regular rental property, but the argument against that is the temporary status; the turnover makes it a different situation than someone who will lease a house for a year. Ms. Beatty-Hansen said not only in the attention that's given to the property by the resident, but also the need of the traveler versus the need of residents to reside in a place for a long period of time.

City Council Member Gartin explained, in terms of the impact on the neighborhood, there is a sufficient difference between two houses: one has a long-term tenant and the other is circulating on a monthly basis. There is enough of a difference to give them a different status. Mr. Diekmann said the Zoning Code does that. The question is if they will allow for a use that the Zoning Code has already said is different in residential zones.

Ms. Beatty-Hansen said it's not only the physical appearance and maintenance of the property, but also the needs in the community. There is a need for affordable owner-occupied housing and affordable rental housing, and the needs of the traveler and the two in this case are competing.

Ms. Betcher said she has been reading various studies that show that most places that have vacation rentals, you see a decline in available long-term rentals because it's more lucrative to have a short-term, and the prices for other renters go up in the community. Mr. Gartin asked what would be left of the units that are there now if they were to limit vacation lodging to exclude it from residential zones. Ms. Corrieri clarified that this is regarding people who registered for a LOC and are operating a short-term lodging property. Mr. Diekmann said they don't have the Home-Occupation Permit to do what they are doing. If you don't live there, there is no permit to get; it can't be grandfathered because it's never been established.

Council Member Beatty-Hansen said this cuts into the affordability of owner-occupied and rental housing stock. They are allowing a short-term residential use into areas that are zoned for long-term residential. Mr. Gartin said they are trying as the City Council to make decisions about how people use their properties because the City is going to try to move the needle one way or another. The reason was for the impact on the neighborhoods. The hook is that short-term rentals have a different enough impact on neighborhoods. Ms. Betcher explained that she has been voting against this from the start because she thinks it impacts neighborhoods that an owner-occupied short-term rental does not. It's the cycling of the population through the areas that causes the issues, not necessarily the degradation of properties.

Mr. Gartin asked for evidence of problems and wanted to know what they are trying to solve. Ms. Corrieri said they can be an asset to a neighborhood and provide an alternative for people who are staying for more than one night. She commented that she is more in favor of looking at a separation distance as that would potentially help to eliminate some of the neighborhood issues. Ms. Betcher said they would have to include regular rental properties in that too.

Director Diekmann said they can't separate rental properties. The permitting of vacation lodging has to be separated from a rental property. Ms. Betcher explained that looking at the proximity of one vacation lodging to another, they are discounting the other rental properties in the area so there could be an entire block of rentals of various terms. She said she is concerned with the stability issue for the neighborhoods that led them to pass the rental caps in the first place.

Council Member Martin said he does see the superior hospitality benefit to have some housing types to accommodate different needs. It's also on the spectrum of problems that lead to his support of the rental cap namely that long-term residential neighborhoods develop social structures. He believes that if you remove the long termness of those terms, it disintegrates the coherence of the neighborhood. Vacation lodging increases the cycling, and he would rather these properties contribute to the lifeblood of the neighborhood.

Mayor Haila reminded the Council that under the goals in addressing housing needs, the last one was

to incentivize converting rental houses back into single-family units, and this would do the opposite.

The Mayor opened public input.

Helen Gunderson, 1626 Burnett, Ames, said she lives in a house and owns the house next door. She currently rents it out very carefully. She said someday she might like to change it, not to vacation, but to people needing to stay for a conference or for a funeral or a hospital. She recommended that Council took out the term “vacation”. She suggested thinking of a way to differentiate between highly commercial or where someone makes minimal money and uses it mainly for charitable purposes.

Ryan Houck, 65697 190th Street, Nevada, said at the end of this month, they have someone staying there who lives in Ames and is having construction done at her house for a week or two. He said this is another example of an Ames citizen using an Air B&B. Ms. Corrieri asked if there was an option that he would recommend. He said he was very amenable to all of the options except Number 2.

Mayor Haila closed public input after no one else came forward to speak.

Moved by Betcher, seconded by Beatty-Hansen, to not allow vacation housing city-wide.

Mr. Gartin asked if that includes high-density areas also. Ms. Betcher said her motion is because the legislature might perceive it as Council trying to limit certain areas and not others. She said she is not convinced this is good for the economy when they need more affordable housing and long-term rentals.

Vote on Motion: 3-2. Voting aye: Betcher, Martin, Beatty-Hansen. Voting nay: Gartin, Corrieri. Motion carried.

Council Member Martin said he does like the idea of having this be possible somehow, some time in Ames, as it can be a better hospitality experience for some people. Ms. Corrieri said Council is effectively putting people out of business who have been trying to work with Council for over a year to continue operating responsibly in this community. She also noted that Council Member Nelson was absent.

Moved by Beatty-Hansen, seconded by Martin, to reconsider this topic until Council Member Nelson was in attendance.

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

Mr. Martin said he is uncomfortable with saying anywhere in the City and that he believes it should be more restricted than that.

Moved by Beatty-Hansen, seconded by Betcher, to table this until the next Council meeting when the full Council can be present.

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

HEARING ON CREATION OF A NEW CHAPTER OF THE AMES MUNICIPAL CODE, KNOWN AS CHAPTER 35, GUEST LODGING: Planning and Housing Director Kelly Diekmann said staff provided an alternative to the Council Members not to take action on this tonight if they did not resolve the vacation lodging issue. The first step was for the Council to decide if it wanted to proceed with this tonight or not since the other issue was deferred.

Mayor Haila asked what is recommended procedurally. City Attorney Mark Lambert said to open the public hearing and then have a motion to continue to the hearing to a future date.

Mr. Diekmann said they have had input along the way without a public hearing. He asked if there was anything else that needed to be changed in the Ordinance that they haven't heard yet since June other than the vacation lodging question.

Moved by Martin, seconded by Beatty-Hansen, to add a carbon monoxide detector to the checklist for fire.

Mayor Haila said they can open the hearing, and continue it until Council Member Nelson gets back, or wait until they have a decision on vacation lodging. He said Mr. Diekmann asked if there were any other changes that needed to be added before coming back with the Ordinance.

Mr. Martin said has been opposed to this because of the lack of the safety requirement. There is a carbon monoxide requirement to get an LOC somewhere in the ordinance. Mr. Diekmann said it's in Chapter 13 but is only in relation to furnaces. Mr. Martin said guest lodging likely has a furnace, so the way he understands it, the current draft of the ordinance is that it currently does not have a comparable carbon monoxide requirement and he would like it to.

Mr. Diekmann said apartments don't require this either. The guest lodging for home shares are viewed as owner-occupied homes and would not have an LOC in the first place. Mr. Martin said they have added safety requirements to allow them to be used for guest lodging and this is an aspect of safety requirement that is appropriate for a home share that the owner may not be there.

Council Member Betcher asked if it would be possible to refer to the code by saying when a carbon monoxide detector is required by the rental code so that it loops in the furnace or the other things that the rental code acknowledges. Mr. Diekmann said they would need to talk to the building department for codes. He said staff can bring language back to insert it prior to first reading. Mr. Gartin said it's not good governance to put something in the ordinance without having a chance to talk to staff. Mr. Martin said he isn't asking for language to be added, he asked for a concept.

Moved by Martin, seconded by Beatty-Hansen, to include a carbon monoxide detector requirement proposal from staff.

Vote on motion: 5-1. Voting aye: Betcher, Martin, Beatty-Hansen, Corrieri. Voting nay: Gartin.

Motion passed.

Mayor Haila opened the public hearing.

Moved by Gartin, seconded by Beatty-Hansen, to continue the hearing to August 13.

Mr. Diekmann asked if everyone will be present at that meeting. Ms. Beatty-Hansen said she will be absent.

Moved by Gartin, seconded by Beatty-Hansen, to withdraw the motion as it was not viable.

Motion withdrawn.

Moved by Gartin, seconded by Beatty-Hansen, to continue the public hearing to August 27.
Vote on Motion: 5-0. Motion carried unanimously.

Moved by Betcher, seconded by Gartin, to continue the hearing until August 27.
Vote on Motion: 5-0. Motion declared carried unanimously.

HEARING ON CONVEYANCE OF CITY OWNED PARCEL LOCATED AT 734 E. LINCOLN WAY: Mayor Haila opened the public hearing. No one came forward to speak, and the hearing was closed.

Moved by Gartin, seconded by Betcher, to adopt Alternative No. 1, thereby approving the conveyance of City-owned property located at 734 E. Lincoln Way less the northern 60' in the amount of \$10,489, based on the Council policy for establishing a sale price for City-owned property.
Roll Call Vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes

HEARING ON VACATION OF PUBLIC UTILITY, SURFACE WATER FLOWAGE, AND STORM SEWER EASEMENTS AT 397 WILDER AVENUE:

Moved by Beatty-Hansen, seconded by Gartin, to continue the public hearing until August 13, 2019.
Vote on Motion: 5-0. Motion declared carried unanimously.

Moved by Betcher, seconded by Beatty-Hansen, to table until August 13, 2019, accepting donation of Parcel A from Sunset Ridge Property Owners' Association for future park land.
Vote on Motion: 5-0. Motion declared carried unanimously.

HEARING ON PLANNED RESIDENCE DISTRICT (F-PRD) AMENDMENT AND MAJOR SITE DEVELOPMENT PLAN FOR SUNSET RIDGE SUBDIVISION 9TH

ADDITION AT 130 WILDER AVENUE: City Planner Eloise Sahlstrom reviewed the Plan. She advised Council that the property owner wants to go a different direction than originally approved

for 125 and 130 Wilder Avenue. Instead of having 20 townhomes located on each side of Wilder, the property owner now is interested in developing 130 Wilder Avenue into 15 detached single-family units on small lots.

Staff believes accommodating on-street guest parking would be a desirable element of development and could be included with the project. Widening the road by two feet would allow for three guest parking spaces in the street between driveways. The applicant requests to use parking on individual sites to meet requirements. Parking for owners and guests is proposed as the two-car garages and two spaces within the driveway on the site. The applicant also counts two additional spaces on the driveway approach that extends into the common area of the private street.

Ms. Sahlstrom said notices were mailed to the property owners. They have had some inquiries, but no objections. Staff's recommendation is to approve the 26-foot private drive with on-street parking and the condition that the Final Plat be completed for the subdivision.

Planning and Housing Director Kelly Diekmann advised Council if it approves Alternative 1, it would only widen the street by one foot on each side so it would just be done administratively instead of bringing it back to Council to see the wider street. Ms. Betcher asked what the size of Wilder Lane was on the original plan when it was originally approved. Mr. Diekmann said the street was 24-feet-wide because each side had a guest parking lot in it; but in this case, there is no guest parking in the street. Ms. Betcher asked how many cars can be parked in a 40-foot driveway. Mr. Diekmann said they wouldn't count the part that is the apron to the street, so they would say it's a two-car driveway. Ms. Corrieri asked if there were examples of 24-foot roads. Mr. Diekmann said there are some components of Stonebrook Road and Woodhaven Circle. A more recent PRD is on Brickman Avenue but it is wider and it has parking built into it. The bigger projects would suggest a parking area is necessary, but not with this size.

Mr. Gartin said the PRD is designed to give more latitude for the design perspective. Mr. Diekmann said it is to allow for options and maybe not meet all the requirements. He said they are pushing this because there is no public street parking on Wilder, so they would be asking for parking to be up a block.

Council Member Martin asked to know, if the street were not widened to 26 feet, what would the negative impacts on the residents be and what is the City's interest in requiring better parking. Mr. Diekmann said there is no permit parking on Wilder, so if someone were to park there, it would not be good. The PRD does not have specific standards for parking, so it is reviewed on a case-by-case basis.

Further discussion ensued regarding parking and functional elements of the project.

Applicant Justin Dodge representing Hunziker & Associates, 105 S 16th Street, Ames, said the concerns they keep hearing with new construction is that it costs too much and everything looks

exactly the same. They listened and responded, and this is their first solution at addressing those topics. Destiny Homes will be the builder of these homes. They have four floorplans that fit on any of the lots with different elevations, different roof lines, and different colors. The townhomes across the street didn't sell as well as they had hoped, so they are switching gears. Hunziker will be the developer on the project and they will sell the lots right away to Destiny Homes. If the lots can be kept at the price believed, homes can have a delivered sales price at \$220,000 for brand new construction. These have been built in the Des Moines Metro and have been very successful. They can easily fit four full size vehicles in the driveway and then still have two more parking stalls in the garage. That's six parking spaces per home, which are two- and three-bedroom houses.

Ms. Betcher asked what the implications would be if they say they need the 26-foot street. Mr. Dodge said they would need to go back to engineering and relocate the storm sewer and the water line, which would cost them time on engineering. The cost of paving is \$3700 or \$250 for each lot, but they are more concerned about losing out on the construction schedule. He said a contractor ordered the structures already and Destiny Homes is hoping to get started on these stick-built homes this year.

Mayor Haila opened the public hearing. No one came forward to speak, so he closed the public hearing.

Ms. Betcher said one of the trends with private roads is that homeowner's associations often come back to the City and ask them to take over the maintenance of the private roads. She said she is also concerned about making sure lots of cars can be parked, but this is adding impervious surface in order to park more vehicles. But they are also ensuring that the ingress and egress of emergency vehicles is possible on a 26-foot street. Ms. Beatty-Hansen said, in general, she is not in favor of more parking, so the driveway parking seems sufficient.

Moved by Gartin, seconded by Corrieri, to adopt Alternative 2, thereby approving the proposed PRD Amendment and Major Site Development Plan as proposed by the applicant with a 24-foot-wide private street and the condition to complete the Final Plat of the Sunset Ridge Subdivision, 9th Addition.

Mr. Martin said land in Ames is expensive; this was an attempt to try to minimize the footprint and maximize the utility of the land, so he believes it's a good small test-run.

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

PRELIMINARY PLAT FOR SUNSET RIDGE SUBDIVISION, 9TH ADDITION (130 WILDER AVENUE): Moved by Corrieri, seconded Beatty-Hansen, to adopt Alternative No. 1, thereby approving the Preliminary Plat for Sunset Ridge Subdivision, 9th Addition.

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

HEARING ON ASBESTOS REMEDIATION AND RELATED SERVICES AND SUPPLY CONTRACT FOR POWER PLANT: Mayor Haila opened the public hearing. Seeing no one who wished to speak, he closed the public hearing.

Moved by Beatty-Hansen, seconded Betcher, to adopt Alternative No. 1, thereby awarding the contract for Asbestos Remediation and Related Services Contract for the Power Plant to Earth Services & Abatement, LLC of Des Moines, Iowa, for unit prices bid in a total amount not to exceed \$80,000.

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

HEARING ON NON-ASBESTOS INSULATION AND RELATED SERVICES AND SUPPLY CONTRACT FOR POWER PLANT: The public hearing was opened by Mayor Haila. After no one came forward to speak, he closed the hearing.

Moved by Beatty-Hansen, seconded Betcher, to adopt Alternative No. 1, thereby awarding the contract for Non-Asbestos Insulation and Related Services and Supply Contract for Power Plant to HTH Companies, Inc., Union, Missouri, for unit prices bid in a total amount not to exceed \$80,000.

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

HEARING ON SOUTH GRAND AVE – SOUTH 5TH TO SQUAW CREEK DR AND SOUTH 5TH ST – SOUTH GRAND AVE TO 600’ WEST OF SOUTH DUFF AVENUE: Mayor Haila opened the public hearing and closed it due to no one coming forward to speak.

Moved by Betcher, seconded Beatty-Hansen, to adopt Alternative No. 1, thereby accepting the report of bids for the South Grand Ave – South 5th Street to Squaw Creek Drive and South 5th Street – South Grand Avenue to 600’ west of South Duff Avenue; approving the final plans and specifications for this project, and awarding contract to Peterson Contractors Inc. (PCI) of Reinbeck, Iowa, in the amount of \$3,159,304.15, contingent upon receipt of Iowa DOT concurrence.

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

ENGINEERING FOR TRIPP STREET EXTENSION: Public Works Director John Joiner said the City of Ames was working with J-Corp on a partnering agreement for development of the former Ames Middle School site at 321 State Avenue. As a part of working toward the Agreement, J-Corp retained FOX Engineering to design plans for the potential subdivision layout and infrastructure elements. In early 2018, it was decided that an agreement would not be pursued any further. City of Ames Engineering staff was then asked to develop plans and specifications for the extension of Tripp Street through the site.

At the December 18, 2018, City Council meeting, staff reported on the engineering effort for the 321 State Avenue development. At that time, it was stated in the report that City staff did use the FOX

design in creating a profile for Tripp Street. Following that report, FOX Engineering requested a meeting with City staff to discuss similarities between the City's Tripp Street design and the FOX design for the overall subdivision and infrastructure. The roadway alignment followed existing storm sewer and the vertical profile elements of the City plans matched those of FOX. Because of using the FOX alignment, it was pointed out that elements such as pedestrian ramp design inevitably matched as well. Both plans also included a pond and storm sewer at the lower east side of the project. While the pond in the City plans was initially utilized for providing roadway fill for the project, rather than specifically for stormwater management, it was identical to the stormwater system designed by FOX. However, as the City moves forward with subdivision of this area, the pond will likely become a component of the stormwater management plan. Although other elements such as the western part of the storm sewer system and the water main design did not directly match the FOX plans, it was pointed out that these elements needed to be designed along with the engineering effort for those components that were a match between the two designs.

At the request of City staff, FOX submitted timesheets showing its staff's effort for project components such as the preliminary plat, preliminary design, stormwater management, survey and construction plans, which totaled \$57,339.05. Since FOX's client on this project was J-Corp, not the City, an agreement has been drafted which provides for payment by the City to J-Corp, which will subsequently transfer these funds to FOX. In turn, the City would own the work product outright and have it available for use on additional elements and phases as the project continues to move forward.

Mr. Gartin asked if there was anything that might've been done differently with respect to the way the City dealt with JCorp. Mr. Joiner said the main relationship was between Planning and JCorp. The City should've sat down with FOX before the plans were developed to find out what the plans were before moving forward. He stated that there was no consulting between FOX and Public Works.

Mayor Haila opened public input.

Duane Jensen, representing JCorp, 4795 Timbercreek Lane, Huxley, said on June 24, 2019, without any direct conversation with City staff since December of 2018, in regards to 321 State Avenue, he found that JCorp was on a consent agenda stating that JCorp had agreed to a payment for a settlement of a dispute with the City of Ames and was releasing the City of responsibility for the alleged prior use of FOX Engineering work product. Had not seen such documents. Council awarded JCorp \$293.10 on December 18, 2018, based on City staff's report to Council on their minimal reliance on FOX's work product for their engineering time savings. Mr. Jensen said he has not received that check, but was made aware by FOX that City staff was being challenged by FOX as to staff's actual use of FOX's work product and the amount of staff's time-saving accordingly. He said that Council Member Gartin had asked his son, Ben, for the amount expended on the project and what amount JCorp would feel was fair as the City's portion of reimbursement. Ben Jensen had responded with \$90,000 total, and half of that, \$45,000, would be fair. This proposed agreement and release is higher yet. Mr. Jensen said he would prefer an amount without the entanglements of agreements, purchases, and releases. He does have high expectation for the record being set straight

as to the reality of what City staff used of FOX Engineering's work product in the Tripp Street extension engineering documents.

City Council Member Gartin asked Mr. Jensen what he would like Council to do. Mr. Jensen said that in January, Ms. Betcher directed staff to come back with options to reimburse JCorp for its work on 321 State. Eleven months later, that came back to staff as \$293.10. He said seven months have passed and he has not been in any of the conversations, but somehow it's gotten to the point of a signed agreement and release of liability back to the City for their use of the documents. He said he would like to go back to January 2018 and allow Council to answer its own question about what that number should be and forget the whole agreement and release, which means nothing to him.

Mr. Gartin asked if paying FOX will resolve any remaining issues with JCorp in the City's perspective. Ms. Beatty-Hansen said she doesn't see a difference in the separation. Mr. Martin said the agreement has to be signed by all three parties. Mr. Joiner said the agreement has been signed by FOX and JCorp. Mr. Gartin said if Mr. Jensen signed it, then that is a sign that he is in agreement with the resolution. Mr. Jensen said he had to sign the agreement to put it on the agenda; staff wouldn't put it on the agenda without a signature.

Moved by Gartin, seconded Betcher, to adopt Alternative No. 1, thereby approving an agreement with J-Corp and authorizing payment to J-Corp of \$57,339.05 from unobligated General Obligation Bond funds.

According to the terms of the agreement, J-Corp will transfer these funds to FOX Engineering.

Council Member Betcher said she made the motion in January to keep the ball rolling. She said it was not a request specifically for reimbursement from JCorp. She said it would've been better if Council had gotten information that came from a comparison of the documents with FOX working through that.

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

FLOOD MITIGATION RIVER FLOODING (CARNEY PROPERTY ACQUISITION):

Municipal Engineer Tracy Warner reviewed the information contained in the Council Action Form. On June 25, 2019, Ames City Council had considered the request to acquire property located at 1008 and 1016 S. Duff Avenue. Direction was given to staff at the meeting to inquire with Iowa Homeland Security about the finer points of the timing of an acquisition versus reimbursement for the FEMA Grant.

Mayor Haila said the crux of the matter is that Carney wants an agreement that says the City is going to purchase the property regardless of the project moving forward or not.

City Manager Steve Schainker said the options are to purchase the easement or to purchase the

property. Mayor Haila noted that the property owner is not interested in selling the easement. Council Member Martin said if the City agrees to buy the property and the grant doesn't come through, then the City will pay the full \$356,000 for the property. If the grant does come through, and they get the cost-sharing that they anticipate, then they only pay \$89,000 for the property. Mayor Haila said if the grant doesn't come through, then the City paid \$300,000+ for an inaccessible property out of taxpayers' money.

Ms. Betcher asked Ms. Warner to confirm if the City were to purchase the property, there was nothing it could do to improve the flooding situation if it didn't go through with the FEMA project. Ms. Warner said they can do a partial project and improve some conveyance under the bridge. Ms. Betcher asked if there was an area able to be developed if the City only bought the easement.

Ms. Warner said the City would not be buying the whole parcel, but of the part that would be acquired 19% is already in the flood fringe, and 61% in the floodway. Of the portion the City is buying, only 20% is outside of the flood limits. The 19% in the fringe would have to be elevated for an approved use. Ms. Betcher asked if they got an easement instead, would it allow more development for someone else to use the remainder of the space. Mr. Joiner said, with an easement, there could be a potentially bigger footprint building.

Ms. Betcher asked if it was enough of a buy-down to make it worth the money being spent. Mayor Haila said only 20% is developable anyway, so it would be very difficult to develop. Ms. Warner said she has an update that Iowa Homeland Security staff is meeting tomorrow with FEMA to go over the application. City staff has invited them for a site visit next week or at their earliest convenience. Mayor Haila asked if it's a positive sign if the application is moved for further review. Ms. Warner said they have gotten a lot further than in 2017, so it's a good sign. Mr. Gartin confirmed that nothing has changed and that staff is only recommending to buy the easement because there isn't enough justification from a flood water management approach to warrant paying for the full property.

Ms. Betcher said Council received a suggestion from Mr. Winkleblack in an email that if they were to buy the property, that Carney's would be amenable to not close things until May. She asked if that would be long enough to know if they are getting FEMA money or not. Ms. Warner said she was told the City would get the money in January, but things were delayed. Mr. Joiner said the commitment would be based on construction, and the timing could be delayed until they find out about the grant, but the contingency to buy the land cannot be based upon the grant.

Chuck Winkleblack representing Hunziker Companies, 105 S 16th Street, Ames, said the owners just want to have some date in there. He said they can be flexible, they just need to know if they will be moving forward or not. Mr. Gartin asked what they would like Council to do. Mr. Winkleblack said he would like Council to do whatever they can to move it forward to say that they are going to agree to buy the parcel and they will move forward when the money comes in.

Council Member Gartin clarified that Mr. Winkleblack and Carney's are wanting Alternative 2.

Mayor Haila asked if the City can reapply for funding, if needed. Ms. Warner said if the grant money becomes available, they can reapply. She said they have gotten word from DOT that they are looking at replacement of the Highway 30 bridges in 2023. So if the City doesn't get the funding, they should consider taking a step back and see what the impact of the hydraulic bridge replacements are. Mr. Gartin said staff can't justify using tax payer money for a fee simple acquisition, but this has been dragged out for a long time. He said Council needs to treat people fairly and not string the project along for several years.

Ms. Warner asked, if the sellers are not willing to give an easement, if the City is in a place to negotiate or would it just go to eminent domain. Ms. Beatty-Hansen asked how much a fight is worth if they don't agree to the terms of the easement. She also asked if there is any potential recreational value to the land to create an access point for recreational use If FEMA funding doesn't come through. Ms. Warner said there is potential and they can explore those options.

Moved by Beatty-Hansen, seconded by Gartin, to direct staff to move ahead with the intent to acquire a fee simple acquisition for \$356,000 for the front property at 1016 S. Duff and a permanent easement for \$6,840 for the rear property at 1008 S. Duff.

Ms. Schainker suggesting adding a due date. Mr. Winkleblack recommended 2020.

Moved by Beatty-Hansen, seconded by Gartin, to amend the motion to add by December 31, 2020.

Ms. Betcher said this motion is troubling to her as she has been voting no on the whole mitigation strategy all the way through. She likes the idea of buying the land for the purpose that Ms. Beatty-Hansen suggested and to give closure to Carney's, but it also enables them to do the project that she's been voting against so she feels like she needs to continue to vote no even though she feels like this is the right thing to do.

Ms. Warner said a Federal Land Acquisition process is needed. Mr. Haila asked if this is to remain a verbal agreement or if they needed to obtain a written agreement without any money. Ms. Warner confirmed that as long as no money changes hands, they can enter into an agreement in writing to purchase it as long as it's not contingent upon the grant.

Vote on Motion: 3-2. Voting aye: Gartin, Beatty-Hansen, Corrieri. Voting nay: Betcher, Martin. Motion declared carried.

ORDINANCE ON ZONING TEXT AMENDMENT TO CHAPTER 29.401(5) TO ALLOW MULTIPLE BUILDINGS ON SINGLE LOTS IN CERTAIN ZONING DISTRICTS: Public input was opened by Mayor Haila and then closed after no one came forward to speak.

Moved by Beatty-Hansen, seconded by Corrieri, to pass on second reading the Ordinance amending Chapter 29.401 to allow multiple buildings on single lots in certain zoning districts.

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

ORDINANCE NO. 4389 REZONING 3315 S. RIVERSIDE DRIVE FROM AGRICULTURAL TO RESEARCH PARK INNOVATION DISTRICT: Moved by Corrieri seconded by Betcher, to approve the third passage and adopt ORDINANCE NO. 4389 rezoning 3315 S. Riverside Drive from Agricultural to Research Park Innovation District.

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

DISPOSITION OF COMMUNICATIONS TO COUNCIL:

Letter from Heartland Senior Services dated July 15, 2019, Re: Request to transfer title of the property and building that HSS occupies at 205 S. Walnut to Heartland Senior Services:

Moved by Corrieri, seconded by Gartin, to place on a future agenda.

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

Memo From Damion Pregitzer, Traffic Engineer dated July 19, 2019, Re: Update on Inclusion Crosswalk at 5th Street and Douglas:

Moved by Corrieri, seconded by Beatty-Hansen, to direct the City Attorney to bring back a memo on liability with regards to continuing to paint the crosswalk with the original plan.

Mr. Martin asked if colored pavers would be equally compliant or non-compliant. Mr. Schainker said in order to get it done for Pride Week the cost would be \$63,000. Mr. Joiner said earth tones are deemed to be appropriate as long as the crosswalk is delineated. Mr. Schainker asked if they could do this in some other form than a crosswalk to be done by September. Ms. Corrieri said they are trying to embrace the inclusivity, not just for a specific event; so timing is not as important.

Moved by Corrieri, seconded by Beatty-Hansen, to get a memo from staff along with the memo from the City Attorney for alternative options they might recommend.

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

Memo From Damion Pregitzer, Traffic Engineer dated July 19, 2019, Re: Rectangular Rapid Flashing Beacons:

Ms. Betcher said there was a request on S 16th Street as well as the one on Stanton. Ms. Beatty-Hansen said they didn't refer them. Ms. Betcher said those requests would've gotten more traction had they not realized that they were prohibited at that time. *Ex Officio* Devyn Leeson asked for other input in other places that students think they're needed.

Moved Betcher, seconded by Beatty-Hansen, requesting a memo from staff on the possibility of rectangular flashing beacons on Stanton and Lincoln Way and S. 16th Street at Copper Beech.

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

Letter from Kurt Friedrich and Luke Jensen dated July 18, 2019, Re: Request to explore the use of 1) TIF (tax increment financing) to fund Pioneer infrastructure in not just commercial, but residential

development 2) review the way it has approached rural water buyouts; 3) consider extensions of utilities into areas desirable for expansion 4) Consider other available tools/resources as it applies to incentivizing desired residential and commercial development:

Ms. Corrieri said the request is pretty broad; this is so big that they need to have a larger conversation during goal setting. Ms. Beatty-Hansen said some of it will depend on conversations they have had as they are developing the Comprehensive Plan. Mr. Gartin said the letter is heavily on the role of the City on providing infrastructure.

Ms. Beatty-Hansen said each item is substantial on its own and would take a lot of time to work through. Ms. Corrieri said it is all about affordability and diversity of housing, and a memo will not satisfy it. Mayor Haila said it should be a workshop topic.

Moved by Gartin to refer to staff for development of a workshop on the subject of tools available for approving affordable housing. Motion died for lack of a second.

Moved by Betcher, seconded by Gartin, to refer to staff for a memo on the background on the issues that were raised in the email and anything else they see is related.

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

Letter from Paul Livingston dated June 21, 2019, Re: Annexation of Champlin Lloyd Farm:

Mr. Schainker referred to Director Diekmann regarding the memo staff provided. Mr. Diekmann said staff had asked for direction on what kind of annexation to pursue. Staff provided a memo or staff report. He said they had told Champlin Lloyd Farm representatives that they can apply for annexation at any time. They want to know what the expectations of the City are before applying and whether the City would accept them applying for an annexation. They have never discussed merits or anything that goes into the development.

Council Member Martin said if they submitted an application, Council would have enough information to make a decision. Mayor Haila asked if the annexation would create an island. Mr. Diekmann said they can apply and Council will consider when the application is in, or they can add it to an agenda to discuss options and then wait for them to apply. Ms. Beatty-Hansen confirmed that they are waiting for permission to apply.

Moved by Martin, seconded by Beatty-Hansen, to communicate with Paul Livingston that he is free to apply for the annexation.

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

COUNCIL COMMENTS: Ms. Betcher reminded Council of the Rummage Rampage schedule and location.

Mr. Martin commented that there was a meeting discussing a mystery internet provider and they are on track to get a report in August. Since then, the City has had interest from another provider as well.

Moved by Gartin, seconded by Beatty-Hansen, to refer to staff for ideas for field trips in lieu of workshop meetings.

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

Moved by Corrieri, seconded by Beatty-Hansen, to get information from the City Attorney on whether there is a way to allow currently operating guest lodging businesses to remain if disallowing them in low-density neighborhoods.

Ms. Betcher asked if this is for houses in any area. Ms. Corrieri said if they are going to do anything, it would be in medium- or high-density areas.

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

ADJOURNMENT: Moved by Beatty-Hansen to adjourn the meeting at 10:59 p.m.

Rachel E. Knutsen, Deputy City Clerk

John A. Haila, Mayor



REPORT OF CONTRACT CHANGE ORDERS

| | | |
|-------------------------------|-------------------------------------|------------------------------------|
| Period: | <input type="checkbox"/> | 1 st – 15 th |
| | <input checked="" type="checkbox"/> | 16 th – End of Month |
| Month & Year: | July 2019 | |
| For City Council Date: | August 13, 2019 | |

| Department | General Description of Contract | Contract Change No. | Original Contract Amount | Contractor/ Vendor | Total of Prior Change Orders | Amount this Change Order | Change Approved By | Purchasing Contact (Buyer) |
|-----------------|---------------------------------|---------------------|--------------------------|------------------------|------------------------------|--------------------------|--------------------|----------------------------|
| Human Resources | Workers Comp Admin | 1 | \$55,000.00 | EMC Risk Services, LLC | \$0.00 | \$4,007.24 | B. Walton | KS |
| | | | \$ | | \$ | \$ | | |
| | | | \$ | | \$ | \$ | | |
| | | | \$ | | \$ | \$ | | |
| | | | \$ | | \$ | \$ | | |
| | | | \$ | | \$ | \$ | | |

Applicant License Application ()

| | | |
|--|-----------------------------|--------------------------|
| Name of Applicant: <u>Nicole Schneider</u> | | |
| Name of Business (DBA): <u>The Whimsical Wine Trailer</u> | | |
| Address of Premises: <u>1407 University Blvd.</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50010</u> |
| Business <u>(515) 291-8834</u> | | |
| Mailing <u>710 2nd ave.</u> | | |
| City <u>Collins</u> | State <u>IA</u> | Zip: <u>50055</u> |

Contact Person

| |
|---|
| Name <u>Nikki Schneider</u> |
| Phone: <u>(515) 291-8834</u> Email <u>thewhimsicalwinetrailer@gmail.com</u> |

Classification Class B Beer (BB) (Includes Wine Coolers)

Term: 5 days

Effective Date: 08/28/2019

Expiration Date: 01/01/1900

Privileges:

- Class B Beer (BB) (Includes Wine Coolers)
- Class C Native Wine Permit (On-Premise)
- Outdoor Service

Status of Business

| |
|--|
| BusinessType: <u>Sole Proprietorship</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Nicole Schneider

First Name: Nicole **Last Name:** Schneider
City: **State:** Iowa **Zip:** 50055
Position: Owner
% of Ownership: 100.00% **U.S. Citizen:** Yes

Benjamin Schneider

First Name: Benjamin **Last Name:** Schneider
City: **State:** Iowa **Zip:** 50055
Position: Husband
% of Ownership: 0.00% **U.S. Citizen:** Yes

Insurance Company Information

| |
|---|
| Insurance Company: <u>Illinois Union Insurance Company</u> |
|---|

Insurance Company: Illinois Union Insurance Company

Policy Effective Date: 08/28/2019

Policy Expiration 09/02/2019

Bond Effective

Dram Cancel Date:

Outdoor Service Effective

Outdoor Service Expiration

Temp Transfer Effective

Temp Transfer Expiration Date:

| | | |
|--|-----------------------------|--------------------------|
| Name of Applicant: <u>Nicole Schneider</u> | | |
| Name of Business (DBA): <u>The Whimsical Wine Trailer</u> | | |
| Address of Premises: <u>1407 S University Blvd</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50011</u> |
| Business <u>(515) 291-8834</u> | | |
| Mailing <u>710 2nd ave.</u> | | |
| City <u>Collins</u> | State <u>IA</u> | Zip: <u>50055</u> |

Contact Person

| |
|---|
| Name <u>Nikki Schneider</u> |
| Phone: <u>(515) 291-8834</u> Email <u>thewhimsicalwinetrailer@gmail.com</u> |

Classification Class B Beer (BB) (Includes Wine Coolers)

Term: 5 days

Effective Date: 09/25/2019

Expiration Date: 01/01/1900

Privileges:

- Class B Beer (BB) (Includes Wine Coolers)
- Class C Native Wine Permit (On-Premise)
- Outdoor Service

Status of Business

| |
|--|
| BusinessType: <u>Sole Proprietorship</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Nicole Schneider

First Name: Nicole **Last Name:** Schneider
City: **State:** Iowa **Zip:** 50055
Position: Owner
% of Ownership: 100.00% **U.S. Citizen:** Yes

Benjamin Schneider

First Name: Benjamin **Last Name:** Schneider
City: **State:** Iowa **Zip:** 50055
Position: Husband
% of Ownership: 0.00% **U.S. Citizen:** Yes

Insurance Company Information

| |
|---|
| Insurance Company: <u>Illinois Union Insurance Company</u> |
|---|

Insurance Company: Illinois Union Insurance Company

Policy Effective Date: 09/25/2019

Policy Expiration 09/30/2019

Bond Effective

Dram Cancel Date:

Outdoor Service Effective

Outdoor Service Expiration

Temp Transfer Effective

Temp Transfer Expiration Date:

Applicant License Application ()

| | | |
|--|-----------------------------|--------------------------|
| Name of Applicant: <u>Nicole Schneider</u> | | |
| Name of Business (DBA): <u>The Whimsical Wine Trailer</u> | | |
| Address of Premises: <u>1407 S University Blvd</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50011</u> |
| Business <u>(515) 291-8834</u> | | |
| Mailing <u>710 2nd ave.</u> | | |
| City <u>Collins</u> | State <u>IA</u> | Zip: <u>50055</u> |

Contact Person

| |
|---|
| Name <u>Nikki Schneider</u> |
| Phone: <u>(515) 291-8834</u> Email <u>thewhimsicalwinetrailer@gmail.com</u> |

Classification Class B Beer (BB) (Includes Wine Coolers)

Term: 5 days

Effective Date: 10/30/2019

Expiration Date: 01/01/1900

Privileges:

- Class B Beer (BB) (Includes Wine Coolers)
- Class C Native Wine Permit (On-Premise)
- Outdoor Service

Status of Business

| |
|--|
| BusinessType: <u>Sole Proprietorship</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Nicole Schneider

First Name: Nicole **Last Name:** Schneider
City: **State:** Iowa **Zip:** 50055
Position: Owner
% of Ownership: 100.00% **U.S. Citizen:** Yes

Benjamin Schneider

First Name: Benjamin **Last Name:** Schneider
City: **State:** Iowa **Zip:** 50055
Position: Husband
% of Ownership: 0.00% **U.S. Citizen:** Yes

Insurance Company Information

| |
|---|
| Insurance Company: <u>Illinois Union Insurance Company</u> |
|---|

Insurance Company: Illinois Union Insurance Company

Policy Effective Date: 10/30/2019

Policy Expiration 11/04/2019

Bond Effective

Dram Cancel Date:

Outdoor Service Effective

Outdoor Service Expiration

Temp Transfer Effective

Temp Transfer Expiration Date:

Michelle Mathews

First Name: Michelle **Last Name:** Mathews
City: Des Moines **State:** Iowa **Zip:** 50309
Position: Controller
% of Ownership: 0.00% **U.S. Citizen:** Yes

Insurance Company Information

| | |
|--|--|
| Insurance Company: <u>Midwest Family Mutual Insurance Company</u> | |
| Policy Effective Date: <u>08/22/2019</u> | Policy Expiration <u>08/27/2019</u> |
| Bond Effective | Dram Cancel Date: |
| Outdoor Service Effective | Outdoor Service Expiration |
| Temp Transfer Effective | Temp Transfer Expiration Date: |

Applicant License Application ()

| | | |
|--|-----------------------------|--------------------------|
| Name of Applicant: <u>Hy-Vee, Inc.</u> | | |
| Name of Business (DBA): <u>Hy-Vee Market Grille</u> | | |
| Address of Premises: <u>640 Lincoln Way</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50010</u> |
| Business <u>(515) 232-1961</u> | | |
| Mailing <u>5820 Westown Parkway</u> | | |
| City <u>West Des Moines</u> | State <u>IA</u> | Zip: <u>50266</u> |

Contact Person

| |
|--|
| Name <u>Kelly Palmer</u> |
| Phone: <u>(515) 267-2949</u> Email <u>kpalmer@hy-vee.com</u> |

Classification Class C Liquor License (LC) (Commercial)

Term: 12 months

Effective Date: 07/26/2019

Expiration Date: 01/01/1900

Privileges:

- Class B Wine Permit
- Class C Liquor License (LC) (Commercial)
- Sunday Sales

Status of Business

| |
|--|
| BusinessType: <u>Privately Held Corporation</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Randy Edeker

First Name: Randy **Last Name:** Edeker
City: Urbandale **State:** Iowa **Zip:** 50322
Position: CEO, President
% of Ownership: 0.00% **U.S. Citizen:** Yes

Michael Jurgens

First Name: Michael **Last Name:** Jurgens
City: Des Moines **State:** Iowa **Zip:** 50312
Position: Vice President, Secretary
% of Ownership: 0.00% **U.S. Citizen:** Yes

Jeffrey Pierce

First Name: Jeffrey **Last Name:** Pierce
City: Waukee **State:** Iowa **Zip:** 50263

Position: Asst Treasurer, Financial

% of Ownership: 0.00%

U.S. Citizen: Yes

Insurance Company Information

| | | | |
|----------------------------------|--------------------------------------|---------------------------------------|-------------------|
| Insurance Company: | <u>DAKOTA FIRE INSURANCE COMPANY</u> | | |
| Policy Effective Date: | <u>07/26/2019</u> | Policy Expiration | <u>07/26/2020</u> |
| Bond Effective | | Dram Cancel Date: | |
| Outdoor Service Effective | | Outdoor Service Expiration | |
| Temp Transfer Effective | | Temp Transfer Expiration Date: | |

Applicant License Application (LA0001450)

| | | |
|--|-----------------------------|--------------------------|
| Name of Applicant: <u>Green Hills Residents' Association</u> | | |
| Name of Business (DBA): <u>Green Hills Residents' Association</u> | | |
| Address of Premises: <u>2200 Hamilton Drive, Suite 100</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50014</u> |
| Business <u>(515) 357-5000</u> | | |
| Mailing <u>2205 Green Hills Drive, Suite 100</u> | | |
| City <u>Ames</u> | State <u>IA</u> | Zip: <u>50014</u> |

Contact Person

| |
|--|
| Name Rod Copple |
| Phone: (515) 357-5000 Email cople@greenhillsrc.com |

Classification Class A Liquor License (LA) (Private Club)

Term: 12 months

Effective Date: 07/03/2020

Expiration Date:

Privileges:

Class A Liquor License (LA) (Private Club)

Status of Business

| |
|--|
| BusinessType: <u>Privately Held Corporation</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Jerry Hall

First Name: Jerry **Last Name:** Hall
City: Ames **State:** Iowa **Zip:** 50014
Position: Treasurer
% of Ownership: 0.00% **U.S. Citizen:** Yes

Allen Trenkle

First Name: Allen **Last Name:** Trenkle
City: Ames **State:** Iowa **Zip:** 50014
Position: President
% of Ownership: 0.00% **U.S. Citizen:** Yes

Carol Volker

First Name: Carol **Last Name:** Volker
City: Ames **State:** Iowa **Zip:** 50014
Position: Vice-President
% of Ownership: 0.00% **U.S. Citizen:** Yes

Elizabeth Angelici

First Name: Elizabeth

Last Name: Angelici

City: Ames

State: Iowa

Zip: 50014

Position: Secretary

% of Ownership: 0.00%

U.S. Citizen: Yes

Insurance Company Information

| | |
|--|--|
| Insurance Company: <u>Lexington Insurance Company</u> | |
| Policy Effective Date: <u>06/30/2019</u> | Policy Expiration <u>06/30/2020</u> |
| Bond Effective | Dram Cancel Date: |
| Outdoor Service Effective | Outdoor Service Expiration |
| Temp Transfer Effective | Temp Transfer Expiration Date: |

| | | |
|---|-----------------------------|--------------------------|
| Name of Applicant: <u>Ames Historical Society</u> | | |
| Name of Business (DBA): <u>Ames Historical Society</u> | | |
| Address of Premises: <u>416 Douglas Ave.</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50010</u> |
| Business <u>(515) 232-2148</u> | | |
| Mailing <u>PO Box 821</u> | | |
| City <u>Ames</u> | State <u>IA</u> | Zip: <u>50010</u> |

Contact Person

| |
|--|
| Name <u>Casie Vance</u> |
| Phone: <u>(515) 232-2148</u> Email <u>director@ameshistory.org</u> |

Classification Special Class C Liquor License (BW) (Beer/Wine)

Term:5 days

Effective Date: 08/24/2019

Expiration Date: 01/01/1900

Privileges:

Outdoor Service

Special Class C Liquor License (BW) (Beer/Wine)

Status of Business

| |
|--|
| BusinessType: <u>Privately Held Corporation</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Casie Vance

First Name: Casie **Last Name:** Vance
City: Ames **State:** Iowa **Zip:** 50014
Position: Executive Director
% of Ownership: 0.00% **U.S. Citizen:** Yes

Sharon Wirth

First Name: Sharon **Last Name:** Wirth
City: Ames **State:** Iowa **Zip:** 50010
Position: President
% of Ownership: 0.00% **U.S. Citizen:** Yes

Lynette Spicer

First Name: Lynette **Last Name:** Spicer
City: Ames **State:** Iowa **Zip:** 50010
Position: Secretary

% of Ownership: 0.00%

U.S. Citizen: Yes

Peter Hallock

First Name: Peter

Last Name: Hallock

City: Ames

State: Iowa

Zip: 50010

Position: Vice President

% of Ownership: 0.00%

U.S. Citizen: Yes

Insurance Company Information

| | |
|--|--|
| Insurance Company: <u>Cincinnati Specialty Underwriters</u> | |
| Policy Effective Date: <u>08/24/2019</u> | Policy Expiration <u>08/29/2019</u> |
| Bond Effective | Dram Cancel Date: |
| Outdoor Service Effective | Outdoor Service Expiration |
| Temp Transfer Effective | Temp Transfer Expiration Date: |

Applicant License Application (LC0039218)

| | | |
|--|-----------------------------|--------------------------|
| Name of Applicant: <u>The Scene, LLC</u> | | |
| Name of Business (DBA): <u>Sips and Paddy's Irish Pub</u> | | |
| Address of Premises: <u>126 Welch Ave.</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50014</u> |
| Business | <u>(515) 296-1400</u> | |
| Mailing | <u>126 Welch Ave</u> | |
| City <u>Ames</u> | State <u>IA</u> | Zip: <u>50014</u> |

Contact Person

| |
|--|
| Name Andrew White |
| Phone: (515) 231-8388 Email whitecor@aol.com |

Classification Class C Liquor License (LC) (Commercial)

Term: 12 months

Effective Date: 04/14/2019

Expiration Date: 04/13/2020

Privileges:

Class C Liquor License (LC) (Commercial)

Outdoor Service

Status of Business

| |
|--|
| BusinessType: <u>Limited Liability Company</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Andrew White

First Name: Andrew **Last Name:** White
City: Urbandale **State:** Iowa **Zip:** 50323
Position: managing member
% of Ownership: 42.50% **U.S. Citizen:** Yes

Kelly White

First Name: Kelly **Last Name:** White
City: Urbandale **State:** Iowa **Zip:** 50323
Position: member
% of Ownership: 42.50% **U.S. Citizen:** Yes

Insurance Company Information

| |
|--|
| Insurance Company: <u>Specialty Risk of America</u> |
|--|

Policy Effective Date: 04/14/2019

Policy Expiration 04/14/2020

Bond Effective

Dram Cancel Date:

Outdoor Service Effective 09/13/2019

Outdoor Service Expiration 09/15/2019

Temp Transfer Effective

Temp Transfer Expiration Date:

Policy Effective Date: 04/14/2019

Policy Expiration 04/14/2020

Bond Effective

Dram Cancel Date:

Outdoor Service Effective 08/30/2019

Outdoor Service Expiration 09/01/2019

Temp Transfer Effective

Temp Transfer Expiration Date:

Applicant License Application (LC0029665)

| | | |
|--|-----------------------------|--------------------------|
| Name of Applicant: <u>A & K LLC</u> | | |
| Name of Business (DBA): <u>Tip Top Lounge</u> | | |
| Address of Premises: <u>201 E Lincoln Way</u> | | |
| City <u>Ames</u> | County: <u>Story</u> | Zip: <u>50010</u> |
| Business | <u>(515) 232-8980</u> | |
| Mailing | <u>3315 146th Cir</u> | |
| City <u>Urbandale</u> | State <u>IA</u> | Zip: <u>50323</u> |

Contact Person

| |
|--|
| Name Andrew White |
| Phone: (515) 231-8388 Email whitecor@aol.com |

Classification Class C Liquor License (LC) (Commercial)

Term: 12 months

Effective Date: 01/01/2019

Expiration Date: 12/31/2019

Privileges:

Class C Liquor License (LC) (Commercial)

Outdoor Service

Status of Business

| |
|--|
| BusinessType: <u>Limited Liability Company</u> |
| Corporate ID Number: <u>XXXXXXXXXX</u> Federal Employer ID <u>XXXXXXXXXX</u> |

Ownership

Andrew White

First Name: Andrew **Last Name:** White
City: Urbandale **State:** Iowa **Zip:** 50323
Position: Owner
% of Ownership: 50.00% **U.S. Citizen:** Yes

Kelly White

First Name: Kelly **Last Name:** White
City: Urbandale **State:** Iowa **Zip:** 50323
Position: Owner
% of Ownership: 50.00% **U.S. Citizen:** Yes

Insurance Company Information

| |
|--|
| Insurance Company: <u>Specialty Risk of America</u> |
|--|

Policy Effective Date: 01/01/2019

Policy Expiration 01/01/2020

Bond Effective

Dram Cancel Date:

Outdoor Service Effective 09/13/2019

Outdoor Service Expiration 09/15/2019

Temp Transfer Effective

Temp Transfer Expiration Date:



MEMO

Item No. 14

To: Mayor John Haila and Ames City Council Members
From: Lieutenant Tom Shelton, Ames Police Department
Date: August 13, 2019
Subject: Beer Permits & Liquor License Renewal Reference City Council Agenda

The Council agenda for August 13, 2019 includes beer permits and liquor license renewals for:

- Class C Liquor License with Sunday Sales - Red Lobster #0747, 1100 Buckeye Avenue
- Class C Liquor License with Catering, Outdoor Service and Sunday Sales - Iowa State Center - Fisher, Fisher Theatre- Iowa State University
- Class C Liquor License with Catering, Class B Native Wine, Outdoor Service and Sunday Sales - The Mucky Duck Pub, 3100 S Duff avenue
- Class E Liquor License with Class B Wine, Class C Beer and Sunday Sales - Kum & Go # 1215, 4506 Lincoln Way
- Class C Liquor License with Sunday Sales - El Azteca, 1520 S. Dayton Ave
- Class B Beer with Sunday Sales - Flame-N-Skewer, 2801 Grand Ave. Ste 1125
- Class C Beer Permit with Class B Wine and Sunday Sales - Hy-Vee Gas #5013, 4018 West Lincoln Way
- Class C Liquor License with Sunday Sales - Inside Golf. 2801 Grand Ave #1075
- Class C Liquor License with Catering, Outdoor Service and Sunday Sales - Iowa State Center - CY Stephens, CY Stephens- Iowa State University
- Class C Liquor License with Sunday Sales - JJC Ames 1 LLC, 2420 Lincoln Way Suite 103

A review of police records for the past 12 months found no liquor law violations for any of the above locations. The Ames Police Department recommends renewal of licenses for all the above businesses.

- Class C Liquor License with Catering and Sunday Sales - Es Tas Stanton, 216 Stanton

A review of police records for the past 12 months found one liquor law violation for the above location. A review of the case shows the individual was cited for “on premises”

and released. Officers found a Minnesota fake ID showing she was 21 years old. The ID was confiscated. Records indicate Es Tas has not attended a bar meeting in 2018 or 2019. We will encourage them to attend these meetings again going forward.

The Police Department will continue to monitor the above location by conducting regular foot patrols, bar checks and by educating the bar staff through trainings and quarterly meetings. The Ames Police Department recommends renewal of licenses for the above business.

ITEM # 15
 DATE: 08-13-19

COUNCIL ACTION FORM

SUBJECT: RESOLUTION APPROVING OFFICIAL STATEMENT FOR GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A, SETTING DATE OF SALE FOR AUGUST 27, 2019, AND AUTHORIZING ELECTRONIC BIDDING FOR THE SALE

BACKGROUND:

The FY 2019/20 budget includes General Obligation (G.O.) Bond-funded capital improvement projects in the amount of \$11,154,204. The City Council held a public hearing on the issuance of these bonds on March 5, 2019. Council action is now required to approve the official statement, set the date of sale for August 27, 2019, and authorize electronic bidding.

The Official Statement, or “Preliminary Official Statement,” is the offering document for municipal securities, in preliminary form, which does not contain pricing information. The Statement provides several financial disclosures and information about the City. This “Preliminary Official Statement” is on file in the City Clerk’s Office and is attached for your review. Additionally, Council is asked to approve electronic bidding as the method to provide a secure and highly competitive process for the sale of the bonds. The proposed issuance is in compliance with the City Council approved debt policy.

Projects to be funded by this bond issue include the following:

| | | |
|--|------------------|-----------------------------|
| City-Wide Radio System | \$1,240,000 | |
| Grand Avenue Extension | 2,000,000 | |
| Campustown Improvements | 1,000,000 | |
| Cherry Avenue Extension | 300,000 | |
| Arterial Street Pavement Improvements | 1,600,000 | |
| Bridge Rehabilitation | 120,000 | |
| Concrete Pavement Improvements | 2,800,000 | |
| Collector Street Pavement Improvements | 500,000 | |
| Asphalt Street Improvements | <u>1,000,000</u> | |
| Subtotal Tax Supported Bonds | | \$ 10,560,000 |
| City-Wide Radio System (Abated) | 280,000 | |
| ISU Research Park Phase IV (TIF) | <u>314,204</u> | |
| Subtotal Abated Bonds | | <u>\$594,204</u> |
| Total Bond Funded Projects | | \$11,154,204 |
| Issuance Cost and Allowance for Premium | | 725,796 |
| Grand Total – 2019/20 G.O. Issue | | <u>\$ 11,880,000</u> |

ALTERNATIVES:

1. Adopt a resolution approving the Official Statement for General Obligation Corporate Purpose Bonds, Series 2019A, setting the date of sale for August 27, 2019, and authorize electronic bidding for the sale.
2. Refer the Official Statement back to City staff for modifications.

CITY MANAGER'S RECOMMENDED ACTION:

Issuance of these bonds is necessary in order to accomplish the City's approved Capital Improvements Plan for the current fiscal year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 13, 2019

New Issue

Rating: Moody’s Investors Service ‘Aa1’

In the opinion of Dorsey & Whitney LLP, Bond Counsel, according to present laws, rulings and decisions and assuming compliance with certain covenants, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes. Interest on the Bonds is not treated as a preference item in calculating the federal alternative minimum tax imposed under the Internal Revenue Code of 1986 (the “Code”). In the opinion of Bond Counsel, the Bonds are NOT “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. See “TAX EXEMPTION AND RELATED TAX MATTERS” herein.

CITY OF AMES, IOWA

\$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A

BIDS RECEIVED: Tuesday, August 27, 2019, 11:00 A.M., Central Time

AWARD: Tuesday, August 27, 2019, 6:00 P.M., Central Time

Dated: Date of Delivery (September 12, 2019)

Principal Due: June 1, as shown inside front cover

The \$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A (the “Bonds”) are being issued pursuant to Division III of Chapter 384 of the Code of Iowa and a resolution to be adopted by the City Council of the City of Ames, Iowa (the “City”). The Bonds are being issued for the essential corporate purposes of paying the cost, to that extent, of constructing improvements to streets, sanitary sewers and bridges and acquisition of emergency services communication equipment. The purchaser of the Bonds agrees to enter into a loan agreement (the “Loan Agreement”) with the City pursuant to the authority contained in Section 384.24A of the Code of Iowa. The Bonds are issued in evidence of the City’s obligations under the Loan Agreement. The Bonds are general obligations of the City for which the City will pledge its power of levy direct ad valorem taxes against all taxable property within the City without limitation as to rate or amount to the repayment of the Bonds.

The Bonds will be issued as fully registered Bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). DTC will act as securities depository for the Bonds. Individual purchases may be made in book-entry-only form, in the principal amount of \$5,000 and integral multiples thereof. The purchaser will not receive certificates representing their interest in the Bonds purchased. The City’s Treasurer as Registrar/Paying Agent (the “Registrar”) will pay principal on the Bonds, payable annually on June 1, beginning June 1, 2020, and interest on the Bonds payable initially on June 1, 2020 and thereafter on each December 1 and June 1 to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursements to the beneficial owners of the Bonds as described herein. Interest and principal shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding the interest payment date (the “Record Date”).

THE BONDS WILL MATURE AS LISTED ON THE INSIDE FRONT COVER

| | |
|----------------------------|--|
| MINIMUM BID: | \$11,451,005 |
| GOOD FAITH DEPOSIT: | Required of Purchaser Only |
| TAX MATTERS: | Federal: Tax-Exempt State: Taxable See “TAX EXEMPTION AND RELATED TAX MATTERS” for more information. |

The Bonds are offered, subject to prior sale, withdrawal or modification, when, as, and if issued subject to the unqualified approving legal opinion of Dorsey & Whitney LLP, Bond Counsel, Des Moines, Iowa, to be furnished upon delivery of the Bonds. It is expected the Bonds will be available for delivery through the facilities of DTC on or about September 12, 2019. The Preliminary Official Statement in the form presented is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to revisions, corrections or modifications as determined to be appropriate, and is authorized to be distributed in connection with the offering of the Bonds for sale.

*Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Preliminary Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the applicable securities laws of any such jurisdiction.

CITY OF AMES, IOWA

\$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A

MATURITY: The Bonds will mature June 1 in the years and amounts as follows:

| <u>Year</u> | <u>Amount*</u> |
|-------------|----------------|
| 2020 | \$965,000 |
| 2021 | 920,000 |
| 2022 | 935,000 |
| 2023 | 955,000 |
| 2024 | 970,000 |
| 2025 | 995,000 |
| 2026 | 1,010,000 |
| 2027 | 920,000 |
| 2028 | 940,000 |
| 2029 | 960,000 |
| 2030 | 980,000 |
| 2031 | 1,005,000 |

***PRINCIPAL**

ADJUSTMENT: Preliminary; subject to change. The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each maturity in increments of \$5,000 but the total amount to be issued will not exceed \$11,880,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

INTEREST: Interest on the Bonds will be payable on June 1, 2020 and semiannually thereafter.

REDEMPTION: Bonds due after June 1, 2027 will be subject to call for prior redemption on said date or on any day thereafter upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Bonds to be redeemed at the address shown on the registration books.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to General Rules and Regulations, Securities Exchange Act of 1934, Rule 15c2-12 Municipal Securities Disclosure.

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to prospective bidders. Its primary purpose is to disclose information regarding the Bonds to prospective bidders in the interest of receiving competitive bids in accordance with the “TERMS OF OFFERING” contained herein. Unless an addendum is received prior to the sale, this document shall be deemed the final “Preliminary Official Statement”.

Review Period: This Preliminary Official Statement has been distributed to City staff as well as to prospective bidders for an objective review of its disclosure. Comments, omissions or inaccuracies must be submitted to PFM Financial Advisors LLC (the “Municipal Advisor”) at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a bid received. If there are any changes, corrections or additions to the Preliminary Official Statement, prospective bidders will be informed by an addendum at least one business day prior to the sale.

Final Official Statement: Upon award of sale of the Bonds, the legislative body will authorize the preparation of a final Official Statement that includes the offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, anticipated delivery date and other information required by law and the identity of the underwriter (the “Syndicate Manager”) and syndicate members. Copies of the final Official Statement will be delivered to the Syndicate Manager within seven business days following the bid acceptance.

REPRESENTATIONS

No dealer, broker, salesman or other person has been authorized by the City, the Municipal Advisor or the underwriter to give any information or to make any representations other than those contained in this Preliminary Official Statement or the final Official Statement and, if given or made, such information and representations must not be relied upon as having been authorized by the City, the Municipal Advisor or the underwriter. This Preliminary Official Statement or the final Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are believed to be reliable, but it is not to be construed as a representation by the Municipal Advisor or underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Preliminary Official Statement or the final Official Statement, nor any sale made thereafter shall, under any circumstances, create any implication there has been no change in the affairs of the City or in any other information contained herein, since the date hereof.

This Preliminary Official Statement and any addenda thereto were prepared relying on information from the City and other sources, which are believed to be reliable.

The Bonds are being offered when, and if issued by the City and accepted by the underwriter, subject to receipt of an opinion as the legality, validity and tax exemption by Dorsey & Whitney LLP, Des Moines, Iowa, Bond Counsel. It is expected that the Bonds in the definitive form will be available for delivery through the facilities of DTC on or about September 12, 2019.

Compensation of the Municipal Advisor, payable entirely by the City, is contingent upon the sale of the issue.

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OFFICIAL BID FORM

City of Ames, Iowa

Mayor/City Council

| <u>Member</u> | <u>Office</u> | <u>Initial Term Commenced</u> | <u>Term Expires</u> |
|-----------------------|---------------------------------------|-------------------------------|---------------------|
| John Haila | Mayor | January 02, 2018 | December 31, 2021 |
| Gloria Betcher | Council Member – 1 st Ward | January 02, 2014 | December 31, 2021 |
| Tim Gartin | Council Member – 2 nd Ward | January 02, 2014 | December 31, 2019 |
| David Martin | Council Member – 3 rd Ward | January 01, 2018 | December 31, 2021 |
| Chris Nelson | Council Member – 4 th Ward | January 02, 2014 | December 31, 2019 |
| Bronwyn Beatty-Hansen | Council Member – At Large | January 01, 2016 | December 31, 2019 |
| Amber Corrieri | Council Member – At Large | January 02, 2014 | December 31, 2021 |
| Devyn Leeson | Ex-Officio | May 14, 2019 | May 14, 2020 |

Administration

Steven Schainker, City Manager
Duane Pitcher, Director of Finance
Diane Voss, City Clerk
Roger Wisecup II, City Treasurer
John Dunn, Director of Water and Pollution Control
John Joiner, Director of Public Works
Donald Kom, Director of Electric Utility

City Attorney

Mark Lambert
Ames, Iowa

Bond Counsel

Dorsey & Whitney LLP
Des Moines, Iowa

Municipal Advisor

PFM Financial Advisors LLC
Des Moines, Iowa

TERMS OF OFFERING

CITY OF AMES, IOWA

Bids for the purchase of the City of Ames, Iowa's (the "City") \$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds") will be received on Tuesday, August 27, 2019, before 11:00 A.M., Central Time, after which time they will be tabulated. The City Council will consider award of the Bonds at 6:00 P.M., Central Time, on the same day. Questions regarding the sale of the Bonds should be directed to the City's Municipal Advisor, PFM Financial Advisors LLC (the "Municipal Advisor"), 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309, or by telephoning 515-243-2600. Information can also be obtained from Mr. Duane Pitcher, Director of Finance, City of Ames, 515 Clark Avenue, Ames, Iowa, 50010, or by telephoning 515-239-5114.

The following section sets forth the description of certain terms of the Bonds, as well as the "TERMS OF OFFERING" with which all bidders and bid proposals are required to comply.

DETAILS OF THE BONDS

GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A, in the principal amount of \$11,555,000* to be dated the date of delivery (September 12, 2019), in the denomination of \$5,000 or multiples thereof, will mature on June 1 as follows:

| <u>Year</u> | <u>Amount*</u> |
|-------------|----------------|
| 2020 | \$965,000 |
| 2021 | 920,000 |
| 2022 | 935,000 |
| 2023 | 955,000 |
| 2024 | 970,000 |
| 2025 | 995,000 |
| 2026 | 1,010,000 |
| 2027 | 920,000 |
| 2028 | 940,000 |
| 2029 | 960,000 |
| 2030 | 980,000 |
| 2031 | 1,005,000 |

* Preliminary; subject to change.

ADJUSTMENT TO BOND MATURITY AMOUNTS

The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each maturity in increments of \$5,000 but the total amount to be issued will not exceed \$11,880,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

INTEREST

Interest on the Bonds will be payable on June 1, 2020 and semiannually on the 1st day of December and June thereafter. Principal and interest shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding the interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

OPTIONAL REDEMPTION

Bonds due after June 1, 2027 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on said date or on any date thereafter at the option of the City, upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Bonds to be redeemed at the address shown on the registration books.

TERM BOND OPTION

Bidders shall have the option of designating the Bonds as serial bonds or term bonds, or both. The bid must designate whether each of the principal amounts shown above represent a serial maturity or a mandatory redemption requirement for a term bond maturity. (See the "OFFICIAL BID FORM" for more information.) In any event, the above principal amount scheduled shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both.

GOOD FAITH DEPOSIT

A good faith deposit in the amount of \$115,550 (the "Deposit") is required from the lowest bidder only. The lowest bidder is required to submit such Deposit payable to the order of the City, not later than 1:00 P.M., Central Time, on the day of the sale of the Bonds and in the form of either (i) a cashier's check provided to the City or its Municipal Advisor, or (ii) a wire transfer as instructed by the City's Municipal Advisor. If not so received, the bid of the lowest bidder may be rejected and the City may direct the second lowest bidder to submit a deposit and thereafter may award the sale of the Bonds to the same. No interest on a deposit will accrue to the successful bidder (the "Purchaser"). The Deposit will be applied to the purchase price of the Bonds. In the event a Purchaser fails to honor its accepted bid proposal, any deposit will be retained by the City.

FORM OF BIDS AND AWARD

All bids shall be unconditional for the entire issue of Bonds for a price not less than \$11,451,005, plus accrued interest, and shall specify the rate or rates of interest in conformity to the limitations as set forth in the "BIDDING PARAMETERS" section. Bids must be submitted on or in substantial compliance with the "OFFICIAL BID FORM" provided by the City. The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a true interest cost (the "TIC") basis assuming compliance with the "ESTABLISHMENT OF ISSUE PRICE" and "GOOD FAITH DEPOSIT" section. The TIC shall be determined by the present value method, i.e., by ascertaining the semiannual rate, compounded semiannually, necessary to discount to present value as of the dated date of the Bonds, the amount payable on each interest payment date and on each stated maturity date or earlier mandatory redemption, so that the aggregate of such amounts will equal the aggregate purchase price offered therefore. The TIC shall be stated in terms of an annual percentage rate and shall be that rate of interest which is twice the semiannual rate so ascertained (also known as the Canadian Method). The TIC shall be as determined by the Municipal Advisor based on the "TERMS OF OFFERING" and all amendments, and on the bids as submitted. The Municipal Advisor's computation of the TIC of each bid shall be controlling. In the event of tie bids for the lowest TIC, the Bonds will be awarded by lot.

The City will reserve the right to: (i) waive non-substantive informalities of any bid or of matters relating to the receipt of bids and award of the Bonds, (ii) reject all bids without cause, and (iii) reject any bid which the City determines to have failed to comply with the terms herein.

BIDDING PARAMETERS

Each bidder's proposal must conform to the following limitations:

1. Each annual maturity must bear a single rate of interest from the dated date of the Bonds to the date of maturity.
2. Rates of interest bid must be in multiples of one-eighth or one-twentieth of one percent.
3. The initial price to the public for each maturity must be 98% or greater.

RECEIPT OF BIDS

Forms of Bids: Bids must be submitted on or in substantial compliance with the "TERMS OF OFFERING" and "OFFICIAL BID FORM" provided by the City or through PARITY[®] competitive bidding system (the "Internet Bid System"). The City shall not be responsible for malfunction or mistake made by any person, or as a result of the use of an electronic bid or the means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be accepted after the time specified in the "OFFICIAL BID FORM". The time as maintained by the Internet Bid System shall constitute the official time with respect to all bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered.

Sealed Bidding: Sealed bids may be submitted and will be received at the office of the City's Director of Finance, City Hall, 515 Clark Avenue, Ames, Iowa 50010.

Electronic Internet Bidding: Electronic internet bids will be received at the office of the City's Municipal Advisor, PFM Financial Advisors LLC, Des Moines, Iowa, and at the office of the City's Finance Director. Electronic internet bids must be submitted through the Internet Bid System. Information about the Internet Bid System may be obtained by calling 212-849-5021.

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purposes of submitting its electronic internet bid in a timely manner and in compliance with the requirements of the "TERMS OF OFFERING" and "OFFICIAL BID FORM". The City is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the electronic internet bidding and the Internet Bid System is not an agent of the City. Provisions of the "TERMS OF OFFERING" and "OFFICIAL BID FORM" shall control in the event of conflict with information provided by the Internet Bid System.

Electronic Facsimile Bidding: Electronic facsimile bids will be received at the office of the City's Municipal Advisor, PFM Financial Advisors LLC (facsimile number: 515-243-6994). Electronic facsimile bids will be sealed and treated as sealed bids.

Electronic facsimile bids received after the deadline will be rejected. Bidders electing to submit bids via electronic facsimile transmission bear full responsibility for the transmission of such bid. Neither the City nor its agents shall be responsible for malfunction or mistake made by any person, or as a result of the use of the electronic facsimile facilities or any other means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received. Neither the City nor its agents will assume liability for the inability of the bidder to reach the above named electronic facsimile numbers prior to the time of sale specified above. Time of receipt shall be the time recorded by the electronic facsimile operator receiving the bids.

BOOK-ENTRY-ONLY ISSUANCE

The Bonds will be issued by means of a book-entry-only system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The Purchaser, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC.

MUNICIPAL BOND INSURANCE AT PURCHASER’S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that initial rating fee. Any other rating agency fees shall be the responsibility of the Purchaser. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery on the Bonds. The City reserves the right in its sole discretion to accept or deny changes to the financing documents requested by the insurer selected by the Purchaser.

DELIVERY

The Bonds will be delivered to the Purchaser through DTC in New York, New York, against full payment in immediately available cash or federal funds. The Bonds are expected to be delivered within forty-five days after the sale. Should delivery be delayed beyond sixty days from the date of sale for any reason except failure of performance by the Purchaser, the Purchaser may withdraw their bid and thereafter their interest in and liability for the Bonds will cease. When the Bonds are ready for delivery, the City will give the Purchaser five working days’ notice of the delivery date and the City will expect payment in full on that date; otherwise reserving the right at its option to determine that the Purchaser failed to comply with the offer of purchase.

ESTABLISHMENT OF ISSUE PRICE

In order to establish the issue price of the Bonds for federal income tax purposes, the City requires bidders to agree to the following, and by submitting a bid, each bidder agrees to the following.

If a bid is submitted by a potential underwriter, the bidder confirms that (i) the underwriters have offered or reasonably expect to offer the Bonds to the public on or before the date of the award at the offering price (the “initial offering price”) for each maturity as set forth in the bid and (ii) the bidder, if it is the winning bidder, shall require any agreement among underwriters, selling group agreement, retail distribution agreement or other agreement relating to the initial sale of the Bonds to the public to which it is a party to include provisions requiring compliance by all parties to such agreements with the provisions contained herein. For purposes hereof, Bonds with a separate CUSIP number constitute a separate “maturity,” and the public does not include underwriters of the Bonds (including members of a selling group or retail distribution group) or persons related to underwriters of the Bonds.

If, however, a bid is submitted for the bidder’s own account in a capacity other than as an underwriter of the Bonds, and the bidder has no current intention to sell, reoffer, or otherwise dispose of the Bonds, the bidder shall notify the City to that effect at the time it submits its bid and shall provide a certificate to that effect in place of the certificate otherwise required below.

If the winning bidder intends to act as an underwriter, the City shall advise the winning bidder at or prior to the time of award whether (i) the competitive sale rule or (ii) the “hold-the-offering price” rule applies.

If the City advises the Purchaser that the requirements for a competitive sale have been satisfied and that the competitive sale rule applies, the Purchaser will be required to deliver to the City at or prior to closing a certification, substantially in the form attached hereto as EXHIBIT 1-A, as to the reasonably expected initial offering price as of the award date.

If the City advises the Purchaser that the requirements for a competitive sale have not been satisfied and that the hold-the-offering price rule applies, the Purchaser shall (1) upon the request of the City confirm that the underwriters did not offer or sell any maturity of the Bonds to any person at a price higher than the initial offering price of that maturity during the period starting on the award date and ending on the earlier of (a) the close of the fifth business day after the sale date or (b) the date on which the underwriters have sold at least 10% of that maturity to the public at or below the initial offering price; and (2) at or prior to closing, deliver to the City a certification substantially in the form attached hereto as EXHIBIT 1-B, together with a copy of the pricing wire.

Any action to be taken or documentation to be received by the City pursuant hereto may be taken or received on behalf of the City by Municipal Advisor.

Bidders should prepare their bids on the assumption that the Bonds will be subject to the “hold-the-offering-price” rule. Any bid submitted pursuant to the “TERMS OF OFFERING” and “OFFICIAL BID FORM” shall be considered a firm offer for the purchase of the Bonds, and bids submitted will not be subject to cancellation or withdrawal.

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds. The Preliminary Official Statement will be further supplemented by offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, anticipated delivery date and underwriter, together with any other information required by law or deemed appropriate by the City, shall constitute a final Official Statement of the City with respect to the Bonds, as that term is defined in Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”). By awarding the Bonds to any underwriter or underwriting syndicate submitting an “OFFICIAL BID FORM” therefore, the City agrees that no more than seven (7) business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded up to 25 copies of the final Official Statement to permit each “Participating Underwriter” (as that term is defined in the Rule) to comply with the provisions of the Rule. The City shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the final Official Statement to the Participating Underwriter. Any underwriter executing and delivering an OFFICIAL BID FORM with respect to the Bonds, agrees thereby, if its bid is accepted by the City, (i) it shall accept such designation, and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the final Official Statement.

CONTINUING DISCLOSURE

The City will covenant in a Continuing Disclosure Certificate for the benefit of the owners and beneficial owners of the Bonds to provide annually certain financial information and operating data relating to the City (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City no later than June 30th after the close of each fiscal year, commencing with the fiscal year ending June 30, 2019, with the Municipal Securities Rulemaking Board, at its internet repository named “Electronic Municipal Market Access” (“EMMA”). The notices of events, if any, are also to be filed with EMMA. See “APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in “APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the “Rule”).

In accordance with the reporting requirements of paragraph (f)(3) of the Rule, within the past five years, the City failed to timely file a notice of bond call for the redemption of the City's General Obligation Corporate Purpose Bonds, Series 2009B.

Regarding the Mary Greeley Medical Center's (the "Medical Center") outstanding hospital revenue debt, the annual financial information filings for the Fiscal Year ended June 30, 2014 was timely filed, but were not properly linked to the Hospital Revenue Bonds, Series 2011 CUSIP numbers. In addition, certain tables in the annual financial information filings for the Fiscal Years ended June 30, 2014 through June 30, 2015 were not timely filed.

Breach of the Undertakings will not constitute a default or an "Event of Default" under the Bonds or the resolution for the Bonds. A broker or dealer is to consider a known breach of the Undertakings, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the Undertakings may adversely affect the transferability and liquidity of the Bonds and their market price.

CUSIP NUMBERS

It is anticipated that Committee on Uniform Security Identification Procedures ("CUSIP") numbers will be printed on the Bonds and the Purchaser must agree in the bid proposal to pay the cost thereof. In no event will the City, Bond Counsel or Municipal Advisor be responsible for the review or express any opinion that the CUSIP numbers are correct. Incorrect CUSIP numbers on said Bonds shall not be cause for the Purchaser to refuse to accept delivery of said Bonds.

BY ORDER OF THE CITY COUNCIL
City of Ames, Iowa
/s/ Duane Pitcher, Director of Finance

SCHEDULE OF BOND YEARS

\$11,555,000*

City of Ames, Iowa

General Obligation Corporate Purpose Bonds, Series 2019A

Bonds Dated: September 12, 2019
Interest Due: June 1, 2020 and each December 1 and June 1 to maturity
Principal Due: June 1, 2020-2031

| <u>Year</u> | <u>Principal</u> * | <u>Bond Years</u> | <u>Cumulative Bond Years</u> |
|-------------|--------------------|-------------------|----------------------------------|
| 2020 | \$965,000 | 694.26 | 694.26 |
| 2021 | 920,000 | 1,581.89 | 2,276.15 |
| 2022 | 935,000 | 2,542.68 | 4,818.83 |
| 2023 | 955,000 | 3,552.07 | 8,370.90 |
| 2024 | 970,000 | 4,577.86 | 12,948.76 |
| 2025 | 995,000 | 5,690.85 | 18,639.61 |
| 2026 | 1,010,000 | 6,786.64 | 25,426.25 |
| 2027 | 920,000 | 7,101.89 | 32,528.14 |
| 2028 | 940,000 | 8,196.28 | 40,724.42 |
| 2029 | 960,000 | 9,330.67 | 50,055.08 |
| 2030 | 980,000 | 10,505.06 | 60,560.14 |
| 2031 | 1,005,000 | 11,778.04 | 72,338.18 |

Average Maturity (dated date): 6.260 Years

* Preliminary; subject to change.

EXHIBIT 1

FORMS OF ISSUE PRICE CERTIFICATES

\$11,555,000
General Obligation Corporate Purpose Bonds, Series 2019A
ISSUE PRICE CERTIFICATE
(Form - More than 3 bids)

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.*** For purposes of this Issue Price Certificate:

(a) *Issuer* means the City of Ames, Iowa.

(b) *Maturity* means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Member of the Distribution Group* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(d) *Public* means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was August 27, 2019.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury

Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Closing Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Dorsey & Whitney LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: _____

Name: _____

Dated: September 12, 2019

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

\$11,555,000
General Obligation Corporate Purpose Bonds, Series 2019A
ISSUE PRICE CERTIFICATE
(Form - Fewer than 3 bids)

The undersigned, on behalf of [NAME OF UNDERWRITER ([“[SHORT NAME OF UNDERWRITER]”])] hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. **Initial Offering Price of the Bonds.** [SHORT NAME OF UNDERWRITER] offered the Bonds to the Public for purchase at the specified initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire for the Bonds is attached to this certificate as Schedule B.

2. **First Price at which Sold to the Public.** On the Sale Date, at least 10% of each Maturity [listed in Schedule C] was first sold to the Public at the respective Initial Offering Price [or price specified [therein][in Schedule C], if different].

3. **Hold the Offering Price Rule.** [SHORT NAME OF UNDERWRITER] has agreed in writing that, (i) for each Maturity less than 10% of which was first sold to the Public at a single price as of the Sale Date, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (ii) any agreement among underwriters, selling group agreement, or retail distribution agreement contains the agreement of each underwriter, dealer, or broker-dealer who is a party to such agreement to comply with the Hold-the-Offering-Price Rule. Based on the [SHORT NAME OF UNDERWRITER]’s own knowledge and, in the case of sales by other Members of the Distribution Group, representations obtained from the other Members of the Distribution Group, no Member of the Distribution Group has offered or sold any such Maturity at a price that is higher than the respective Initial Offering Price during the respective Holding Period.

4. **Defined Terms.** For purposes of this Issue Price Certificate:

(a) **Holding Period** means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (August 27, 2019), or (ii) the date on which Members of the Distribution Group have sold at least 10% of such Maturity to the Public at one or more prices, none of which is higher than the Initial Offering Price for such Maturity.

(b) **Issuer** means the City of Ames, Iowa.

(c) **Maturity** means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(d) **Member of the Distribution Group** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(e) **Public** means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation

and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was August 27, 2019.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDERWRITING FIRM] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Closing Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Dorsey & Whitney LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: _____

Name: _____

Dated: September 12, 2019

SCHEDULE A
INITIAL OFFERING PRICES OF THE BONDS
(Attached)

**SCHEDULE B
PRICING WIRE**
(Attached)

SCHEDULE C
SALES OF AT LEAST 10% OF MATURITY TO THE PUBLIC ON THE SALE DATE
AT THE INITIAL OFFERING PRICE
(Attached)

PRELIMINARY OFFICIAL STATEMENT

CITY OF AMES, IOWA

\$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A

INTRODUCTION

This Preliminary Official Statement contains information relating to the City of Ames, Iowa (the “City”) and its issuance of \$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A (the “Bonds”). This Preliminary Official Statement has been authorized by the City and may be distributed in connection with the sale of the Bonds authorized therein. Inquiries may be made to the City’s Municipal Advisor, PFM Financial Advisors LLC (the “Municipal Advisor”), 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309, or by telephoning 515-243-2600. Information can also be obtained from Mr. Duane Pitcher, Director of Finance, City of Ames, 515 Clark Avenue, Ames, Iowa, 50010, or by telephoning 515-239-5114.

AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to Division III of Chapter 384 of the Code of Iowa and a resolution to be adopted by the City Council of the City. The Bonds are being issued for the essential corporate purposes of paying the cost, to that extent, of constructing improvements to streets, sanitary sewers and bridges and acquisition of emergency services communication equipment.

The estimated sources and uses of the Bonds are as follows:

Sources of Funds*

| | |
|---------------------|-----------------|
| Par Amount of Bonds | \$11,555,000.00 |
|---------------------|-----------------|

Uses of Funds*

| | |
|----------------------------------|------------------|
| Deposit to Project Fund | \$11,384,204.00 |
| Underwriter’s Discount | 103,995.00 |
| Cost of Issuance and Contingency | <u>66,801.00</u> |
| Total Uses | \$11,555,000.00 |

* Preliminary; subject to change.

INTEREST ON THE BONDS

Interest on the Bonds will be payable on June 1, 2020 and semiannually on the 1st day of December and June thereafter. Principal and interest shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding the interest payment date (the “Record Date”). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

OPTIONAL REDEMPTION

Bonds due after June 1, 2027 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on said date or on any date thereafter at the option of the City, upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Bonds to be redeemed at the address shown on the registration books.

PAYMENT OF AND SECURITY FOR THE BONDS

The Bonds are general obligations of the City and the unlimited taxing powers of the City are irrevocably pledged for their payment. Upon issuance of the Bonds, the City will levy taxes for the years and in amounts sufficient to provide 100% of annual principal and interest due on the Bonds. If, however, the amount credited to the debt service fund for payment of the Bonds is insufficient to pay principal and interest, whether from transfers or from original levies, the City must use funds in its treasury and is required to levy ad valorem taxes upon all taxable property in the City without limit as to rate or amount sufficient to pay the debt service deficiency.

Nothing in the resolution authorizing the Bonds prohibits or limits the ability of the City to use legally available moneys other than the proceeds of the general ad valorem property taxes levied, as described in the preceding paragraph, to pay all or any portion of the principal of or interest on the Bonds. If and to the extent such other legally available moneys are used to pay the principal of or interest on the Bonds, the City may, but shall not be required to, (a) reduce the amount of taxes levied for such purpose, as described in the preceding paragraph; or (b) use proceeds of taxes levied, as described in the preceding paragraph, to reimburse the fund or account from which such other legally available moneys are withdrawn for the amount withdrawn from such fund or account to pay the principal of or interest on the Bonds.

The resolution authorizing the Bonds does not restrict the City's ability to issue or incur additional general obligation debt, although issuance of additional general obligation debt is subject to the same constitutional and statutory limitations that apply to the issuance of the Bonds. For a further description of the City's outstanding general obligation debt upon issuance of the Bonds and the annual debt service on the Bonds, see "DIRECT DEBT" under "CITY INDEBTEDNESS" included in APPENDIX A herein. For a description of certain constitutional and statutory limits on the issuance of general obligation debt, see "DEBT LIMIT" under "CITY INDEBTEDNESS" included in APPENDIX A herein.

BOOK-ENTRY-ONLY ISSUANCE

The information contained in the following paragraphs of this subsection "BOOK-ENTRY-ONLY ISSUANCE" has been extracted from a schedule prepared by Depository Trust Company ("DTC") entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE". The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry-only transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks,

trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the “Indirect Participants”). DTC has S&P Global Ratings: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry-only system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co., nor any other DTC nominee, will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date identified in a listing attached to the Omnibus Proxy.

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry-only credit of tendered Securities to Remarketing Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FUTURE FINANCING

The City does not anticipate issuing any additional general obligation debt within 90 days of this Preliminary Official Statement.

LITIGATION

The City is not aware of any threatened or pending litigation affecting the validity of the Bonds or the City's ability to meet its financial obligations.

At closing, the City will certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the Bonds, or the titles of the City officers to their respective positions, or the validity of the Bonds, or the power and duty of the Bonds to provide and apply adequate taxes for the full and prompt payment of the principal and interest of the Bonds, and that no measure or provision for the authorization or issuance of the Bonds has been repealed or rescinded."

DEBT PAYMENT HISTORY

The City knows of no instance in which they have defaulted in the payment of principal and interest on its debt.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and with regard to the tax-exempt or taxable status of the interest thereon (see "TAX EXEMPTION AND RELATED TAX MATTERS" included herein) are subject to the approving legal opinion of Dorsey & Whitney LLP, Des Moines, Iowa, Bond Counsel, a form of which is attached hereto as "APPENDIX B". Signed copies of the opinion, dated and premised on law in effect as of the date of original delivery of the Bonds, will be delivered to the successful bidder (the "Purchaser") at the time of such original delivery. The Bonds are offered subject to prior sale and to the approval of legality of the Bonds by Bond Counsel.

Bond Counsel has not been engaged, nor has it undertaken, to prepare or to independently verify the accuracy of the Preliminary Official Statement, including but not limited to financial or statistical information of the City and risks associated with the purchase of the Bonds, except Bond Counsel has reviewed the information and statements contained in the Preliminary Official Statement under "TAX EXEMPTION AND RELATED TAX MATTERS" and "LEGAL MATTERS" included herein, insofar as such statements contained under such captions purport to summarize certain provisions of the Internal Revenue Code of 1986, the Bonds and any opinions rendered by Bond Counsel. Bond Counsel has prepared the documents contained in "APPENDIX B" and "APPENDIX D".

TAX EXEMPTION AND RELATED TAX MATTERS

Federal Income Tax Exemption: The opinion of Bond Counsel will state that under present laws and rulings, interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes, and is not treated as a preference item in calculating the federal alternative minimum tax imposed under the Internal Revenue Code of 1986 (the “Code”).

The opinion set forth in the preceding sentence will be subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. In the resolution authorizing the issuance of the Bonds, the City will covenant to comply with all such requirements.

There may be certain other federal tax consequences to the ownership of the Bonds by certain taxpayers, including without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security and Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will express no opinion with respect to other federal tax consequences to owners of the Bonds. Prospective purchasers of the Bonds should consult with their tax advisors as to such matters.

State of Iowa Income Taxes: The interest on the Bonds is NOT exempt from present Iowa income taxes.

Proposed Changes in Federal and State Tax Law: From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. No prediction is made whether such provisions will be enacted as proposed or concerning other future legislation affecting the tax treatment of interest on the Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax exempt status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

NOT Qualified Tax-Exempt Obligations: In the resolution authorizing the issuance of the Bonds, the City will NOT designate the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes a portion of the interest expense that is allocable to tax-exempt obligations. In the opinion of Bond Counsel, the Bonds are NOT “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

Original Issue Discount: The Bonds maturing in the years ____ through ____ (collectively, the “Discount Bonds”) are being sold at a discount from the principal amount payable on such Bonds at maturity. The difference between the price at which a substantial amount of the Discount Bonds of a given maturity is first sold to the public (the “Issue Price”) and the principal amount payable at maturity constitutes “original issue discount” under the Code. The amount of original issue discount that accrues to a holder of a Discount Bond under section 1288 of the Code is excluded from federal gross income to the same extent that stated interest on such Discount Bond would be so excluded. The amount of the original issue discount that accrues with respect to a Discount Bond under section 1288 is added to the owner’s federal tax basis

in determining gain or loss upon disposition of such Discount Bond (whether by sale, exchange, redemption or payment at maturity).

Interest in the form of original issue discount accrues under section 1288 pursuant to a constant yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bond. The amount of original issue discount that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Discount Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Discount Bonds, over (2) the amount of stated interest actually payable. For purposes of the preceding sentence, the adjusted issue price is determined by adding to the Issue Price for such Discount Bonds the original issue discount that is treated as having accrued during all prior semiannual accrual periods. If a Discount Bond is sold or otherwise disposed of between semiannual compounding dates, then the original issue discount that would have accrued for that semiannual accrual period for federal income tax purposes is allocated ratably to the days in such accrual period.

An owner of a Discount Bond who disposes of such Discount Bond prior to maturity should consult owner's tax advisor as to the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bond prior to maturity.

Owners who purchase Discount Bonds in the initial public offering but at a price different than the Issue Price should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Original issue discount that accrues in each year to an owner of a Discount Bond may result in collateral federal income tax consequences to certain taxpayers. No opinion is expressed as to state and local income tax treatment of original issue discount. All owners of Discount Bonds should consult their own tax advisors with respect to the federal, state, local and foreign tax consequences associated with the purchase, ownership, redemption, sale or other disposition of Discount Bonds.

Original Issue Premium: The Bonds maturing in the years ____ through ____ (collectively, the "Premium Bonds") are being issued at a premium to the principal amount payable at maturity. Except in the case of dealers, which are subject to special rules, Bondholders who acquire the Bonds at a premium must, from time to time, reduce their federal tax bases for the Bonds for purposes of determining gain or loss on the sale or payment of such Bonds. Premium generally is amortized for federal income tax purposes on the basis of a bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Bondholders who acquire any Bonds at a premium might recognize taxable gain upon sale of the Bonds, even if such Bonds are sold for an amount equal to or less than their original cost. Amortized premium is not deductible for federal income tax purposes. Bondholders who acquire any Bonds at a premium should consult their tax advisors concerning the calculation of bond premium and the timing and rate of premium amortization, as well as the state and local tax consequences of owning and selling the Bonds acquired at a premium.

BONDHOLDER'S RISKS

An investment in the Bonds involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Preliminary Official Statement (including the appendices hereto) in order to make a judgment as to whether the Bonds are an appropriate investment.

Tax Levy Procedures: The Bonds are general obligations of the City, payable from and secured by a continuing ad-valorem tax levied against all of the taxable property within the boundaries of the City. As part of the budgetary process of the City, each fiscal year the City will have an obligation to request a debt service levy to be applied against all of the taxable property within the boundaries of the City. A failure on the part of the City to make a timely levy request, or a levy request by the City that is inaccurate or is insufficient to make full payments of the debt service on the Bond for a

particular fiscal year, may cause Bondholders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds.

2013 Property Tax Legislation: During its 2013 session the Iowa Legislature enacted, and the Governor signed legislation that, among other things, reduces the limit on annual assessed value growth with respect to residential and agricultural property from 4% to 3%, reduces as a rollback the taxable value applicable to commercial, industrial and railroad property to 95% for the 2013 assessment year and 90% for the 2014 assessment year and all years thereafter, and provides a partial exemption on telecommunications property. The legislation also created a new separate classification for multiresidential properties which were previously taxed as commercial properties, and assigns an incremental rollback percentage over several years for multiresidential properties such that the multiresidential rollback determination will match that for residential properties in the 2022 assessment year. As a result of this legislation, local governments expect to experience reductions in property tax revenues over the next several fiscal years. The legislation includes state-funded replacement moneys for a portion of the expected reduction in property tax revenues to the local governments, but such replacement funding is limited in both amount and duration of availability. There can be no assurance the state-funded replacement moneys will be provided by the state, if at all, during the term the Bonds remain outstanding. The City does not expect the state replacement funding to fully address the property tax reductions resulting from the legislation during the term the Bonds remain outstanding. The legislation does not limit the legal obligation of the City to pay debt service on the Bonds or the amount the City is required to levy for payments of debt service on the Bonds; however, there can be no assurances that it will not have a material adverse impact with respect to the City's financial position.

Changes in Property Taxation: From time to time the Iowa General Assembly has altered the method of property taxation and could do so again. Any alteration in property taxation structure could affect property tax revenues available to pay the Bonds. Historically, the Iowa General Assembly has applied changes in property taxation structure on a prospective basis; however, there is no assurance that future changes in property taxation structure by the Iowa General Assembly will not be retroactive. It is impossible to predict the outcome of future property tax changes by the Iowa General Assembly or their potential impact on the Bonds and the security for the Bonds.

Matters Relating to Enforceability of Agreements: Bondholders shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Bonds, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the resolution for the Bonds.

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Loan Agreements. The remedies available to the Bondholders upon an event of default under the Loan Agreements, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Loan Agreements may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies will result in sufficient funds to pay all amounts due under the Loan Agreements, including principal of and interest on the Bonds.

Secondary Market: There can be no guarantee there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, secondary marketing practices in connection with a particular note or bond issue are suspended or terminated. Additionally, prices of bond or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.

Rating Loss: Moody's Investors Service ("Moody's") has assigned a rating of 'Aa1' to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Insolvency: The rights and remedies provided in the resolution for the Bonds may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditor's rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Bonds, the Loan Agreement and the resolution for the Bonds, including the opinion of Bond Counsel, will be similarly qualified. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the owners of the Bonds could be prohibited from taking any steps to enforce their rights under the resolution for the Bonds. In the event the City fails to comply with its covenants under the resolution for the Bonds or fails to make payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Bonds.

Forward-Looking Statements: This Preliminary Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Preliminary Official Statement, the words "anticipated," "plan," "expect," "projected," "estimate," "budget," "pro forma," "forecast," "intend," and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the City to pay debt service when due on the Bonds.

Tax Matters, Bank Qualification and Loss of Tax Exemption: As discussed under the heading "TAX EXEMPTION AND RELATED TAX MATTERS" included A herein, the interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Bonds, as a result of acts or omissions of the City in violation of its covenants in the resolution for the Bonds. Should such an event of taxability occur, the Bonds would not be subject to a special redemption and would remain outstanding until maturity or until redeemed under the redemption provisions contained in the Bonds, and there is no provision for an adjustment of the interest rate on the Bonds.

It is possible that actions of the City after the closing of the Bonds will alter the tax-exempt status of the Bonds, and, in the extreme, remove the tax-exempt status from the Bonds. In that instance, the Bonds are not subject to mandatory prepayment, and the interest rate on the Bonds does not increase or otherwise reset. A determination of taxability on the Bonds, after closing of the Bonds, could materially adversely affect the value and marketability of the Bonds.

DTC-Beneficial Owners: Beneficial Owners of the Bonds may experience some delay in the receipt of distributions of principal of and interest on the Bonds since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through indirect Participants. Neither the City nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Bonds can be effected only through DTC Participants, indirect participants and certain banks, the ability of a Beneficial Owner to pledge the Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of a physical certificate.

Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See “BOOK-ENTRY-ONLY ISSUANCE.”

Proposed Federal Tax Legislation: From time to time, Presidential proposals, federal legislative committee proposals or legislative proposals are made that would, if enacted, alter or amend one or more of the federal tax matters described herein in certain respects or would adversely affect the market value of the Bonds. It cannot be predicted whether or in what forms any of such proposals that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition, regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby. See “TAX EXEMPTION AND RELATED TAX MATTERS” included herein.

Pension and Other Post-Employment Benefits (“OPEB”) Information: The City contributes to the Iowa Public Employees’ Retirement System (“IPERS”), which is a state-wide multiple-employer cost-sharing defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. All full-time employees of the City are required to participate in IPERS. IPERS plan members are required to contribute a percentage of their annual salary, in addition to the City being required to make annual contributions to IPERS. Contribution amounts are set by State statute. The IPERS Comprehensive Annual Financial Report for its Fiscal Year ended June 30, 2018 (the “IPERS CAFR”) indicates that as of June 30, 2018, the date of the most recent actuarial valuation for IPERS, the funded ratio of IPERS was 82.36%, and the unfunded actuarial liability was \$6.815 billion. The IPERS CAFR identifies the IPERS Net Pension Liability at June 30, 2018, at approximately \$6.328 billion, while its net pension liability at June 30, 2017 was approximately \$6.661 billion. The IPERS CAFR is available on the IPERS website, or by contacting IPERS at 7401 Register Drive, Des Moines, IA 50321.

In Fiscal Year ended June 30, 2018, the City’s IPERS contribution totaled approximately \$7,862,807. The City is current in its obligations to IPERS.

Pursuant to Governmental Accounting Standards Board Statement No. 68, IPERS has allocated the net pension liability among its members, with the City’s identified portion at June 30, 2018 at approximately \$75,255,392. While the City’s contributions to IPERS are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See “EMPLOYEES AND PENSIONS” included in APPENDIX A herein, and “APPENDIX C – JUNE 30, 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT” for additional information on pension and liabilities of the City.

Bond Counsel, the Underwriter, the Municipal Advisor and the City undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor’s website or links to other Internet sites accessed through the IPERS website.

The City contributes to Municipal Fire and Police Retirement System of Iowa (“MFPRSI”), which is a multiple-employer cost-sharing defined benefit pension plan for fire fighters and police officers, administered under Chapter 411 of the Code of Iowa. MFPRSI plan members are required to contribute a percentage of their annual salary, in addition to the City being required to make annual contributions to MFPRSI. Contribution amounts are set by State statute. The MFPRSI Financial Statements for its Fiscal Year ended June 30, 2018 (the “MFPRSI Report”) indicates that as of June 30, 2018, the plan fiduciary net position as a percentage of the total pension liability was 81.07%. The MFPRSI Report identifies the MFPRSI Net Pension Liability at June 30, 2018, at approximately \$595.4 million, while its net pension liability at June 30, 2017 was approximately \$586.5 million. The MFPRSI Report is available on the MFPRSI website.

In the Fiscal Year ended June 30, 2018, the City’s MFPRSI contribution totaled approximately \$2,028,739. The City is current in its obligations to MFPRSI.

Bond Counsel, the Underwriter, the Municipal Advisor and the City undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the MFPRSI discussed above or included on the MFPRSI website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the MFPRSI website.

Pursuant to Governmental Accounting Standards Board Statement No. 68, MFPRSI has allocated the net pension liability among its members, with the City's identified portion at June 30, 2018 at approximately \$15,549,272. While the City's contributions to MFPRSI are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See "EMPLOYEES AND PENSIONS" included in APPENDIX A herein, and "APPENDIX C – JUNE 30, 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT" for additional information on MFPRSI.

The City and hospital provide health and dental care benefits for retirees and their beneficiaries through a single-employer, defined benefit plan. The hospital also provides a life insurance benefit. The City has the authority to establish and amend benefit provisions of the plan. Participants must be age 55 or older. The contribution requirements of the City are established and may be amended by the City. Plan members are currently not required to contribute. The City funds on a pay-as-you-go basis. See "OTHER POST-EMPLOYMENT BENEFITS" included in APPENDIX A, and "APPENDIX C – JUNE 30, 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT" for additional information.

Summary: The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Preliminary Official Statement and the appendices hereto.

RATING

The Bonds have been rated 'Aa1' by Moody's. Currently, Moody's rates the City's outstanding General Obligation long-term debt 'Aa1'. The existing rating on long-term debt reflects only the view of the rating agency and with any explanation of the significance of such rating may only be obtained from Moody's. There is no assurance that such rating will continue for any period of time or that it will not be revised or withdrawn. Any revision or withdrawal of the rating may have an effect on the market price of the Bonds.

MUNICIPAL ADVISOR

The City has retained PFM Financial Advisors LLC, Des Moines, Iowa as Municipal Advisor in connection with the preparation of the issuance of the Bonds. In preparing the Preliminary Official Statement, the Municipal Advisor has relied on government officials and other sources to provide accurate information for disclosure purposes. The Municipal Advisor is not obligated to undertake, and has not undertaken, an independent verification of the accuracy, completeness or fairness of the information contained in this Preliminary Official Statement. PFM Financial Advisors LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CONTINUING DISCLOSURE

The City will covenant in a Continuing Disclosure Certificate for the benefit of the owners and beneficial owners of the Bonds to provide annually certain financial information and operating data relating to the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City no later than June 30th after the close of each fiscal year, commencing with the fiscal year ending June 30, 2019, with the Municipal Securities Rulemaking Board, at its internet repository named "Electronic Municipal Market Access" ("EMMA"). The notices of events, if any, are also to be filed with EMMA. See "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE." The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the "Rule").

In accordance with the reporting requirements of paragraph (f)(3) of the Rule, within the past five years, the City failed to timely file a notice of bond call for the redemption of the City's General Obligation Corporate Purpose Bonds, Series 2009B.

Regarding the Mary Greeley Medical Center's (the "Medical Center") outstanding hospital revenue debt, the annual financial information filings for the Fiscal Year ended June 30, 2014 was timely filed, but were not properly linked to the Hospital Revenue Bonds, Series 2011 CUSIP numbers. In addition, certain tables in the annual financial information filings for the Fiscal Years ended June 30, 2014 through June 30, 2015 were not timely filed.

Breach of the Undertakings will not constitute a default or an "Event of Default" under the Bonds or the resolution for the Bonds. A broker or dealer is to consider a known breach of the Undertakings, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the Undertakings may adversely affect the transferability and liquidity of the Bonds and their market price.

CERTIFICATION

The City has authorized the distribution of this Preliminary Official Statement for use in connection with the initial sale of the Bonds. I have reviewed the information contained within the Preliminary Official Statement prepared on behalf of the City by PFM Financial Advisors LLC, Des Moines, Iowa, and to the best of our knowledge, information and belief, said Preliminary Official Statement does not contain any material misstatements of fact nor omission of any material fact regarding the issuance of \$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A.

CITY OF AMES, IOWA
/s/ Duane Pitcher, Director of Finance

* Preliminary; subject to change.

APPENDIX A

GENERAL INFORMATION ABOUT THE CITY OF AMES, IOWA

CITY PROPERTY VALUATIONS

IOWA PROPERTY VALUATIONS

In compliance with Section 441.21 of the Code of Iowa, the State Director of Revenue annually directs the county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The 2018 final Actual Values were adjusted by the Story County Auditor. The reduced values, determined after the application of rollback percentages, are the Taxable Values subject to tax levy. For assessment year 2018, the taxable value rollback rate was 56.9180% of actual value for residential property; 56.1324% of actual value for agricultural property; 75.0000% of the actual value for multiresidential property; and 90% of actual value for commercial, industrial and railroad property. No adjustment was ordered for utility property because its assessed value did not increase enough to qualify for reduction. Utility property is limited to an 8% annual growth.

The Legislature's intent has been to limit the growth of statewide taxable valuations for the specific classes of property to 3% annually. Political subdivisions whose taxable values are thus reduced or are unusually low in growth are allowed to appeal the valuations to the State Appeal Board, in order to continue to fund present services.

PROPERTY VALUATIONS (1/1/2018 Valuations for Taxes Payable July 1, 2019 through June 30, 2020)

| | <u>100% Actual Value</u> | <u>Taxable Value (With Rollback)</u> |
|------------------------------|--------------------------|--|
| Residential | \$3,548,646,174 | \$2,019,762,039 |
| Commercial | 823,143,900 | 736,326,020 |
| Industrial | 157,933,848 | 142,098,648 |
| Multiresidential | 215,828,400 | 161,871,300 |
| Railroads | 9,699,366 | 8,729,429 |
| Utilities w/o Gas & Electric | <u>5,462,254</u> | <u>5,462,254</u> |
| Gross valuation | \$4,760,713,942 | \$3,074,249,690 |
| Less military exemption | <u>(2,179,804)</u> | <u>(2,179,804)</u> |
| Net valuation | \$4,758,534,138 | \$3,072,069,886 |
| TIF Increment | \$45,584,078 | \$45,584,078 |
| Taxed separately | | |
| Ag. Land & Building | \$5,324,100 | \$2,988,543 |
| Gas & Electric Utilities | \$33,292,802 | \$7,838,712 |

2018 GROSS TAXABLE VALUATION BY CLASS OF PROPERTY ¹⁾

| | <u>Taxable Valuation</u> | <u>Percent of Total</u> |
|--|--------------------------|-------------------------|
| Residential | \$2,019,762,039 | 65.53% |
| Multiresidential | 161,871,300 | 5.25% |
| Gas & Electric Utilities | 7,838,712 | 0.26% |
| Commercial, Industrial, Railroads, Utility | <u>892,616,351</u> | <u>28.96%</u> |
| Total Gross Taxable Valuation | \$3,082,088,402 | 100.00% |

1) Excludes Taxable TIF Increment and Ag. Land & Buildings.

TREND OF VALUATIONS

| <u>Assessment Year</u> | <u>Payable Fiscal Year</u> | <u>100% Actual Valuation</u> | <u>Taxable Valuation (With Rollback)</u> | <u>Taxable TIF Increment</u> |
|------------------------|----------------------------|------------------------------|--|------------------------------|
| 2014 | 2015-16 | \$3,793,802,326 | \$2,444,958,642 | \$1,827,450 |
| 2015 | 2016-17 | 4,055,993,730 | 2,603,065,698 | 10,883,485 |
| 2016 | 2017-18 | 4,184,550,434 | 2,701,440,748 | 30,501,176 |
| 2017 | 2018-19 | 4,637,521,835 | 2,914,741,622 | 34,554,637 |
| 2018 | 2019-20 | 4,842,735,118 | 3,079,908,598 | 45,584,078 |

The 100% Actual Valuation, before rollback and after the reduction of military exemption, includes Ag. Land & Buildings, TIF Increment and Gas & Electric Utilities. The Taxable Valuation, with the rollback and after the reduction of military exemption, includes Gas & Electric Utilities and excludes Ag. Land & Buildings and Taxable TIF Increment. Iowa cities certify operating levies against Taxable Valuation excluding Taxable TIF Increment and debt service levies are certified against Taxable Valuation including the Taxable TIF Increment.

LARGER TAXPAYERS

Set forth in the following table are the persons or entities which represent larger taxpayers within the boundaries of the City, as provided by the Story County Auditor’s office. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City. With the exception of the electric and natural gas provider noted below (which is subject to an excise tax in accordance with Iowa Code chapter 437A), the City’s mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the City from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

| <u>Taxpayer</u> ¹⁾ | <u>Type of Property/Business</u> | <u>1/1/2018²⁾ Taxable Valuation</u> |
|--------------------------------------|----------------------------------|--|
| Iowa State University Research Park | Commercial | \$56,097,983 |
| Barilla America Inc. | Industrial | 37,649,430 |
| Campus Investors IS LLC | Commercial | 36,949,414 |
| Clinic Building Company, Inc. | Commercial | 29,672,730 |
| FPA6 University West LLC | Commercial | 22,357,004 |
| GPT Ames Owner LLC | Commercial | 21,346,650 |
| ACA Stadium View Student Housing Dst | Multiresidential | 20,348,211 |
| Dayton Park LLC | Commercial | 19,707,990 |
| CB at Ames LLC | Multiresidential | 18,148,502 |
| Ames Iowa LLC | Commercial | 16,857,900 |

1) This list represents some of the larger taxpayers in the City, not necessarily the 10 largest taxpayers.

2) The January 1, 2018 Taxable valuations listed represents only those valuations associated with the title holder and may not necessarily represent the entire taxable valuation.

Source: Story County Auditor

PROPERTY TAX LEGISLATION

During the 2013 legislative session, the Iowa General Assembly enacted Senate File 295 (the “Act”), which the Governor signed into law on June 12, 2013. Among other things, the Act (i) reduced the maximum annual taxable value growth percent, due to revaluation of existing residential and agricultural property to 3%, (ii) assigned a “rollback” (the percentage of a property’s value that is subject to tax) to commercial, industrial and railroad property of 90%, (iii) created a new property tax classification for multi-residential properties (mobile home parks, manufactured home communities, land-lease communities, assisted living facilities and property primarily used or intended for human habitation containing three or more separate dwelling units) (“Multiresidential Property”), and assigned a declining rollback percentage of 3.75% to such properties for each year until the 2021 assessment year (the rollback percentage for Multiresidential Properties is equal to the residential rollback percentage in the 2022 assessment year and thereafter) and (iv) exempted a specified portion of the assessed value of telecommunication properties.

The Act included a standing appropriation to replace some of the tax revenues lost by local governments, including tax increment districts, resulting from the new rollback for commercial and industrial property. Beginning in Fiscal Year 2017-18 the standing appropriation could not exceed the actual Fiscal Year 2016-17 appropriation amount. The appropriation does not replace losses to local governments resulting from the Act’s provisions that reduce the annual revaluation growth limit for residential and agricultural properties to 3%, the gradual transition for Multiresidential Property to the residential rollback percentage, or the reduction in the percentage of telecommunications property that is subject to taxation.

Given the wide scope of the statutory changes, and the State of Iowa’s discretion in establishing the annual replacement amount that is appropriated each year commencing in Fiscal Year 2017-18, the impact of the Act on the City’s future property tax collections is uncertain and the City is unable to accurately assess the financial impact of the Act’s provisions on the City’s future operations.

Notwithstanding any decrease in property tax revenues that may result from the Act, Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation bonds, “the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full.”

From time to time, other legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described in this Official Statement. For instance during the 2019 legislative session, the Iowa General Assembly passed Senate File 634. This bill modifies the process for hearing and approval of the total maximum property tax dollars under certain levies in the City budget, including levies for the General Fund, the Emergency Fund, Trust and Agency Funds for pensions, insurance, transit, civic centers, certain bridges, sanitary disposal, and emergency management. The bill also includes a provision that will require the affirmative vote of 2/3 of the City Council when the maximum property tax dollars under these levies exceed an amount determined under a prescribed formula. The bill does not change the process for hearing and approval of the debt service levy pledged for repayment of the Bonds. It is too early to evaluate the affect this legislation will have on the overall financial position of the City and its ability to fund essential services.

CITY INDEBTEDNESS

DEBT LIMIT

Article XI, Section 3 of the State of Iowa Constitution limits the amount of debt outstanding at any time of any county, municipality or other political subdivision to no more than 5% of the Actual Value of all taxable property within the corporate limits, as taken from the last state and county tax list. The debt limit for the City, based on its 2018 Actual Valuation currently applicable to the Fiscal Year 2019-20, is as follows:

| | |
|---|--------------------------------|
| 2018 Gross Actual Valuation of Property | \$4,842,735,118 ¹⁾ |
| Legal Debt Limit of 5% | <u>0.05</u> |
| Legal Debt Limit | \$242,136,756 |
| Less: G.O. Debt Subject to Debt Limit | (74,845,000) * |
| Less: Other Debt Subject to Debt Limit | <u>(335,427) ²⁾</u> |
| Net Debt Limit | \$166,956,329 * |

1) Actual Valuation of property as reported by the Iowa Department of Management for the Fiscal Year 2019-20.

2) Other Debt Subject to Debt Limit includes TIF rebate agreement payments appropriated for Fiscal Year 2019-20.

DIRECT DEBT

General Obligation Debt Paid by Taxes and Other Sources ¹⁾ (Includes the Bonds)

| <u>Date of Issue</u> | <u>Original Amount</u> | <u>Purpose</u> | <u>Final Maturity</u> | <u>Principal Outstanding As of 9/12/19</u> |
|--------------------------|----------------------------|--|---------------------------|--|
| 9/10A | \$6,690,000 | Capital Improvement Projects | 6/22 | \$1,915,000 |
| 5/11A | 5,980,000 | Refunding Series 2002A, 2002B & 2003 | 6/21 | 495,000 |
| 11/11B | 6,675,000 | Corporate Purpose Improvements | 6/23 | 2,405,000 |
| 10/12 | 12,660,000 | Corporate Purpose Improvements | 6/32 | 6,935,000 |
| 5/13 | 22,540,000 | Corporate Purpose Improvements & Refunding | 6/32 | 13,540,000 |
| 9/14 | 9,695,000 | Corporate Purpose Improvements | 6/26 | 5,690,000 |
| 9/15A | 18,445,000 | Corporate Purpose Improvements & Refunding | 6/35 | 9,750,000 |
| 9/16A | 11,650,000 | Corporate Purpose Improvements & Refunding | 6/28 | 7,630,000 |
| 9/17A | 10,975,000 | Corporate Purpose Improvements & Refunding | 6/29 | 8,015,000 |
| 9/18A | 7,490,000 | Corporate Purpose Improvements | 6/30 | 6,915,000 |
| 9/19A | 11,555,000* | Corporate Purpose Improvements | 6/31 | <u>11,555,000</u> * |
| Total | | | | \$74,845,000 * |

1) The City's general obligation debt is abated by tax increment reimbursements, water revenues, sewer revenues, airport revenues, resource recovery revenues and special assessments.

* Preliminary; subject to change.

Annual Fiscal Year Debt Service Payments (Includes the Bonds)

| Fiscal Year | <u>Existing Debt</u> | | <u>Bonds</u> | | <u>Total Outstanding</u> | |
|--------------|----------------------|-------------------------------|----------------------|--------------------------------|--------------------------|--------------------------------|
| | <u>Principal</u> | <u>Principal and Interest</u> | <u>Principal*</u> | <u>Principal and Interest*</u> | <u>Principal*</u> | <u>Principal and Interest*</u> |
| 2019-20 | \$8,900,000 | \$10,931,674 | \$965,000 | \$1,135,048 | \$9,865,000 | \$12,066,722 |
| 2020-21 | 8,365,000 | 10,070,174 | 920,000 | 1,139,666 | 9,285,000 | 11,209,840 |
| 2021-22 | 7,320,000 | 8,759,469 | 935,000 | 1,138,382 | 8,255,000 | 9,897,851 |
| 2022-23 | 6,870,000 | 8,068,139 | 955,000 | 1,141,552 | 7,825,000 | 9,209,691 |
| 2023-24 | 6,410,000 | 7,382,369 | 970,000 | 1,139,266 | 7,380,000 | 8,521,635 |
| 2024-25 | 5,545,000 | 6,314,294 | 995,000 | 1,146,418 | 6,540,000 | 7,460,712 |
| 2025-26 | 5,010,000 | 5,591,394 | 1,010,000 | 1,142,215 | 6,020,000 | 6,733,609 |
| 2026-27 | 4,490,000 | 4,917,619 | 920,000 | 1,032,217 | 5,410,000 | 5,949,836 |
| 2027-28 | 3,320,000 | 3,619,469 | 940,000 | 1,033,633 | 4,260,000 | 4,653,102 |
| 2028-29 | 2,540,000 | 2,753,344 | 960,000 | 1,033,611 | 3,500,000 | 3,786,955 |
| 2029-30 | 1,915,000 | 2,052,144 | 980,000 | 1,032,683 | 2,895,000 | 3,084,827 |
| 2030-31 | 1,195,000 | 1,274,694 | <u>1,005,000</u> | 1,034,849 | 2,200,000 | 2,309,543 |
| 2031-32 | 1,230,000 | 1,273,844 | | | 1,230,000 | 1,273,844 |
| 2032-33 | 60,000 | 65,775 | | | 60,000 | 65,775 |
| 2033-34 | 60,000 | 63,900 | | | 60,000 | 63,900 |
| 2034-35 | <u>60,000</u> | 61,950 | | | <u>60,000</u> | 61,950 |
| Total | \$63,290,000 | | \$11,555,000* | | \$74,845,000* | |

* Preliminary; subject to change.

OTHER DEBT

Water Revenue Debt

The City has water revenue debt paid solely from the net revenues of the Water Utility as follows:

| <u>Date of Issue</u> | <u>Original Amount</u> | <u>Purpose</u> | <u>Final Maturity</u> | <u>Principal Outstanding As of 9/12/19</u> |
|----------------------|------------------------|---------------------------|-----------------------|--|
| 1/15 | \$76,325,000 | Water Revenue Bonds (SRF) | 6/37 | \$62,190,737 ¹⁾ |

1) Preliminary; subject to change based on final project costs. The City has drawn \$67,987,737 as of June 24, 2019.

Sewer Revenue Debt

The City has sewer revenue debt paid solely from the net revenues of the Sewer Utility as follows:

| <u>Date of Issue</u> | <u>Original Amount</u> | <u>Purpose</u> | <u>Final Maturity</u> | <u>Principal Outstanding As of 9/12/19</u> |
|----------------------|------------------------|--------------------------------|-----------------------|--|
| 11/12 | \$3,121,000 | Sewer Revenue Bonds (SRF) | 6/33 | \$1,702,000 ¹⁾ |
| 9/16 | 375,000 | Planning and Design Loan (SRF) | 9/19 | 0 ²⁾ |
| 9/16 | 797,000 | Sewer Revenue Bonds (SRF) | 6/36 | 541,332 ³⁾ |
| 2/18-1 | 1,001,000 | Sewer Revenue Bonds (SRF) | 6/38 | 726,771 ⁴⁾ |
| 2/18-2 | 5,700,000 | Sewer Revenue Bonds (SRF) | 6/38 | <u>2,985,156</u> ⁵⁾ |
| Total | | | | \$5,955,259 |

1) Preliminary; subject to change based on final project costs. The City has drawn \$2,474,250 as of June 24, 2019.

2) Preliminary; subject to change based on final project costs. The City has drawn \$0 as June 24, 2019.

3) Preliminary; subject to change based on final project costs. The City has drawn \$641,332 as June 24, 2019.

4) Preliminary; subject to change based on final project costs. The City has drawn \$767,771 as June 24, 2019.

5) Preliminary; subject to change based on final project costs. The City has drawn \$3,220,156 as June 24, 2019.

Electric Revenue Debt

The City has electric revenue debt paid solely from the net revenues of the Electric Utility as follows:

| <u>Date of Issue</u> | <u>Original Amount</u> | <u>Purpose</u> | <u>Final Maturity</u> | <u>Principal Outstanding As of 9/12/19</u> |
|----------------------|------------------------|------------------------|-----------------------|--|
| 12/15B | \$9,500,000 | Electric Revenue Bonds | 6/27 | \$6,735,000 |

Hospital Revenue Debt

The City has hospital revenue debt paid solely from the net revenues of Mary Greeley Medical Center as follows:

| <u>Date of Issue</u> | <u>Original Amount</u> | <u>Purpose</u> | <u>Final Maturity</u> | <u>Principal Outstanding As of 9/12/19</u> |
|----------------------|------------------------|---|-----------------------|--|
| 11/12 | \$26,000,000 | Mary Greeley Medical Center & Refunding | 6/27 | \$10,185,000 |
| 06/16 | 64,790,000 | Mary Greeley Medical Center & Refunding | 6/36 | <u>62,725,000</u> |
| Total | | | | \$72,910,000 |

OVERLAPPING DEBT

| <u>Taxing District</u> | <u>1/1/2018 Taxable Valuation</u> ¹⁾ | <u>Valuation Within the City</u> | <u>Percent Applicable</u> | <u>G.O. Debt</u> ²⁾ | <u>City's Proportionate Share</u> |
|---|---|----------------------------------|---------------------------|--------------------------------|-----------------------------------|
| Story County | \$5,166,725,247 | \$3,128,481,219 | 60.55% | \$0 | \$0 |
| Ames CSD | 2,869,347,574 | 2,819,589,890 | 98.27% | 52,675,000 | 51,763,723 |
| Gilbert CSD | 574,640,288 | 294,723,420 | 51.29% | 28,755,000 | 14,748,440 |
| Nevada CSD | 515,526,253 | 1,109,613 | 0.22% | 4,552,000 | 10,014 |
| United CSD | 329,419,006 | 13,058,296 | 3.96% | 0 | 0 |
| DMACC | 50,504,396,751 | 3,128,481,219 | 6.19% | 68,010,000 | <u>4,209,819</u> |
| City's share of total overlapping debt: | | | | | \$70,731,996 |

- 1) Taxable Valuation excludes military exemption and includes Ag Land, Ag Buildings, all Utilities and TIF Increment.
- 2) Includes general obligation bonds, PPEL notes, certificates of participation and new jobs training certificates.

DEBT RATIOS

| | <u>G.O. Debt</u> | <u>Debt/Actual Market Value (\$4,842,735,118)</u> ¹⁾ | <u>Debt/58,965 Population</u> ²⁾ |
|----------------------------------|------------------|---|---|
| Total General Obligation Debt | \$74,845,000* | 1.55%* | \$1,269.31* |
| City's Share of Overlapping Debt | \$70,731,996 | 1.46% | \$1,199.56 |

- 1) Based on the City's 1/1/2018 100% Actual Valuation; includes Ag Land, Ag Buildings, all Utilities and TIF Increment.
- 2) Population based on the City's 2010 U.S. Census.

* Preliminary; subject to change.

LEVIES AND TAX COLLECTIONS

| <u>Fiscal Year</u> | <u>Levy</u> | <u>Collected During Collection Year</u> | <u>Percent Collected</u> |
|--------------------|--------------|---|--------------------------|
| 2015-16 | \$26,000,394 | \$25,108,284 | 96.57% |
| 2016-17 | 27,044,391 | 25,919,199 | 95.84% |
| 2017-18 | 28,137,151 | 27,044,258 | 96.12% |
| 2018-19 | 29,474,657 | -----In Process of Collection----- | |
| 2019-20 | 30,953,785 | -----In Process of Collection----- | |

Collections include delinquent taxes from all prior years. Taxes in Iowa are delinquent each October 1 and April 1 and a late payment penalty of 1% per month of delinquency is enforced as of those dates. If delinquent taxes are not paid, the property may be offered at the regular tax sale on the third Monday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property and funds so received are applied to taxes. A property owner may redeem from the regular tax sale but, failing redemption within three years, the tax sale purchaser is entitled to a deed, which in general conveys the title free and clear of all liens except future tax installments.

Source: The City's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018 and the City's Adoption of Budget and Certification of City Taxes Form 85-811 for FY 2018-19 and FY 2019-20.

TAX RATES

| | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | <u>\$/1,000</u> | <u>\$/1,000</u> | <u>\$/1,000</u> | <u>\$/1,000</u> | <u>\$/1,000</u> |
| Story County | 5.68249 | 5.09972 | 5.08816 | 5.06487 | 5.12714 |
| Story County Hospital | 0.58000 | 0.63884 | 0.75000 | 0.85000 | 0.94500 |
| County Ag. Extension | 0.08447 | 0.08268 | 0.08331 | 0.08154 | 0.07784 |
| City of Ames | 10.62937 | 10.37327 | 10.37589 | 10.06857 | 10.02557 |
| City Assessor | 0.37804 | 0.39544 | 0.31814 | 0.29989 | 0.35032 |
| Ames Comm. School District | 14.20276 | 14.34101 | 14.34129 | 14.34179 | 14.34142 |
| Gilbert Comm. School District | 17.83972 | 18.92186 | 18.90541 | 18.90141 | 18.87279 |
| Nevada Comm. School District | 16.80944 | 16.81007 | 16.81507 | 16.81478 | 16.81278 |
| United Comm. School District | 8.51849 | 8.94613 | 10.05600 | 10.10152 | 12.49845 |
| Des Moines Area Comm. College | 0.67574 | 0.72334 | 0.67458 | 0.69468 | 0.65249 |
| State of Iowa | 0.00330 | 0.00330 | 0.00310 | 0.00290 | 0.00280 |
| Total Tax Rate: | | | | | |
| Ames CSD Resident | 32.23617 | 31.65760 | 31.63447 | 31.40424 | 31.52258 |
| Gilbert CSD Resident | 35.87313 | 36.23845 | 36.19859 | 35.96386 | 36.05395 |
| Nevada CSD Resident | 34.84285 | 34.12666 | 34.10825 | 33.87723 | 33.99394 |
| United CSD Resident | 26.55190 | 26.26272 | 27.34918 | 27.16397 | 29.67961 |

LEVY LIMITS

A city’s general fund tax levy is limited to \$8.10 per \$1,000 of taxable value, with provision for an additional \$0.27 per \$1,000 levy for an emergency fund which can be used for general fund purposes (Code of Iowa, Chapter 384, Division I). Cities may exceed the \$8.10 limitation upon authorization by a special levy election. Further, there are limited special purpose levies, which may be certified outside of the above-described levy limits (Code of Iowa, Section 384.12). The amount of the City’s general fund levy subject to the \$8.10 limitation is \$5.52509 for Fiscal Year 2019-20, and the City has levied no emergency levy. The City has certified special purpose levies outside of the above described levy limits as follows: \$0.67923 for police and fire retirement and \$0.62811 for the operation and maintenance of a public transit system. Debt service levies are not limited.

FUNDS ON HAND (CASH AND INVESTMENTS AS OF JUNE 30, 2019)

| | |
|-----------------------------|-------------------|
| Governmental | |
| General Fund | \$11,443,762 |
| Debt Service Fund | 891,765 |
| Capital Projects Fund | 17,300,484 |
| Other Governmental Funds | 19,189,238 |
| Business-type | |
| Mary Greeley Medical Center | \$315,563,722 |
| Electric Utility | 51,095,135 |
| Sewer Utility | 12,055,081 |
| Water Utility | 20,483,642 |
| Other Enterprise Funds | 10,452,887 |
| Internal Service Funds | <u>21,616,320</u> |
| Total all funds | \$480,092,036 |

GENERAL FUND BUDGETS (ACCRUAL BASIS)

The table below represents a comparison between the final Fiscal Year 2017-18 actual financial performance, the amended Fiscal Year 2018-19 budget and the adopted Fiscal Year 2019-20 budget on an accrual basis.

| | <u>Actual</u> FY 2017-18 | <u>Amended</u> FY 2018-19 | <u>Adopted</u> FY 2019-20 |
|--|-----------------------------|------------------------------|------------------------------|
| <u>Revenues:</u> | | | |
| Property taxes | \$16,961,064 | \$17,847,026 | \$18,912,037 |
| Other City taxes | 2,462,436 | 2,514,018 | 2,518,239 |
| Licenses and permits | 1,602,795 | 1,692,750 | 1,627,904 |
| Use of money and property | 570,662 | 619,535 | 621,181 |
| Intergovernmental | 1,066,863 | 1,117,991 | 1,138,615 |
| Charges for fees and services | 3,783,175 | 4,170,227 | 4,340,868 |
| Miscellaneous | 402,726 | 115,522 | 115,830 |
| Transfers in | 9,105,376 | 9,359,575 | 9,413,970 |
| Proceeds of Capital Asset Sales | - | 750 | 750 |
| Total revenues | \$35,955,097 | \$37,437,394 | \$38,689,394 |
| <u>Expenditures:</u> | | | |
| Public safety | \$18,461,284 | \$20,159,075 | \$20,766,495 |
| Public works | 471,155 | 353,373 | 277,932 |
| Health and social services | - | - | - |
| Culture and recreation | 8,250,507 | 8,521,584 | 8,698,213 |
| Community & economic development | 1,143,597 | 1,382,378 | 1,126,430 |
| General government | 2,683,042 | 2,940,598 | 2,740,958 |
| Capital projects | 684,868 | 1,427,099 | - |
| Transfers out | 4,837,024 | 5,007,631 | 5,079,366 |
| Total expenditures | \$36,531,477 | \$39,791,738 | \$38,689,394 |
| Excess (deficiency) of revenues over (under) expenditures | \$(576,380) | \$(2,354,344) | - |
| Fund balance at beginning of year | 12,913,731 | 12,337,351 | 9,983,007 |
| Fund balance at end of year | \$12,337,351 | \$9,983,007 | \$9,983,007 |

THE CITY

CITY GOVERNMENT

The City of Ames, Iowa (the “City”) is governed under and operates under a Mayor-Council form of government with a City Manager. The principle of this type of government is that the Council sets policy and the City Manager carries it out. The six members of the Council are elected for staggered four-year terms. One member is elected from each of the four wards and two are elected at large. The Council appoints the City Manager as well as the City Attorney. The City Manager is the chief administrative officer of the City. The Mayor is elected for a four-year term, presides at Council meetings and appoints members of various City boards, commissions and committees with the approval of the Council.

EMPLOYEES AND PENSIONS

The City has 1,456 full-time employees of which 503 are governmental employees and 953 are employees of the Mary Greeley Medical Center, and 1,290 part-time employees (including seasonal employees) of which 876 are governmental employees and 414 are employees of the Mary Greeley Medical Center. Included in the City’s full-time employees are 55 sworn police officers and 57 firefighters.

The City participates in two statewide employee retirement systems, the Iowa Public Employees Retirement System (“IPERS”) and the Municipal Fire and Police Retirement System of Iowa (“MFPRSI”). The State of Iowa administers IPERS and a nine-member board of trustees governs the MFPRSI. Though separate and apart from state government, the MFPRSI board is authorized by state legislature, which also establishes by statute the pension and disability benefits and the system’s funding mechanism. All full-time employees must participate in either IPERS or MFPRSI.

Iowa Public Employees Retirement System: The City contributes to IPERS, which is a cost-sharing, multiple-employer, contributory defined benefit public employee retirement system administered by the State of Iowa. IPERS provides retirement and death benefits, which are established by state statute, to plan members and beneficiaries. IPERS is authorized to adjust the total contribution rate up or down each year, by no more than 1 percentage point, based upon the actuarially required contribution rate. The City’s contributions to IPERS for the past three fiscal years, as shown below, equal the required contributions for each year.

| | <u>FY 2015-16</u> | <u>FY 2016-17</u> | <u>FY 2017-18</u> |
|-------------------------|-------------------|-------------------|-------------------|
| IPERS City Contribution | \$7,543,219 | \$7,654,501 | \$7,862,807 |

Pursuant to Governmental Accounting Standards Board (“GASB”) Statement No. 68, the City reported a liability of \$75,225,392 within its CAFR as of June 30, 2018 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan’s net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2017, the City’s collective proportion was 1.1293%, which was a decrease of 0.0259% from its proportion measured as of June 30, 2016.

The City cannot predict the levels of funding that will be required in the future as any IPERS unfunded pension benefit obligation could be reflected in future years in higher contribution rates. The investment of moneys, assumptions underlying the same and the administration of IPERS is not subject to the direction of the City. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of IPERS (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, adjustments, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAAL could be substantial in the future, requiring significantly increased contributions from the City which could affect other budgetary matters.

For additional information on IPERS, refer to Section IV, Note F, beginning on page 57 of the City’s June 30, 2018 CAFR contained as APPENDIX C of this Official Statement.

The IPERS Comprehensive Annual Financial Report is available on the IPERS website, <https://www.ipers.org/financial-and-investment>, or by contacting IPERS at 7401 Register Drive P.O. Box 9117, Des Moines, IA 50321. However, the information presented in such financial reports or on such websites is not incorporated into this Preliminary Official Statement by any references.

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor’s website or links to other Internet sites accessed through the IPERS website.

Municipal Fire and Police Retirement System of Iowa: The City contributes to MFPRSI, which is a cost-sharing, multiple-employer defined benefit pension plan. MFPRSI provides retirement, disability, and death benefits to firefighters and police officers. Benefit provisions are established by state statute, and vest after four years of credited service.

MFPRSI plan members are required to contribute a percentage of their annual covered salary, and the City is required to contribute at an actuarially determined rate of annual covered payroll. The contribution requirements of plan members and the City are established, and may be amended by state statute. The City’s contributions to MFPRSI for the past three fiscal years, as shown below, equal the required contributions for each year.

| | <u>FY 2015-16</u> | <u>FY 2016-17</u> | <u>FY 2017-18</u> |
|--------------------------|-------------------|-------------------|-------------------|
| MFPRSI City Contribution | \$1,994,209 | \$1,946,357 | \$2,028,739 |

Pursuant to GASB Statement No. 68, the City reported a liability of \$15,549,272 with its CAFR as of June 30, 2018 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan’s net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. At June 30, 2017, the City’s collective proportion was 2.6513%, which was an increase of 0.0014% from its proportion measured as of June 30, 2016.

For additional information on MFPRSI, refer to Section IV, Note F, beginning on page 57 of the City’s June 30, 2018 CAFR contained as APPENDIX C of this Official Statement.

The MFPRSI Independent Auditors Report is available on the MFPRSI website, <http://www.mfprsi.org/about-mfprsi/publications/>, or by contacting MFPRSI at 7155 Lake Drive, Suite 201, West Des Moines, IA 50266.

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from MFPRSI discussed above or included on the MFPRSI websites, including, but not limited to, updates of such information on the State Auditor’s website or links to other Internet sites accessed through the MFPRSI websites.

OTHER POST-EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (“GASB”) has issued Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions (“GASB 45”), which addresses how state and local governments must account for and report their obligations related to post-employment healthcare and other non-pension benefits (referred to as Other Post-Employment Benefits or “OPEB”). GASB 45 requires that local governments account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions.

The City provide health and dental care benefits for retired employees and their beneficiaries through a single-employer, defined benefit plan. The hospital also provides a life insurance benefit. The City has the authority to establish and amend benefit provisions of the plan. The post-employment benefit is limited to the implied subsidy since retirees pay 100% of the premium for the insurance benefits, since the premium rates are based on the entire pool of covered members, the retirees receive an implied subsidy since their rate are not risk adjusted. The City’s annual OPEB cost (expense) is calculated based on the annual required contribution (“ARC”) of the employer, an amount actuarially determined in accordance with the parameters of the GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The following table shows the components of the City’s annual OPEB cost for the Fiscal Year ended June 30, 2018, the amount actually contributed to the plan, and changes in the City’s annual OPEB obligation.

| | <u>City</u> |
|--|--------------------|
| Balance, beginning of Year | \$1,871,145 |
| Changes for the year: | |
| Service Cost | 124,144 |
| Interest | 75,321 |
| Difference between expected and actual | 0 |
| Change in Assumptions | (51,203) |
| Benefit Payments | (97,725) |
| Net Changes | <u>50,537</u> |
| Net OPEB obligation, end of year | <u>\$1,921,682</u> |

For additional information regarding the City’s Post-Employment Benefits, refer to Section IV, Note G, beginning on page 67 of the City’s June 30, 2018 CAFR contained as APPENDIX C of this Official Statement.

UNION CONTRACTS

City employees are represented by the following five bargaining units:

| <u>Bargaining Unit</u> | <u>Contract Expiration Date</u> |
|---|---------------------------------|
| International Association of Firefighters | June 30, 2022 |
| Public, Professional and Maintenance Employees | June 30, 2020 |
| International Brotherhood of Electrical Workers | June 30, 2020 |
| International Union of Operating Engineers (Local 234C) | June 30, 2022 |
| International Union of Operating Engineers (Local 234D) | June 30, 2022 |

INSURANCE

The City's insurance coverage is as follows:

| <u>Type of Insurance</u> | <u>All Limits</u> |
|---|---------------------------|
| General Liability | \$15,000,000 |
| Auto Liability | \$15,000,000 |
| Wrongful Acts | \$15,000,000 |
| Excess (over all other coverage except Iowa liquor liability) | \$15,000,000 |
| Law Enforcement | \$15,000,000 |
| Public Official | \$15,000,000 |
| Employee Benefit | \$1,000,000 |
| Medical Malpractice | \$15,000,000 |
| Underinsured Motorist | \$1,000,000 |
| Uninsured Motorist | \$1,000,000 |
| Commercial Property | |
| Commercial Property & Boiler and Machinery, Power Generation related | \$200,000,000 |
| Municipal Properties & Boiler and Machinery, Non-Power Generation | \$156,866,669 |
| Terrorism – TRIA (Federally defined terrorist acts) | Included in both of above |
| Commercial Property Flood Insurance | |
| Non-flood Plain Facilities (power generation) | \$100,000,000 |
| Non-flood Plain Facilities (non-power) | \$25,000,000 |
| Flood Plain Facilities: | |
| Transit | \$6,000,000 |
| Water Pollution Control | \$6,000,000 |
| Airport | \$7,500,000 |
| All Other | \$1,000,000 |
| Airport Liability | \$3,000,000 |

GENERAL INFORMATION

LOCATION AND TRANSPORTATION

The City is located in Story County in central Iowa. It is approximately thirty miles north of Des Moines, Iowa, the State capital and largest city in the state. The City is located on Interstate Highways 35 and 30. The City was incorporated in 1864 under the laws of the State of Iowa, later amended in July, 1975 under the Home Rule City Act.

The City, with a United States Census Bureau 2010 population of 58,965, is known for its excellent quality of life which includes a relatively crime-free environment, an extensive park system, superior cultural/recreations facilities and a nationally recognized school system. The City is the home of Iowa State University (“ISU”). ISU was established in 1859 and is an integral part of the community.

The City operates a mass transit system to provide efficient and economical transportation to all members of the community. A fixed routing service is available on a daily basis to most residents and a Dial-A-Ride service is available for elderly or handicapped residents. The City operates a municipal airport, which handles primarily charter services. National air service is available at the Des Moines International Airport, approximately thirty miles south of the City. The City is also provided freight services through the Union Pacific Railroad line.

LARGER EMPLOYERS

A representative list of larger employers in the City is as follows:

| <u>Employer</u> | <u>Type of Business</u> | <u>Number of Employees</u> ¹⁾ |
|-----------------------------------|-------------------------|--|
| Iowa State University | Higher Education | 16,952 ²⁾ |
| City of Ames | Municipal Government | 1,379 |
| Mary Greeley Medical Center | Health Care | 1,367 |
| Iowa Department of Transportation | Public Transportation | 1,025 |
| Danfoss Corp. | Hydro-Transmissions | 1,015 |
| McFarland Clinic, P.C. | Health Care | 990 |
| USDA | Ag Research Facility | 750 |
| Hy-Vee Food Stores | Grocery | 725 |
| Ames Community School District | Education | 650 |
| Workiva | Software | 510 |
| Wal-Mart | Retail | 425 |

1) Includes full-time, part-time and seasonal employees.

2) Includes student and graduate assistants.

Source: The City and company inquiries.

BUILDING PERMITS

Permits for the City are reported on a calendar year basis. City officials reported most recently available construction activity for a portion of the current calendar year, as of June 30, 2019. The figures below include both new construction and remodeling.

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|----------------------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| <u>Residential Construction:</u> | | | | | |
| Number of units: | 430 | 458 | 451 | 441 | 164 |
| Valuation: | \$34,403,447 | \$39,750,700 | \$45,151,141 | \$42,309,518 | \$13,689,595 |
| <u>Commercial Construction:</u> | | | | | |
| Number of units: | 223 | 223 | 215 | 196 | 90 |
| Valuation: | <u>\$175,625,807</u> | <u>\$131,925,258</u> | <u>\$145,078,724</u> | <u>\$98,771,167</u> | <u>\$53,365,323</u> |
| Total Permits | 653 | 681 | 666 | 637 | 254 |
| Total Valuations | \$210,029,254 | \$171,675,958 | \$190,229,865 | \$141,080,685 | \$67,054,918 |

U.S. CENSUS DATA

Population Trend

| | | |
|-------------------|------------------------------|--------|
| Population Trend: | 1980 U.S. Census | 43,775 |
| | 1990 U.S. Census | 47,198 |
| | 2000 U.S. Census | 50,731 |
| | 2010 U.S. Census | 58,965 |
| | 2015 U.S. Census (estimated) | 65,060 |

Source: U.S. Census Bureau

UNEMPLOYMENT RATES

| | | <u>City of Ames</u> | <u>Story County</u> | <u>State of Iowa</u> |
|------------------|--------------------|---------------------|---------------------|----------------------|
| Annual Averages: | 2015 | 2.3% | 2.5% | 3.8% |
| | 2016 | 2.1% | 2.3% | 3.6% |
| | 2017 | 1.8% | 2.0% | 3.1% |
| | 2018 | 1.5% | 1.6% | 2.5% |
| | 2019 (through May) | 1.3% | 1.3% | 2.4% |

Source: Iowa Workforce Development Center

EDUCATION

Public education is provided by the Ames Community School District, with a fall 2018 certified enrollment of 4,387.4. The district, with approximately 650 employees, owns and operates one early childhood center, five elementary schools, one middle school and one high school. Nevada Community School District, Gilbert Community School District and United Community School District all lie partially within the City and provide public education to portions of the City.

The Iowa State University (“ISU”) 2018 fall enrollment was 34,992. The 2019 fall enrollment is projected to be around 35,000. ISU is the City’s largest employer with faculty and staff totaling approximately 16,952, including teaching assistants and hourly part-time employees. ISU, in addition to its educational function, is a leading agricultural research and experimental institution.

The Iowa State Center is the cultural center of ISU and the City. It attracts major dramatic and musical events, as well as seminars and conferences to the City. It is a complex of three structures: two theaters with capacities of 2,700 and 428, and a continuing education building with a 450 seat auditorium and 24 meeting rooms. Connected to this complex are two of Iowa State University’s major Big 12 athletic venues: a football stadium with a seating capacity of 61,000 and a coliseum with capacity for 15,000.

In addition to ISU located in the City, the following institutions provide higher education within 30 miles of the City: Drake University, Grand View University, Des Moines University (formerly University of Osteopathic Medicine and Health Services). Two-year degree programs are offered at Des Moines Area Community College, Upper Iowa University, Vatterott College and Kaplan University (formerly Hamilton College).

FINANCIAL SERVICES

Financial services for the residents of the City are provided by First National Bank Ames, Iowa and VisionBank of Iowa. In addition, the City is served by branch offices of Bank of the West, Bankers Trust Company, CoBank ACB, Exchange State Bank, First American Bank, Great Southern Bank, Great Western Bank, Midwest Heritage Bank F.S.B., US Bank, N.A., and Wells Fargo Bank, as well as by several credit unions.

First National Bank and VisionBank of Iowa report the following deposits as of June 30 for each year:

| <u>Year</u> | <u>First National Bank Ames</u> | <u>VisionBank of Iowa</u> |
|-------------|---------------------------------|---------------------------|
| 2014 | \$493,613,000 | \$331,845,000 |
| 2015 | 583,184,000 | 306,613,000 |
| 2016 | 585,973,000 | 337,027,000 |
| 2017 | 635,176,000 | 362,537,000 |
| 2018 | 648,715,000 | 357,109,000 |

Source: Federal Deposit Insurance Corporation (FDIC)

FINANCIAL STATEMENTS

The City’s “JUNE 30, 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT”, as prepared by City management and audited by a certified public accountant, is reproduced as APPENDIX C. The City’s certified public accountant has not consented to distribution of the audited financial statements and has not undertaken added review of their presentation. Further information regarding financial performance and copies of the City’s prior Comprehensive Annual Financial Report may be obtained from PFM Financial Advisors LLC.

APPENDIX B

FORM OF LEGAL OPINION

APPENDIX C

JUNE 30, 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

OFFICIAL BID FORM

To: City Council of
City of Ames, Iowa

Sale Date: August 27, 2019
11:00 A.M., CT

RE: \$11,555,000* General Obligation Corporate Purpose Bonds, Series 2019A (the "Bonds")

This bid is a firm offer for the purchase of the Bonds identified in the "TERMS OF OFFERING" and on the terms set forth in this bid form and "TERMS OF OFFERING", and is not subject to any conditions, except as permitted by the "TERMS OF OFFERING". By submitting this bid, we confirm we have an established industry reputation for underwriting new issuance of municipal bonds.

For all or none of the above Bonds, in accordance with the "TERMS OF OFFERING", we will pay you \$_____ (not less than \$11,451,005) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

| <u>Coupon</u> | <u>Maturity</u> | <u>Yield</u> | <u>Coupon</u> | <u>Maturity</u> | <u>Yield</u> |
|---------------|-----------------|--------------|---------------|-----------------|--------------|
| _____ | 2020 | _____ | _____ | 2026 | _____ |
| _____ | 2021 | _____ | _____ | 2027 | _____ |
| _____ | 2022 | _____ | _____ | 2028 | _____ |
| _____ | 2023 | _____ | _____ | 2029 | _____ |
| _____ | 2024 | _____ | _____ | 2030 | _____ |
| _____ | 2025 | _____ | _____ | 2031 | _____ |

* Preliminary; subject to change. The aggregate principal amount of the Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each maturity in increments of \$5,000 but the total amount to be issued will not exceed \$11,880,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Bonds will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of bond principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

We hereby designate that the following Bonds to be aggregated into term bonds maturing on June 1 of the following years and in the following amounts (leave blank if no term bonds are specified):

| <u>Years Aggregated</u> | <u>Maturity Year</u> | <u>Aggregate Amount</u> |
|-------------------------|----------------------|-------------------------|
| _____ through _____ | _____ | _____ |
| _____ through _____ | _____ | _____ |
| _____ through _____ | _____ | _____ |
| _____ through _____ | _____ | _____ |

In making this offer we accept all of the terms and conditions of the "TERMS OF OFFERING" published in the Preliminary Official Statement dated August 13, 2019, and represent we are a bidder with an established industry reputation for underwriting new issuances of municipal bonds. In the event of failure to deliver the Bonds in accordance with the "TERMS OF OFFERING" as printed in the Preliminary Official Statement and made a part hereof, we reserve the right to withdraw our offer, whereupon the deposit accompanying it will be immediately returned. All blank spaces of this offer are intentional and are not to be construed as an omission.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST: \$_____

TRUE INTEREST COST: _____% (Based on dated date of September 12, 2019)

Account Manager: _____ By: _____

Account Members: _____

The foregoing offer is hereby accepted by and on behalf of the City Council of the City of Ames, Iowa this 27th day of August, 2019.

Attest: _____ By: _____

Title: _____ Title: _____

COUNCIL ACTION FORM

SUBJECT: APPROVAL OF GRANT AGREEMENT WITH IOWA DOT IN REGARDS TO THE SHARED USE PATH SYSTEM EXPANSION – TRAIL CONNECTION SOUTH OF LINCOLN WAY (BEEDLE DRIVE TO INTERMODAL FACILITY)

BACKGROUND:

This program provides for the construction of shared-use paths on street rights-of-way, adjacent to streets, and through greenbelts. The Long Range Transportation Plan (LRTP) identifies those paths that separate bicycle traffic from higher-speed automobile traffic. **This project is identified as OFF 5 in the LRTP.**

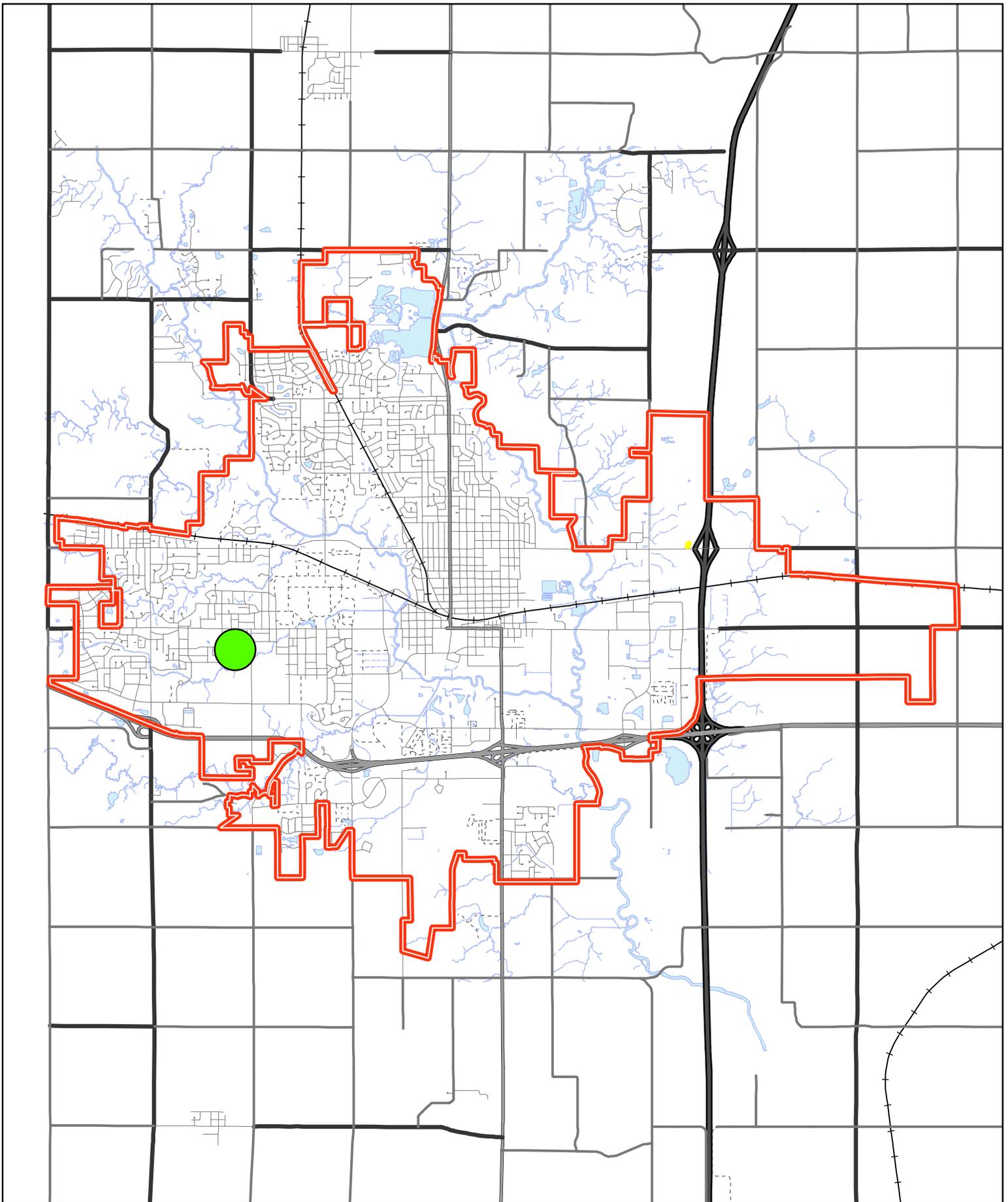
The planning, land acquisition, and engineering for this project are shown in the 2017/18 Capital Improvements Plan (CIP) with funding in the amount of \$180,000 from Local Option Sales Tax. The construction of this project is shown in the 2018/19 CIP with funding in the amount of \$241,000 from Local Option Sales Tax and **\$159,000 from MPO/STBG-TAP funds, which is provided through this agreement being presented for approval.** This brings the **total project budget to \$580,000.** It is anticipated that the project will have a 2019/20 winter letting through the Iowa Department of Transportation (Iowa DOT) with construction in 2020.

ALTERNATIVES:

1. Approve the Iowa DOT Agreement for MPO/STBG-TAP funding for the 2018/19 Shared Use Path System Expansion – Trail Connection South of Lincoln Way (Beedle Drive to Intermodal Facility)
2. Reject the Agreement.

MANAGER'S RECOMMENDED ACTION:

Approval of this agreement with the Iowa DOT is necessary to authorize grant funding before moving forward with construction of this project in the 2020 construction season. Delay or rejection of this agreement could delay this street reconstruction project by at least one year and could require additional funding. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as stated above.



2018/19 Shared Use Path System Expansion
Trail Connection south of Lincoln Way



Project Location



1 inch = 6,612 feet

Date: 8/7/2019

**IOWA DEPARTMENT OF TRANSPORTATION
Federal-Aid Agreement for a
Iowa's Transportation Alternatives Program (Iowa's TAP) Project**

Subrecipient: **City of Ames**

Subrecipient DUNS Number: **061320917**

Project Number(s): **TAP-U-0155(699)--8I-85**

Iowa DOT Agreement Number: **19-TAP-122**

This agreement, made as of the date of the last party's signature below, is the City of Ames (hereinafter referred to as Subrecipient) and the Iowa Department of Transportation, the federal pass-through entity (hereinafter referred to as the Department). Iowa Code Sections 306A.7 and 307.44 provide for the Subrecipient and the Department to enter into agreements with each other for the purpose of financing transportation improvement projects in Iowa with federal funds. Federal regulations require federal funds to be administered by the Department. The federal-aid highway funds included in this agreement are jointly implemented by the Federal Highway Administration (FHWA) and the Department.

The Subrecipient has received federal funding through the Iowa's Transportation Alternatives Program (Iowa's TAP), which is funded by the Surface Transportation Block Grant Program (STBG), as codified in Section 133 of Title 23, United States Code (U.S.C.), which are hereinafter referred to as STBG funds. The Catalog of Federal Domestic Assistance (CFDA) number and title for this funding is 20.205 Highway Planning and Construction.

Pursuant to the terms of this agreement, applicable statutes, and administrative rules, the Department agrees to provide the funding named above to the Subrecipient for the authorized and approved costs for eligible items associated with the project.

Under this agreement, the parties further agree as follows:

1. The Subrecipient shall be responsible for carrying out the provisions of this agreement.
2. All notices required under this agreement shall be made in writing to the appropriate contact person. The Department's contact person shall be Stacy Lentsch, Office of Systems Planning, 800 Lincoln Way, Ames, Iowa 50010, 515-239-1686. The Subrecipient's contact person shall be Mark Gansen, City of Ames, 515 Clark Ave, Ames, Iowa 50010, 515-239-5291.
3. The Subrecipient shall be responsible for the development and completion of the following described project:

SW Greenbelt Trail, from Beedle Drive to Intermodal Facility
4. The Subrecipient shall receive reimbursement for costs of authorized and approved eligible project activities under the Iowa's TAP program from STBG funds. The portion of the project costs reimbursed with STBG funds shall be limited to a maximum of either 80 percent of eligible costs (other than those reimbursed with other federal funds) or the amount listed (\$159,000) in the Ames

Area Metropolitan Planning Organization current Transportation Improvement Program (TIP) and approved in the current Statewide Transportation Improvement Program (STIP), whichever is less. Eligible project activities will be as described in Section 133(h) of Title 23, United States Code (U.S.C.), and determined by the Department to be eligible.

5. Eligible project costs in excess of the amount reimbursed by the Department above will be considered the local contribution and may include cash, non-cash or approved state fund contributions, subject to Department approval. The local contribution must equal a minimum of 20 percent of eligible project costs. The subrecipient shall certify to the Department the value of any non-cash contribution to the project prior to it being incurred and in accordance with the procedures outlined in the applicable Instructional Memorandum to Local Public Agencies (I.M.s). The Department retains the sole authority to determine the eligibility and value of the Subrecipient's non-cash contribution for the purposes of this agreement. If the Subrecipient's total cash and non-cash contribution is determined by the Department to be less than that required by this agreement, the Subrecipient shall increase its cash contribution or the grant amount associated with this project shall be reduced accordingly.
6. The Subrecipient must have let the contract or have construction started within two years of October 1, 2018. If the Subrecipient does not do this, they will be in default for which the Department can revoke funding commitments. The Department may approve extensions of this agreement for periods up to six months upon receipt of a written request from the Subrecipient at least sixty (60) days prior to the deadline.
7. If the Subrecipient fails to perform any obligation under this agreement, the Department shall have the right, after first giving thirty (30) days written notice to the Subrecipient by certified mail return receipt requested, to declare any part or all of this agreement in default. The Subrecipient shall have thirty (30) days from date of mailing of the notice to cure the default. If the Recipient cures the default, the Subrecipient shall notify Department no later than five (5) days after cure or before the end of said thirty (30) day period given to cure the default. The Department may thereafter determine whether the default has, in fact, been cured, or whether the Subrecipient remains in default.
8. This agreement may be declared to be in default by the Department if the Department determines that the Subrecipient's application for funding contained inaccuracies, omissions, errors or misrepresentations; or if the Department determines that the project is not developed as described in the application and according to the requirements of this agreement.
9. In the event a default is not cured the Department may do any of the following: a) revoke funding commitments of funds loaned or granted by this agreement; b) seek repayment of funds loaned or granted by this agreement; or c) revoke funding commitments of funds loaned or granted by this agreement and also seek repayment of funds loaned or granted by this agreement. By signing this agreement the Subrecipient agrees to repay said funding if they are found to be in default. Repayment methods may include cash repayment, installment repayments with negotiable interest rates, or other methods as approved by the Department.

10. The Subrecipient shall comply with Exhibit 1, General Agreement Provisions for use of Federal Highway Funds on Non-primary Highways, which is attached hereto and by this reference is incorporated into this agreement.
11. The Subrecipient shall maintain, or cause to be maintained for the intended public use, the improvement for twenty (20) years from the completion date in a manner acceptable to the Department.
12. This agreement is not assignable without the prior written consent of the Department.
13. If any part of this agreement is found to be void and unenforceable, the remaining provisions of this agreement shall remain in effect.
14. It is the intent of both parties that no third-party beneficiaries be created by this agreement.
15. This agreement shall be executed and delivered in two or more copies, each of which so executed and delivered shall be deemed to be an original and shall constitute but one and the same agreement.
16. This agreement and the attached exhibit constitute the entire agreement between the Department and the Subrecipient concerning this project. Representations made before the signing of this agreement are not binding, and neither party has relied upon conflicting representations in entering into this agreement. Any change or alteration to the terms of this agreement shall be made in the form of an addendum to this agreement. The addendum shall become effective only upon written approval of the Department and the Subrecipient.

IN WITNESS WHEREOF, each of the parties hereto has executed this agreement as of the date shown opposite its signature below.

SUBRECIPIENT: City of Ames

By: _____ Date _____, _____

Title: Mayor

CERTIFICATION:

I, _____, certify that I am the Clerk of the city, and that
(Name of City Clerk)

_____, who signed said Agreement for and on behalf of
(Name of Mayor/Signer Above)

the city was duly authorized to execute the same by virtue of a formal resolution duly passed

and adopted by the city, on the ____ day of _____, _____.

Signed: _____

City Clerk of Ames, Iowa.

**APPROVED AS TO FORM
BY Victoria A. Feilmeyer
Vikki Feilmeyer
Assistant City Attorney**

IOWA DEPARTMENT OF TRANSPORTATION

Planning, Programming and Modal Division

800 Lincoln Way, Ames, Iowa 50010

Tel. 515-239-1664

By: _____ Date _____, _____

Craig Markley
Director
Systems Planning Bureau

EXHIBIT 1

General Agreement Provisions for use of Federal Highway Funds on Non-primary Projects

Unless otherwise specified in this agreement, the Subrecipient shall be responsible for the following:

1. General Requirements.

- a. The Subrecipient shall take the necessary actions to comply with applicable state and federal laws and regulations. To assist the Subrecipient, the Department has provided guidance in the Federal-aid Project Development Guide (Guide) and the Instructional Memorandums to Local Public Agencies (I.M.s) that are referenced by the Guide. Both are available on-line at: http://www.iowadot.gov/local_systems/publications/im/lpa_ims.htm. The Subrecipient shall follow the applicable procedures and guidelines contained in the Guide and I.M.s in effect at the time project activities are conducted.
- b. In accordance with Title VI of the Civil Rights Act of 1964 and associated subsequent nondiscrimination laws, regulations, and executive orders, the Subrecipient shall not discriminate against any person on the basis of race, color, national origin, sex, age, or disability. In accordance with Iowa Code Chapter 216, the Subrecipient shall not discriminate against any person on the basis of race, color, creed, age, sex, sexual orientation, gender identity, national origin, religion, pregnancy, or disability. The Subrecipient agrees to comply with the requirements outlined in I.M. 1.070, Title VI and Nondiscrimination Requirements which includes the requirement to provide a copy of the Subrecipient's Title VI Plan or Agreement and Standard DOT Title VI Assurances to the Department.
- c. The Subrecipient shall comply with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), Section 504 of the Rehabilitation Act of 1973 (Section 504), the associated Code of Federal Regulations (CFR) that implement these laws, and the guidance provided in I.M. 1.080, ADA Requirements. When bicycle and/or pedestrian facilities are constructed, reconstructed, or altered, the Subrecipient shall make such facilities compliant with the ADA and Section 504 following the requirements set forth in Chapter 12A for sidewalks and Chapter 12B for Bicycle Facilities of the Iowa DOT Design Manual.
- d. To the extent allowable by law, the Subrecipient agrees to indemnify, defend, and hold the Department harmless from any claim, action or liability arising out of the design, construction, maintenance, placement of traffic control devices, inspection, or use of this project. This agreement to indemnify, defend, and hold harmless applies to all aspects of the Department's application review and approval process, plan and construction reviews, and funding participation.
- e. As required by 2 CFR 200.501 "Audit Requirements", a non-federal entity expending \$750,000 or more in federal awards in a year shall have a single or program-specific audit conducted for that year in accordance with the provision of that part. Auditee responsibilities are addressed in Subpart F of 2 CFR 200. The federal funds provided by this agreement shall be reported on the appropriate Schedule of Expenditures of Federal Awards (SEFA) using the Catalog of Federal Domestic Assistance (CFDA) number and title as shown in this agreement. If the Subrecipient will

pay initial project costs and request reimbursement from the Department, the Subrecipient shall report this project on its SEFA. If the Department will pay initial project costs and then credit those accounts from which initial costs were paid, the Department will report this project on its SEFA. In this case, the Subrecipient shall not report this project on its SEFA.

- f. The Subrecipient shall supply the Department with all information required by the Federal Funding Accountability and Transparency Act of 2006 and 2 CFR Part 170.
- g. The Subrecipient shall comply with the following Disadvantaged Business Enterprise (DBE) requirements:
 - i. The Subrecipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any Department-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Subrecipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Department-assisted contracts.
 - ii. The Subrecipient shall comply with the requirements of I.M. 5.010, DBE Guidelines.
 - iii. The Department's DBE program, as required by 49 CFR Part 26 and as approved by the Federal Highway Administration (FHWA), is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Subrecipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
- h. Termination of funds. Notwithstanding anything in this agreement to the contrary, and subject to the limitations set forth below, the Department shall have the right to terminate this agreement without penalty and without any advance notice as a result of any of the following: 1) The federal government, legislature or governor fail in the sole opinion of the Department to appropriate funds sufficient to allow the Department to either meet its obligations under this agreement or to operate as required and to fulfill its obligations under this agreement; or 2) If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the Department to make any payment hereunder are insufficient or unavailable for any other reason as determined by the Department in its sole discretion; or 3) If the Department's authorization to conduct its business or engage in activities or operations related to the subject matter of this agreement is withdrawn or materially altered or modified. The Department shall provide the Subrecipient with written notice of termination pursuant to this section.

2. Programming and Federal Authorization.

- a. The Subrecipient shall be responsible for including the project in the appropriate Regional Planning Affiliation (RPA) or Metropolitan Planning Organization (MPO) Transportation

Improvement Program (TIP). The Subrecipient shall also ensure that the appropriate RPA or MPO, through their TIP submittal to the Department, includes the project in the Statewide Transportation Improvement Program (STIP). If the project is not included in the appropriate fiscal year of the STIP, federal funds cannot be authorized.

- b. Before beginning any work for which federal funding reimbursement will be requested, the Subrecipient shall contact the Department to obtain the procedures necessary to secure FHWA authorization. The Subrecipient shall submit a written request for FHWA authorization to the Department. After reviewing the Subrecipient's request, the Department will forward the request to the FHWA for authorization and obligation of federal funds. The Department will notify the Subrecipient when FHWA authorization is obtained. The cost of work performed prior to FHWA authorization will not be reimbursed with federal funds.
- c. Upon receiving FHWA authorization, the Subrecipient must show federal aid funding activity to receive the programmed amount authorized for the project. If there is no funding activity for nine or more months after the previous activity, the remaining unused programmed amount will be de-obligated from the project and there will be no further federal aid reimbursement issued for the project. If the Subrecipient knows in advance that funding activity will not occur for the nine months, the Contract Administrator needs to be notified to determine if programming of funds can be adjusted or other options can be explored.
- d. Upon receipt of Federal Highway Administration (FHWA) authorization a Federal Award Identification Number (FAIN) will be assigned to this project by the FHWA based on a methodology that incorporates identifying information about the federal award such as the federal funding program code and the federal project number. This FAIN will be used to identify this project and award on the federal government's listing of financial assistance awards consistent with the Federal Funding Accountability and Transparency Act of 2006 (FFATA) at usaspending.gov.
- e. A period of performance for this federal funding award will be established at the time of FHWA authorization. The start date of the period of performance will be the FHWA authorization date. The project end date (PED) will be determined according to the methodology in I.M. 1.200, Federal Funds Management. Costs incurred before the start date or after the PED of the period of performance will not be eligible for reimbursement.

3. Federal Participation in Work Performed by Subrecipient Employees.

- a. If federal reimbursement will be requested for engineering, construction inspection, right-of-way acquisition or other services provided by employees of the Subrecipient, the Subrecipient shall follow the procedures in I.M. 3.330, Federal-aid Participation in In-House Services.
- b. If federal reimbursement will be requested for construction performed by employees of the Subrecipient, the Subrecipient shall follow the procedures in I.M. 6.010, Federal-aid Construction by Local Agency Forces.

- c. If the Subrecipient desires to claim indirect costs associated with work performed by its employees, the Subrecipient shall prepare and submit to the Department an indirect cost rate proposal and related documentation in accordance with the requirements of 2 CFR 200. Before incurring any indirect costs, such indirect cost proposal shall be certified by the FHWA or the federal agency providing the largest amount of federal funds to the Subrecipient. If approved, the approved indirect cost rate shall be incorporated by means of an addendum to this agreement.

4. Design and Consultant Services

- a. The Subrecipient shall be responsible for the design of the project, including all necessary plans, specifications, and estimates (PS&E). The project shall be designed in accordance with the design guidelines provided or referenced by the Department in the Guide and applicable I.M.s.
- b. If the Subrecipient requests federal funds for consultant services, the Subrecipient and the Consultant shall prepare a contract for consultant services in accordance with 23 CFR Part 172. These regulations require a qualifications-based selection process. The Subrecipient shall follow the procedures for selecting and using consultants outlined in I.M. 3.310, Federal-aid Participation in Consultant Costs.
- c. If Preliminary Engineering (PE) work is federally funded, and if right-of-way acquisition or actual construction of the project is not started by the close of the tenth fiscal year following the fiscal year in which the federal funds were authorized, the Subrecipient shall repay to the Department the amount of federal funds reimbursed to the Subrecipient for such PE work. PE includes work that is part of the development of the PS&E for a construction project. This includes environmental studies and documents, preliminary design, and final design up through and including the preparation of bidding documents. PE does not include other activities that are not intended to lead to a construction project such as planning, conceptual, or feasibility studies.

5. Environmental Requirements and other Agreements or Permits.

- a. The Subrecipient shall take the appropriate actions and prepare the necessary documents to fulfill the FHWA requirements for project environmental studies including historical/cultural reviews and location approval. The Subrecipient shall complete any mitigation agreed upon in the FHWA approval document. These procedures are set forth in I.M. 3.020, Concept Statement Instructions; 4.020, NEPA Class of Action Process; 4.030, Environmental Data Sheet Instructions; 4.110, Threatened and Endangered Species; and 4.120, Cultural Resource Regulations.
- b. If farmland is to be acquired, whether for use as project right-of-way or permanent easement, the Subrecipient shall follow the procedures in I.M. 4.170, Farmland Protection Policy Act.
- c. The Subrecipient shall obtain project permits and approvals, when necessary, from the Iowa Department of Cultural Affairs (State Historical Society of Iowa; State Historic Preservation Officer), Iowa Department of Natural Resources, U.S. Coast Guard, U.S. Army Corps of Engineers, the Department, or other agencies as required. The Subrecipient shall follow the procedures in I.M. 4.130, 404 Permit Process; 4.140, Storm Water Permits; 4.150, Iowa DNR Floodplain Permits

and Regulations; 4.160, Asbestos Inspection, Removal and Notification Requirements; and 4.190, Highway Improvements in the Vicinity of Airports or Heliports.

- d. In all contracts entered into by the Subrecipient, and all subcontracts, in connection with this project that exceed \$100,000, the Subrecipient shall comply with the requirements of Section 114 of the Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all their regulations and guidelines. In such contracts, the Subrecipient shall stipulate that any facility to be utilized in performance of or to benefit from this agreement is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities or is under consideration to be listed.

6. Right-of-Way, Railroads and Utilities.

- a. The Subrecipient shall acquire the project right-of-way, whether by lease, easement, or fee title, and shall provide relocation assistance benefits and payments in accordance with the procedures set forth in I.M. 3.600, Right-of-Way Acquisition, and the Department's Office of Right of Way Local Public Agency Manual. The Subrecipient shall contact the Department for assistance, as necessary, to ensure compliance with the required procedures, even if no federal funds are used for right-of-way activities. The Subrecipient shall obtain environmental concurrence before acquiring any needed right-of-way. With prior approval, hardship and protective buying is possible. If the Subrecipient requests federal funding for right-of-way acquisition, the Subrecipient shall also obtain FHWA authorization before purchasing any needed right-of-way.
- b. If the project right-of-way is federally funded and if the actual construction is not undertaken by the close of the twentieth fiscal year following the fiscal year in which the federal funds were authorized, the Subrecipient shall repay the amount of federal funds reimbursed for right-of-way costs to the Department.
- c. If a railroad crossing or railroad tracks are within or adjacent to the project limits, the Subrecipient shall obtain agreements, easements, or permits as needed from the railroad. The Subrecipient shall follow the procedures in I.M. 3.670, Work on Railroad Right-of-Way, and I.M. 3.680, Federal-aid Projects Involving Railroads.
- d. The Subrecipient shall comply with the Policy for Accommodating Utilities on City and County Federal-aid Highway Right of Way for projects on non-primary federal-aid highways. For projects connecting to or involving some work inside the right-of-way for a primary highway, the Subrecipient shall follow the Department's Policy for Accommodating Utilities on Primary Road System. Certain utility relocation, alteration, adjustment, or removal costs to the Subrecipient for the project may be eligible for federal funding reimbursement. The Subrecipient should also use the procedures outlined in I.M. 3.640, Utility Accommodation and Coordination, as a guide to coordinating with utilities.
- e. If the Subrecipient desires federal reimbursement for utility costs, it shall submit a request for FHWA authorization prior to beginning any utility relocation work, in accordance with the procedures outlined in I.M. 3.650, Federal-aid Participation in Utility Relocations.

7. Construction Contract Procurement.

The following provisions apply only to projects involving physical construction or improvements to transportation facilities:

- a. The project plans, specifications, and cost estimate (PS&E) shall be prepared and certified by a professional engineer, architect, or landscape architect, as applicable, licensed in the State of Iowa.
- b. For projects let through the Department, the Subrecipient shall be responsible for the following:
 - i. Prepare and submit the PS&E and other contract documents to the Department for review and approval in accordance with I.M. 3.700, Check and Final Plans and I.M. 3.500, Bridge or Culvert Plans, as applicable.
 - ii. The contract documents shall use the Department's Standard Specifications for Highway and Bridge Construction. Prior to their use in the PS&E, specifications developed by the Subrecipient for individual construction items shall be approved by the Department.
 - iii. Follow the procedures in I.M. 5.030, Iowa DOT Letting Process, to analyze the bids received, make a decision to either award a contract to the lowest responsive bidder or reject all bids, and if a contract is awarded, execute the contract documents and return to the Department.
- c. For projects that are let locally by the Subrecipient, the Subrecipient shall follow the procedures in I.M. 5.120, Local Letting Process, Federal-aid.
- d. The Subrecipient shall forward a completed Project Development Certification (Form 730002) to the Department in accordance with I.M. 5.050, Project Development Certification Instructions. The project shall not receive FHWA authorization for construction or be advertised for bids until after the Department has reviewed and approved the Project Development Certification.
- e. If the Subrecipient is a city, the Subrecipient shall comply with the public hearing requirements of the Iowa Code Section 26.12.
- f. The Subrecipient shall not provide the contractor with notice to proceed until after receiving written notice the Department has concurred in the contract award.

8. Construction.

- a. A full-time employee of the Subrecipient shall serve as the person in responsible charge of the construction project. For cities that do not have any full-time employees, the mayor or city clerk will serve as the person in responsible charge, with assistance from the Department.
- b. Traffic control devices, signing, or pavement markings installed within the limits of this project shall conform to the "Manual on Uniform Traffic Control Devices for Streets and Highways" per Iowa Administrative Code 761 Chapter 130. The safety of the general public shall be assured

through the use of proper protective measures and devices such as fences, barricades, signs, flood lighting, and warning lights as necessary.

- c. For projects let through the Department, the project shall be constructed under the Department's Standard Specifications for Highway and Bridge Construction and the Subrecipient shall comply with the procedures and responsibilities for materials testing according to the Department's Materials I.M.s. Available on-line at:
<http://www.iowadot.gov/erl/current/IM/navigation/nav.htm>.
- d. For projects let locally, the Subrecipient shall provide materials testing and certifications as required by the approved specifications.
- e. If the Department provides any materials testing services to the Subrecipient, the Department will bill the Subrecipient for such testing services according to its normal policy as per Materials I.M. 103, Inspection Services Provided to Counties, Cities, and Other State Agencies.
- f. The Subrecipient shall follow the procedures in I.M. 6.000, Construction Inspection, and the Department's Construction Manual, as applicable, for conducting construction inspection activities.

9. Reimbursements.

- a. After costs have been incurred, the Subrecipient shall submit to the Department periodic itemized claims for reimbursement for eligible project costs. Requests for reimbursement shall be made at least every six months but not more than bi-weekly.
- b. To ensure proper accounting of costs, reimbursement requests for costs incurred prior to June 30 shall be submitted to the Department by August 1 if possible, but no later than August 15.
- c. Reimbursement claims shall include a certification that all eligible project costs, for which reimbursement is requested, have been reviewed by an official or governing board of the Subrecipient, are reasonable and proper, have been paid in full, and were completed in substantial compliance with the terms of this agreement.
- d. Reimbursement claims shall be submitted on forms identified by the Department along with all required supporting documentation. The Department will reimburse the Subrecipient for properly documented and certified claims for eligible project costs. The Department may withhold up to 5% of the federal share of construction costs or 5% of the total federal funds available for the project, whichever is less. Reimbursement will be made either by state warrant or by crediting other accounts from which payment was initially made. If, upon final audit or review, the Department determines the Subrecipient has been overpaid, the Subrecipient shall reimburse the overpaid amount to the Department. After the final audit or review is complete and after the Subrecipient has provided all required paperwork, the Department will release the federal funds withheld.
- e. The total funds collected by the Subrecipient for this project shall not exceed the total project costs. The total funds collected shall include any federal or state funds received, any special

assessments made by the Subrecipient (exclusive of any associated interest or penalties) pursuant to Iowa Code Chapter 384 (cities) or Chapter 311 (counties), proceeds from the sale of excess right-of-way, and any other revenues generated by the project. The total project costs shall include all costs that can be directly attributed to the project. In the event that the total funds collected by the Subrecipient do exceed the total project costs, the Subrecipient shall either:

- i. in the case of special assessments, refund to the assessed property owners the excess special assessments collected (including interest and penalties associated with the amount of the excess), or
- ii. Refund to the Department all funds collected in excess of the total project costs (including interest and penalties associated with the amount of the excess) within 60 days of the receipt of any excess funds. In return, the Department will either credit reimbursement billings to the FHWA or credit the appropriate state fund account in the amount of refunds received from the Subrecipient.

10. Project Close-out.

- a. Within 30 days of completion of construction or other activities authorized by this agreement, the Subrecipient shall provide written notification to the Department and request a final audit, in accordance with the procedures in I.M. 6.110, Final Review, Audit, and Close-out Procedures for Federal-aid Projects. Failure to comply with the procedures will result in loss of federal funds remaining to be reimbursed and the repayment of funds already reimbursed. The Subrecipient may be suspended from receiving federal funds on future projects.
- b. For construction projects, the Subrecipient shall provide a certification by a professional engineer, architect, or landscape architect as applicable, licensed in the State of Iowa, indicating the construction was completed in substantial compliance with the project plans and specifications.
- c. Final reimbursement of federal funds shall be made only after the Department accepts the project as complete.
- d. The Subrecipient shall maintain all books, documents, papers, accounting records, reports, and other evidence pertaining to costs incurred for the project. The Subrecipient shall also make these materials available at all reasonable times for inspection by the Department, FHWA, or any authorized representatives of the federal government. Copies of these materials shall be furnished by the Subrecipient if requested. Such documents shall be retained for at least 3 years from the date of FHWA approval of the final closure document. Upon receipt of FHWA approval of the final closure document, the Department will notify the Subrecipient of the record retention date.
- e. The Subrecipient shall maintain, or cause to be maintained, the completed improvement in a manner acceptable to the Department and the FHWA.

COUNCIL ACTION FORM

SUBJECT: CERTIFICATE OF CONSISTENCY WITH THE 2014-19 CDBG CONSOLIDATED PLAN ON BEHALF THE EMERGENCY RESIDENCE PROJECT (ERP)

BACKGROUND:

In order for the Emergency Resident Project (ERP) to apply for funding under the Federal Emergency Shelter Grant (ESG) Program, it is required to submit a "Certification of Local Government Approval" from the City of Ames. This certification allows non-profit agencies to receive federal funds directly through the State of Iowa's Iowa Finance Authority (IFA).

The ERP renewal funding application request is for approximately \$162,747, all of which is designated for Ames/Story County. ERP is in the process of preparing its 2020-21 Supportive Housing Program renewal application that will be submitted as part of the State of Iowa's Balance of State Continuum of Care Application on or by August 16, 2019.

Since Ames is a designated CDBG entitlement community, agencies requesting funding from HUD must have approval from the City that their program application matches the goals of the City's Consolidated Plan. City staff has determined that the ERP program application is consistent with the goals outlined in the City's current CDBG 2014-2018 Consolidated Plan.

ALTERNATIVES:

1. Authorize the Mayor to sign the Certificate of Consistency on behalf of ERP.
2. Do not authorize the Mayor to sign the Certificate of Consistency on behalf of ERP.

CITY MANAGER'S RECOMMENDED ACTION:

City staff believes that the ERP program application is consistent with the goals outlined in the City's current CDBG 2014-2018 Consolidated Plan. Signing the Certificate of Consistency allows ERP to apply for federal funding for which it would otherwise be ineligible.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as described above.



CERTIFICATION OF LOCAL GOVERNMENT APPROVAL

**FOR NONPROFIT ORGANIZATIONS RECEIVING IOWA STATEWIDE
EMERGENCY SOLUTIONS GRANT (ESG) FUNDS FOR SHELTER**

| | |
|---|---|
| ESG Nonprofit Recipient: | Shelter Housing Corporation dba Emergency Residence Project |
| ESG Shelter Project: | Emergency Residence Project |
| Unit of General Purpose Local Government for the geographic area served (city or county): | City of Ames |
| Project Description (2-3 sentences): | The Emergency Residence Project offers emergency shelter, transitional housing, rapid re-housing, and homelessness prevention. The agency is applying for funding for shelter operations, rapid re-housing, and a new street outreach initiative. |

I certify that I am duly authorized to act on behalf of the unit of general purpose local government named above, and that I hereby approve* of this project.

By: _____
Signature Date

Printed Name and Title of Signatory Local Official

* This approval is made to carry out 24 CFR Part 576.202(a), which states the following:
 "... The recipient must subgrant the remaining funds in its fiscal year grant to:
 (1) Units of general purpose local government in the State, which may include metropolitan cities and urban counties that receive ESG funds directly from HUD; or
 (2) Private nonprofit organizations, provided that for emergency shelter activities the recipient obtains a certification of approval from the unit of general purpose local government for the geographic area in which those activities are to be carried out."

Iowa Statewide ESG Policy: This certification is required at least once every two years.

Form updated 5/10/2018

COUNCIL ACTION FORM

SUBJECT: FY 2019/20 ORGANIZATIONAL DEVELOPMENT CONSULTING CONTRACT

BACKGROUND:

Under the City Manager's leadership, for over 20 years the City's internal organization has been committed to implementing our Excellence Through People (ETP) culture development initiative. This initiative reinforces a values-driven culture that is dedicated to providing exceptional customer service to our citizens and customers at the best price, while assuring that our employees experience an enjoyable and stimulating work environment from which personal and professional growth can occur.

Since the inception of ETP in the 1990s, the City has relied heavily on current employees to help lead the initiative. While these employees performed these duties quite admirably, this assignment became more and more difficult, given that they needed to perform their permanent work assignments at the same time. Therefore, in order to continue the success of ETP, the City Manager felt it was time to designate one person whose sole responsibility would be to coordinate ETP efforts.

In FY 2018/19, the City for the first time contracted with an outside consultant to assist with the coordination of the City's ETP efforts. The City contracted with Donna Gilligan to serve as ETP Coordinator. Ms. Gilligan has extensive experience assisting organizations with their culture development efforts; and has also contributed to the development and implementation of ETP since its inception. The total paid under the FY 2018/19 contract was \$77,625.

Because the development of the City's organizational culture is a continuing journey, the City Manager's Office has identified the next steps to pursue in the City's ETP efforts. Following negotiations with Ms. Gilligan, a proposed scope of work for FY 2019/20 has been prepared, which includes:

- Prepare and facilitate a session of the existing Creating the Culture I course for formal leaders
- Develop and facilitate initial sessions of a peer discussion among mid-level managers in the organization
- Develop and deliver the first sessions of an advanced course for employees who have completed Creating the Culture
- Facilitate discussions within each City department regarding the application of the City's organizational values to each department
- Prepare the Human Resources Department to lead ETP development into the future

- Prepare and facilitate three retreats with the City's Executive Leadership Team
- Provide support for cross-departmental City teams as needed.

Each service to be delivered includes a cost not-to-exceed. The overall cost for the contract is \$70,900. The FY 2019/20 Budget includes \$70,900 for initiatives related to ETP development.

It is possible that as the year progresses, additional needs will be identified that will require change orders. Separate from this contract, Ms. Gilligan has been retained from time to time for coaching within departments, or for activities such as facilitating the City Council's goal-setting retreat. Those activities are financed from individual department budgets. Ms. Gilligan may also be separately retained for the delivery of skill-building courses for employees, which is administered through the City's Employee Development Center budget.

The City's Purchasing Policies and Procedures normally require a competitive bid process for the award of contracts of this nature in excess of \$25,000. Very few firms are able to provide expertise related to the City's unique organizational culture development efforts. Because of Ms. Gilligan's extensive expertise with the City's organizational culture, it would be inefficient to competitively bid this work to others who have no prior relationship with the City. Therefore, it will be necessary to waive the Purchasing competitive bid requirement and award a single source contract.

ALTERNATIVES:

1. Waive the Purchasing competitive bid requirement and award a single source contract with Donna Gilligan, Nevada, IA, in an amount not to exceed \$70,900 for FY 2019/20 organizational development consulting services.
2. Direct staff to conduct a request for proposals for organizational development consulting services.
3. Do not award a contract for organizational development consulting services.

MANAGER'S RECOMMENDED ACTION:

The continuing development of the City's organizational culture is an important initiative. As new employees are hired and existing employees move into positions of increasing responsibility throughout the City, a clear understanding of the City's organizational values is critical to their success. The consultant proposed to work on this initiative has a unique understanding of the City organization, employees, and the Excellence Through People organizational philosophy. It would not be advisable to use another outside resource to serve in this role at this time.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

COUNCIL ACTION FORM

SUBJECT: 2019 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT

BACKGROUND:

On July 26, 2019, the Ames Police Department received notice that it is eligible for grant funds through the 2019 Department of Justice, Office of Justice Programs, Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Grant (JAG) Program. Applications are due August 23, 2019.

Grant funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice, as well as research and evaluation activities that will improve or enhance law enforcement programs related to criminal justice.

Because the Story County Sheriff provides jail services for the county, the grant conditions require that the Sheriff participate in the grant application for funding under this JAG program. The Police Department proposes that the City enter into a Memorandum of Understanding with the Story County for acquisition and use of the funds.

Total funding potentially available to the Ames Police Department and the Story County Sheriff's Office through this grant offering is \$12,728.00. There is no match required with this grant. This year the two law enforcement agencies propose to use the funds in a project to provide training and purchase equipment to support the public safety network.

The public safety network provides dispatching, vehicle location, communications, report writing, jail management, and data management functions. The network includes the Ames Police Department, the Story County Sheriff's Office, Story County Conservation officers, and Iowa State University Police. Other emergency response agencies, including Ames Fire and Mary Greeley Medical Center, utilize the mobile dispatch and vehicle location functions of the public safety network. The law enforcement agencies from Story City, Huxley, and Nevada are working to join the network.

The public safety network utilizes a suite of software product from CentralSquare. Staff from the participating agencies received significant training at the time of implementation in 2012. Communications Center personnel from Ames, ISU, and Story County recently received additional training on dispatching, communications, and related functions. That training was supported through a state grant. Similar training for System Administrators, Records and Jail staff is also necessary. Funds from this grant would be used to bring CentralSquare staff to Ames to provide on-site training on system and data management issues.

As part of the evolving hardware design of the public safety network, a portion of the grant funds will be used to purchase a new secure backup storage device. The new equipment will enhance the backup and storage process by moving it to a separate device.

The grant requires that the Mayor sign a certifications and assurances document indicating that the City will abide by the grant terms and conditions.

ALTERNATIVES:

1. Approve the Memorandum of Understanding with Story County to apply for grant funding under the 2019 Department of Justice, Office of Justice Programs, Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Grant (JAG) Program, and authorize application for that grant.
2. Do not approve the agreement with the Story County or the Edward Byrne Memorial Justice Assistance Grant (JAG) Program grant application.

MANAGER'S RECOMMENDED ACTION:

JAG funds have been used productively in the past few years to purchase equipment and provide training. The program has proven to be a valuable source of funds for special purchases and programs.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving an agreement with Story County to develop and apply for a grant funding under the 2019 Edward Byrne Memorial Justice Assistance Grant (JAG) Program, and authorizing application for that grant.

THE STATE OF IOWA

KNOW ALL BY THESE PRESENT

COUNTY OF STORY

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN THE CITY OF AMES, IOWA, AND STORY COUNTY, IOWA**

JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD

This Agreement is made and entered into this ____ day of _____, 2019, by and between Story County, Iowa, acting by and through the Chairman of the County Board of Supervisors as an authorized agent for the county, hereinafter referred to as COUNTY, and the City of Ames, acting by and through the Mayor as an authorized agent for the city, hereinafter referred to as AMES, both of Story County, State of Iowa, witnesseth:

WHEREAS, under the Department of Justice, Office of Justice Programs, Bureau of Justice Assistance 2019 Edward Byrne Memorial Justice Assistance Grant Formula Program, Local Solicitation, hereinafter referred to as GRANT, funds have become available to the parties for use in improving law enforcement programs; and

WHEREAS, the GRANT requires that the COUNTY and AMES agree on the process for filing an application for the acquisition, administration and expenditure of those funds; and,

WHEREAS, each governing body finds that the performance of this Agreement is in the best interests of all parties, that the undertaking will benefit the public, and that the division of funds and costs is equitable;

NOW THEREFORE, AMES and COUNTY agree as follows:

Section 1.

The parties are eligible for funding through the GRANT of up to \$12,728.00. The parties agree that AMES will file a single application on behalf of both parties that provides for distribution of funds as follows:

To AMES - \$12,728.00 to support equipment purchases and training for the public safety network. The parties agree that the primary source of funding for the projects identified in the grant will be the grant proceeds. Any additional funding required and not covered by the grant will be agreed to, in advance of the expenditure, by both parties.

Section 2.

AMES shall be designated as the fiscal agent for the purposes of this GRANT and shall be responsible for all administrative support to meet the requirements of the GRANT. COUNTY shall not be responsible for any costs associated with the administration of the GRANT.

Section 3.

Each party to this agreement will be responsible for its own actions in providing services under this agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

Section 4.

The parties to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

Section 5.

By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; nor do they intend to create a separate legal entity for the purposes of this GRANT, specifically they do not intend to create a legal entity authorized by Chapter 28E of the Code of Iowa; further, this Agreement shall not create any rights in any party not a signatory hereto.

IN WITNESS THEREOF, the parties have caused this Agreement to be signed by their authorized representatives.

Story County

By: Linda Murken, Chairman
Story County Board of Supervisors

Signature

City of Ames

By: John A. Haila, Mayor
City of Ames

Signature

**U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS**

Edward Byrne Justice Assistance Grant Program FY 2019 Local Solicitation

Certifications and Assurances by the Chief Executive of the Applicant Government

On behalf of the applicant unit of local government named below, in support of that locality's application for an award under the FY 2019 Edward Byrne Justice Assistance Grant ("JAG") Program, and further to 34 U.S.C. § 10153(a), I certify to the Office of Justice Programs ("OJP"), U.S. Department of Justice ("USDOJ"), that all of the following are true and correct:

1. I am the chief executive of the applicant unit of local government named below, and I have the authority to make the following representations on my own behalf as chief executive and on behalf of the applicant unit of local government. I understand that these representations will be relied upon as material in any OJP decision to make an award, under the application described above, to the applicant unit of local government.
2. I certify that no federal funds made available by the award (if any) that OJP makes based on the application described above will be used to supplant local funds, but will be used to increase the amounts of such funds that would, in the absence of federal funds, be made available for law enforcement activities.
3. I assure that the application described above (and any amendment to that application) was submitted for review to the governing body of the unit of local government (e.g., city council or county commission), or to an organization designated by that governing body, not less than 30 days before the date of this certification.
4. I assure that, before the date of this certification— (a) the application described above (and any amendment to that application) was made public; and (b) an opportunity to comment on that application (or amendment) was provided to citizens and to neighborhood or community-based organizations, to the extent applicable law or established procedure made such an opportunity available.
5. I assure that, for each fiscal year of the award (if any) that OJP makes based on the application described above, the applicant unit of local government will maintain and report such data, records, and information (programmatic and financial), as OJP may reasonably require.
6. I have carefully reviewed 34 U.S.C. § 10153(a)(5), and, with respect to the programs to be funded by the award (if any), I hereby make the certification required by section 10153(a)(5), as to each of the items specified therein.

Signature of Chief Executive of the Applicant Unit of
Local Government

Date of Certification

Printed Name of Chief Executive

Title of Chief Executive

Name of Applicant Unit of Local Government

COUNCIL ACTION FORM

SUBJECT: EXPANSION OF MULTIAGENCY PUBLIC SAFETY NETWORK TO INCLUDE STORY CITY

BACKGROUND:

In July 2019, Council approved a Memorandum of Agreement with the City of Huxley, and an accompanying Agency Access Agreement with Superior (now CentralSquare) and Huxley that will allow the Huxley Police Department to join the MultiAgency Public Safety Network. The City of Story City and the Story City Police Department have also taken the necessary steps to become part of the Network on the same terms and conditions as Huxley.

For many years the Ames Police Department, Story County Sheriff's Office, and Iowa State University Police have shared public safety information across a jointly operated computer network. In 2011 those agencies acquired a comprehensive suite of public safety data management software through a company that was then known as SunGard. The SunGard suite included computer aided dispatch, records management, jail management, and mobile data elements.

In addition to the software, the agencies now also operate a sophisticated public safety computer network that ties the agencies together. The software, and the network that it operates on, is managed by an interagency group known as the MultiAgency Public Safety Group (MAPSG). The MAPSG network allows the agencies to share law enforcement information quickly and securely. It also provides a redundancy that protects each of the individual agencies from loss of service or data in emergency situations.

The original purchase of the SunGard software in 2011 was structured such that the City of Ames signed the master contract with SunGard and became the owner of the software licenses. Story County and Iowa State University signed Agency Access Agreements with SunGard and the City that gave them full access to the software. **The arrangement allowed SunGard to invoice the City for all annual fees. The City then reallocates the SunGard costs, adds costs for the network, and bills the participating departments for their share of the total costs.** The Story County 911 Service Board also provides funding to support part of the dispatching function of the public safety network. The system has worked well since its inception.

Over the past few years several additional agencies, including Story County Conservation, Ames Fire, and Mary Medical Center, have been granted limited access to the public safety network, primarily for the purpose of facilitating quicker dispatching or for gathering information from the dispatch system. Those additional agencies pay for the costs directly related to the addition of their agency.

For some time, the three primary law enforcement agencies have recognized that there would be value in adding the three smaller law enforcement agencies in Story County to the network. Those agencies are the Huxley Police Department, the Story City Police Department, and the Nevada Police Department. All three are currently dispatched by the Story County Sheriff's Office so have already have a presence in the MAPSG dispatching software. All three have expressed a desire to join and have taken steps to achieve that goal.

Through a series of discussions, the three new agencies have agreed that to join the network each would need to pay for their own computer hardware, any license fees associated with the expansion of the system and network software, connectivity costs, and an amount equal to 15% of their license fees (with a minimum of \$1,200) to support the costs of the network. One exception is that a federal grant was used to acquire two records management, mobile field reporting and, mobile field arrest licenses for each agency to help get them started on the process. MAPSG has approved the addition of the new agencies.

The original purchase of the software suite was from SunGard. Not long after the original purchase the vendor transitioned to Superior. That name that was associated with the vendor until recently when they again transitioned to CentralSquare. The agency access agreement still carries the name Superior at their request.

ALTERNATIVES:

1. Approve the Memorandum of Agreement and Agency Access Agreements with the Story City Police Department, allowing access to the public safety network.
2. Do not approve the Memorandum of Agreement and Agency Access Agreements with the Story City Police Department.

CITY MANAGER'S RECOMMENDED ACTION:

The addition of the Story City Police Department to the public safety network will benefit both Story City and the existing members of MAPSG by allowing for more efficient exchange of criminal justice and emergency response information. That addition would be achieved without additional cost to the City.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the Memorandum of Agreement and Agency Access Agreements with the Story City Police Department, allowing access to the public safety network.

SUPERION AGREEMENT TO GRANT PERMISSION TO ALLOW ACCESS TO SOFTWARE

among

City of Ames
515 Clark Avenue
Ames, IA 50010

and

Superion, LLC
1000 Business Center Drive
Lake Mary, FL 32746

Whereas, City of Ames PD (“**Customer**”) and **Superion, LLC** (“**Superion**”) have entered into that certain Software License and Services Agreement dated February 22, 2011 (“Customer Agreement”);

and

Whereas, Customer desires that the following public safety agency (the “**Accessing Agency**”) obtain access to the Software licensed by Customer under the Customer Agreement;

Story City Police Department
504 Broad St.
Story City, IA 50248

Now therefore, the parties agree as follows:

1. Customer requests that Superion grant, and Superion does grant Customer permission to allow access to Accessed Software by the Accessing Agency under the terms of this Access Agreement (“Access Agreement”). The Accessed Software is as follows:

All Software licensed to Customer

2. Superion shall have the right to terminate this Access Agreement upon breach of this Access Agreement if cure is not effected within thirty (30) days of written notice of said breach.

3. This Access Agreement shall automatically terminate if the Customer Agreement is terminated. In the event that this Access Agreement should be terminated, Superion shall be under no obligation to the Accessing Agency to permit continued access to Accessed Software after such termination of this Access Agreement, but shall agree to license Accessed Software under separate license agreement with the Accessing Agency in such event, provided the Accessing Agency is not in default of any of the provisions of this Access Agreement nor any related Supplements, and provided the Accessing Agency provide a replacement technical environment satisfactory to Superion.

4. Customer understands that Accessing Agency will not be granted access to the Accessed Software unless and until the Accessing Agency executes an Access Agreement and agrees that the Accessed Software constitutes proprietary information and trade secrets of Superion and will remain the sole property of Superion. The Accessing Agency shall not at any time sell, assign, transfer or otherwise make available to, or allow use by, a third party any of components of Accessed Software, and the Accessing Agency shall

hold in confidence the Superior proprietary information for its benefit and internal use only by its employees. The Accessing Agency will further acknowledge that, in the event of a breach or threatened breach of the provisions of this paragraph, Superior has no adequate remedy in money damages, and, accordingly, shall be entitled, without bond, to an injunction against such breach or threatened breach.

5. Customer shall be the first point of contact for the Accessing Agency for Accessed Software in the event that support services are required by the Accessing Agency. Should Customer not be able to solve the Support Service issue, Customer shall contact or coordinate contact with Superior for support services.

By the signatures of their duly authorized representatives below, Superior and Customer, intending to be legally bound, agree to all of the provisions of this Access Agreement.

Story City Police Department, IA

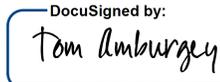
BY: _____

PRINT NAME: _____

TITLE: _____

DATE SIGNED: _____

Superior, LLC

DocuSigned by:

BY: _____
B6E69E968DCF467...

PRINT NAME: Tom Amburgey

TITLE: General Manager

DATE SIGNED: May 24, 2019

City of Ames, IA

BY: _____

PRINT NAME: _____

PRINT TITLE: _____

DATE SIGNED: _____

MEMORANDUM OF AGREEMENT

A MEMORADUM OF AGREEMENT BY THE CITY OF AMES, IOWA, AND THE CITY OF STORY CITY, IOWA, TO ESTABLISH AND MAINTAIN ACCESS TO PUBLIC SAFETY SOFTWARE AND NETWORK

THIS AGREEMENT, made and entered by the City of Ames, Iowa, (hereinafter Ames) and the City of Story City, Iowa, (hereinafter Story City) as follows:

PURPOSE

The purpose of this Agreement is to provide a framework for the Story City Police Department (any reference to Story City throughout this Agreement shall include the Story City Police Department) to gain access to and utilize the public safety network - a system of software products, computer hardware and network connections that allows Ames Police, the Story County Sheriff's Office, Iowa State University Police, and others to access a common database and share information, and to provide for an equitable arrangement to sharing the cost of that access.

BACKGROUND

In 2012 Ames, Story County, and Iowa State University jointly acquired a suite of software products from a company then known as OSSI, recently known as Superion and now known as CentralSquare (hereinafter CS). CS insisted that the contract for the licensing, maintenance, and support of the software be with one agency. By mutual agreement, Ames entered into the contract with CS. Story County and Iowa State University then entered into use agreements with both Ames and CS that allows Story County and Iowa State University full access to the CS software. In addition, Ames, Story County, and Iowa State University established a computer network system, including several fiber optic lines, between the three law enforcement agencies to effectively implement a shared data program. The system of software products, network hardware and fiber has come to be known as the public safety network.

To manage the public safety network, the participating agencies established a management group consisting of staff representatives from internal departments involved with the public safety network. That management group has adopted the working name the MultiAgency Public Safety Group (hereinafter MAPSG). Staff members from the agencies' Communication Centers, Records, IT, Jail, and Patrol have been involved in MAPSG.

This Agreement is between Ames and Story City because Ames is the contract holder with CS. The parties acknowledge that as it relates to this Agreement, Ames has and will act only with the agreement and approval of the MAPSG partners.

OBJECTIVES

Access to the public safety network will require acquisition of licenses to use the appropriate software (including connectivity and system security software), acquisition of appropriate end-user hardware, establishment of a secure network connection between Story City and the public safety network, installation of the software, establishment of appropriate security protocols, training for end-users and support staff, and execution of an additional agreement with CS.

MAPSG has adopted a number of access and security practices to successfully control the operation of the public safety network. Story City will need to adopt those practices, including completing the required forms, to complete access to the network.

The parties intend that Story City's initial access to the public safety network will be through two (2) workstations that will run the records management and mobile field reporting. The parties acknowledge

that Story City has plans to add mobile data terminals to their patrol vehicles and that this Agreement will extend to any expansion of use in the future.

The parties recognize that all of the elements of the public safety network continue to evolve as technology advances. The parties acknowledge that changes that will occur and that successor software and hardware products will become available that will improve the functionality and security of the public safety network. By example, the core software from CS has changed ownership three times since its purchase in 2012. To achieve the purpose of this Agreement the parties recognize that products and names of products will change and that they will adapt.

SCOPE OF WORK

1. In 2018, utilizing funding from a federal grant, Ames purchased additional licenses from CS to support Story City's entry into the public safety network. Those licenses include:

- Two (2) Records Management System modules
- Two (2) Mobile Field Recording Modules
- Two (2) Mobile Field Reporting Arrest modules

The approximate value of these licenses is \$4,400.00 and Ames shall make them available to Story City at no cost. These licenses also carry an annual maintenance fee currently estimated to be \$692.00. Story City agrees to pay those annual maintenance fees for 2019 when this Agreement is signed and in the future.

Story City shall be responsible for the cost of any additional CS licenses acquired, including both initial purchase costs and on-going maintenance costs, should Story City expand beyond the two (2) workstations.

2. MAPSG has adopted NetMotion to manage access to and security for the public safety network. NetMotion software and licenses are required on any end-use hardware used by Story City to gain access to the network. The initial two (2) workstation setup will require two (2) NetMotion licenses currently estimated to cost \$570.00 (\$285.00 each). In addition, the annual maintenance fee for the NetMotion licenses is estimated to be \$170.00 (\$85.00 each). Story City will be responsible for the all costs associated with end-user NetMotion licenses.

The public safety network includes several servers that control NetMotion access. At the time of this Agreement MAPSG is engaged in a project to reconfigure those servers. Ames, and MAPSG, will provide Story City with access to a server or servers in a way that is consistent with reconfigured NetMotion project. Costs for servers and server software shall be considered system support as described in the FINANCE section of this Agreement.

3. MAPSG has also adopted a plan to utilize RSA Authentication tokens to promote secure access to the public safety network. The plan to adopt RSA is linked to the reconfiguration of the NetMotion servers and is in process at the time of this Agreement. When RSA is implemented by MAPSG, Story City will be required to purchase an RSA token for each individual who will access the public safety network. Tokens carry a cost of \$132.28 for a 2-year token and an annual estimated fee of \$40.00 per year after that. Story City acknowledges that, at the time of the signing of this agreement, it has six (6) employees who would require tokens.

$\$132.28 \times 6 = \793.68 initial cost
 $\$40.00 \times 6 = \240.00 annual on-going cost

Story City shall be responsible for costs of RSA tokens. As with NetMotion, access to the RSA server or servers managed by MAPSG shall be considered system support as described in the FINANCE section of this Agreement.

4. MAPSG has adopted security statements for both agencies and individuals that access the public safety network. The "Multi-Agency Security Authorization Agreement" and the "Multi-Agency Information Security and Employee Confidentiality Agreement" as adapted for Story City, are attached to (as Attachments 1 and 2) and by reference incorporated into this Agreement. Story City agrees to execute those agreements, or their successors, as a precursor to accessing the network. In addition, Story City agrees to require all new employees to sign the "Multi-Agency Information Security and Employee Confidentiality Agreement" and to maintain a record of those signed agreements.

5. Two (2) Computer workstations capable of running a currently supported version of Windows, CS, and other system software at Story City are required. Story City shall supply those workstations at Story City's cost. The parties acknowledge that all end-user hardware is the responsibility of the agency that uses that hardware. Members of MAPSG supply, manage, and maintain all their own end-user hardware, including computer workstations, mobile data terminals, and printers.

6. Story City shall arrange for an internet connection at Story City Police Department. An internet connection is required to establish a link between Story City and the public safety network. Story City shall be responsible for all costs of this internet connection.

The parties acknowledge that the data speeds available through the internet connection will impact the functionality of the CS software. Story City will determine what level of service it will receive from its internet service provider.

7. Staff who will access and use the public safety network will be required to complete a course of training. Ames and MAPSG can coordinate a training program for Story City based on training provided to new employees at Ames and MAPSG agencies. That training will be provided at no additional cost to Story City.

CS also provides a series of training opportunities that may benefit Story City. CS charges fees for those training services. Story City may choose to engage the services of CS for additional training at Story City's cost.

8. Except as described in the FINANCE section of this Agreement, Ames and MAPSG will be responsible for the support and maintenance of the public safety network and will provide knowledgeable staff to accomplish that purpose. Story City will be responsible for support and maintenance of its end-user equipment, the operating software, and the connectivity to the public safety network and will provide knowledgeable staff to accomplish that purpose.

9. In the past, CS has required additional agencies to sign "Agency Access Agreement" consistent with the master contract held by Ames. Should CS require it, Story City agrees to sign the Agency Access Agreement as a precursor to accessing the public safety network.

10. Ames makes no warranty of any kind, express or implied, regarding the public safety network, which includes the system software products licensed from CS. To the extent permitted by law, Story City shall indemnify and hold harmless Ames from any and all damages, liabilities, costs, losses, expenses or attorney fees arising out of any claim, demand, or action by a third party due to Story City's use of the public safety network.

FINANCE

The parties intend that the elements of the public safety network, both hardware and software, as it exists prior to this Agreement, and as it evolves in the future, are the responsibility of MAPSG and its participating agencies. Except as described as system support costs in this section, Story City shall have no responsibility for and will acquire no interest in the public safety network. Conversely, the end-user hardware and software, other than the CS software, and the elements of connectivity between Story City and the public safety network are the responsibility of Story City and neither Ames nor MAPSG will be

responsible for or acquire an interest in that hardware and software. Ownership and use of the CS software will be governed by the Agency Access Agreement.

In addition to the initial and annual on-going costs described in the Scope of Services section of this Agreement, Story City will pay an annual "system support" cost to support the public safety network. The system support cost will be equal to 15% of the annual software maintenance fees charged by CS and NetMotion and attributable to Story City, with a minimum of \$1,200.00 per year. Stated otherwise, the system support cost will be \$1,200.00 per year until the annual software maintenance cost from CS and NetMotion attributable to Story City reaches \$8,000.00 annually. At and after the \$8,000.00 mark, the system support cost will be 15% of the annual software maintenance fees. Story City will acquire no interest or ownership in any part of the public safety network by paying the system support cost.

The MAPSG agencies own and operate the elements of the network and the employees of the participating agencies dedicate time to operate and support the network. Story City will not be required to provide that level of support to maintain the network. The system support cost will be paid annually to Ames and will be held to support the activity of MAPSG.

As the holder of the master contract, Ames currently manages the finances for MAPSG and will continue to do so until replaced by mutual agreement of the MAPSG members. MAPSG operates on a calendar year basis and bills participating agencies in the first quarter of each calendar year. Story City will pay the initial costs and a first year system support cost at the time this Agreement is signed. Story City will be billed again for annual maintenance fees and system support costs after January 1, 2020.

Ames shall issue invoices to Story City at 504 Broad St., Story City, IA 50248. Story City agrees to pay invoices within thirty (30) day of receipt.

MAPSG

MAPSG meets monthly at locations that rotate around the county. Each of the principal agencies (Ames Police Department, the Story County Sheriff's Office and the Iowa State University Police) have one vote as members of MAPSG. Story City is invited and encouraged to attend the MAPSG meeting as a non-voting member. Story City staff may be added to the MAPSG mailing list.

NO SEPARATE ENTITY

By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; nor do they intend to create a separate legal entity for the purposes of this Agreement; further, this Agreement shall not create any rights in any party not a signatory hereto.

NOTICE

All notices under this Agreement shall be in writing and shall be deemed to have been given: (i) upon hand delivery or (ii) if sent by Regular Mail, within seventy-two (72) hours after the notice has been deposited in the United States Post Office, postage paid. Notices shall be sent to the other party at the addresses set forth below. Either party may change its address by giving notice in writing thereof to the other party.

For Ames: Doug Houghton
515 Clark Avenue
PO Box 811
Ames, Iowa 50010

For Story City: Matt Sporleder
505 Broad St.
Story City, Iowa 50248

TERM OF AGREEMENT

This Agreement will take effect upon signing by both parties and will continue to be in effect until terminated by one or more of the parties.

TERMINATION

This agreement shall terminate on WRITTEN NOTICE by one party to the other. Written notice shall be given no later than January 1 of the current fiscal year and terminate June 30 of the current fiscal year. At the time of termination, any invoices outstanding or anticipated will be taken into account in order to determine the final financial reconciliation between the parties.

The parties further agree that because of the unique and indispensable nature of the services jointly provided by this agreement that termination will not result in the disruption of services provided by any party. The parties further agree to cooperate in all respects and if necessary, to allow six month extension(s) to continue operation, in all respects, in order to permit the acquisition of funding and take into account the time needed to install a substitute/replacement system(s) either of the parties.

SIGNATURES OF THE PARTIES

IN WITNESS WHEREOF the parties hereto have caused this instrument to be executed by their duly authorized representatives.

CITY OF AMES, IOWA

CITY OF STORY CITY, IOWA

By: _____

By: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

COUNCIL ACTION FORM

SUBJECT: REQUESTS FOR AMES HISTORICAL SOCIETY “UNCORKED” EXHIBIT

BACKGROUND:

The Ames Historical Society is proposing to host a new exhibit titled “Uncorked” on Saturday, August 24 from 5:00 p.m. to 9:00 p.m. The exhibit will feature the history of alcohol in Ames from dry covenants placed in the original plat to prohibition-era bootleggers to modern microbreweries. The grand opening of the exhibit will take place in the parking lot of the Ames History Center and will feature food trucks, a beer garden, and music. An estimated 300 people are anticipated to attend.

To facilitate the grand opening of the exhibit, the Ames Historical Society has requested the following for Saturday, August 24 from 3:00 p.m. to 10:00 p.m.:

- Closure of 4 metered parking spaces on the 100 block of 5th Street and a waiver of fees (Loss of \$3 to the Parking Fund)
- A blanket Temporary Obstruction Permit for the sidewalk adjacent to the 5th Street side of the Ames Historical Society building.
- A blanket Vending License and waiver of the fee (\$50 loss to the City Clerk’s Office)
- Use of City-owned electrical outlets and waiver of costs (approximately \$5 loss to Electric Fund)

Ames Main Street has submitted a letter in support of the event. The organizers will notify affected businesses and by placing signs in the affected area prior to the event.

ALTERNATIVES:

1. Approve the requests for the grand opening of the “Uncorked” exhibit on Saturday, August 24, as outlined above, including the waiver of fees for vending and parking.
2. Approve the requests as indicated above, but require reimbursement for vending license and parking meter fees.
3. Do not approve the requests.

CITY MANAGER’S RECOMMENDED ACTION:

One of the ways the Ames Historical Society engages the public is by hosting exhibits. These exhibits provide unique opportunities for the public to learn about Ames history. The “Uncorked” exhibit will likewise expand upon the organization’s effort to engage the Ames public.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the requests for the grand opening of the “Uncorked” exhibit on Saturday, August 24, as outlined above, including the waiver of fees for vending and parking.



SPECIAL EVENT APPLICATION

Applications received less than thirty (30) days before the event may not be processed by the City in time for the event and will automatically be denied. Each application is viewed as a new event regardless of previous occasions.

Event Name

Location/Address

Region (Select one or more)

- Ames Main Street (Downtown)
- Campustown District
- Iowa State University Property
- City Parks
- Other (please explain)

Please note that events occurring in the Downtown, Campustown, in City parks, or on ISU property require prior approvals. A letter of support will be required from CAA if the event occurs in Campustown or from MSCD if the event occurs in Downtown. Please contact the appropriate office well in advance:

Downtown - Main Street Cultural District: (515) 233-3472 events@amesdowntown.org
 Campustown - Campustown Action Association: (515) 450-8771 director@amescampustown.com
 ISU - Events Authorization Committee: (515) 294-1437 eventauthorization@iastate.edu

TIMELINE

Setup Date Time M T W R F Sa Su

Event Starts Date Time M T W R F Sa Su

Detailed Description of Event Activities (written overview of event and what's going to happen)

This is an event for the grand opening of our new exhibit, titled Uncorked. Our hope is to rent out the street parking meters so we can have food trucks located there. In our parking lot we will have a fenced off beer garden for people 21 & older. Our museum will be open so the hope is peo

Event Ends Date Time M T W R F Sa Su

Teardown Complete Date Time M T W R F Sa Su

Event Category

- Athletic/Recreation
- Exhibits/Misc.
- Festival/Celebration
- Parade/Procession/March
- Concert/Performance
- Farmer/Outdoor Market
- Other (please explain)

Rain Date Rain Location

Yes No Is this an annual event? If yes, how many years?

For Office Use Only

Documents Received

Date: _____

- Completed Application
- Fireworks Application (\$25 fee)
- Insurance Certificate
- Public Safety & Event Management Plan
- Site Plan/Route Map (\$25 fee) (Road Race)
- Vendor List (\$50 fee/each)
- Parking fees

Special Events Meeting

Date _____

Time _____

Room _____

Documents Sent:

- Alcohol License
- ABD
- Fireworks Permit
- Road Race Permit
- TOP
- Vending Permit
- Other _____

Departments Included

- City Manager: Brian Phillips and Tasheik Kerr
- CyRide: Jenny Bethurem or Rob Holm
- Electric: Mark Imhoff
- Fire: Jason Ziph or Rich Higgins
- Parks & Rec: Craig Kaufman or Joshua Thompson
- Public Works: Brad Becker or Dave Cole
- Police: Jason Tuttle or Geoff Huff
- Water: Christina Murphy
- Risk Management: Bill Walton

CAA: Karen Chitty
 AMS: Jess Clyde or Sarah Dvorsky
 ISU: Events Authorization Committee

City Council Meeting

Date _____
 Added to Agenda with CAF Approved Y N

Reminder Date _____

CONTACTS

Sponsor/Applicant Name

Address

City State Zip Code

Daytime Phone Cell Phone

E-mail

Alternate Contact Name

Daytime Phone Cell Phone

E-mail

ATTENDANCE

Anticipated Daily Attendance

Yes No

Is this event open to the public?

Is your event being held in conjunction with another event (e.g. *Farmers' Market, 4th of July*, etc.)? If yes, please list:

ORGANIZATION STATUS/PROCEEDS

- For-Profit
- Bona Fide Tax Exempt
- Nonprofit

Yes No

Are patron admission, entry, or participant fees required? If yes, please describe and provide amounts:

Are vendor or other fees required? If yes, please provide amounts:

Percentage of net proceeds going towards fundraising %

Percentage of net proceeds going towards for-profit entity %

SECURITY

Ames Police Department 24 hour non-emergency phone number: 515-239-5133

Please complete the course at <https://www.crowdmanagers.com/training> for crowd management training.

Yes No

Have you hired a professional security company to develop and manage your event's security plan? If yes, please fill out the following information:

Security Organization

Address

City State Zip Phone

Email



August 5, 2019

Mayor Haila & Ames City Council
Ames City Hall
515 Clark Ave.
Ames, IA 50010

Mayor Haila and City Council Members,

Ames Historical Society plans to hold an exhibit opening event on Saturday, August 24, 2019, 5:00-9:00pm. The event is for the opening of our newest feature exhibit, "Uncorked: The Spirited History of Alcohol in Ames." The exhibit will tell the history of alcohol in Ames – from dry covenants placed in the original plat, to prohibition-era bootlegging stories, to modern microbreweries.

At the event, we plan to have a beer garden in our parking lot and two food trucks on 5th Street (taking up four metered parking spaces). Additional information about the event can be found on the special event application submitted.

We request a waiver of fees for the blanket vendor permit, electricity, and parking meters. Thank you for your consideration of this request and continued support of Ames Historical Society.

Sincerely,

A handwritten signature in cursive script that reads "Casie Vance".

Casie Vance
Executive Director



August 5, 2019

Mayor and City Council
City of Ames
515 Clark Ave
Ames, IA 50010

Dear Mayor Haila and Members of the Ames City Council,

Ames Main Street is proud to have the Ames Historical Society located in Downtown Ames. The programs and events the Ames Historical Society offers greatly enhance the culture of Downtown and benefit the entire community.

Therefore, we would like to express our support of Uncorked: The Spirited History of Alcohol in Ames, hosted by the Ames Historical society that will take place on Saturday, August 24, 2019.

Ames Main Street values and thrives due to events such as these, and asks that the alcohol license requests and reserved parking spots be granted.

Thank you for your consideration and your continued support of Ames Main Street. We hope to see you in Downtown Ames at one of our future events!

Sincerely,

A handwritten signature in black ink, appearing to read 'Kristin Roach', written over a horizontal line.

Kristin Roach
2019 Ames Main Street Board President

304 Main Street, Ames, IA 50010 515.233.3472 AmesDowntown.org

COUNCIL ACTION FORM

SUBJECT: **REQUEST FOR CAMPUSTOWN FEST**

BACKGROUND:

American Campus Communities, a for-profit company that owns and manages student housing in the Campustown area, is planning to host a welcome back block party called “Campustown Fest” for students and residents in the 200 block of Stanton Ave. on Thursday, August 29th from 4:00 p.m. to 7:00 p.m. The event brings together students and residents in Campustown to celebrate the new school year. The event will feature food trucks, music, giveaways, and food.

To facilitate Campustown Fest, American Campus Communities has requested the following for Thursday, August 29 from 3:00 p.m. to 8:00 p.m.:

- Closure of Stanton Ave. from Chamberlain Street to the driveway 230 feet south of the intersection
- Closure of 5 metered parking spaces on the 200 block of Stanton Ave. (Estimated loss of \$5.63 to the Parking Fund)
- A blanket Temporary Obstruction Permit

No alcohol will be served or consumed in conjunction with this event. Campustown Action Association has submitted a letter in support of the event. The organizers will notify affected businesses and residents by placing signs in the affected area prior to the event and by going door to door with the event information. The properties directly affected by this event are all owned by the event organizer.

ALTERNATIVES:

1. Approve the requests for Campustown Fest on Thursday, August 29, as outlined above, and require reimbursement for lost parking revenue (\$5.63).
2. Direct staff to work with organizers to find an alternative location for this event.
3. Do not approve the requests.

CITY MANAGER’S RECOMMENDED ACTION:

Campustown Fest, hosted by American Campus Communities, provides an opportunity for students and residents to network and to create community. This event also aligns with the Council’s goal to promote a sense of one community by improving town and gown connections.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.



SPECIAL EVENT APPLICATION

Applications received less than thirty (30) days before the event may not be processed by the City in time for the event and will automatically be denied. Each application is viewed as a new event regardless of previous occasions.

Event Name Campustown Fest

Location/Address Campustown / 200 Stanton Ave

Region (Select one or more)

- Ames Main Street (Downtown)
- Campustown District
- Iowa State University Property
- City Parks
- Other (please explain)

Please note that events occurring in the Downtown, Campustown, in City parks, or on ISU property require prior approvals. A letter of support will be required from CAA if the event occurs in Campustown or from MSCD if the event occurs in Downtown. Please contact the appropriate office well in advance:

Downtown - Main Street Cultural District: (515) 233-3472
Campustown - Campustown Action Association: (515) 450-8771
ISU - Events Authorization Committee: (515) 294-1437

events@amesdowntown.org
director@amescampustown.com
eventauthorization@iastate.edu

TIMELINE

Setup Date 8/29/19 Time 3:00 PM M T W R F Sa Su

Event Starts Date 8/29/19 Time 4:00 PM M T W R F Sa Su

Detailed Description of Event Activities (written overview of event and what's going to happen)

Celebration for Campustown Residents with food truck vendors.

Event Ends Date 8/29/19 Time 7:00 PM M T W R F Sa Su

Teardown Complete Date 8/29/19 Time 8:00 PM M T W R F Sa Su

Event Category

- Athletic/Recreation
- Exhibits/Misc.
- Festival/Celebration
- Parade/Procession/March
- Concert/Performance
- Farmer/Outdoor Market
- Other (please explain)

Rain Date 9/5/19 Rain Location 200 Stanton Ave

Yes No

Is this an annual event? If yes, how many years? 3

For Office Use Only

Documents Received

Date: 7/17/19

- Completed Application
- Fireworks Application (\$25 fee)
- Insurance Certificate
- Public Safety & Event Management Plan
- Site Plan/Route Map (\$25 fee) (Road Race)
- Vendor List (\$50 fee/each)
- Parking fees

Special Events Meeting

Date _____

Time _____

Room _____

Documents Sent:

- Alcohol License ABD
- Fireworks Permit
- Road Race Permit
- TOP
- Vending Permit
- Other

Departments Included

- City Manager: Brian Phillips and Tasheik Kerr
- CyRide: Jenny Bethurem or Rob Holm
- Electric: Mark Imhoff
- Fire: Jason Ziph or Rich Higgins
- Parks & Rec: Craig Kaufman or Joshua Thompson
- Public Works: Brad Becker or Dave Cole
- Police: Jason Tuttle or Geoff Huff
- Water: Christina Murphy
- Risk Management: Bill Walton

CAA: Karen Chitty
AMS: Jess Clyde or Sarah Dvorsky
ISU: Events Authorization Committee

City Council Meeting

Date _____

Added to Agenda with CAF Approved Y N

Reminder Date _____

CONTACTS

Sponsor/Applicant Name Ashley Bartleson
Address 200 Stanton Ave
City Ames State IA Zip Code 50014
Daytime Phone 515-598-9000 Cell Phone 712-204-3232
E-mail ABartleson@Americancampus.com
Alternate Contact Name Madeline Dahl
Daytime Phone 515-598-9000 Cell Phone _____
E-mail MDahl@americancampus.com

ATTENDANCE

Anticipated Daily Attendance

Yes No

Is this event open to the public?

Is your event being held in conjunction with another event (e.g. *Farmers' Market, 4th of July, etc.*)? If yes, please list:

ORGANIZATION STATUS/PROCEEDS

For-Profit

Bona Fide Tax Exempt

Nonprofit

Yes No

Are patron admission, entry, or participant fees required? If yes, please describe and provide amounts: _____

Are vendor or other fees required? If yes, please provide amounts: _____

Percentage of net proceeds going towards fundraising _____ %

Percentage of net proceeds going towards for-profit entity _____ %

SECURITY

Ames Police Department 24 hour non-emergency phone number: 515-239-5133

Please complete the course at <https://www.crowdmanagers.com/training> for crowd management training.

Yes No

Have you hired a professional security company to develop and manage your event's security plan? If yes, please fill out the following information:

Security Organization Haven Protection
Address _____
City _____ State _____ Zip _____ Phone 515-724-7922
Email manager@havenprotection.com



campustown
action
association

Campustown Action Association
119 Stanton Ave, Suite 602
Ames, IA 50014

July 30, 2019

CAA is supportive of the block party being planned by American Campus Communities for August 29th. They are limiting the time the street will be closed and affected neighbors have been notified. Ending at 7pm should alleviate any noise concerns from the neighborhoods bordering the district. The intersection at Chamberlain and Stanton will remain open, so the street closure should impact traffic only minimally. ACC and Campustown Properties staff are good patrons of the neighborhood and we feel confident they will throw a successful block party, as well as clean up the space when they are done. Please let us know if there are any specific questions we can help with.

Sincerely,

Karin Chitty
Executive Director

Ashley Bartleson
200 Stanton Avenue
Ames, Iowa, 50014
8/8/19

City Council
515 Clark Avenue
Ames, Iowa, 50010

Dear members of the Ames City Council,

I am writing to indicate what Campustown Fest is about as well as the street closure needed to make this event safe.

Campustown Fest is a new idea we had this year. Historically, as school approaches at Iowa State we like to host small events at our office to our residents to help them get excited for the year in their new home. This year, as competition rises for student housing, we want to have an event that really makes us stand out compared to others. What we envision at this event is: Music, food trucks (paid for by us ahead of time), corn hole tournament, giveaways, and a few local businesses to show who they are to residents who are new to the Ames area.

We request to have the road from closed to the general public starting at the intersection of Stanton/Chamberlain and up to 225 Stanton's parking lot. This requested area is crucial to the success of our event because it will create that "wow factor". Closing down this much of the road also gives us ample room for food vendors and adequate spacing between them.

We do not request to waive the parking meter fees that we will be blocking during our event. As well as, we do not request a vending license. This is due to the fact that none of the local businesses or food trucks will be selling anything at our event.

We truly appreciate the time and effort that the City of Ames has taken to discuss and review our event. At this time I also want to thank the Council and their time in reading and reviewing our event. If Campustown Fest is a success, we would love to make this an annual thing for our residents!

Sincerely,
Ashley Bartleson
515-598-9000

COUNCIL ACTION FORM

SUBJECT: FLEET REPLACEMENT PROGRAM –COMBINATION CRACK SEAL AND POTHOLE PATCH MACHINE

BACKGROUND:

The Public Works Streets crews currently have a crack sealing machine that heats material for filling cracks and joints in pavement. The machine was nearing replacement and Streets researched possibilities for improving their operations. After research they identified a combination unit that does the crack sealing like the previous machine, but also allows the use of aggregate and mastic (an asphalt material) for pothole patching as well. The division had rented a mastic unit in the past to supplement the crack seal machine. The new combination unit will allow for improved efficiency since it is contained in one unit. The division identified funding for the replacement and upgrade to the combination unit. A combination unit has been rented this road repair season and has performed as expected.

On July 8, 2019 bids were received from dealers as follows:

| Bidder | Description | Total |
|----------------------------|--|-----------------|
| Star Equipment, LTD | Cimeline C1 Melter Mastic Machine | \$77,950 |

The only bid for the combination unit was Star Equipment, LTD of Ames, Iowa for \$77,950. Currently, the Public Works Department is renting a combination like the one we hope to purchase. Star Equipment has agreed to sell this unit and apply the rental charges the City has paid to date for this unit (\$10,800) as a credit to the new unit. Therefore, the net purchase price to the Star Equipment is \$67,150.

Funding for this apparatus is available from the replacement fund for the existing unit in the amount of \$35,582, resale of the existing unit in the amount of \$16,192, and \$55,000 in budgeted funds in the 2019/20 Fiscal Year.

ALTERNATIVES:

1. Approve and award this contract to Star Equipment, LTD of Ames, Iowa, for the combination unit in the amount of \$77,950 with applied credit of \$10,800 for rental charges, making the net purchase price of \$67,150.
2. Reject award of bid.

MANAGER'S RECOMMENDED ACTION:

This purchase will increase the efficiency of road maintenance and was vetted by the using department for its efficiency.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

COUNCIL ACTION FORM

SUBJECT: 2018/19 TRAFFIC SIGNAL PROGRAM (US HWY 30 WB OFF-RAMP & S DAKOTA AVE)

BACKGROUND:

The Traffic Signal Program is the annual program that provides for replacing older traffic signals and constructing new traffic signals in the City, which will result in improved visibility, reliability, and appearance of signals. This program provides the upgrading of the traffic signal system technology. In recent years, traffic signal replacements have included radar detection systems instead of in-pavement loop detection systems that had previously been used (frequently a point of vehicle detection failure). An advantage of the radar detection system is that it detects bicycles in addition to vehicles. **This project will install a new signal and new pedestrian ramps at the westbound off-ramp of US Highway 30 to S. Dakota Avenue.**

WHKS of Ames, Iowa, developed plans and specifications with an estimated budget as shown below:

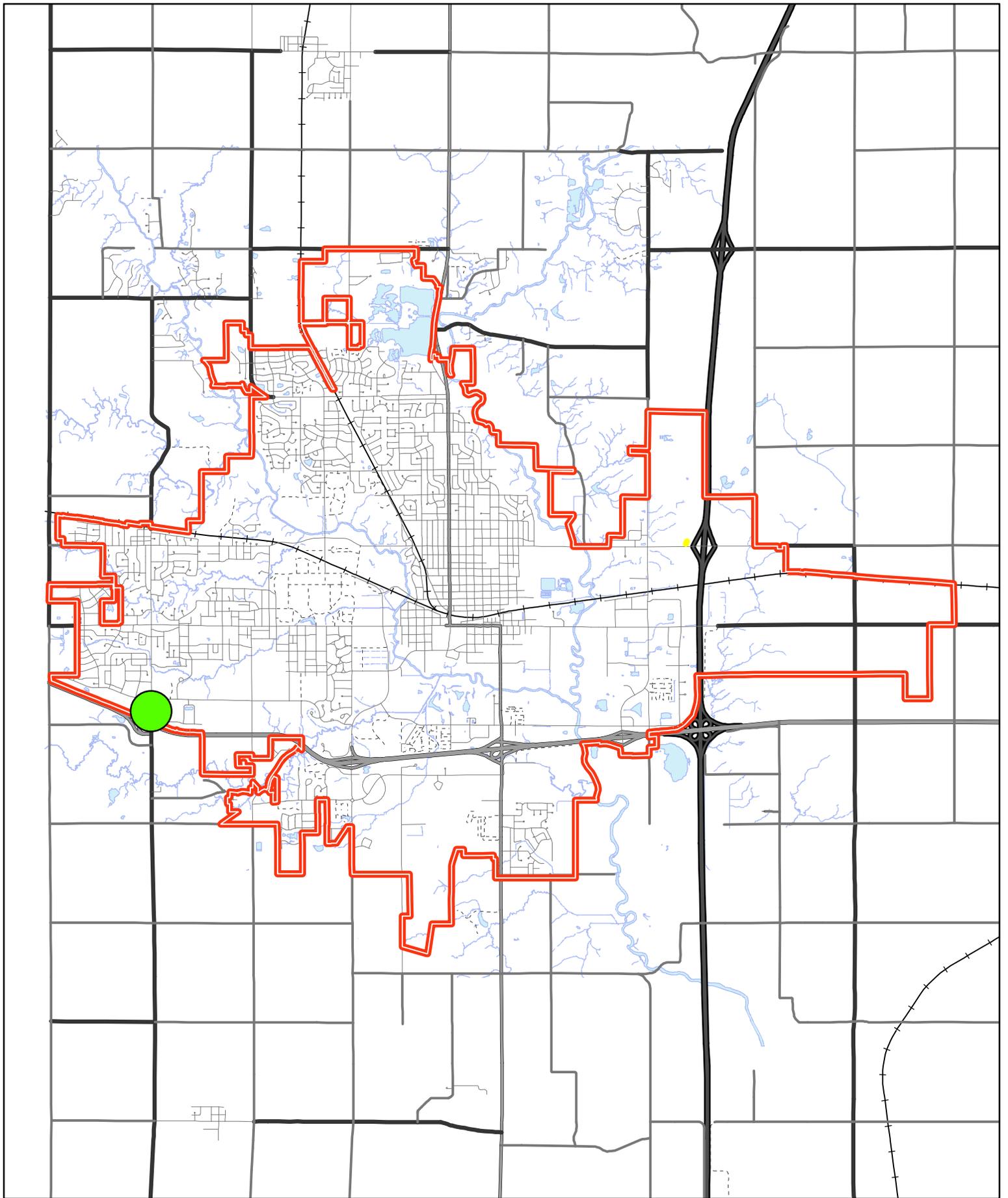
| Revenues | | Expenses | |
|-----------------|------------------|-----------------------------|------------------|
| Road Use Tax | \$180,000 | Administration | \$20,000 |
| U-STEP Funds | \$200,000 | Design | \$18,300 |
| | | Construction/Install | \$229,859 |
| | | Signal Poles | \$21,000 |
| | | Signal Cabinet | \$40,000 |
| Total | \$380,000 | Total | \$329,159 |

ALTERNATIVES:

1. Approve the plans and specifications for the 2018/19 Traffic Signal Program (US HWY 30 WB Off-Ramp & S. Dakota Avenue) project and establish September 4, 2019, as the date of letting with September 10, 2019, as the date for the report of bids.
2. Do not approve the project.

MANAGER’S RECOMMENDED ACTION:

By approving these plans and specifications, it will be possible to provide more reliability and safety for residents using this intersection. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.



2018/19 Traffic Signal Program
US HWY 30 WB Off-Ramp & S Dakota Ave



Project Location



1 inch = 6,612 feet

Date: 8/7/2019

COUNCIL ACTION FORM

SUBJECT: 2019/20 SANITARY SEWER REHABILITATION (MUNN WOODS)

BACKGROUND:

This is the annual program for rehabilitation/reconstruction of deficient sanitary sewers and deteriorated manholes at various locations throughout the city. The goal of this program is to identify and remove major sources of inflow/infiltration to regain pipe capacity and lower the wet weather flow at the treatment plant. The program typically includes rehabilitation work such as the lining of existing mains or spray lining of existing structures, as well as complete removal and replacement of structures and sanitary sewer mains.

The 2019/20Capital Improvement Plan (CIP) shows funding of \$3,684,000 from the Iowa DNR (IDNR) State Revolving Fund (SRF) and \$250,000 from the Sewer Utility Fund. Repayment of the SRF loans will be from Sewer Fund revenues.

On August 23, 2016, City Council approved the engineering services agreement with WHKS & Company of Ames, Iowa to complete project design. **This project is in the Munn Woods and Emma McCarthy Lee Park area.** Work will utilize a variety of rehabilitation techniques, including sewer lining, sewer replacement, manhole and structure rehab/replacement. **The proposed project will also involve the construction of a new trail/ maintenance access through the lower park area. This will serve as a greenbelt trail and will also infrequently be used by the City of Ames maintenance crews to maintain the sanitary sewer in the future.**

WHKS and City of Ames Staff held two project informational meetings (July 26, 2018 and November 8, 2018) with area property owners, residents and concerned citizens. One-on-one discussions were conducted with some of the property owners that are directly being impacted by the project. The comments received from these meetings were addressed and incorporated into the project design.

Revenues and expenses associated with this program are estimated as follows:

| | Available Revenue | Estimated Expenses |
|---|--------------------------|---------------------------|
| | \$ 3,684,000 | |
| State Revolving Fund | \$ 250,000 | |
| Sewer Utility Fund | | |
| 2019/20 Sanitary Sewer Rehab (Munn Woods) (Engineer's Est) | | \$ 1,200,000 |
| Construction (future projects) | | \$ 1,900,000 |
| Engineering/Administration (Est.) | | \$ 684,000 |
| | \$ 3,934,000 | \$ 3,784,000 |

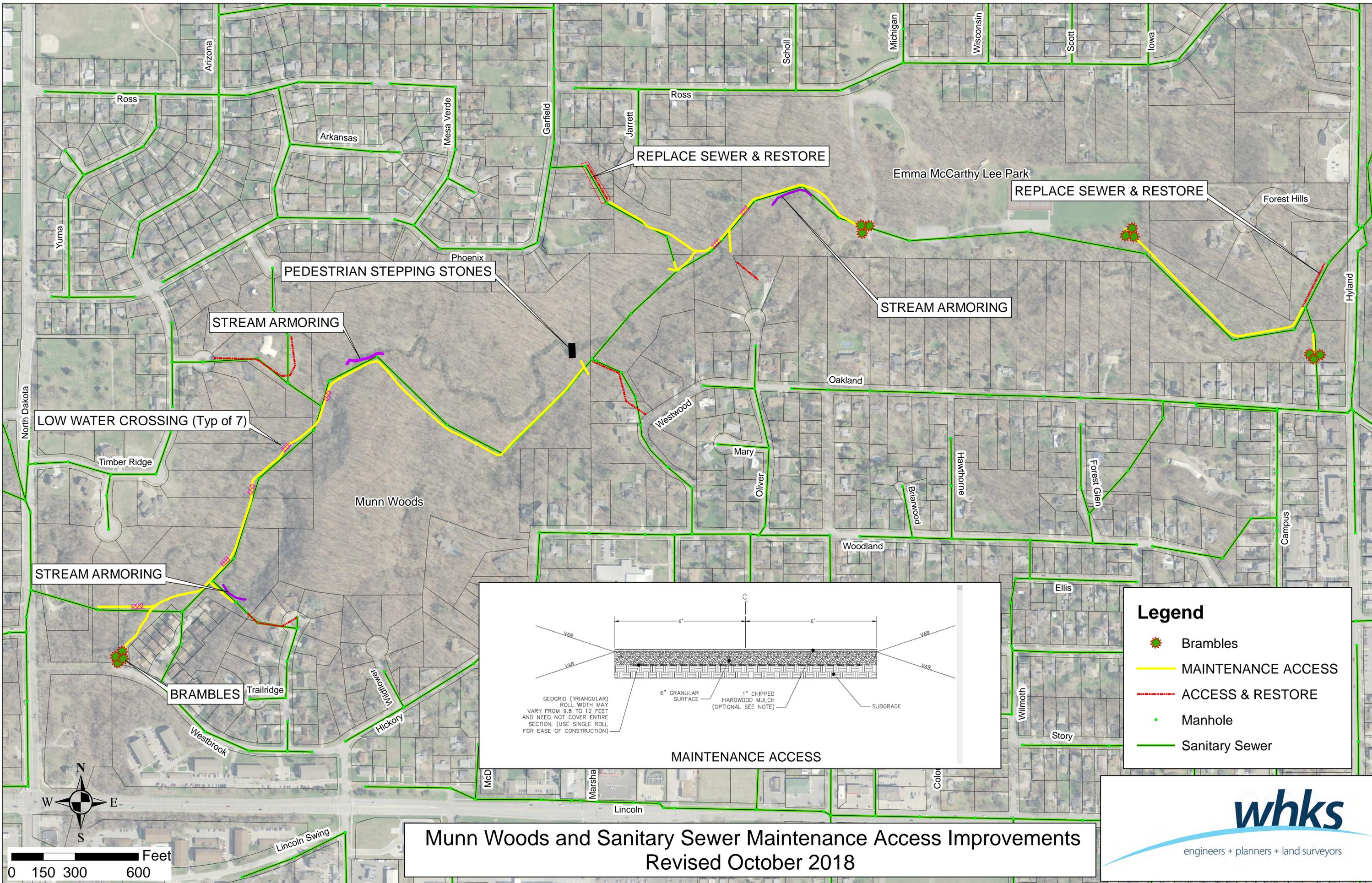
ALTERNATIVES:

1. Approve the 2019/20 Sanitary Sewer Rehabilitation (Munn Woods) by establishing September 18, 2019, as the date of letting and September 24, 2019, as the date for report of bids.
2. Direct staff to revise the project.

MANAGER'S RECOMMENDED ACTION:

This project represents City Council's commitment to improve the sanitary sewer system. This is the fourth of several large projects that will have an immediate impact by removing Inflow & Infiltration to regain valuable capacity in the City's existing sanitary sewer mains.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.



REPLACE SEWER & RESTORE

REPLACE SEWER & RESTORE

PEDESTRIAN STEPPING STONES

STREAM ARMORING

STREAM ARMORING

LOW WATER CROSSING (Typ of 7)

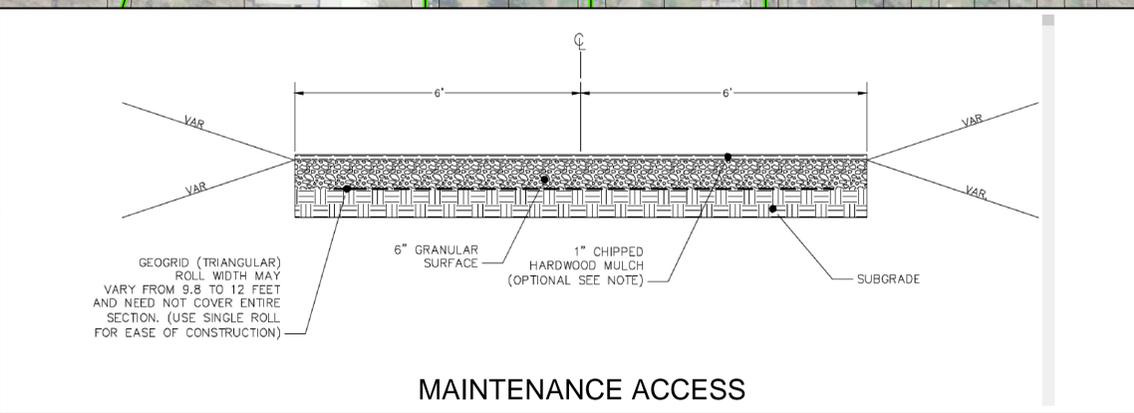
STREAM ARMORING

BRAMBLES

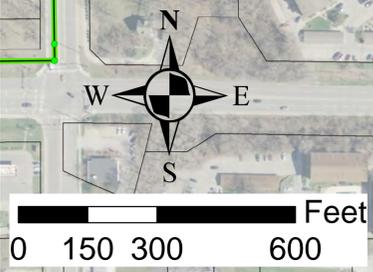
MAINTENANCE ACCESS

Legend

- Brambles
- MAINTENANCE ACCESS
- ACCESS & RESTORE
- Manhole
- Sanitary Sewer



Munn Woods and Sanitary Sewer Maintenance Access Improvements
Revised October 2018



COUNCIL ACTION FORM

SUBJECT: 2018/19 SANITARY SEWER REHABILITATION (SIPHON)

BACKGROUND:

This is the annual program for rehabilitation/reconstruction of deficient sanitary sewers and deteriorated manholes at various locations throughout the city. Most of the problem areas are in sewers that can be bundled into a construction package for cost efficiency, or in problem areas deeper than City crews are equipped to handle. This program, therefore, provides for those repairs by outside firms. The goal of this program is to identify and remove major sources of inflow/infiltration as a means of lowering the peak wet weather flow at the treatment plant.

In 2012 the City began a Sanitary Sewer System Evaluation that included a comprehensive and systematic evaluation for identifying the defects that could contribute I/I across the entire, City-wide sanitary sewer system. This evaluation data collection was completed, and it was evident that there were over \$25 million worth of immediate structural improvements needed in the sanitary sewer system.

Current and future CIP projects for the sanitary sewer system are based on the results of this evaluation. Work includes rehabilitation such as the lining of existing mains or spray lining of existing structures, as well as complete removal and replacement of structures and sanitary sewer mains. These projects were shown in the CIP beginning in 2014/15. Funding comes from the State Revolving Fund (SRF), and Sewer Utility Fund. Repayment of the SRF loans will be from revenues generated in the Sanitary Sewer Fund.

This is the sixth rehabilitation project and was selected to have an immediate impact by removing Inflow & Infiltration (I&I) in sewer mains that are older and installed with non-sealed joints, the industry standard at the time. By eliminating I&I in these mains, the sanitary sewer system will regain some capacity. Item of work in the contract include heavy clean, ream, pre- and post – cleaning CCTV, and rehabilitate inlet and outlet structures. The heavy clean is necessary to remove grit, grease, hard deposits, tuberculation and/or rust from sanitary sewer siphon pipes. Reaming would help to restore the pipe full flow capacity. These rehabilitation methods minimize the impact to residents and will reduce the amount of clean water that enters the system, thus reducing the amount of water needing treatment at the plant.

Revenue and expenses associated with this program are estimated as follows:

| | Available Revenue | Estimated Expenses |
|---|------------------------------|-------------------------------|
| State Revolving Fund (2019/20) | \$ 700,000 | |
| State Revolving Fund (2018/19) | \$ 3,570,000 | |
| Sewer Utility Fund | \$ 250,000 | |
| 2018/19 Sanitary Sewer Rehab (Wilson & 15 th) (Awarded) | | \$ 2,663,751.50 |
| 2018/19 Sanitary Sewer Rehab (Siphon) (this project) | | \$ 900,000.00 |
| Engineering/Administration (Est.) | | \$ 684,000.00 |
| | \$ 4,520,000 | \$ 4,247,751.50 |

ALTERNATIVES:

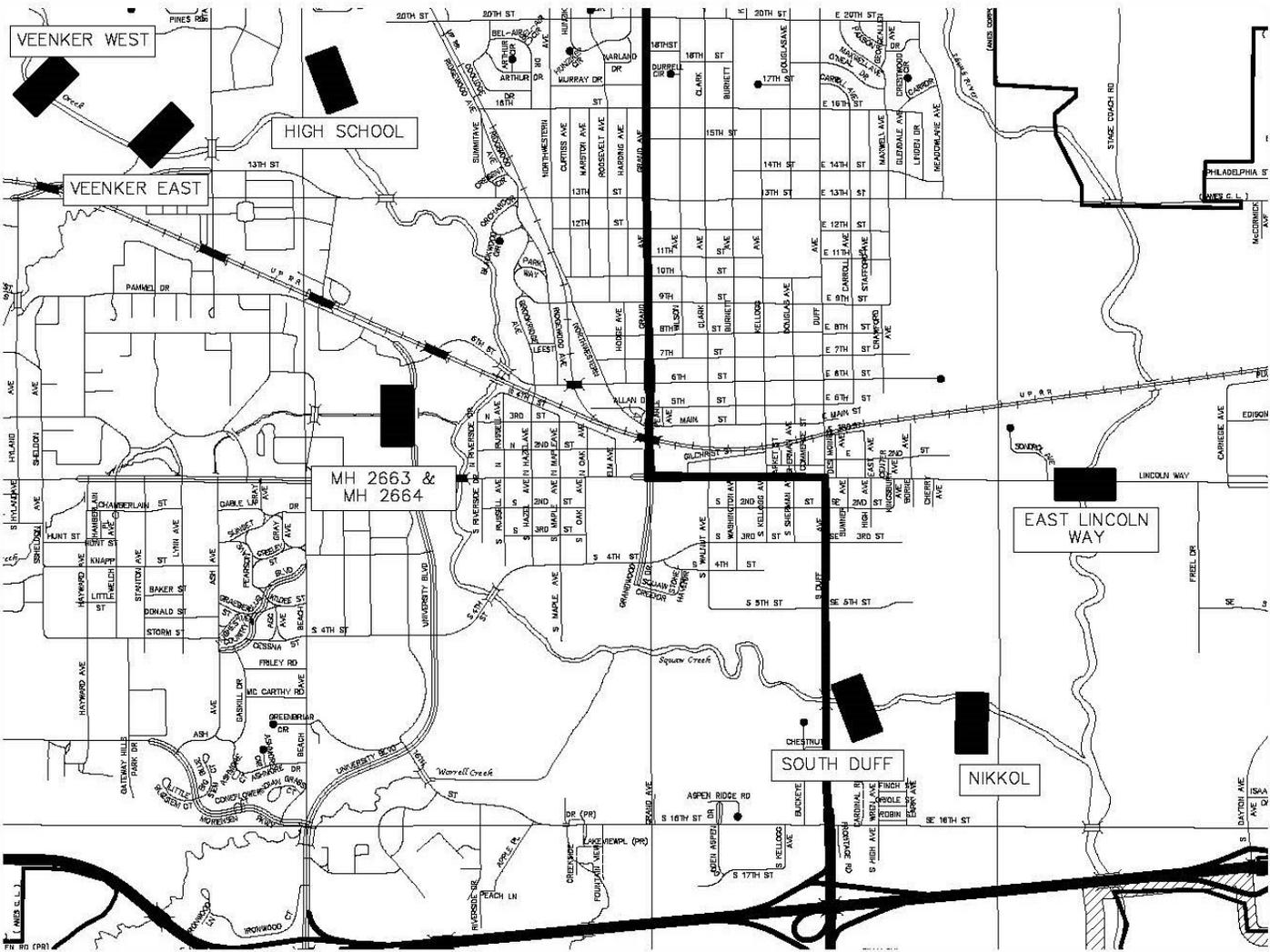
1. Approve the 2018/19 Sanitary Sewer Rehabilitation (Siphon) by establishing September 18, 2019, as the date of letting and September 24, 2019, as the date for report of bids.
2. Direct staff to revise the project.

MANAGER'S RECOMMENDED ACTION:

This project represents City Council’s commitment to improve the sanitary sewer system. This project to rehabilitate several siphon locations (see attached map) will have an immediate impact by removing Inflow & Infiltration to regain valuable capacity in the City’s existing sanitary sewer mains.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

2018-19 Sanitary Sewer Rehab (Siphon) - Map



LEGEND

■ - SIPHON LOCATIONS

LOCATION MAP - VARIOUS LOCATIONS WITHIN THE CITY OF AMES
(NOT TO SCALE)



MEMO

To: Mayor and Members of the City Council

From: City Clerk's Office

Date: August 13, 2019

Subject: Contract and Bond Approval

There is/are no Council Action Form for Item No. 27. Council approval of the contract and bond for this/these project(s) is simply fulfilling a *State Code* requirement.

/alc

COUNCIL ACTION FORM

SUBJECT: ASH GRATE PARTS FOR UNIT 7 BOILER REPAIR PROJECT–
CHANGE ORDER NO. 1

BACKGROUND:

This purchase to replace a number of replacement bottom ash grate parts for Unit 7 Boiler project. After disassembling the boiler during the current tube replacement project, it became apparent that the current grate parts were badly in need of replacement. These parts must come from original equipment manufacturer (OEM) which is GE Steam Power, Windsor, CT to assure we receive the parts that fit and the current tube replacement projects continues forward so not to cause significant delay.

On June 21, 2019, City Manager's Office approved waiving the Purchasing competitive bidding policy and awarding a sole source purchase order to GE Steam Power, Inc., Windsor, CT, in the amount of \$45,191.12 (inclusive of sales tax).

Sometime after the order was placed, City staff determined additional support brackets and retainers were needed to complete the replacement of the bottom ash grates. The cost of the parts is \$5,011.02 (inclusive of sales tax), bringing to the total to \$50,202.14. **This change order will be funded from the Unit 7 Boiler Repair project.**

ALTERNATIVES:

1. Approve contract Change Order No. 1 with GE Steam Power, Inc., Windsor, CT for ash grate parts needed for the Unit 7 Boiler Repair project in the amount of \$5,011.02, inclusive of sales tax. This will bring the total value of the purchase order to \$50,202.14.
2. Do not approve the change order which will result in future outages as this equipment fails.

CITY MANAGER'S RECOMMENDED ACTION:

This change order is necessary to complete needed repairs to Unit #7 to keep the boiler more reliable.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.

COUNCIL ACTION FORM

SUBJECT: **WATER TREATMENT PLANT LIME SLUDGE
DISPOSAL CONTRACT RENEWAL**

BACKGROUND:

The City of Ames Water Treatment Plant (WTP) is a conventional lime-softening facility that generates lime sludge as a by-product of the lime softening process. The lime sludge consists primarily of calcium carbonate and magnesium hydroxide which is dewatered and stored in lagoons prior to disposal on agricultural ground as a soil conditioner. To continue to have adequate storage for the lime sludge, the lime sludge must be cleaned out of the lagoons annually.

On May 8, 2018, City Council awarded a contract to Wulfekuhle Injection and Pumping, Inc. of New Vienna, Iowa, for the removal and disposal of lime sludge. The contract agreement calls for the removal of 28,000 wet tons of lime at a unit cost of \$13.25 per wet ton, four dust control applications at \$1,000 per application, and mobilization charges totaling \$6,900 for a total contract price of \$381,900. The contract is renewable annually for a total of five years, dependent on successful performance by the contractor each year. The contract unit prices are fixed for the entire five-year agreement.

Work performed under contract for FY 2018/19 was the first full year operating with the new water treatment plant. Plant staff has experienced many challenges with operation of a new facility, including the approach to discharging lime sludge to the lime ponds. The procedure at the previous facility allowed staff to continually flow lime sludge to the lagoon. With the new facility, the process is designed to only allow intermittent flow to the lime ponds.

This intermittent flow, in combination with the extreme winter conditions this past year, contributed to multiple frozen layers of lime sludge in the ponds. One of the lime ponds remained frozen into June and the contractor was unable to remove the entire quantity under contract. A total of 18,279.75 tons were removed. A change order has been prepared to deduct the remaining quantity of 9,720.25 tons from the FY 2018/19 contract, after which the FY 2018/19 contract is ready to be accepted as complete. City staff has discussed operational changes to mitigate the freezing of the lime lagoon in the future, allowing the entire quantity of lime sludge to be disposed.

In order to maintain the needed storage capacity, staff recommends moving the savings of \$128,793.30 from the uncompleted FY 2018/19 quantity to FY 2019/20. The FY 2019/20 operating budget includes \$381,900 for lime sludge disposal. Staff recommends awarding the second year of the agreement to Wulfekuhle Injection and Pumping Inc. in the amount of \$510,693.30.

| | | | | |
|--|---------------|---|-------------|---------------------|
| Lime Sludge Disposal | 28,000 tons | @ | \$13.25/ton | \$371,000 |
| FY 18/19 carryover | 9,720.25 tons | @ | \$13.25/ton | \$128,793.30 |
| Mobilization | 1 | @ | \$6,900 ea. | \$6,900 |
| Dust Control | 4 | @ | \$1,000 ea. | \$4,000 |
| Total FY 2019/20 Contract Award | | | | \$510,693.30 |

ALTERNATIVES:

1. a.) Approve a change order to the FY 2018/19 lime sludge disposal contract with Wulfekuhle Injection and Pumping Inc. of New Vienna, Iowa, in a deduct amount of \$128,793.30.
- b.) Accept completion of the FY 2018/19 lime sludge disposal contract with Wulfekuhle Injection and Pumping Inc. of New Vienna, Iowa, in the final adjusted amount of \$253,106.70 and release retainage accordingly.
- c.) Authorize the carry-over of \$128,793.30 of unspent funds that resulted from incomplete work in the FY 2018/19 operating budget to FY 2019/20.
- d.) Award Year Two (FY 2019/20) of the lime sludge disposal contract to Wulfekuhle Injection and Pumping, Inc. of New Vienna, Iowa, in the amount of \$510,693.30.
2. Do not accept completion of the FY 2018/19 work at this time; and, do not award the contract for FY 2019/20 to Wulfekuhle Injection and Pumping, Inc. and direct staff to rebid the work.

CITY MANAGER’S RECOMMENDED ACTION:

Wulfekuhle Injection and Pumping, Inc. has completed the FY 2018/19 lime sludge disposal to the extent possible. The original bid included the option to extend the agreement for up to five years, on a year-to-year basis. Staff is satisfied with the performance of the contractor and is recommending that the second year be awarded.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as stated above.

COUNCIL ACTION FORM

SUBJECT: ENGINEERING SERVICES FOR THE WATER POLLUTION CONTROL FACILITY METHANE ENGINE GENERATOR REPLACEMENT PROJECT

BACKGROUND:

In 2017, an evaluation of the digesters and the high strength waste receiving system at the Water Pollution Control Facility was performed. The City Council adopted the recommendation of replacing one of the methane engine generators with a dual fuel boiler, primarily to provide a backup heating system for the digesters, but also because of a potential decrease in maintenance costs. The installation of a new boiler also requires piping and controls upgrades. Based on Council's direction, funds were designated in the Capital Improvements Plan to address the methane engine generators in the Total Energy building.

On October 9, 2018, the City Council awarded a contract for engineering services to Strand Associates, Inc. of Madison, Wisconsin, for design of the Water Pollution Control Facility (WPCF) Methane Engine Generator Replacement Project in an amount not to exceed \$165,000.

The original contract with Strand included solely design phase services with the intent to revisit the need for bidding and construction services after design had been completed. The design phase of the project is nearing completion and staff is now preparing for the construction phase. At the City's request, Strand has prepared an amendment to the original engineering services agreement. This revised scope now includes bidding and construction services (\$79,200) and additional services as directed by the W&PC department if necessary (\$10,000), for a total additional amount not to exceed \$89,200. The bidding and construction work will be billed on an "hourly, not to exceed" basis to provide staff the flexibility of utilizing the necessary resources to ensure the project is built according to the design. The additional services would cover any additional meetings, site visits, or project coordination (such as assistance in securing construction or air permits from the Iowa DNR) outside the scope of work.

A summary of the engineering services agreement with Strand is shown below.

| | |
|---|------------------|
| Original Contract Amount | \$ 165,000 |
| <u>Change Order Number 1 (this proposed action)</u> | <u>\$ 89,200</u> |
| Total Contract Amount | \$ 254,200 |

The FY 18/19 budget includes \$1,515,000 for design and construction of replacement of methane engine 1 with a boiler. The engineer's estimate of probable construction cost is \$1,250,000, bringing the total estimated project cost to \$1,504,200.

ALTERNATIVES:

1. Approve a change order for engineering services to Strand Associates, Inc. of Madison, Wisconsin, for the WPCF Methane Engine Generator Replacement Project in an amount not to exceed \$89,200.
2. Do not approve a change order at this time.

MANAGER'S RECOMMENDED ACTION:

Staff has determined that it is in the best interest of the City to move forward with this addition to the contract. The scope of this project involves many engineering specialties that will require professional services in addition to staff review and inspection. The working relationship with Strand has been excellent to date for the project and staff expects it to continue into the future. **It is staff's opinion that the dollar amount proposed by Strand for the additional services appears to be reasonable for the scope of work.** Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.



Item No. 31

Smart Choice

Public Works Department

515 Clark Avenue, Ames, Iowa 50010
Phone 515-239-5160 ♦ Fax 515-239-5404

August 13, 2019

Honorable Mayor and Council Members
City of Ames
Ames, Iowa 50010

RE: Quarry Estates Subdivision 2nd Addition Financial Security Reduction #2

Ladies and Gentlemen:

I hereby certify that the minor utility adjustments required as a condition for approval of the final plat of **Quarry Estates Subdivision 2nd Addition** have been completed in an acceptable manner by **Manatt's Inc.** of Ames, Iowa. The above-mentioned improvements have been inspected by the Engineering Division of the Public Works Department of the City of Ames, Iowa, and found to meet City specifications and standards.

As a result of this certification, it is recommended that the financial security for public improvements on file with the City for this subdivision be reduced to **\$30,701.00**. The remaining work covered by this financial security includes stormwater management and public sidewalk.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John C. Joiner'.

John C. Joiner, P.E.
Director

JJ/nw

cc: Finance, Planning & Housing, Subdivision file

Quarry Estates 2nd Addition
August 14, 2019

| Description | Unit | Quantity |
|---|------|----------|
| Stormwater Management (5B improvements) | LS | 1 |
| Sidewalk Pavement, 4" | SY | 659 |

COUNCIL ACTION FORM**SUBJECT: 2016/17 STORM WATER EROSION CONTROL PROGRAM (S. SKUNK RIVER – CARR PARK TO HOMEWOOD GOLF COURSE) CONTRACT B****BACKGROUND:**

This annual program provides for stabilization of areas that have become eroded in streams, channels, swales, gullies, or drainage ways that are part of the storm water system. The program provides a more permanent control of the erosion and will reduce recurring maintenance costs in these areas. **The location for this project is along the South Skunk River adjacent Carr Park, Homewood Golf Course, and Inis Grove Park.**

Contract B (this project) was for site restoration work following completion of the bank stabilization project (Contract A – separately awarded contract). On December 12, 2017, the City Council awarded the contract to GreenTech of Iowa, LLC, of Grimes, Iowa, in the amount of \$82,637.50. Change Order 1 (Balancing) reflects actual field quantities for the construction project, which results in a contract savings of \$25,256.50. Construction was completed as part of this contract in a final amount of \$57,381.

| | <u>Expense</u> | <u>Revenue</u> |
|-------------------------------------|-----------------------|-----------------------|
| Contract A | \$793,415 | |
| Contract B (this contract) | 57,381 | |
| Engineering/Admin | 158,600 | |
| Funding (see below) | | \$1,050,000 |
| TOTAL | \$1,009,396 | \$1,050,000 |

This Storm Water Erosion Control project is shown in the 2016/17 Capital Improvements Plan with funding in the amount of \$250,000 in General Obligation Bonds and \$500,000 in Storm Sewer Utility Funds. Additional unobligated General Obligation Bonds from previously completed projects in the amount of \$300,000 brings the **total funding available to \$1,050,000.**

ALTERNATIVES:

1. a. Approve Change Order No. 1 for the 2016/17 Storm Water Erosion Control Program (S. Skunk River – Carr Park to Homewood Golf Course) Contract B project.
 - b. Accept the Storm Water Erosion Control Program (S. Skunk River – Carr Park to Homewood Golf Course) Contract B project as completed by GreenTech of Iowa, LLC, of Grimes, Iowa, in the amount of \$57,381.00.
2. Direct staff to pursue modifications to the project.

MANAGER’S RECOMMENDED ACTION:

This project was completed in accordance with the approved plans and specifications, restoring the area previously disturbed by construction activities. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.



ArcGIS Web Map



NORTH

© City of Ames, Iowa makes no warranties, expressed or implied, including without limitation, any warranties of merchantability or fitness for a particular purpose. In no event shall the City of Ames be liable for lost profits or any consequential or incidental damages caused by the use of this map.

Date: 8/6/2019

1 inch = 1,505 feet

COUNCIL ACTION FORM

**SUBJECT: COMPLETION OF ELECTRIC SERVICES UNDERGROUND
TRENCHING CONTRACTS**

BACKGROUND:

On February 24, 2015, City Council awarded contracts for underground trenching for Electric Services. These contracts consist of a contractor furnishing all equipment, tools, labor, and materials not supplied by Electric Services for excavating, trenching, directional boring, and backfilling for installation of conduits, ground sleeves, box pads, vaults, handholes, and other appurtenances. The work includes emergency service as well as regularly planned repairs and services.

The **primary contract** was awarded to Ames Trenching & Excavating, Ames, Iowa, and the **secondary contract** was awarded to Communication Technologies, LLC, Des Moines, Iowa. The secondary contractor is used in the event the primary contractor is unable to meet an individual project's completion schedule as established by the City. Both contracts were initially for the period from award date through June 30, 2015. The initial contract period was shortened to enable future renewals to coincide with the City's fiscal year.

Each contract had the option for the City to renew in one-year increments for up to four additional years. City Council approved each of those renewals for both contracts. **During FY 2017/18 Communication Technologies, Des Moines, IA, was acquired by Communication Data Link, LLC, Grimes, Iowa. Communication Data Link, LLC, contacted staff about this change in ownership and the company agreed to renew this contract with the same terms, conditions and rates that were agreed upon on the initial contract the City established with Communication Technologies, LLC.**

A total of \$1,300,000 was awarded over the five years these contracts were in place. A total of \$912,746.49 was spent. The final renewal period ended on June 30, 2019, for both contracts. All of the requirements of the contracts have been met by both Ames Trenching & Excavating, Inc. and Communication Data Link, LLC, and the Director of Electric Services has provided certificates of completion. Total authorized amounts, change orders authorized, and the total amount spent each fiscal year under these contracts are shown on Attachment 1.

ALTERNATIVES:

1. Accept completion of the contracts under Invitation to Bid No. 2015-071 for underground trenching services FY 2014/15 through FY 2018/19:
 - a. Total amount of \$669,729.19 with primary contractor Ames Trenching & Excavating, Inc., Ames, Iowa.
 - b. Total amount of \$243,017.30 with secondary contractor Communication Data Link, LLC, Grimes, Iowa.
2. Delay acceptance of this contract.

CITY MANAGER'S RECOMMENDED ACTION:

Ames Trenching & Excavating, Inc. and Communication Data Link, LLC, the contractors for the Underground Trenching Services contracts for FY 2014/15 through FY 2018/19, have completed all work required under the contracts. The Engineer has issued certificates of completion on the work.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above. Since the City pays only for services rendered, there is no retainage to release with these contracts.

ATTACHMENT 1

CONTRACT 2015-071

UNDERGROUND TRENCHING SERVICES FEBRUARY 2015 THROUGH FY 2018/19

| Primary Contractor: Ames Trenching & Excavating, Inc., Ames, Iowa | | | | | | |
|--|------------------------|----------------------|--------------------------------|----------------------|--------------------------|---------------------------------|
| FISCAL YEAR | AWARD AMOUNT | CHANGE ORDERS | TOTAL AMOUNT AUTHORIZED | UNUSED AMOUNT | TOTAL AMOUNT PAID | PURCHASE ORDER REFERENCE |
| 2014/15 | \$ 112,500.00 | | \$ 112,500.00 | \$ 68,100.61 | \$ 44,399.39 | 51252 |
| 2015/16 | \$ 255,000.00 | | \$ 255,000.00 | \$ 101,702.32 | \$ 153,297.68 | 51612 |
| 2016/17 | \$ 233,750.00 | | \$ 233,750.00 | \$ 88,933.20 | \$ 144,816.80 | 52685 |
| 2017/18 | \$ 276,250.00 | | \$ 276,250.00 | \$ 166,697.57 | \$ 109,552.43 | 54156 |
| 2018/19 | <u>\$ 175,000.00</u> | <u>\$ 50,000.00</u> | <u>\$ 225,000.00</u> | <u>\$ 7,337.11</u> | <u>\$ 217,662.89</u> | 55628 |
| TOTAL | \$ 1,052,500.00 | \$ 50,000.00 | \$ 1,102,500.00 | \$ 432,770.81 | \$ 669,729.19 | |
| Secondary Contractor: Communication Technologies, LLC/Communication Data Link LLC | | | | | | |
| FISCAL YEAR | AWARD AMOUNT | CHANGE ORDERS | TOTAL AMOUNT AUTHORIZED | UNUSED AMOUNT | TOTAL AMOUNT PAID | PURCHASE ORDER REFERENCE |
| 2014/15 | \$ 37,500.00 | | \$ 37,500.00 | \$ 37,500.00 | \$ - | 51253 |
| 2015/16 | \$ 45,000.00 | | \$ 45,000.00 | \$ 26,091.12 | \$ 18,908.88 | 51613 |
| 2016/17 | \$ 41,250.00 | \$ 22,000.00 | \$ 63,250.00 | \$ (2,687.82) | \$ 65,937.82 | 52685 |
| 2017/18 | \$ 48,750.00 | \$ 33,000.00 | \$ 81,750.00 | \$ 766.99 | \$ 80,983.01 | 54165 |
| 2018/19 | <u>\$ 75,000.00</u> | <u>\$ 35,000.00</u> | <u>\$ 110,000.00</u> | <u>\$ 32,812.41</u> | <u>\$ 77,187.59</u> | 55630 |
| TOTAL | \$ 247,500.00 | \$ 90,000.00 | \$ 337,500.00 | \$ 94,482.70 | \$ 243,017.30 | |
| Grand Total Paid on Contract: | | | | | | |
| | \$ 1,300,000.00 | \$ 140,000.00 | \$ 1,440,000.00 | \$ 527,253.51 | \$ 912,746.49 | |

FY 2014/2015 included only the period March 25, 2015, through June 30, 2015.

COUNCIL ACTION FORM

**SUBJECT: AGREEMENT BETWEEN MARY GREELEY MEDICAL AND
THE CITY OF AMES REGARDING THE HEALTHY LIFE CENTER**

BACKGROUND:

City staff has been working to finalize this agreement with Mary Greeley Medical Center (MGMC) prior to the September 10th bond referendum for the Healthy Life Center. As highlighted in the staff presentation on May 28, 2019, MGMC will be a tenant in the building while occupying approximately 3,221 square feet for rehabilitation services. The agreement calls for MGMC to provide funding for the construction of the facility as well as ongoing financial support for the operations for a limited number of years of its operations.

The major provisions of this proposed agreement are highlighted below:

- MGMC will contribute \$7,000,000 towards the construction of 3,221 square feet for its tenant space, therapy pool, and other shared spaces within the Healthy Life Center building. This total will be distributed in four payments based on specific performance indicators. (Paragraph 1)
- MGMC will make an annual payment to the City to cover a portion of the operating costs of the Healthy Life Center building and projected operating deficit. The first payment will be \$105,000, which will be increased by 3% each succeeding fiscal year. The initial payment will be due in the first fiscal year that an individual is hired to manage the facility. (Paragraph 3)
- MGMC will be responsible to pay for any improvements to its tenant space and purchase any equipment after the Healthy Life Center is constructed. (Paragraph 4)
- MGMC is responsible for 100% of its operating expenses (staffing, supplies, etc.). (Paragraph 5)
- Rather than collect funds from MGMC in the future to help cover the cost for the building replacement items, the City will establish a Replacement Fund derived from the operating revenues each year of the Healthy Life Center to be used to replace these items. (Paragraph 8)

- The City will be responsible for maintenance and repairs of the MGMC's tenant space (custodial services, painting walls, plumbing, HVAC, electric). (Paragraph 9)
- The term of this agreement is for 15 years after the Healthy Life Center is first opened. After this initial term, the agreement can be extended or renegotiated by mutual consent of the parties. (Paragraph 10)
- Within 30 days after the agreement is terminated, MGMC is required to remove all of its possessions/equipment from its tenant space and the City will have the right to utilize the space without any compensation to MGMC. (Paragraph 10)
- The agreement provides for a "hold harmless" covenant, along with insurance requirements in order to protect both the City and MGMC. (Paragraphs 11&12)

ALTERNATIVES:

1. The City Council can approve the attached agreement with Mary Greeley Medical Center in regards to the Healthy Life Center.
2. The City Council can approve the attached agreement with Mary Greeley Medical Center in regards to the Healthy Life Center, with modifications suggested by the City Council.
3. The City Council delay making a final decision regarding the proposed lease agreement until the results of the September 10, 2019 bond election are known.

CITY MANAGER'S RECOMMENDED ACTION:

Rather than wait until the results of the September 10th bond election are known to begin negotiations with the Mary Greeley Medical Center regarding the Healthy Life Center, staff has been working to finalize the attached agreement to avoid any delays in starting construction should the referendum pass.

Therefore, it is the recommendation of the City Manager that the City Council support Alternative #1 and approve the attached agreement between the City and the Mary Greeley Medical Center.

**MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF AMES
AND MARY GREELEY MEDICAL CENTER
REGARDING THE HEALTHY LIFE CENTER**

WHEREAS The City, Story County, Heartland Senior Services, and Mary Greeley Medical Center have been working together over the last three years to develop the concept of the Healthy Life Center (HLC) that will help achieve the life-long goal of making healthy living accessible and enjoyable to people of all ages and socio-economic status; and,

WHEREAS the City of Ames has agreed to construct, own, and manage the Healthy Life Center; and,

WHEREAS the Healthy Life Center will help all employers in Story County recruit and retain employees, reduce health care costs, and improve the overall health of everyone who lives within Story County; and,

WHEREAS Mary Greeley Medical Center will be a tenant in the Healthy Life Center in which approximately 3,221 square feet will be built to house their rehabilitation center; and,

WHEREAS user fees alone will not support the annual operating costs of the Healthy Life Center;

NOW Therefore, the City of Ames and Mary Greeley Medical Center agree to the following on this _____ day of _____, 2019.

OBLIGATIONS OF MARY GREELEY MEDICAL CENTER

1. Mary Greeley Medical Center (hereinafter "MGMC") will pay to the City of Ames (hereinafter "City") a total of \$7,000,000 for construction of approximately 3,221 square feet of MGMC tenant space for rehabilitation services, the therapy pool, and other shared spaces within the Healthy Life Center. The obligation to pay \$7,000,000 will become effective only if the City Council enters into a contract to construct the Healthy Life Center. The \$7,000,000 payment will be due and payable to the City from MGMC as follows:
 - a. 30% due within 30 days after the award of the contract for construction of the Healthy Life Center building.
 - b. 30% due within 30 days after the initial start of construction of the Healthy Life Center building.
 - c. 30% due within 30 days after substantial completion of the construction of the Healthy Life Center building.
 - d. 10% due immediately upon issuance of occupancy permit for the Healthy Life Center building.
2. MGMC's tenant space shall be used only for rehabilitation services or any other programs consistent with the vision of the Healthy Life Center.

3. MGMC will pay an annual amount to the City to cover a portion of the operating costs for the Healthy Life Center as well as the annual operating deficit. The payment from MGMC to the City will be as follows:
 - a. The first payment will be \$105,000. Realizing that the City will need to expend funds for the Healthy Life Center in advance of its opening, this first payment by MGMC will be due 30 days after an individual, or entity, is hired to manage the facility. The City will give a minimum of three months' notice as to when this payment will be due.
 - b. Each succeeding fiscal year (July 1 to June 30), the annual payment to the City by MGMC will be increased by 3% over the previous fiscal year (For example, Year 1-\$105,000, Year 2=\$108,150, Year 3=\$111,395, Year 4=\$114,737, etc.).
 - c. After the initial payment, annual payments will be due each year from MGMC to the City by the first day October of each year.
4. MGMC will be responsible to pay for any minor or major improvements to its tenant space and purchase any equipment (movable or fixed) within MGMC's tenant space after the Healthy Life Center construction is finalized. Improvements do not include maintenance and repairs to its tenant space.
5. MGMC is responsible for 100% of its operating expenses (i.e. staffing, supplies, etc.).

OBLIGATIONS OF THE CITY

6. The City will construct, own, and manage the Healthy Life Center.
7. The City will construct, within the Healthy Life Center, approximately 3,221 square feet of tenant space to be occupied by MGMC in accordance with the cost estimates contained in the RDG HLC Planning Study.
8. In accordance with the recommended Replacement Fund reflected in the RDG HLC Planning Study (pages 101-116), the City will be responsible for those associated costs.
9. The City will be responsible for the maintenance and repairs of MGMC's tenant space.

DURATION OF THE AGREEMENT

10. The term of this agreement shall commence on the effective day of this agreement and end fifteen years after the Healthy Life Center has been open to the public. After this initial term, the agreement can be extended or renegotiated by mutual consent of the parties. The agreement will terminate should the City fail to construct the Healthy Life Center. Within 30 days after the termination of this agreement, MGMC shall remove all of its

possessions and moveable equipment from its tenant space in the Healthy Life Center and the City will have sole use of the tenant space, and the City will not be responsible to reimburse or refund to MGMC for payments made under paragraphs 1 and 3.

HOLD HARMLESS

11. The parties do hereby covenant and agree to indemnify and hold harmless the other party, its officers and employees, against any loss or liability whatsoever, including reasonable attorney's fees, pertaining to any and all claims by any and all persons, resulting from or arising out of the City's construction, location, operation, and maintenance of the Healthy Life Center and MGMC's tenancy of the Healthy Life Center.

INSURANCE REQUIREMENTS

12. MGMC shall maintain:

Commercial General Liability (CGL) with limits of Insurance not less than \$1,000,000 each occurrence, and \$2,000,000 Annual General Aggregate. The City of Ames, its officials, employees and agents shall be included as insured on the CGL. This insurance for the additional insured shall be as broad as the coverage provided for the named insured. It shall apply as Primary Insurance before any other insurance or self-insurance, including any deductible, maintained by, or provided to, the additional insured. To the fullest extent provided by the laws of Iowa, the insurer shall agree to waive all rights of subrogation against the City of Ames, its officials, employees, and volunteers for losses arising from occupancy of the premises.

Workers' Compensation Insurance in accordance with state law and Employers Liability Insurance limits of at least \$500,000 each accident for bodily injury by accident and \$500,000 each employee for injury by disease. To the fullest extent provided by the laws of Iowa, the insurer shall agree to waive all rights of subrogation against the City of Ames, its officials, employees, and volunteers for losses arising from occupancy of the premises.

Each insurance policy required by this paragraph shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty days prior written notice. MGMC shall furnish the City with certificates of insurance and with original endorsements effecting coverage required by this paragraph. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements shall be on standard insurance company forms and shall be received and approved by the City before occupancy commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

SUB-LEASE

13. MGMC shall not sub-lease their tenant space without prior written approval of the City Council.

TENANT SPACE DESIGN

14. MGMC may configure its tenant space in any reasonable manner. However, the space shall be designed without any interior load bearing walls if possible.

USE OF THE HEALTHY LIFE CENTER SHARED SPACE

15. MGMC may use the cardio/weight/walking track/therapy pool areas at no cost if the activity is conducted one on one by a MGMC rehabilitation staff member with a patient.

16. If MGMC clients or staff wish to use the Healthy Life Center for personal use, the individuals must pay all costs associated with that use of the facilities.

17. MGMC may use the meeting rooms in the Healthy Life Center at no cost based on terms mutually agreeable to the parties. These terms will be determined prior to the Healthy Life Center opening to the public.

USE OF MGMC’S TENANT SPACE

18. The City may use MGMC’s tenant space during non-business hours for wellness related activities at no cost based on terms mutually agreeable to the parties. These terms will be determined prior to the Healthy Life Center opening to the public.

The parties hereby agree to the above:

CITY OF AMES, IOWA

By: _____
John A. Haila, Mayor

Date: _____

Attest by: _____
Diane R. Voss, City Clerk

MARY GREELEY MEDICAL CENTER

By: _____
Brian Dieter, President & CEO

Date: _____

COUNCIL ACTION FORM

**SUBJECT: AGREEMENT BETWEEN STORY COUNTY AND THE
CITY OF AMES REGARDING THE HEALTHY LIFE CENTER**

BACKGROUND:

City staff has been working to finalize the agreement with Story County regarding the Healthy Life Center prior to the September 10th bond referendum. The agreement calls for Story County to provide funding for the construction of the facility as well as ongoing financial support for the operations and projected operating deficit for a limited period of time. In return, non-Ames Story County residents will be charged according to the same fee schedule as Ames residents.

The major provisions of this proposed agreement are highlighted below:

- Story County will pay the City \$2,000,000 towards the construction and equipping of the Healthy Life Center.

The above obligation shall be in the form of three equal payments to the City over three fiscal years beginning on July 1, 2020, or 30 days after the City enters into an agreement to proceed with the construction of the Healthy Life Center, whichever comes later. (Paragraph 1)

- Story County will also make annual payments to the City to help cover the operating expenses of the Healthy Life Center during the term of the agreement.

A first payment of \$100,000 will be due to the City 30 days following the opening of the Healthy Life Center and will be increased by 3% each fiscal year thereafter. (Paragraph 2)

- In return for the above payments, non-Ames residents that live in Story County will be charged to use the facility in accordance with the same fee schedule that is applied to Ames residents. (Paragraph 4)
- The agreement will last 25 years from the date the Healthy Life Center opens to the public. By mutual consent of the parties, the agreement can be terminated at any time and extended or renegotiated after the initial term ends. (Paragraph 5)

ALTERNATIVES:

1. The City Council can approve the attached agreement with Story County in regards to the Healthy Life Center.

2. The City Council can approve the attached agreement with Story County in regards to the Healthy Life Center with modifications suggested by the City Council.
3. The City Council delay making a final decision regarding the proposed agreement Story County until the results of the September 10, 2019 bond election are known.

CITY MANAGER'S RECOMMENDED ACTION:

Rather than wait until the results of the September 10th bond election are known to begin negotiations with the Story County regarding the Healthy Life Center, the staff has been working to finalize the attached agreement to avoid any delays in starting construction should the referendum pass.

Therefore, it is the recommendation of the City Manager that the City Council support Alternative #1 and approve the attached agreement between the City and Story County.

**MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF AMES, IOWA
AND STORY COUNTY, IOWA
REGARDING THE HEALTHY LIFE CENTER**

WHEREAS The City, Story County, Heartland Senior Services, and Mary Greeley Medical Center have been working together over the last three years to develop the concept of the Healthy Life Center that will help achieve the life-long goal of making healthy living accessible and enjoyable to people of all ages and socio-economic status,

WHEREAS the City of Ames has agreed to construct, own, and manage the Healthy Life Center; and,

WHEREAS the Healthy Life Center will help all employers in Story County recruit and retain employees, reduce health care costs, and improve the overall health of everyone who lives within Story County; and,

WHEREAS, Story County sees benefit to the residents of the county by participating in and supporting the Healthy Life Center; and,

WHEREAS user fees alone will not support the annual operating costs of the Healthy Life Center;

NOW Therefore, the City of Ames and Story County agree to the following on this _____ day of _____, 2019:

OBLIGATIONS OF STORY COUNTY

Story County will have the following obligations:

1. Story County (hereinafter County) will pay to the City of Ames (hereinafter City) \$2,000,000 towards the construction and equipping of the Healthy Life Center. The obligation to pay \$2,000,000 will be incurred only if City Council enters into a contract to proceed with the construction of the Healthy Life Center. Payments from the County to the City will be as follows:
 - a. \$666,666 on July 1, 2020, or 30 days after the City enters into a contract to proceed with construction of the Healthy Life Center, whichever comes later
 - b. \$666,667 on July 1, 2021
 - c. \$666,667 on July 1, 2022

2. The County will pay an annual amount for operating expenses of the Healthy Life Center. The payment from the County to the City will be as follows:
 - a. The first payment will be \$100,000 and due 30 days following the opening of the Healthy Life Center.
 - b. For each succeeding fiscal year (July 1 to June 30) in which the Healthy Life Center is in operation, the annual payment due to the City will be increased by 3% from the previous year. (For example: Year 1=\$100,000, Year 2= \$103,000, Year 3=\$106,090, Year 4=\$109,273, etc.).
 - c. These succeeding annual payments will be due each year from the County to the City by the first day of October of each year.

OBLIGATIONS OF THE CITY

- 3. The City will construct, own, and manage the Healthy Life Center.
- 4. All non-Ames residents that reside within Story County will be charged in accordance with the same fee schedule that is applied to Ames residents for use of the facility. This constitutes part of the consideration obtained by the County for contributing to the construction and ongoing operation costs.

DURATION OF THE AGREEMENT

- 5. This agreement will endure for 25 years after the date the Healthy Life Center opens to the public. The agreement may also be terminated at any time by mutual agreement of the parties. In addition, the agreement will terminate should the City fail to construct the Healthy Life Center. After this initial term, the agreement can be extended or renegotiated by mutual consent of the parties. However, once the agreement is terminated, the City will no longer be required to fulfill the obligation under paragraph 4.

The parties hereby agree to the above:

CITY OF AMES, IOWA

By: _____
John A. Haila, Mayor

Date: _____

Attest by: _____
Diane R. Voss, City Clerk

STORY COUNTY

By: _____
Linda Murken, Chair
Story County Board of Supervisors

Date: _____

COUNCIL ACTION FORM

**SUBJECT: AGREEMENT BETWEEN HEARTLAND SENIOR SERVICES AND
THE CITY OF AMES REGARDING THE HEALTHY LIFE CENTER**

BACKGROUND:

City staff has been working to finalize this agreement with Heartland Senior Services for the Healthy Life Center prior to the September 10th bond referendum. Heartland will be a tenant in the building, occupying 10,257 square feet for an adult day center, nutrition, activities, and administrative services. The agreement calls for Heartland to provide funding for the construction of the facility as well as ongoing financial support for the operations and projected operating deficit.

The major provisions of this proposed agreement are highlighted below:

- Heartland will pay the City \$3,500,000 towards the construction of the Healthy Life Center which will be due 30 days after the award of the construction contract for the building. (Paragraph 1)
- Heartland will pay 11% of the annual operating costs, as identified in the RDG Planning Study, of the Healthy Life Center and grounds. (Paragraph 2)
- Heartland will pay 10% of the deficit each year when the expenditures exceed revenues associated with the non-aquatics portion of the Healthy Life Center. (Paragraph 2)
- Heartland will be responsible for 100% of its operating expenses (staffing, activity supplies, food, etc.). (Paragraph 2)
- Heartland is responsible to pay for any improvements to its tenant space and for the purchase of any equipment after the Healthy Life Center building is first constructed. (Paragraph 5)
- Rather than collect funds from Heartland in the future to help cover the cost for the building replacement items, the City will establish a Replacement Fund derived from the operating revenues each year of the Healthy Life Center to be used to replace these items.
- In the Heartland's tenant space, the City will be responsible for cleaning/upkeep, for the repairs to the plumbing, HVAC, electric systems, and for the replacement

of carpeting, flooring, painting of walls due to normal wear and tear. (Paragraph 10)

- The agreement will endure until it is terminated by mutual consent of both parties. (Paragraph 11)
- The agreement contains a “hold harmless” covenant and insurance requirements to protect both parties. (Paragraphs 12 & 13)

ALTERNATIVES:

1. The City Council can approve the attached agreement with Heartland Senior Services in regards to the Healthy Life Center.
2. The City Council can approve the attached agreement with Heartland Senior Services in regards to the Healthy Life Center with modifications suggested by the City Council.
3. The City Council delay making a final decision regarding the proposed lease agreement until the results of the September 10, 2019 bond election are known.

CITY MANAGER’S RECOMMENDED ACTION:

Rather than wait until the results of the September 10th bond election are known to begin negotiations with the Heartland Senior Services regarding the Healthy Life Center, the staff has been working to finalize the attached agreement to avoid any delays in starting construction should the referendum pass.

Therefore, it is the recommendation of the City Manager that the City Council support Alternative #1 and approve the attached agreement between the City and Heartland Senior Services.

**MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF AMES
AND HEARTLAND SENIOR SERVICES
REGARDING THE HEALTHY LIFE CENTER**

WHEREAS The City, Story County, Heartland Senior Services, and Mary Greeley Medical Center have been working together over the last three years to develop the concept of the Healthy Life Center (HLC) that will help achieve the life-long goal of making healthy living accessible and enjoyable to people of all ages and socio-economic status; and,

WHEREAS the City of Ames has agreed to construct, own, and manage the Healthy Life Center; and,

WHEREAS the Healthy Life Center will help all employers in Story County recruit and retain employees, reduce health care costs, and improve the overall health of everyone who lives within Story County; and,

WHEREAS Heartland Senior Services current facility has outlived its useful life and, therefore, is in need of approximately 10,257 square feet of new space that is estimated to cost \$3,500,000; and,

WHEREAS Heartland Senior Services will be a tenant in the Healthy Life Center and provide their clients with an adult day center, nutrition, activities, and administrative services; and,

WHEREAS user fees alone will not support the annual operating costs of the Healthy Life Center;

NOW Therefore, the City of Ames and Heartland Senior Services agree to the following on this _____ day of _____, 2019:

OBLIGATIONS OF HEARTLAND SENIOR SERVICES

Heartland Senior Services (hereinafter "Heartland") will have the following obligations:

1. Heartland will pay to the City of Ames (hereinafter "City") \$3,500,000 of the cost to construct the Healthy Life Center. This obligation to pay the \$3,500,000 will become effective only if the City Council enters into a contract to construct the Healthy Life Center. This payment will be due and payable to the City of Ames from Heartland 30 days after notice of the award of the contract for construction of the Healthy Life Center building. Heartland will show proof of available funds to pay the \$3,500,000 upon entering into this agreement.

2. Heartland will be responsible each fiscal year (July 1 to June 30) to pay to the City:
 - a. 11% of the total annual operating costs of the HLC building and grounds as defined in the RDG HLC Planning Study. The specific operating cost categories Heartland will be required to pay a share of are generally defined on pages 65, 66, and 68 of the RDG HLC Planning Study. However, the parties agree that other operating cost categories, unforeseen at this time, may be added in the future.

Notwithstanding the above, Heartland is responsible for 100% of its operating expenses required to provide direct services to their participants (i.e. staffing, program and activity supplies, food and feed, etc.).

- b. 10% of the deficit each fiscal year when expenditures exceed revenues associated with non-aquatics portion of the building.
 - c. Expenditures and revenues used to determine the amount of payments required in Paragraph 2.b will be allocated in accordance with the RDG HLC Planning Study and include any other expenditure or revenue categories unforeseen at this time.
3. The City will invoice Heartland on a quarterly basis for its share of the operating costs required in Paragraph 2. a. Heartland will then be required to pay the City this operating cost obligation within 15 days of the invoice date.
4. The City will invoice Heartland for its deficit obligation for the non-aquatic space required in paragraph 2. b. by August 31 following the end of each fiscal year. Payment will be required within 30 day of the invoice date.
5. Heartland will be responsible to pay for any minor or major improvements to its tenant space and purchase any equipment (movable or fixed) within Heartland's tenant space after the Healthy Life Center construction is finalized. Improvements do not include maintenance and repairs to its tenant space.
6. Heartland's tenant space shall be used only for an adult day, nutrition, older adult activities, administrative, and other related services consistent with the vision of the Healthy Life Center.

OBLIGATIONS OF THE CITY OF AMES

7. The City will construct, own, and manage the Healthy Life Center.
8. The City will construct, within the Healthy Life Center, approximately 10,257 square feet of finished tenant space to be occupied by Heartland in accordance with the cost estimates contained in the RDG HLC Planning Study.

Examples of finished space include: flooring and painted walls, lighting and plumbing fixtures, etc. This also includes sinks, toilets, shower fixtures, counter tops, etc.

Additionally, in accordance with the RDG Planning study, \$67,500 is included within the \$3.5 million in capital funding for the purchase of furniture and equipment (office desks, chairs, conference room tables, etc.).

9. In accordance with the recommended Replacement Fund reflected in the RDG HLC Planning Study (pages 101-116), the City will be responsible for those associated costs.
10. The City will be responsible for custodial cleaning/upkeep, along with the associated cleaning supplies, for the maintenance and repairs of Heartland's tenant space related to the plumbing, electrical, and HVAC systems, and for the replacement of carpet and/or flooring tile and painted walls, etc. due to normal wear and tear.

City is not responsible for maintenance and/or repairs that are inflicted by HSS staff/participants that cause damage within their tenant space.

DURATION OF THE AGREEMENT

11. This agreement will endure until it is terminated by mutual consent of the parties or the City fails to construct the Healthy Life Center.

HOLD HARMLESS

12. The parties do hereby covenant and agree to indemnify and hold harmless the other party, its officers and employees, against any loss or liability whatsoever, including reasonable attorney's fees, pertaining to any and all claims by any and all persons, resulting from or arising out of the City's construction, location, operation, and maintenance of the HLC and Heartland's tenancy of the Healthy Life Center.

INSURANCE

13. Heartland shall maintain:

- a. Commercial General Liability (CGL) with limits of Insurance not less than \$1,000,000 each occurrence, and \$2,000,000 Annual General Aggregate. The City of Ames, its officials, employees and agents shall be included as insured on the CGL. This insurance for the additional insured shall be as broad as the coverage provided for the named insured. It shall apply as Primary Insurance before any other insurance or self-insurance, including any deductible, maintained by, or provided to, the additional insured. To the fullest extent provided by the laws of Iowa, the insurer shall agree to waive all rights of subrogation against the City of Ames, its officials, employees, and volunteers for losses arising from occupancy of the premises.

Workers' Compensation Insurance in accordance with state law and Employers Liability Insurance limits of at least \$500,000 each accident for bodily injury by accident and \$500,000 each employee for injury by disease. To the fullest extent provided by the laws of Iowa, the insurer shall agree to waive all rights of subrogation against the City of Ames, its officials, employees, and volunteers for losses arising from occupancy of the premises.

Each insurance policy required by this paragraph shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty days prior written notice. Heartland shall furnish the City with certificates of insurance and with original endorsements effecting coverage required by this paragraph. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements shall be on standard insurance company forms and shall be received and approved by the City before occupancy commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

SUBLEASE

14. Heartland shall not sub-lease its tenant space without prior written approval of the City Council.

TENANT SPACE DESIGN

15. Heartland may configure its tenant space in any reasonable manner. However, the space shall be designed without any interior load bearing walls if possible.

USE OF THE HEALTHY LIFE CENTER SHARED SPACE

16. Heartland may use the meeting rooms in the Healthy Life Center at no cost based on terms mutually agreeable to the parties. These terms will be determined prior to the Healthy Life Center opening to the public.

17. If Heartland clients or staff wishes to use the Healthy Life Center for personal use, the individuals must pay all costs associated with that use.

USE OF HEARTLAND'S TENANT SPACE

18. The City may use Heartland's tenant space during non-business hours for Healthy Life Center related activities at no cost, based on terms mutually agreeable to the parties. These terms will be determined prior to the Healthy Life Center opening to the public.

The parties hereby agree to the above:

CITY OF AMES, IOWA

By: _____
John A. Haila, Mayor

Date: _____

Attest by: _____
Diane R. Voss, City Clerk

HEARTLAND SENIOR SERVICES

By: _____
Nicole Facio, President

Date: _____

COUNCIL ACTION FORM

SUBJECT: LEASE AGREEMENT BETWEEN IOWA STATE UNIVERSITY AND CITY OF AMES FOR HEALTHY LIFE CENTER SITE AT ONTARIO AND SCHOLL ROAD

BACKGROUND:

City staff has been working to finalize a lease agreement prior to the September 10th bond referendum for the Healthy Life Center site situated on University property west of Scholl Road and north of Ontario Road. Attached for the City Council's review and approval is a long-term lease for this approximately 9.5-acre site.

The major provisions of this proposed lease are highlighted below:

- The lease will commence of October 1, 2019 and continue for 53 years unless terminated earlier by mutual consent or in accordance with other provision of the agreement. (Paragraphs 2, 15, 16)
- While there will be no lease payments owed the University for use of the land for the Healthy Life Center, the City will be obligated to pay the University up to \$75,000 should the City decide that the University's existing directional sign on the leased property at the corner of Scholl Road and Ontario Road be relocated. (Paragraph 3)
- The City will be required to construct the Healthy Life Center along with the accessory components, install any entryway improvements to the site, maintain the site, and develop storm water management systems to handle the new improvements on the site. (Paragraph 3)
- The City will be allowed to use the site only for programs and activities that support the mission of the Healthy Life Center. (Paragraph 4)
- The City will need approval of the University for the site, utility, and circulation infrastructure plans of the Healthy Life Center before proceeding with the initial construction. (Paragraph 5)
- After the initial construction, the City is allowed to proceed without approval from ISU for 1) additional improvements previously approved in the site plan, 2) modifications of an existing improvement, provided the footprint of the

improvement is not altered, and 3) landscaping improvements on the site. (Paragraph 6)

- The University emphasizes that it is the responsibility of the City to determine whether or not the site is suitable for the construction and operation of the Healthy Life Center and that no environmental studies have been performed on the site. (Paragraphs 8 & 14)
- The City is required to hold the University harmless and indemnify it against any loss or liability arising out of the City's use of the property. (Paragraph 10)
- The City will be responsible to pay any property taxes, assessments, and utility fees charged during the period the City leases the site. (Paragraphs 13 & 7)
- At the end of the lease agreement, the City will be responsible to remove all facilities, equipment, and personal property from the site. The parties will meet and agree on a reasonable schedule to restore the site to open space. However, if the University denies a request from the City to extend the lease anytime between the period beginning three years prior and ending no later than one year prior to the end of the 53-year lease (or any previously agreed to ending date), the obligation to remove the City's property will be based on mutually satisfactory terms of the parties. (Paragraph 14)
- The University may terminate the lease agreement if 1) the City does not begin construction of the HLC within three years from the commencement of the agreement, 2) the City uses the site for purposes not related to the mission of the Healthy Life Center, or 3) the City breaches a material term of the lease agreement. (Paragraph 15)
- The City may terminate the lease agreement if 1) the September 10, 2019 bond referendum fails, or 2) existing environmental hazards are discovered on site. (Paragraph 16)
- The City can sublease space within the Healthy Life Center for uses consistent the mission of the Healthy Life Center (Paragraph 17)

ALTERNATIVES:

1. The City Council can approve the attached lease agreement with the City and Iowa Board of Regents acting on behalf of Iowa State University.
2. The City Council can approve the attached lease agreement with the City and the Iowa Board of Regents, acting on behalf of Iowa State University, with modifications suggested by the City Council.

The attached agreement was approved by the Board of Regents at their August 1st meeting. Therefore, there is no guarantee that the Board would be amenable to modifying the attached agreement at this time.

3. The City Council can reject approval of the attached lease agreement and direct staff to identify another site to host the Healthy Life Center.
4. The City Council can delay making a final decision regarding the proposed lease agreement until the results of the September 10, 2019 bond election are known.

CITY MANAGER'S RECOMMENDED ACTION:

Rather than wait until the results of the September 10th bond election are known to begin negotiations with the University to lease their property for the Healthy Life Center site, the staff has been working to finalize the attached agreement to avoid any delays in starting construction should the referendum pass.

Therefore, it is the recommendation of the City Manager that the City Council support Alternative #1 and approve the attached lease agreement between the City and Iowa Board of Regents acting on behalf of Iowa State University.

**DO NOT WRITE IN THE SPACE ABOVE THIS LINE, RESERVED FOR
RECORDER**

Prepared by: Mark O. Lambert, City of Ames Legal Department, 515 Clark Ave., Ames, IA 50010; (515) 239-5146
Return document to: Ames City Clerk, 515 Clark Ave., Ames, IA 50010

LEASE AGREEMENT

**BOARD OF REGENTS, STATE OF IOWA
ACTING FOR IOWA STATE UNIVERSITY OF
SCIENCE AND
TECHNOLOGY TO THE
CITY OF AMES
(Healthy Life Center)**

THIS LEASE AGREEMENT made this _____ day of _____, 2019, between the City of Ames, Iowa, hereinafter called “City”, and the Board of Regents, State of Iowa acting for and on behalf of Iowa State University of Science and Technology, hereinafter called “University”,

WITNESSETH:

1. The University hereby agrees to lease to the City for use as a public facility known as the Healthy Life Center the following described site situated in Story County, Iowa (“Leased Site”):

LEGAL DESCRIPTION ATTACHED AS EXHIBIT A

2. The term of this Lease Agreement shall be fifty-three (53) years, commencing on the 1st day of October, 2019, and ending at midnight on the 30th day of September, 2072, unless earlier terminated by mutual agreement of the parties or as set forth in Paragraph 15 of this Lease Agreement. In recognition that the City might want to make additional improvements on the Leased Site in the future that will require additional time to depreciate, it is agreed that the City may request, and the University may grant with the approval of the Board of Regents, extensions to this Lease Agreement term at any time.

3. There shall be no money payments due or owing the University under this Lease Agreement. The full, complete, and satisfactory consideration for this Lease Agreement shall be the

following obligations, which shall be performed by the City at no cost to the University:

- a. Construct on the Leased Site the Healthy Life Center building, along with the accessory components such as, but not limited to, the outdoor playground, parking lot, community gardens, sidewalks, bike/shared use path(s) etc., that make the life-long goal of healthy living accessible and enjoyable to people of all ages and socio-economic status;
- b. As determined necessary by the City for access to the Leased Site, install the entryway improvements which may include, but are not limited to, traffic control devices and turning lanes along Ontario Street;
- c. Maintain the Leased Site; and
- d. Develop storm water management systems in accordance with applicable City codes.

If the City determines that the University directional signage currently located on the Leased Site needs to be relocated, the City shall reimburse the University for the cost of relocation up to \$75,000. The University shall invoice the City for the relocation costs, and the City shall reimburse the University within 60 days.

4. The City shall use the Leased Site for programs and activities that support the goal of the Healthy Life Center as stated in Paragraph 3(a). The City will own and manage the Healthy Life Center.

5. The City is authorized to make all of the improvements on the Leased Site that have been included in the September 10, 2019, bond referendum, as generally shown on the conceptual plan attached as Exhibit B. The City shall submit its site, utility and circulation infrastructure (sidewalk and multi-use trail) plans for the improvements to the University for approval, which shall not be unreasonably withheld. All construction shall be in conformance with such approved plans.

6. Following the completion of the initial construction project as described in Paragraph 5, the City may also construct on the Leased Site additional permanent buildings and other improvements that are consistent with purposes set forth in Paragraph 3(a) of this Lease Agreement after obtaining the University's approval; provided, however, that no prior approval shall be required for: (i) the construction of any improvement depicted in Exhibit B; (ii) any modification of an existing improvement provided the footprint of the improvement remains as depicted in Exhibit B; or (iii) landscaping. If new site, utility or circulation infrastructure (sidewalk and multi-use trail) plans are developed for the new improvements, the City shall submit the plans to the University for approval, which shall not be unreasonably withheld. All construction shall be in conformance with such approved plans.

7. The City may grade the Leased Site and install on the Leased Site utilities necessary for the development of the Healthy Life Center building, outdoor gardens, parking lot, playground, storm water facilities, or other related purposes. The City shall pay for all utility services furnished to the Leased Site that serves the City's programs and buildings.

8. The University makes no representations or warranties regarding the Leased Site. The City is responsible for determining whether the Leased Site is suitable for the construction and operation of the Healthy Life Center and the programs and activities on the Leased Site.
9. The City, after taking possession of the Leased Site and until the termination of this Lease Agreement, shall care for and maintain the Leased Site in a reasonably safe and serviceable condition consistent with other City facilities. The City shall also remove snow, mow grass, remove weeds, prune and care for trees, bushes and other vegetation, and provide any needed similar landscaping services on any property between the east boundary of the Leased Site and the western edge of Scholl Road and between the south boundary of the Leased Site and northern edge of Ontario Street. The City will not knowingly permit or allow the Leased Site to be damaged or depreciated in value by any dumping of refuse, discharge of hazardous waste or any act of the City, its agents or employees. The City shall do what is reasonably necessary to control soil erosion resulting from the City's use of the Leased Site, including maintenance and preservation of existing watercourses and waterways. The City shall comply with all applicable laws, regulations, and ordinances, including but not limited to those pertaining to accessibility by persons with disabilities. The City shall pay or cause to be paid all costs for work done by it or caused to be done by it on the Leased Site, and the City will keep the Leased Site free and clear of all mechanics' liens or claims relating to the City's public improvements and other liens on account of work done for the City. The City shall be primarily responsible for providing emergency services on the Leased Site. However, nothing herein shall contravene any existing or future 28E Agreements between the parties.
10. The City does hereby covenant and agree to indemnify and hold harmless the University, its officers and employees, against any loss or liability whatsoever, including reasonable attorney's fees, pertaining to any and all claims by any and all persons, resulting from or arising out of the City's construction, location, operation and maintenance of the Leased Site.
11. The University reserves the right to access the Leased Site to install and maintain on the Leased Site utility conduit, pipelines and similar items to supply utilities to property owned or controlled by the University. The University shall perform the installation and maintenance in a manner reasonably calculated to minimize interference with the programs and activities on the Leased Site and shall, at its expense, restore to its prior condition any portion of the Leased Site, including any City improvement on the Leased Site, disrupted or damaged by the University's work. The University reserves the right to enter the Leased Site and the improvements during regular business hours for purposes of conducting periodic inspections of the Leased Site, provided such inspections shall be subject to the terms of, and shall not interfere with, the rights of the City under this Lease Agreement.
12. The University may continue to use the Leased Site for agricultural purposes at no-charge until the City commences construction. During such time, the University shall own any crops grown on the Leased Site and revenues from the sale of the crops. The City shall notify the University when the City desires to begin construction on the Leased Site. The City shall provide such notice by no later than December 1st of the year preceding the calendar year during which construction is to commence.

13. The Parties anticipate that there will be no real estate taxes or assessments assessed against the Leased Site or the City's improvements. Should taxes or assessments be assessed for the period during which the City has leased the Leased Site, the City shall be responsible for the payment of such taxes or assessments.
14. At the end of the term of Lease Agreement, the City will remove all facilities, equipment, improvements, and personal property ("City's Property") from the Leased Site and return the Leased Site to a safe, open space, unless otherwise agreed to in writing by the Parties. The Parties agree to meet and determine a reasonable schedule for the removal of City's Property and return of the Leased Site to open space. However, if the City makes a request in writing to extend the term of the Lease Agreement for purposes consistent with Paragraph 3(a), and such request is made in the period beginning three years prior and ending no later than one year prior to the end of the fifty-three year term of the Lease Agreement (or any mutually agreed modification of the term), and the University denies the request, then the obligation to remove City's Property will be based on mutually satisfactory terms agreed to by the Parties in writing.

Both Parties acknowledge that no environmental study has been performed on the Leased Site prior to entering into this agreement to determine if any hazardous materials exist on the Leased Site prior to the City taking possession of it. However, upon termination of the lease the City agrees to remove any hazardous materials that are deposited as a result of City sponsored activities on the Leased Site during the term of the agreement.

15. This Lease Agreement is granted and all rights hereunder shall endure except that if one or more of the following events occurs the University may terminate the Lease Agreement following the procedures indicated in this Paragraph:
 - a. The City fails to begin construction of the improvements described in Paragraph 5 within three years from the commencement of this Lease Agreement.
 - b. The City uses the Leased Site for purposes other than stated in Paragraph 3(a).
 - c. The City breaches a material term of this Lease Agreement and such breach is serious and goes to the essence of the transaction. A breach is serious and goes to the essence of the transaction only in the following cases:
 - i. The City has breached a term of this Lease Agreement and such breach has caused or is reasonably expected to cause damages in excess of \$500,000, such amount to be adjusted annually each September 1 for inflation using the Department of Labor's Consumer Price Index-Urban [CPI-U, All Items, All City Average, 1982-84=100] issued in the preceding month;
 - ii. The City has repeatedly breached a material term of this Lease Agreement within any two-year period, or the City has engaged in a pattern of material breaches of the Lease Agreement; provided, however, this clause shall apply only where the City's breaches indicate deliberate indifference to the terms of this Lease Agreement.

For termination pursuant to Subparagraph 15(a), the University shall give at least 60 days advance written notice, and termination shall be automatic at the end of the 60 day notice period. For termination pursuant to Subparagraphs 15(b) and 15(c), the University shall notify the City in writing of its intent to terminate and the nature of event or breach the University believes has occurred and shall provide the City with a reasonable period commensurate with the nature of the event or breach to cure such event or breach. If the City fails to cure such event or breach by the end of the cure period, the University shall give at least 30 days advance written notice, and termination shall be automatic at the end of the 30 day notice period. Prior to the expiration of the 30-day notice period, the City may appeal to the Board of Regents in accordance with the Board Policy Manual to contest whether the event or breach occurred, whether the University provided a reasonable cure period, or whether the City cured the event or breach. If the City files an appeal, the Lease Agreement shall not be terminated while the appeal is pending. The foregoing shall in no way affect or impair the right of either party to pursue any other legal or equitable remedy to which either party maybe entitled. In the event of termination of the lease under this Paragraph 15, the City shall retain ownership of the Healthy Life Center building and accessory facilities and equipment but shall be obligated to remove them from the Leased Site as set forth in Paragraph 14.

16. The City may terminate this Lease Agreement upon written notice to the University if the September 10, 2019 bond referendum fails to secure enough votes to pass, or if existing environmental hazards are discovered to be present at the Leased Site.
17. This Lease Agreement may not be assigned or the Leased Site subleased by the City without the advance, written consent of the University and approval of the Board of Regents. The foregoing shall not prohibit the City from subletting a portion of the Healthy Life Building or the Leased Site so long as the City requires its subleasee to use it for purposes consistent with this Lease Agreement. This Lease Agreement may not be assigned by the University without the advance, written consent of the City.
18. All notices under this Lease Agreement shall be in writing and shall be deemed to have been given: (i) upon hand delivery or (ii) the next business day after sending by a nationally recognized overnight carrier with written confirmation of receipt. The Parties shall deliver notices to the following:

If to University:

Senior Vice President for Operations and Finance
Iowa State University
1350 Beardshear Hall
515 Morrill Road
Ames, Iowa 50011

And

University Counsel
Iowa State University

3550 Beardshear Hall
515 Morrill Road
Ames, Iowa 50011

If to City:
City Manager
City of Ames
515 Clark Avenue
Ames, Iowa 50010

And

City Attorney
City of Ames
515 Clark Avenue
Ames, Iowa 50010

19. This Lease Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Lease Agreement and supersedes all prior agreements, whether written, oral, or implied. This Lease Agreement shall not be modified without the written mutual consent of the parties. The failure of either party to require performance of any term or condition of this Lease Agreement by the other party shall not constitute a waiver to subsequently enforce such term or condition. The invalidity or illegality of one or more provisions of this Lease Agreement shall not affect the enforceability of the remaining provisions. The parties' rights and obligations in this Lease Agreement that, by their nature, would continue beyond the termination of this Lease Agreement shall survive such termination.

Signature Page follows on next page

CITY OF AMES, IOWA

By: _____
John Haila, Mayor

Attest by: _____ Diane R. Voss, City Clerk

State of Iowa)
County of Story)

This record was acknowledged before me on _____, 2019 by John Haila as Mayor of the City of Ames, Iowa.

Notary Public in and for Said County
My Commission expires: _____

IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

By: _____
Pamela Elliott Cain, Interim Senior Vice President for
Operations and Finance

State of Iowa)
County of Story)

This record was acknowledged before me on _____, 2019 by Pamela Elliott Cain as Interim Senior Vice President for Operations and Finance of Iowa State University of Science and Technology.

Notary Public in and for Said County
My Commission expires: _____

BOARD OF REGENTS, STATE OF IOWA

By: _____
Mark Braun, Executive
Director

This record was acknowledged before me on _____, 2019 by Mark Braun as Executive Director of the Board of Regents, State of Iowa.

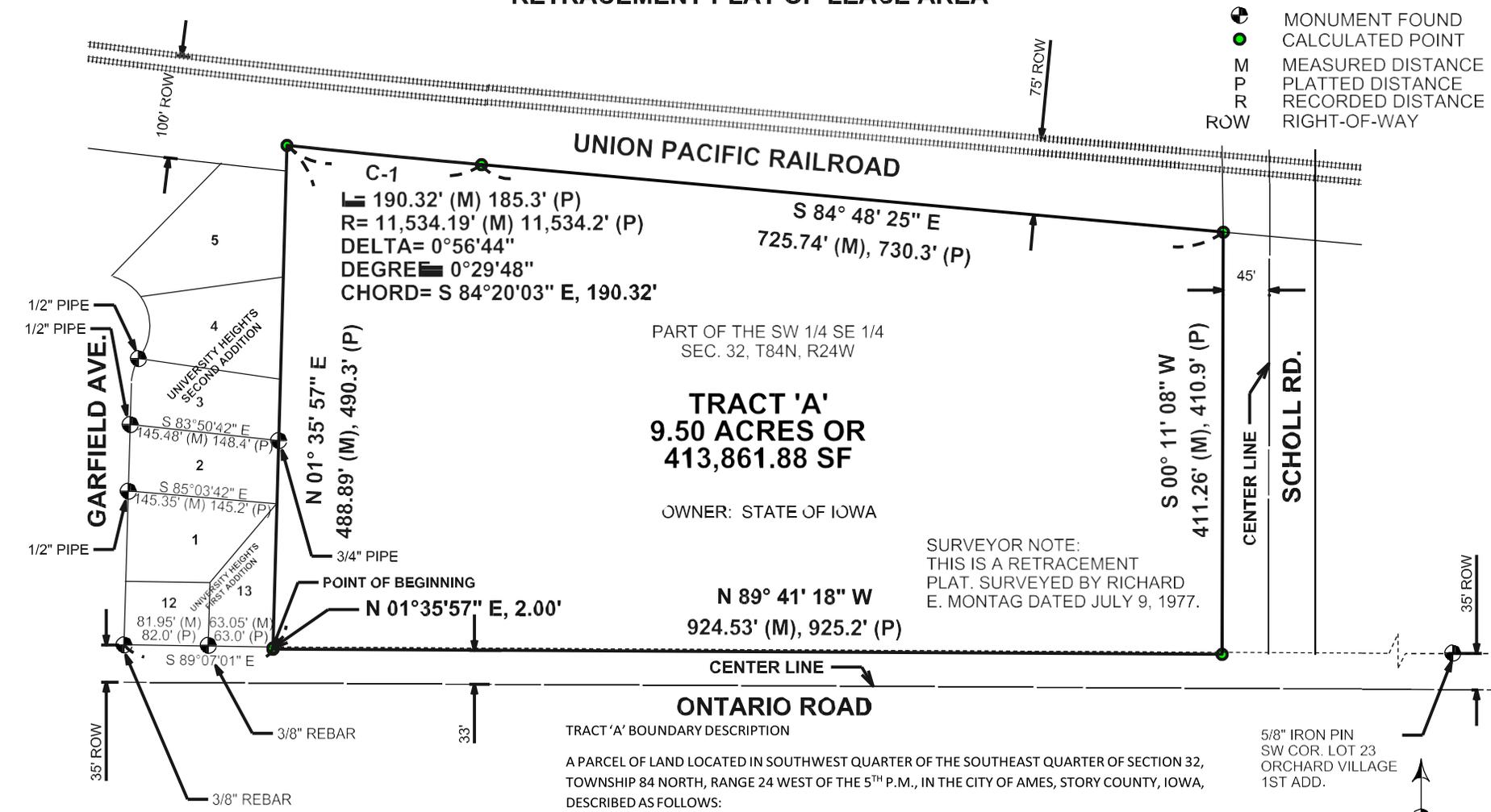
Notary Public in and for Said County
My Commission expires: _____

EXHIBIT A

RETRACEMENT PLAT OF LEASE AREA

LEGEND

-  MONUMENT FOUND
-  CALCULATED POINT
- M** MEASURED DISTANCE
- P** PLATTED DISTANCE
- R** RECORDED DISTANCE
- ROW** RIGHT-OF-WAY



NOTE: ALL BEARINGS ARE ASSUMED.

LICENSED PROFESSIONAL LAND SURVEYOR

MYRON G DARINGER

19758

IOWA

I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

MYRON G DARINGER _____ DATE _____

PRINTED OR TYPED NAME

MY LICENSE RENEWAL DATE IS DECEMBER 31, 2019 _____

PAGES OR SHEETS COVERED BY THIS SEAL: _____

GRAPHIC SCALE



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|--------------|
| DATE |
| 05/15/19 |
| SCALE |
| 1" = 150' |
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| FIELD BOOK |
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| SHEET 1 OF 1 |

Exhibit B



Item No. 35

To: Mayor and City Council
From: Brian Phillips, Assistant City Manager
Date: August 13, 2019
Subject: Prospective Internet Provider Follow-Up

At the June 25, 2019, City Council meeting, City staff provided a follow-up report regarding internet service in the community. At that meeting, staff reported that a provider had approached the City with interest in providing privately operated fiber-to-the-premises service in Ames. The City Council directed staff to invite this provider to present its plans to the Council at a meeting no later than the end of August.

METRONET:

The provider that has declared its intentions to build a network in Ames is MetroNet. It is a privately held company based in Evansville, Indiana. It primarily serves communities in Indiana and Illinois, but has also expanded to other areas of the Midwest and South. Last fall, MetroNet entered into a tax abatement arrangement to provide service for Davenport and Bettendorf.

It should be noted that at the June 25th meeting, City staff reported that MetroNet's position in May was that it would likely withdraw from serving Ames if the City initiated a feasibility study for its own network. Since May, MetroNet has invested further effort in planning and designing an Ames network. MetroNet has now reported that its plans to enter the Ames market would only be stopped if the City restricted its ability to do business (e.g., restricting access to right-of-way or losing the cooperation of City staff to process its permitting applications).

MetroNet has provided an outline of its presentation for the August 13 City Council meeting, which is attached to this memo.

METRONET REFERENCE CHECKS:

The City Council directed staff to investigate references in regards to how this provider has addressed the Council's areas of interest (speed, availability, reliability, customer service, cost, and net neutrality) in other communities. The Council further

instructed staff to determine if there were complaints in other communities regarding this provider.

City staff developed a list of nine communities to contact for reference checks, based on the service areas listed on MetroNet's website. MetroNet provided suggested cities to contact, and City staff agreed that two of the suggestions were comparable communities. The remaining seven were selected solely by City staff as having characteristics that would make for a valuable perspective (comparable size, recent build-out experience, college communities, etc.).

The cities contacted were:

| | |
|----------------|-----------------|
| <u>Indiana</u> | <u>Illinois</u> |
| Kokomo | Bloomington |
| Lafayette | Dekalb |
| Wabash | Romeoville |
| West Lafayette | St. Charles |
| Westfield | |

It is important to note that the representatives of each community contacted had different levels of experience with MetroNet, so not all of them were able to speak to all the questions City staff raised. Additionally, in some communities, it appears the City provided incentives to MetroNet in exchange for extending infrastructure to all parts of the community or other performance benchmarks. Therefore, the services provided appears to differ from community to community. In general, the communities indicated that services, pricing, and availability from MetroNet were on par with or better than existing options.

The reference checks indicated that the majority of the communities had issues in some form related to MetroNet's buildout. These included complaints from residents regarding right-of-way restoration, the length of time to bury cables, the neatness of the overhead wires, and striking other utilities during boring.

The reference check information is attached to this memo.

INTEREST FROM IMON COMMUNICATIONS:

City staff was approached by ImOn Communications following the Council meeting in June. ImOn is a provider of fiber-to-the-premises internet, primarily in eastern Iowa. Representatives of the company indicated their interest in coming to Ames to serve customers. Upon further discussion, ImOn representatives did not indicate that they were planning a retail service in Ames, but rather that ImOn would be interested in partnering to maintain and/or provide service to customers if the City was interested

in financing and constructing a fiber network. This is effectively the wholesale model of City-provided internet as described in previous staff reports regarding internet options.

It is important to emphasize that the City would still need to conduct a feasibility study to determine the market, then conduct an RFP process open to all prospective vendors that might be interested in partnering, including ImOn, if the Council wished to pursue this model. The key piece of information brought forth to staff from ImOn is that there is potential interest from at least one private provider to partner if the City was to pursue a wholesale model.

METRONET REFERENCE CHECKS

City: Bloomington, IL

1. **When did MetroNet enter the market?** April 2016
2. **Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** No, they did not build out the Westside of Bloomington (older neighborhood made up of low-income residents). Did build out newer areas. In the older neighborhoods, the poles would have been overloaded and noncompliant. The City provided flexibility for Metronet to add additional poles but neighbors complained about extra poles.
3. **How reliable is the service provided by MetroNet?** As a customer it has been reliable.
4. **Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?** Since Metronet is a private, for-profit company, we believed they would do their best to provide reliable service.
5. **Who are the other service providers in the community, and are any of them FTTP?** Comcast and Frontier. Neither is FTTP. Comcast is copper/cable, Frontier is copper/telephone wires – DSL. Comcast and Frontier did increase their speeds and offerings.
6. **Are the services provided by MetroNet competitively priced?** Yes, and they offer triple services.
7. **Are MetroNet's internet speeds sufficient for the needs of residents?** Believe so, haven't heard of any complaints.
8. **What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)?** Yes, they opened a retail office. The public can view equipment and sign up for services.
9. **Are residents satisfied with MetroNet's policies related to privacy and net neutrality?** Have not heard this issue brought up.
10. **Are business users provided sufficient service from MetroNet?** Haven't heard of any complaints

11. Does your office receive complaints regarding MetroNet (e.g., service, construction)?

Yes, the City received complaints from residents--primarily those in affluent neighborhoods-- due to yards being dug up. Metronet assisted by designating a point of contact for the city to handle complaints.

12. Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner? Yes, the City included in permit that they have to put yards back. Yes, restoration was timely. Metronet contracted with landscaping company to monitor and to come back and fix.

Other

MetroNet was very professional. They hit the ground running. They scouted the area for two years. They contracted with local contractors. Metronet did face some issues with other private utilities in the area with access to poles.

Negotiation of the franchise agreement was smooth. The agreement was reviewed by other providers. Whatever perks the city gave to Metronet, other service providers were entitled to the same.

Comcast and Frontier did increase their speeds and adjust their prices.

City: Dekalb, IL

- 1. When did MetroNet enter the market?** May 2018 – Started construction in Aug 2018
- 2. Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** Established service in 80% of City.
- 3. How reliable is the service provided by MetroNet?** Have received positive feedback from residents.
- 4. Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?** Yes, in terms of reliability and speed. Have not heard any complaints. Services are as advertised, but Metronet is still fairly new in the area. 90% built out, but don't know the number of subscribers. Not well established as of yet.
- 5. Who are the other service providers in the community, and are any of them FTTP?** Comcast and Frontier. Frontier only offers internet and phone service. Neither provides FTTP

6. **Are the services provided by MetroNet competitively priced?** Yes, feedback has been good, better than Comcast.
7. **Are MetroNet's internet speeds sufficient for the needs of residents?** Yes, no complaints
8. **What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)** Metronet has a retail office in neighboring Sycamore. Hours are 9:00am - 5:00pm M-F
9. **Are residents satisfied with MetroNet's policies related to privacy and net neutrality?**
This topic has not come up.
10. **Are business users provided sufficient service from MetroNet?** Yes, Metronet conducted a pilot program with businesses. Feedback was positive.
11. **Does your office receive complaints regarding MetroNet (e.g., service, construction)?**
Yes, there were complaints regarding construction, but fewer than what was anticipated. Metronet dug through utility lines and hit gas lines. Some residents were uneducated about how easements work. Problems were addressed quickly by Metronet. Metronet had made promises upfront with residents regarding communication, but communication did not hold up months going forward.
12. **Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner?** Received complaints over the winter months regarding yards not put back. Very responsive overall, especially construction crews.

Other

Have Metronet stick to their communication plan.

City: Kokomo, IN

1. **When did MetroNet enter the market?** 2017. The buildout is still early in development
2. **Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** Don't know how much of City they have built out. It is still early in development; there was not a lot of discussion on whether to let them in market or not. They bought a City parking lot for base building.

3. **How reliable is the service provided by MetroNet?** Can't speak about reliability or speed.
4. **Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?**
5. **Who are the other service providers in the community, and are any of them FTTP?**
Comcast, AT&T, Indiana Fiber, Zayo
6. **Are the services provided by MetroNet competitively priced?** Not worse than other companies
7. **Are MetroNet's internet speeds sufficient for the needs of residents?** Can't speak to reliability or speed.
8. **What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)** Not sure; there is not a physical office
9. **Are residents satisfied with MetroNet's policies related to privacy and net neutrality?**
Never heard residents raising issues.
10. **Are business users provided sufficient service from MetroNet?**
11. **Does your office receive complaints regarding MetroNet (e.g., service, construction)?**
Have received one complaint where Metronet bored through a sanitary sewer lateral. Metronet was notified and the issue was addressed promptly. Metronet does not televise sanitary sewers when boring.
12. **Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner?** Still early in development

Other

Recommend speaking to Carmel, IN. The City had stopped Metronet from constructing in area.

City: Lafayette, IN

1. **When did MetroNet enter the market?** 2016

2. **Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** Yes, they have built out the entire community.
3. **How reliable is the service provided by MetroNet?** Assume it is good; have not received any complaints.
4. **Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?** * Was not in position when MetroNet came through, but as a resident, MetroNet promised faster speeds than Comcast and better reliability.
5. **Who are the other service providers in the community, and are any of them FTTP?** Comcast and Frontier. Neither provides FTTP
6. **Are the services provided by MetroNet competitively priced?** Yes, competitive with Comcast.
7. **Are MetroNet's internet speeds sufficient for the needs of residents?** Yes; however, speeds are not as high as expected. Customers experience delays. Did not meet expectations.
8. **What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)** Customer service is not the best. Yes, there is a physical office. Hours are M-F 9 to 5
9. **Are residents satisfied with MetroNet's policies related to privacy and net neutrality?** Issue has not been raised by residents.
10. **Are business users provided sufficient service from MetroNet?** Don't know
11. **Does your office receive complaints regarding MetroNet (e.g., service, construction)?** Yes. They have put in handholes and left in yards. Installation from the main service line to the house is not the best quality. Lines were left exposed. They have done work in ROW without seeking a permit from the City. There is a lack of communication in obtaining permits. They have put poles in yards without communicating with residents. Overhead lines do not look good aesthetically.
12. **Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner?** Have restored in a timely manner.

City: Romeoville, IL

1. **When did MetroNet enter the market?** 2016
2. **Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** Did not provide service in one area that had townhome development. Could not access easement without going through the homes.
3. **How reliable is the service provided by MetroNet?** Can't say. Have not received any complaints.
4. **Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?** Can't say.
5. **Who are the other service providers in the community, and are any of them FTTP?**
Comcast, no
6. **Are the services provided by MetroNet competitively priced?** Depends on what customer is getting.
7. **Are MetroNet's internet speeds sufficient for the needs of residents?** Yes, MetroNet offered faster speeds that were not available at the time through Comcast.
8. **What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)** Customers have to call for support. There is no physical office.
9. **Are residents satisfied with MetroNet's policies related to privacy and net neutrality?**
No concerns from residents.
10. **Are business users provided sufficient service from MetroNet?** Not sure, have not heard any concerns.
11. **Does your office receive complaints regarding MetroNet (e.g., service, construction)?**
Yes, responded immediately when repairs are needed. Sometimes there are two utilities in the area. It was hard to determine who was responsible for damage.
12. **Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner?** Overall very good experience; Romeoville was one of

Metronet's first customers in Illinois. They did a good job of addressing complaints. They provided updates on zones they were working in.

Other

Have Metronet put signs on subcontractor's cars. This helps residents identify which utility is out doing what.

City: St. Charles, IL

- 1. When did MetroNet enter the market?** 2017. Metronet hopes to be done by September. St. Charles was looking to enter the market 10 years ago but faced possible litigation by Comcast and AT&T. The City was approached by Metronet and entered into an agreement.
- 2. Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** Have not serviced the downtown business sector as of yet.
- 3. How reliable is the service provided by MetroNet?** Not sure, but residents have been eager to sign up
- 4. Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?** Not sure, negotiation was handled by Public Works
- 5. Who are the other service providers in the community, and are any of them FTTP?** Comcast and AT&T, No
- 6. Are the services provided by MetroNet competitively priced?** Competitive and a bit higher than Comcast and AT&T
- 7. Are MetroNet's internet speeds sufficient for the needs of residents?** Can't say, have not heard of any complaints
- 8. What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)** No physical office. Physical office is in Geneva.
- 9. Are residents satisfied with MetroNet's policies related to privacy and net neutrality?** Not aware
- 10. Are business users provided sufficient service from MetroNet?** Not sure; trying to expand services to the downtown

11. Does your office receive complaints regarding MetroNet (e.g., service, construction)?

Yes, City had to ask some crews to leave due to the number of complaints from residents.

12. Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner?

Was a challenge to keep up with the number of locates.

Residents were upset with the destruction of their yards. City had to get involved. MetroNet did fix in a timely manner, but city personnel had to monitor. Management was good to work with.

Other

Before you have them dig, make sure they mark the utilities. Make sure the city has a handle on the number of locates. Figure out how many locates crews can complete and how many you want in the city at once. Make sure there are customer service personnel from MetroNet that can handle residents' complaints. Require that they put notification yard markers in yards and put up signs up at entrance of subdivisions. Have crews work in predetermined zones.

City: Wabash, IN

1. When did MetroNet enter the market? 2007

2. Does MetroNet provide service to the entire community, or are there areas that cannot receive service? Can't speak about services in City of Wabash specifically

3. How reliable is the service provided by MetroNet? Outstanding. They can fix problems over the phone and if they can't, they will send a technician out.

4. Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through? When MetroNet made the deal to serve Wabash it was to provide fiber to every house. At the time Wabash suffered from industrial disinvestment. The City had to upgrade to high speed internet. Comcast, AT&T, and Frontier were unresponsive. The City used Spider TIF to lower the costs for MetroNet to come into the community. Wabash has since experienced investments in health care facilities and manufacturing/logistics companies.

5. Who are the other service providers in the community, and are any of them FTTP?
No other provider in Wabash.

6. Are the services provided by MetroNet competitively priced?

MetroNet is less expensive and they offer bundled services

7. **Are MetroNet's internet speeds sufficient for the needs of residents?** Yes, Fast. Have not heard of any complaints. Personally have tracked speeds and it is always close to 1 Gig.
8. **What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)?** They have a physical office, as included in the agreement with the City. The hours are M-F 9 to 5. MetroNet renovated a building in historic district. It has tech support and office service.
9. **Are residents satisfied with MetroNet's policies related to privacy and net neutrality?**
Not aware; issue never has come up
10. **Are business users provided sufficient service from MetroNet?**
Yes, 1 Gig. MetroNet offers services to two hospitals, logistic companies, and other businesses in Wabash.
11. **Does your office receive complaints regarding MetroNet (e.g., service, construction)?**
They tore up residents' lawns, but always put them back. They have cut telephone lines but always fix them.
12. **Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner?** When MetroNet went underground there were complaints about lawns being torn up. They were always put back in a timely manner. They have been responsive to the community and products and services are top notch.

City: West Lafayette, IN

1. **When did MetroNet enter the market?** 2013; there weren't a lot of services in area. Comcast bought up smaller companies and had a monopoly in area.
2. **Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** Remote areas are not served, but there is enough fiber throughout City.
3. **How reliable is the service provided by MetroNet?** Have not received any complaints

- 4. Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?** There was discussion for Metronet to provide service to everyone. The City utilized TIF to reimburse Metronet for x number of years if Metronet made service available to everyone.
- 5. Who are the other service providers in the community, and are any of them FTTP?** Comcast, Windtrek, and frontier. Wintrek offers FTTP.
- 6. Are the services provided by MetroNet competitively priced?** Same price as Comcast
- 7. Are MetroNet's internet speeds sufficient for the needs of residents?** No issues. Offers 100mbps and 1gbps
- 8. What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)** No physical office. Physical office is in neighboring Lafayette.
- 9. Are residents satisfied with MetroNet's policies related to privacy and net neutrality?** Not aware
- 10. Are business users provided sufficient service from MetroNet?** Have not received any complaints
- 11. Does your office receive complaints regarding MetroNet (e.g., service, construction)?** Received a lot of complaints whereby City had to constantly monitor work. Would leave lines in yards for months.
- 12. Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner?** Had a lot of issues with their boring work in the ROW and in yards. If they could not put lines overhead, they would bore pits in ROW. Homeowners were frustrated that problems were not fixed right away. Work orders were either slow or were not put in at all.

Other

Recommend having commitment regarding the final product.

City: Westfield, IN

1. **When did MetroNet enter the market?** 2015; wrapped up construction in 2017. City and school had owned a fiber network. The network was sold to Indiana Fiber and Indiana Fiber leased it to Metronet. Westfield was one of Metronet's first customers in Indiana.
2. **Does MetroNet provide service to the entire community, or are there areas that cannot receive service?** There are areas that are not serviced, but it is by choice. Westfield is still a growing community; there are some neighborhoods that are sparse. Metronet surveys customers before they lay down fiber. Most residents and businesses have Metronet.
3. **How reliable is the service provided by MetroNet?** Have heard great things about Metronet's service.
4. **Did MetroNet make any promises to the community regarding the availability/quality/etc. of its services, and if so, did it follow through?** Metronet made a promise that everyone will have access to internet, however for Metronet it was not financially feasible to run lines to some areas. Residents would complain that Metronet was not in their neighborhood. Residents don't realize that Metronet needs a set number of customers. Metronet did not have a problem providing service to areas that were contiguous. We have not received complaints over a two-year period, so we have assumed they were reached. Westfield is still a growing community.
5. **Who are the other service providers in the community, and are any of them FTTP?** Comcast. People in Westfield hated Comcast.
6. **Are the services provided by MetroNet competitively priced?** Yes, Metronet is cheaper
7. **Are MetroNet's internet speeds sufficient for the needs of residents?** Yes, no complaints from residents.
8. **What kind of customer support does MetroNet offer (is there a physical office in the community? What kind of hours does it have?)** Good, have not heard anything bad. Has retail office (9:00am - 5:00pm M-S). Metronet conducts remote support as well.
9. **Are residents satisfied with MetroNet's policies related to privacy and net neutrality?** Issues never came up
10. **Are business users provided sufficient service from MetroNet?** Yes, have not heard otherwise
11. **Does your office receive complaints regarding MetroNet (e.g., service, construction)?** Yes, they have hit gas lines, water lines and other lines. The boring machine is very disruptive. You cannot over-communicate! Have a project manager for the City to stay on top of Metronet. Need to make Metronet have a sense of urgency for repairing damage. We met with residents month after month. Set the expectation in the community that there will be

damage. The Project Manager has to be on them! Set the expectation regarding repair work. Set the expectation that mud will be kept off trucks. Set operating hours.

12. Describe what it was like working with MetroNet during the buildout phase. Was the construction disruptive? Did MetroNet restore right-of-way, yards, etc, to an acceptable condition in a timely manner? Construction was very disruptive. 98% of the time we did not have to oversee Metronet; the issue was with the subcontractors they hired. Had to let go some of the contractors after they hit line after line.

Other

Most everyone in community will say that they are happy to have the competition and happy with Metronet's service.

METR NET

AMES, IOWA
City Council Meeting
Introductory Presentation
August 13, 2019

Ames, Iowa
MetroNet Introductory Presentation
Discussion – Outline
City Council Meeting
August 13, 2019

- Introduction – MetroNet and the impact of a comprehensive fiber-optic infrastructure investment for Ames.
- Reliability – Redundancy
- True Internet Symmetrical Speeds
- Substantial City-wide Availability
- Competitive Pricing Structure
- Go-to-Market Strategy
- Customer Service – “Passion to Serve”
- Company Communication – Procedures for Deployment

Introductory Websites:

MetroNet Construction Communication:

<https://construction.metronetinc.com/cct>

MetroNet Homepage:

<https://www.metronetinc.com/>

Staff Report

OUTSIDE FUNDING REQUEST PROCESS PRIORITIES

August 13, 2019

BACKGROUND:

At the FY 2019/20 Budget Wrap-Up Session on February 12, 2019, the City Council directed staff to place on a future agenda a discussion of the criteria for the Outside Funding Request process.

The Outside Funding Request process was established at the Council's request in 2011 as a mechanism to receive, evaluate, and make recommendations regarding the requests for funding received from outside organizations not financed through other processes (e.g., ASSET, COTA). These requests were previously received throughout the year, making it difficult to track overall expenditures and prioritize the various requests against each other. At the time the process was established, the Council exempted the ISU Sustainability Coordination contract and the annual Ames Economic Development Commission operating agreement from this process, noting that these were activities being undertaken on behalf of the City government.

The criteria for funding were initially established in 2011 as follows:

“- Preference will be given to requests that meet the following conditions, in decreasing order of importance:

1. A program or activity that would otherwise be operated by the City at a greater cost.
2. Requests that have broad-based appeal to the community.
3. Requests that provide a unique benefit or service to the community.”

On September 8, 2015, the City Council reviewed the criteria used to evaluate requests and made modifications to the criteria for the FY 2016/17 process, which are the criteria used in the most recent year:

“Preference will be given to requests that achieve any of the following:

- A program or activity that would otherwise be operated by the City at a greater cost.
- Requests that have broad-based appeal to the community.
- Requests that provide a unique benefit or service to the community.
- Requests that pursue current City Council goals (www.cityofames.org/goals)”

The City formerly used a committee of staff and community members to evaluate the requests and make recommendations. In 2019, the Council directed that the requests

be reviewed by City staff. The current, complete eligibility requirements and instructions for applicants are available here: www.cityofames.org/home/showdocument?id=47718

NEXT STEPS:

The FY 2020/21 Outside Funding Request process applications are due in November. Any changes to the application or criteria should be made with sufficient notice to prospective applicants, so their applications can be tailored to the Council's desires.

The City Council may choose to use the current priorities or identify alternative priorities for the upcoming round of applications. If the City Council wishes to pursue criteria changes, City staff recommends keeping the following principles in mind:

- 1. The criteria should aid in evaluation and decision-making.** There are routinely more requests than available funding. The criteria should provide a clear indication to prospective applicants what the Council's interests are, and should aid the evaluation team in reviewing and recommending award amounts. Broad criteria or few criteria make evaluation and decision-making more difficult.
- 2. The criteria should focus on services and programs to be obtained, not on the agencies that provide them.** This is a fundamental principle in the City's funding processes, including ASSET and COTA. Each agency is free to propose how they wish to provide services and what their cost is to provide them, but the City's focus is on the end product to be provided to the community.
- 3. Regardless of the criteria, no requests are grandfathered.** Each request must be justified each year, even if they were approved in the year prior. Since there is constant competition for limited funds, the requests that are funded must always meet the highest standards for completeness and justification.

COUNCIL ACTION FORM

SUBJECT: **MESSAGE ESTABLISHMENT REGULATION FOLLOW-UP**

BACKGROUND:

At the April 16, 2019 City Council Workshop, the City Council directed staff to bring back possibilities for an ordinance that would regulate massage establishments within Ames as well as further decision points along the lines of the City of Des Moines' ordinance. Staff was also tasked with adding provisions to hold owners and managers responsible and measures to assist staff during an investigation when warranted. The goal of these measures is to address illicit massage practices and human trafficking.

DES MOINES ORDINANCE:

The Des Moines ordinance has two key provisions for massage establishments. It requires massage therapists: 1) to obtain a state license, and 2) to have the license in possession at all times while doing business. Noncompliance with these requirements results in a municipal infraction in addition to a misdemeanor, and the Police Department placing a notice that no person may enter the establishment. The Des Moines ordinance does not require the establishment's owner or manager to provide law enforcement with information regarding the employees in the establishment.

PROVISIONS TO HOLD OWNERS AND MANAGERS RESPONSIBLE:

Staff has examined sixteen ordinances that have been enacted in Iowa cities. The attachment outlines the key components of each city's ordinance.

Similar to the Des Moines ordinance, the cities of Davenport and Iowa City do not require separate local licensing. However, both cities include an additional requirement that upon request by City staff, a business must provide certain information including contact information and photo identification card for owners, managers, leasing tenant, and all licensed Massage Therapists. Failure to comply with this requirement results in the Police Department placing a notice that no person may enter the establishment.

Nine cities that require separate local licenses have language in their ordinances stating that in the case of a partnership, corporation, or other organizations, the applicant must designate a person to be manager. The manager must be a resident of Iowa, and shall consent to serve as an agent for service of notices relating to the business. The manager shall be responsible for the conduct of the business. **Although this type of requirement has been put into place in cities that require a separate local license, it could be used to place responsibility onto a designated manager, even without local**

licensing. The City of Cedar Rapids, for example, requires applicants to designate an individual to act as the Registered Manager for the Massage Therapy Business.

OTHER PROVISIONS IN THE IOWA ORDINANCES:

The Council may wish to consider aspects of other ordinances used throughout Iowa. Some of the key components of other ordinances are below:

1. Separate City license and fees

Ten of the sixteen cities studied require a separate, annual City license and charge a fee. Licensing fees range from \$25 to \$100, with renewal fees typically based on actual staff time required to process the application. Some ordinances mandate a separate license for each business location. Some require payment of an additional fee for each individual performing massage therapy. The City of Coralville requires a permit but does not charge a fee.

Most license applications require:

- Location where services are to be provided
- Names, ages, and addresses of the applicant, owner, manager, employees, and those who are or will be employed or present on the premises to perform massage therapy, and copies of government issued IDs for each
- Dates and locations where the applicant has owned or operated a massage business
- Descriptions of all crimes or other offenses for which the applicant or any person named on the application has been arrested, charged, or convicted
- Statement as to whether any license to perform massage therapy has been denied, revoked, or suspended in any city, state, county, or country
- Proof of insurance
- Proof of current State of Iowa massage therapy license.

The City of West Des Moines is the only city that mandates fingerprinting and photographing of all licensees. A number of other cities allow the Police Chief to determine whether a background check is required for applicants.

In most cases, licenses are only issued if an applicant and all of its owners, managers, employees, and agents are free of convictions and have provided the requested information.

The City of Cedar Rapids exempt an applicant from the license application and renewal process if they can provide proof they have a valid Massage Therapy Business License from another Iowa municipality that engages in a similar rigorous application process. Most cities exempt licensed health care professionals from the massage licensing requirements.

Staff should emphasize that implementing a separate City licensing process provides additional information that can be used by the City to combat human trafficking, but also places a much higher burden on establishments.

2. Hours of Operation

Under most ordinances that require a separate local license, massage therapy businesses will have to close between 10:00 p.m. and 6:00 a.m. The City of Clive has regulated businesses to close between 12:00 a.m. and 5:00 a.m. However, implementing this kind of restriction in local ordinances could be done without implementing a separate local licensing process.

3. Penalties

All sixteen cities have deemed it a simple misdemeanor and/or municipal infraction for violating the provisions of their ordinances. Fines range from \$100 to \$750 for the first violation.

ALTERNATIVES:

1. Direct staff to draft an ordinance using the Des Moines ordinance as a model, and:
 - a. Include requirements similar to Davenport/Iowa City related to providing information regarding the business and its employees upon demand by City staff.
 - b. Include requirements to designate a manager, in writing, who will be responsible for compliance and for providing information as required in the ordinance.
2. Direct staff to draft an ordinance containing other provisions. The City Council should identify what provisions it is interested in.
3. Do not proceed with preparing an ordinance to regulate massage providers at this time.

CITY MANAGER’S RECOMMENDED ACTION:

The City Council expressed an interest in regulating massage establishments following the April workshop. The Des Moines ordinance model, combined with requirements to provide information about practitioners upon demand and to designate a responsible manager, appear to address the aspects of an ordinance the Council desires.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 a-b, as described above.

| | State License Required | Local License Required | | | Application | | | | Information Required | Exemptions | Designated Manager | Restrictions on Hours of Operations | Penalty | | |
|-------------------------|------------------------|---------------------------------------|------------------------------------|----------------------------------|-------------|----------------|----------------|----------------------------|----------------------|------------|--------------------|-------------------------------------|---------|--------------------|----------------------|
| | | Waiver of Fee for Existing Businesses | Separate License for Each Business | Additional Fee for Each Employee | Insurance | Appeal Process | Annual Review | Photographed/fingerprinted | | | | | Placard | Simple Misdemeanor | Municipal Infraction |
| Altoona | x | x | x | x | x | x | x | | | x | x | x | | x | |
| Boone | x | x | x | | | x | x | | | x | x | x | | x | |
| Davenport ¹ | x | | | | | | | | x | | | x | x | x | x |
| Ottumwa | x | x | x | x | x | x | x | | | x | x | x | | x | |
| Des Moines | x | | | | | | | | | | | | x | x | x |
| Pleasant Hill | x | x | x | x | x | | x | | | x | x | x | | x | |
| Cedar Rapids | x | | x | | | x | x ⁴ | | | x | x ⁵ | | x | x | x |
| Iowa City | x | | | | | | | | x | x | | | x | x | x |
| Urbandale | x | | | | | | | | | | | | x | | x |
| Clinton ² | x | | x | | x | x | x | | | x | x | x | | x | x |
| Johnston | x | x | x | x | x | x | x | | | x | x | x | | x | |
| West Des Moines | x | | x | | | x | x | x | | x | x | x | | x | x |
| Clive | x | x | x | x | | x | x | | | | | | | | |
| Marion | x | | | | | | | | | | | | x | | x |
| Coralville ³ | x | | x | | x | x | | | | x | x | x | x | x | x |
| Newton | x | x | x | | | x | x | | | x | x | x | | x | |

1 - Davenport requires a city license for Reflexology Businesses

2 - Clinton requires Massage Therapy businesses to obtain a permit

3 - Coralville requires Massage Therapy businesses to obtain a permit, but does not charge a permitting fee

4 - Cedar Rapids is the only city that issues its licenses biannually

5 - Cedar Rapids is the only city that requires an individual to act as a Registered Manager

Staff Report

PARKING METER WAIVERS

August 13, 2019

BACKGROUND:

At the May 14, 2019, City Council Meeting, Council directed staff to place on a future agenda a discussion regarding parking meter waiver policy and to investigate what other communities are doing with respect to this issue.

CURRENT POLICY AND PRACTICE

Typically, closure of metered parking spaces requires the user to reimburse the City for lost parking meter revenue. It is important to note that the Parking Fund receives revenues from two primary sources: 1) Parking fees, collected mainly at the meters, and 2) citations for illegal and overtime parking. When an event is held that prevents the payment of fees into the meters, the costs to maintain the meter system still exists. Therefore, event organizers are typically asked to reimburse the fund for the lost revenue so the parking system can be maintained.

The City Council receives formal written requests for parking meter fee waiver when a special event comes before the City Council for approval. The Council may or may not grant a waiver depending on the circumstances of the event. **City staff has historically recommended approval of parking waivers if the Council has approved waiving fees in the past to the same extent for the same event. City staff generally does not recommend waiving parking fees for a for-profit event. The vast majority of requests and the largest dollar amount of waivers granted have come from organizations that hold district-wide events (Ames Main Street and Campustown Action Association).**

The Municipal Code empowers the City Council to suspend parking regulations in two separate locations:

- 1) *Section 18.24 empowers the City Council to suspend parking restrictions or regulations for the purpose of accommodating the parking needs associated with a special public or private event or occurrence for a period not to exceed 72 hours*
- 2) *Section 18.32 empowers the City Council to grant specific exceptions to parking regulations for a period not to exceed 30 days to encourage or accommodate an event or activity that is reasonably deemed by the Council to be a significant contribution to the economic or cultural enhancement of the community of Ames; provided, however, that the Council may stipulate, for any such special exception,*

such conditions and terms as it reasonably deems necessary to mitigate or prevent financial cost or loss to the City, and to protect the public welfare, safety and convenience.

A summary of the number of waivers the City Council has granted from Calendar Year 2016 to Calendar Year 2019, along with the estimated number of meter hours suspended and the corresponding amount lost to the Parking Fund, is contained in Table 1 below.

Table 1

| Date | # Of Events Requesting Parking Meter Fee Waiver | # Of Total Events held by Ames Main Street or Campustown Action | # Of Parking Meter Fee Waiver Granted | Total Meter-Hours Suspended | Estimated Loss to the Parking Fund |
|---|--|--|--|------------------------------------|---|
| Calendar Year 2016 ¹ | 14 | 10 | 14 | 65,598 | \$ 13,256.00 |
| Calendar Year 2017 ² | 15 | 9 | 15 | 79,325 | \$ 15,937.70 |
| Calendar Year 2018 ³ | 18 | 12 | 18 | 46,254 | \$ 9,419.10 |
| Calendar Year 2019 ⁴ (January – July) | 9 | 7 | 9* | 40,857 | \$ 12,005.00 |

1 January Dollar Days was not held in 2016. Assuming all the meters were fed, the City saved \$3,223 in 2016 in comparison to 2017.

2 Some events had expanded or had reduced their days, hours, and/or event location. Farmers' market, for example, extended its days of operation from 24 days in 2016 to 26 days in 2017.

3 AMS requested that only one day be waived for Snow Magic in 2018. In previous years, they had requested a waiver for 7 days. The City saved \$7,813 (assuming all the meters were fed) in 2018 in comparison to 2017.

4 Except for two events, beginning in January 2019, the amount lost to the parking fund has been calculated under the new rate (50 cents/ hour) assuming 50% of the meters were fed. It should be noted that City staff anticipates 9 events totaling \$2,953.50 of additional lost meter revenue (if approved) during the remainder of this calendar year.

* This includes the request from Ames Pride for Pridefest. Although it is indicated the request was granted, the City Council reduced the number of meters to be waived from 613, as requested by the organizers, to 75.

It should be noted that a request from Iowa Workforce Development was received in the September 11, 2018 Council packets to waive fees for 100 meters adjacent to the Library for an employment event. The City Council did not refer the item for further consideration. This request is not included in the table above.

The figures in Table 1 do not include events where the organizers elected not to request a waiver of parking fees. The special events application intentionally does not include space for a request of waivers for parking, electric, or permitting fees. Instead, City staff directs organizers that, if they wish to request a waiver, they should draft a letter to the City Council, which is included with the application materials.

In FY 2017/18, the Parking Operations Fund showed total revenues of \$833,974. Using the calendar year data, City staff estimates an average amount of lost parking meter revenue during that period to be \$12,871 per year, which is approximately 1.5% of total Fund revenues.

POLICIES AND PRACTICES IN OTHER COMMUNITIES

City staff contacted fourteen other communities (10 in Iowa, 4 in other states) to learn about their policies and practices regarding waiving parking meter fees. A summary of the responses received is below (Table 2).

Table 2

| Cities | Responses |
|----------------|--|
| Council Bluffs | Under the Municipal Code, fees may be waived by the Mayor or by resolution of the City Council if it is determined to be in the best interests of the City of Council Bluffs. |
| Cedar Falls | Cedar Falls does not have a written policy. The City Council occasionally waives parking meter fees for different events in the Downtown. |
| Des Moines | As of June 3, 2019, the City of Des Moines has put in place a policy for a reduced amount for special events. Special events will be charged \$4/meter/day Monday - Friday, \$25 special parking permit application, and \$2 meter hooding fee if the event is on a Saturday, Sunday or holiday. The difference is the meter rate; all other special parking permits are charged application & hooding fee and the applicable meter rate (varies \$0.25 to \$1.25/hr) x 12 hours for each day Monday – Saturday. |
| Dubuque | The City Council has never waived fees or discounted them for special events. |
| Iowa City | The Council does not waive parking meter fees for special events. |
| Sioux City | For parking closures less than eight days, event organizers are required to purchase no parking signs (which are \$10 per sign per meter). For parking closures of eight days or more, the City will bag the meters for \$6 per day per parking meter. |
| Davenport | No longer have parking meters on downtown streets. In the past, as it is currently, it was handled on a case-by-case basis. |

| | |
|-----------------|---|
| West Des Moines | No parking meters |
| Urbandale | No parking meters |
| Waterloo | Parking services are contracted out (ParkWaterloo). Occasionally receive requests to waive fees, but most organizers are willing to pay the fee. Offers meter hood rentals |
| Cedar Rapids | Parking services are contracted out (ParkCedarRapids). Rarely if ever waive fees for special events. Only waived fees for meter hooding or placarding in the downtown area for street construction projects or other projects initiated by the City of Cedar Rapids. All other events / activities must pay to have meters either hooded or placarded. Generally hood meters for construction projects (\$10 / meter / day) and placard for events such as the famers markets, parades, food trucks (\$2.00 / meter limit 2-4 hours) where meters are limited only for a period throughout the day. |
| Ann Arbor, MI | The event needs to rent meter bags (\$25 per space per day). If the event meets our Meter Bag Issuing Guidelines and is organized by a non-profit or community group, or has a substantial charitable component, the DDA (Downtown Development Authority) may choose to waive the associated meter bag fees. |
| Columbia, MO | <p>Currently in the process of reviewing the ordinances related to special events, including parking charges. One of the issues they are going to try to address is how to more consistently handle parking charges when events close a street that has parking meters.</p> <p>There is a section (e) of the current ordinance that allows for waiver of the fees, but it is somewhat vague:</p> <p>(e)"The city manager shall have the authority to issue parking hoods to not-for-profit organizations, without charge, when the city manager determines that waiver of the rental fee is in the public interest and that doing so would contribute to the public awareness of, accessibility to, participation in, and support for the artistic, cultural or charitable development in the city and is not primarily in the commercial interest of the requester."</p> |
| Corvallis, OR | The City of Corvallis offers Public Right of Way Closure Permits for events. These range from single parking spaces to full street, sidewalk, or traffic lane closures. We do have fees associated with these permits, though they are sometimes waived when the event is sponsored by the City of Corvallis. |

OPTIONS:

- 1. Continue to handle requests for meter waivers on a case-by-case basis.**
- 2. Adopt a policy to charge for all parking meters used for special events.**

If this option is selected, the Council should provide clarification to staff whether waivers can be requested from the City Council for other special event fees, such as the cost for Road Race Permits, Vending Licenses, or electricity costs.

- 3. Adopt a policy to charge reduced or no parking fees for special events.**

If the option to charge a reduced rate is selected, Council would need to decide the percentage to reduce the rate by. Council should note that staff's calculation of lost revenue to the Parking Fund for special events assumes the meters will be occupied only 50% of the time. Therefore, if an applicant was charged for meter closures, the charges would already be reduced from the maximum possible revenue loss.

- 4. Charge all applicable fees for special events, but provide additional funding through the Outside Funding Request Process for organizations that wish to reduce their costs to host events.**

Currently, the City is providing revenues for several organizations to host public events, then later reducing their expenses for the same events in the form of parking meter waivers. Charging the full fees for parking meter closures, but providing additional funds for agencies that host events would simply shift City funding from one source to another.

COUNCIL ACTION FORM

SUBJECT: INCLUSIVE CROSSWALK AT 5TH STREET AND DOUGLAS

BACKGROUND:

At the June 25, 2019 City Council meeting, Council directed staff to proceed with a project to install an inclusion crosswalk treatment at the 5th Street and Douglas Avenue intersection in Downtown Ames. It was the Council's intent to complete the installation prior to Pridefest taking place on Saturday, September 7th. Approximately one week following the June 26th Ames Tribune article on the inclusion crosswalk, local **Federal Highway Administration (FHWA) staff notified City staff that they were reviewing the proposed design for compliance with the Manual on Uniform Traffic Control Devices (MUTCD).**

It should be noted that City staff provided language from the current edition of the MUTCD (2009) in the staff report to City Council as to what the standards are for crosswalk markings. However, FHWA staff cited an internal memorandum from 2013 ("*Official Ruling 3(09)-24(l) – Application of Colored Pavement*") that provided an official ruling for FHWA on use of modern decorative crosswalk treatments. **In an email dated July 16, 2019, the FHWA determined that the proposed inclusion crosswalk design at 5th and Douglas was non-compliant and that if the City installed the treatment, FHWA would issue an official letter of non-compliance.**

At the July 23, 2019 meeting the City Council directed the City Attorney to report back on the impacts of receiving a determination of non-compliance from FHWA including any additional liability that may be incurred by the City if the decorative crosswalks were installed.

IMPACTS OF NON-COMPLIANCE:

The City Attorney had offered an opinion that a letter of non-compliance from the FHWA does not, in and of itself, increase the City's liability. The City Attorney's full opinion memo is attached.

PROJECT UPDATES:

As stated in the July 19, 2019 memo to City Council, staff solicited quotes for installing the design using more durable thermoplastic material, per Council direction. **Because it is the height of the construction season and the project has a relatively short deadline, the City only received one quote from Iowa Plains Signing, Inc. of Slater, Iowa in the amount of \$68,760.** This total is approximately \$56,000 greater than the amount originally quoted to the City Council.

If City Council would like to delay the installation, it is believed that rebidding the thermoplastic project over the winter and giving the contractor more time over the spring/summer of 2020 would result in bids closer to the \$12,000 - \$15,000 range that was originally quoted.

ALTERNATIVES:

1. Direct staff to install the decorative crosswalk bars with non-specialty paint using City staff labor prior to 2019 Pridefest. The estimated cost of this alternative is \$4,000.
2. Direct staff to install the decorative crosswalk bars with paint using City staff labor prior to 2019 Pridefest, but have it removed immediately following the one-day event.

If the street is closed while the markings are in place for Saturday, September 7th, it would likely avoid any non-compliance issues from FHWA. Since the markings will be removed after a short period of time, staff would use a lower quality paint that would reduce the estimated cost to \$3,000.

3. Direct staff to install the decorative thermoplastic crosswalk using the contractor quote of \$68,760 prior to 2019 Pridefest. However, staff is not certain the contractor could still complete the work by the date of the event.
4. Direct staff to rebid the thermoplastic installation over the winter of 2019/20 for contractor installation prior to Pridefest 2020.

It is anticipated that the cost of this option would be in a range of \$12,000 to \$15,000.

5. Direct staff to pursue an alternative off-street option such as painted sidewalks, flags, or banners in the Pridefest celebration area of 5th Street and Douglas Avenue prior to Pridefest 2019.

MANAGER'S RECOMMENDED ACTION:

While Public Works engineering staff cannot make a professional recommendation in support of the installation of the decorative inclusive crosswalks knowing it will lead to FHWA non-compliance, City Council may choose to weigh the impacts identified by the City Attorney and direct staff to move forward with the installation.

Should City Council desire to move ahead with the installation of the inclusive crosswalk, using paint with City staff labor seems the most time-efficient and cost-effective option. Therefore, the City Manager recommends that the City Council adopt Alternative No. 1, as described above. Funding for this project would come from the Road Use Tax Fund balance.



MEMO

Legal Department

To: Mayor Haila, Ames City Council

From: Mark O. Lambert, City Attorney

Date: August 6, 2019

Subject: City's liability re: inclusive crosswalks.

At the July 23, 2019 Ames City Council meeting, the Council directed the City Attorney to prepare a memo on the City's potential liability if the inclusive crosswalks were painted at the intersection of Douglas and 5th Street, and the Federal Highway Administration (FHWA) were to issue a "letter of non-compliance" regarding the crosswalk.

Sometimes, a city's potential liability is clear. Other times, it's basically an educated guess. There is always the potential for some liability – having zero liability may be a goal but is difficult, if not impossible, to attain.

In this situation, the FHWA contacted the City, after the Ames Tribune ran an article about the inclusive crosswalks, and indicated that its position was that such crosswalks are "non-compliant" with federal standards and if the City installed these crosswalks, the FHWA would issue an official "letter of non-compliance." The FHWA believed that the issuance of the non-compliance letter may create increased liability for the City should an incident take place, such as a vehicle/pedestrian collision.

First, it should be noted that I could find no direct case law, either in Iowa or elsewhere, on municipal liability for non-standard crosswalks in situations where the FHWA had issued a non-compliance letter.

Unique and creative crosswalks have been installed on streets in cities throughout the United States. (See: <https://www.smartcitiesdive.com/news/creative-crosswalks-street-art-meets-safety-enhancement/526474/>). As you can see by this article, some

claim that non-standard crosswalks actually *enhance* pedestrian safety by causing drivers to slow down. As creative crosswalks become more popular nationally, the strength of an argument that such crosswalks create confusion for drivers seems to decrease.

The argument would be that if the City installed a non-standard crosswalk, and a vehicle struck a pedestrian, a court might find the City liable for damages (the pedestrian's, the driver's or both) as the non-standard crosswalk caused confusion and therefore the driver didn't understand it was a crosswalk. The FHWA letter of non-compliance would most certainly be used as evidence of the City's liability in any litigation filed against the City. However, the FHWA letter would just be one piece of evidence; I do not believe it would be conclusive regarding the question of the City's liability.

Case law in Iowa indicates that pedestrians have the right of way in either marked or unmarked crosswalks. An unmarked crosswalk would constitute a path from the sidewalk on one side of the street to a sidewalk on the other side, at an intersection. Given this, it is hard to imagine that a non-standard crosswalk would constitute more liability for the City than a crosswalk the City hadn't marked at all.

Also, it is important to note that the standard crosswalk straight white lines would still be in place, and the colored rectangles would be within the standard straight crosswalk lines. This should be a clear indication to drivers that a crosswalk exists.

The *Code of Iowa* provides support for the City to have non-standard crosswalks. *Iowa Code* section 321.1(16) defines "crosswalk" as "that portion of a roadway ordinarily included within the prolongation or connection of the lateral lines of sidewalks at intersections, **or any portion of a roadway distinctly indicated for pedestrian crossing by lines or other markings on the surface.**" [Boldface and underline emphasis added.]

Given the flexibility in crosswalk design allowed by the Iowa Code, the fact that the pedestrian would still have the right of way, the fact that the straight crosswalk lines

would still be in place, and that there are arguments that creative crosswalks actually enhance pedestrian safety, my legal opinion is that the City has no greater risk of liability with the proposed inclusive crosswalk than a standard crosswalk. Although the FHWA letter would be a piece of evidence that a litigant could use against the City, it is incorrect to conclude that the issuance of the non-compliance letter, in and of itself, would increase the City's liability, given the other factors, above. The FHWA letter would be one piece of evidence and likely would not be conclusive on the question of the City's liability.

I discussed this issue with the City's Risk Manager, who shared a similar opinion.

-end-

Option 3: Bars v2.1

Douglas Ave

5th St



1 inch = 20 feet

COUNCIL ACTION FORM

SUBJECT: REQUEST TO APPROVE COLLABORATION WITH IOWA STATE UNIVERSITY'S PRINCIPLES OF COMMUNITY CAMPAIGN

BACKGROUND:

Almost 15 years ago, Iowa State University's campus was defaced with homophobic graffiti, an incident in a recurring series of chalking across campus targeting marginalized populations. These incidents spurred the grass roots, student-led and staff/faculty supported creation of the Principles of Community. Six values were identified as the foundation of expected community conduct. ISU community members serving on the Principles Commission and working through student government sought input and refined the document. In 2007, former ISU President Geoffrey approved the work of the Principles Commission including the six values that form the Principles of Community. He said at the time, "It is an affirmation of the kind of community we aspire to create at Iowa State."

The six values are:

- Richness of Diversity
- Freedom from Discrimination
- Respect
- Purpose
- Honest and Respectful Expression of Ideas
- Cooperation

For the last several years, the Iowa State University Office of Diversity and Inclusion has actively promoted the Principles of Community. The values are widely distributed around Iowa State. They are featured on posters in many campus buildings, on banners flanking campus sidewalks, incorporated into class syllabus and student welcomes, featured on the Iowa State University website, and explained in a Principles of Community video. **Having successfully promoted the Principles of Community on campus, the Office of Diversity and Inclusion is reaching out beyond ISU campus to the Ames community to help share the message of inclusivity, tolerance, and respect.** By incorporating the Principles of Community off campus, Iowa State students would experience a seamless transition from the university environment into the community.

The Ames City Council is being asked to embrace the Principles of Community campaign by introducing the values to community members through co-branded marketing materials. This would be one very visible and obvious way to support the City Council goal of “Promoting a Sense of One Community.”

By using our in-house graphics capabilities, the Public Relations Office could replicate the Principles of Community messaging and expand it beyond students to citizens. It is believed the town-and-gown partnership will be strengthened through the mutual support for the principles and their appearance not only on campus but through public buildings such as City Hall and the Ames Public Library.

As it was developed years ago, the Principles of Community focuses on the student experience. **With the urging of the Office of Diversity and Inclusion, the co-branded message would expand and represent all community members. Rather than affirming the “kind of community we aspire to create at Iowa State,” the revised Principles of Community would affirm the “kind of city we aspire to create in Ames.”**

Principles of Community (With modifications shown for a community campaign)

Respect: We seek to foster an open-minded understanding among individuals, organizations and groups. We support this understanding through outreach, increasing opportunities for collaboration, ~~formal education programs~~ and strategies for resolving disagreement.

Purpose: We are encouraged to be engaged in the ~~university~~ community. Thus, we strive to build a genuine community that promotes the advancement of knowledge, cooperation and leadership.

Cooperation: ~~We recognize that the mission of the university is enhanced when we work together to achieve the goals of the university. Therefore~~ We value each member of the ~~Iowa State University~~ our community for their insights and efforts, collective and individual, to enhance the quality of ~~campus~~ life.

Richness of Diversity: We recognize and cherish the richness of diversity in our community ~~university experience~~. Furthermore, we strive to increase the diversity of ideas, cultures and experiences throughout the ~~university~~ community.

Freedom from discrimination: We recognize that we must strive to overcome historical and divisive biases in our society. Therefore, we commit ourselves to create and maintain a community in which everyone ~~all students, staff, faculty and administrators~~ can work together in an atmosphere free from discrimination, and to respond appropriately to all acts of discrimination.

Honest and respectful expression of ideas: We affirm the right to and the importance of a free exchange of ideas at ~~Iowa State University~~ within the bounds

of courtesy, sensitivity and respect. We work together to promote awareness of various ideas through education and constructive strategies to consider and engage in honest disagreements.

Examples of the Iowa State University Principles of Community and what the Ames co-branded posters could look like are included in Example 1 and Example 2.

Principles of Community

RICHNESS OF DIVERSITY

No two people in Ames are the same—
and that's a good thing.

RESPECT FREEDOM FROM DISCRIMINATION COOPERATION PURPOSE EXPRESSION OF IDEAS RICHNESS OF DIVERSITY



RESPECT FREEDOM FROM DISCRIMINATION COOPERATION PURPOSE EXPRESSION OF IDEAS RICHNESS OF DIVERSITY

We recognize and cherish the richness of diversity in our community experience. Furthermore, we strive to increase the diversity of ideas, cultures and experiences throughout the community.



IOWA STATE UNIVERSITY

RICHNESS OF DIVERSITY

No two people at Iowa State University are
the same—and that's a good thing.



We recognize and cherish the richness of diversity in our university
experience. Furthermore, we strive to increase the diversity of ideas,
cultures and experiences throughout the university community.

ALTERNATIVES:

1. Approve the request from Iowa State University to collaborate and co-brand the Principles of Community for inclusion in public buildings. Also, make the campaign available to private organizations who ask to participate.
2. Do not approve the collaboration with Iowa State University at this time.

MANAGER'S RECOMMENDED ACTION:

The City staff was first approached by the ISU Office of Diversity and Inclusion to collaborate on this initiative. While the “Principles of Community” campaign appears to be in support of the City Council’s goal of “Promoting a Sense of One Community”, the staff did not want to proceed with the co-branding without first obtaining approval from the City Council.

Staff believes that this collaboration is an effective and simple way to promote one of the Council’s goals and will not result in significant City expenditures or staff time. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1.

COUNCIL ACTION FORM

SUBJECT: REQUEST FROM MOTHER'S PUB (2900 WEST STREET) TO ALLOW ALCOHOL SERVICE AT A SIDEWALK CAFÉ

BACKGROUND:

In 2017, the City Council adopted new regulations regarding Sidewalk Cafés. These regulations allow for alcohol service in certain circumstances. Establishments that, under Section 17.16 of *Municipal Code*, may allow minors on the premises are permitted to serve alcohol at their sidewalk cafés without prior special approval. These applications are approved by staff. Establishments that are not allowed to have minors on the premises under Section 17.16 of *Municipal Code* must request approval from the City Council to serve alcohol at their sidewalk cafés.

Mother's Pub (2900 West Street) has submitted a request to implement a sidewalk café and serve alcohol at it. Mother's Pub has a Class C Liquor License and, because a majority of its sales come from selling alcoholic beverages during portions of the day, may not have minors on the premises after 4:00 p.m., according to Section 17.16 of *Municipal Code*. Therefore, approval from the City Council is required to allow alcohol service at its proposed sidewalk café. Additionally, approval of an Outdoor Service Privilege is necessary to allow alcohol service in the proposed café.

The sidewalk café regulations call for the City Council to consider requests from establishments in Mother's Pub's situation on a case-by-case basis. The Code specifies that the City Council shall consider the following factors when presented with a request:

Site Conditions – Mother's Pub's proposed site is open and unobstructed by existing street furniture, utility accesses, or other equipment. This is a particularly wide area of sidewalk, and the only potential obstruction is a single parking meter stand. The proposed sidewalk café will utilize five tables and will take up five feet of the 13-foot sidewalk. There are several large windows in the front of the establishment that will allow staff to monitor the entire sidewalk café from inside the building. Management at the establishment indicate that there will always be at least two staff members present who can check the café regularly and monitor it for issues.

Compliance History/Staff Training – This is the second year in which Mother's Pub will operate a sidewalk café with alcohol service. A review of Police records indicates a few calls for service at Mother's Pub in recent history. Five employees of the establishment attended Police-sponsored ID card training within the past year.

Other Factors the Council Deems Relevant – Requests such as this are rare. In prior instances, the City Council has not indicated any additional factors that should be taken into consideration by staff when evaluating these requests. However, should the City

Council have specific concerns now, staff could request additional information from the applicant before the Council moves forward with approving or denying the request.

In addition to the above three specific issues the Council must take into consideration with this request, the *Municipal Code* requires that any sidewalk café at which alcohol is served must operate with additional restrictions compared to those where alcohol is not served. The additional, required restrictions that would apply to Mother's Pub are:

- Patron ingress and egress shall be controlled and continually monitored by staff
- No alcoholic beverages may be sold or served later than 10 p.m.
- Patrons may not consume outside beverages on the premises

Finally, the *Municipal Code* empowers the City Council to impose special conditions on any sidewalk café granted an exception to dispense alcohol if it feels such restrictions are appropriate.

It should be noted that in other instances where exceptions of this type are requested, the Council's approval has only been valid for the current sidewalk café season. Approval from the City Council is required for subsequent years, thereby allowing staff to report regarding the safety and success of the alcohol service.

ALTERNATIVES:

1. Approve the requests from Mother's Pub for an Outdoor Service Privilege and a waiver to allow alcohol service at its sidewalk café during the 2019 sidewalk café season.
2. Refer the request to staff for additional information.
3. Deny the request.

CITY MANAGER'S RECOMMENDED ACTION:

The service of alcohol at sidewalk cafés is a new experience for the City. City staff has on occasion had issues with compliance at bars hosting events where alcohol is being served outside. Due to both these factors, City staff believes requests to serve alcohol outside on an ongoing basis at establishments where little to no food service will occur should be closely scrutinized.

In this instance, the establishment has good compliance record, and the site conditions and other factors lend to a more easily controlled environment where alcohol would be served. The applicant appears to have a good understanding of the requirements in place for compliant service.

The Council should note that the alternatives presented indicate approval is for only the 2019 sidewalk café season (April through October, according to *Municipal Code*). Sidewalk café applications must be completed anew each season; they do not

carry over from year-to-year. The experience from this season can be evaluated if Mother's Pub requests to be able to host a sidewalk café again in the future.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the requests from Mother's Pub for an Outdoor Service Privilege and a waiver to allow alcohol service at its sidewalk café during the 2019 sidewalk café season.



MEMO

Item No. 42

To: Mayor Haila and Members of the Ames City Council
From: Sara Van Meeteren, Building Official
Date: August 7, 2019
Subject: Rental Code Changes

The Ames City Council made the following motions at the July 23, 2019 Council Meeting:

Directed staff to include making illegal rentals ineligible for LOCs for one year. (Amendment to Sec. 13.301(1) shown in italics on attachment).

Directed staff to include the ability to issue an order for Rent Abatement in toolbox. (New Sec. 13.104(2)(f))

Directed staff to freeze bedrooms in Near Campus Neighborhoods. (Removed the strikethrough text in Sec.13.503(4)(e)(iii))

Draft ordinances for these motions are attached. If Council desires to move forward with these ordinances, they should place them on a future agenda for first reading.

After discussion of these items, staff will disseminate draft ordinances to the landlords, realtors, neighborhood representatives and students so that they are aware of the future meeting and are able to submit their feedback.

ORDINANCE NO.

AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING A NEW SECTION THEREOF, FOR THE PURPOSE OF RENTAL CODE CHANGES CHAPTER 13 REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; PROVIDING A PENALTY; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ENACTED, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting a new Section as follows:

“Sec. 13.104. VIOLATIONS AND ENFORCEMENT.

(2) Enforcement.

...

(f) Rent Abatement.

i.) The Building Official may order rent abated when the Building Official determines that the owner has, after issuance of a notice of violation of this chapter:

a.) Failed to provide an essential service (water, sewer, electricity, heat);

b.) Failed to remedy a condition that poses a substantial risk to the health or safety of the tenant;

c.) Rented a dwelling unit without a valid Letter of Compliance; or,

d.) Failed to make corrections as required in the inspection report.

(ii) Rent abatement means that the owner may not recover rent from the tenant.

Rent shall be abated until the condition for which rent abatement was ordered has, in the judgment of the Building Official, been remedied.

(iii) The Building Official shall provide a copy of the rent abatement order to the owner at the address on the rental permit and to the tenant by U.S. mail and by posting the entrance door to the dwelling unit. Notice of termination of the rent abatement will be given in the same manner.

Sec. 13.301. LETTER OF COMPLIANCE (LOC)

(1) Letter of Compliance required.

No owner or operator shall rent, or offer for rent, any dwelling unit for use in whole or in part for human habitation, unless:

(a) it is registered as a rental dwelling with the Inspection Division, and

(b) a valid Letter of Compliance has been issued, or is pending, subject to inspection approval.

Properties determined to have been rented without a valid Letter of Compliance are ineligible for a Letter of Compliance for a period of one year beginning on the date in which City staff determined the property was being illegally rented. The property cannot be leased during this year.

...

Sec. 13.503. OCCUPANCY LIMITATIONS

...
(4)

...

(e)

...

(iii) For ~~rental~~ dwelling units located within the Near Campus Neighborhoods ~~and that are registered as of January 1, 2018,~~ the number of bedrooms for determining maximum occupancy shall be determined by the number of bedrooms listed in the records of the Ames City Assessor as of January 1, 2018, or by the number of bedrooms reflected in the inspection records of the City of Ames Inspection Division as of January 1, 2018, whichever number is higher.

13.503

(4)

(e)

~~(iv) For rental dwellings located within the Near Campus Neighborhoods for which a registration is being sought after January 1, 2018, the number of bedrooms for determining maximum occupancy shall be determined by an inspection of the Inspection Division.”~~

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable as set out by law.

Section Three. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this _____ day of _____, _____.

Diane R. Voss, City Clerk

John A. Haila, Mayor

COUNCIL ACTION FORM

SUBJECT: PURCHASE OF 1417 DOUGLAS AVENUE IN CONJUNCTION WITH THE CITY'S ACQUISITION/REUSE AFFORDABLE HOUSING PROGRAM

BACKGROUND:

As part of the City's Dangerous Building Code, subsections of Chapter 5 (5.401) of the Ames Municipal Code, the property at 1417 Douglas Avenue, owned by Phyllis Range was declared a dangerous structure on May 7, 2019. This decision was upheld by the Board of Appeals at their June 3, 2019 board meeting and was authorized to be demolished.

Since that time the Building Official has been working closely with the property owner to determine when the property would be demolished. The owner stated that she did not have the financial means to have the property demolished, especially considering that the property may contain asbestos that would need to be removed before the property could be demolished. The Housing Coordinator was then consulted to determine if CDBG or Affordable Housing funds could be utilized for this particular situation. **After determining that the property is located in a Residential Low Density Zone (RL), and is in a very deteriorated and unslightly condition, it was determined that the property could meet the criteria for purchase under the goal of the Acquisition/Reuse Affordable Housing Program.** Council members will remember that the purpose of this program is to acquire for sale and/or vacant/abandon single-family properties to make available for low-income homebuyers and/or sale to an eligible non-profit organization for them make available to a low-income individuals and/or households. The staff met with the property owner to discuss the financial obligations and options and that were available for their consideration. The owner later contacted staff to indicate that she decided that she would like to sell the property to the City of Ames.

It was agreed that the owner would sell the property to the City of Ames in the amount of \$11,532.00, however, after deductions to be paid on behalf of the property owner for back property taxes, abstracting, title search, etc, the net amount received by the property owner will be approximately \$8,000 +/-. The purchase agreement signed by the property owner also stipulated that this agreement is contingent upon City Council approval (see attached Purchase Agreement).

If approved by City Council, the next step would be to close the sale and proceed with determining the cost for asbestos removal and demolition of the structure. Staff anticipates those costs could run approximately \$30,000 to \$45,000. Due to the urgency of the situation, it was determined to use funding from the Citywide Affordable Housing Fund. It was also determined that once the structure was removed and sold, the proceeds of the sale would be returned to the Citywide Affordable Housing Fund to recoup the cost of the acquisition, demolition, and asbestos remediation.

ALTERNATIVES:

1. The City Council can approve the borrowing from the Citywide Affordable Housing Fund of approximately \$11,532 for the purchase of the property and approximately \$45,000 for asbestos removal and demolition of the structure at 1417 Douglas Avenue and approve the re-selling of the lot with the proceeds used to reimburse this fund.
2. The City Council can reject the use of the Citywide Affordable Housing Fund to purchase the property.

Under this alternative, City would proceed with the demolition of the structure and place a lien of the property for the expenses incurred. It is uncertain whether the City would ever be reimbursed for the expenses should the property go to a “tax sale.”

3. The City Council can refer the item back to staff for more information.

MANAGER'S RECOMMENDED ACTION:

The purchase of this property is consistent with the goals and priorities adopted in our 2014-18 Consolidated Plan, under the Acquisition/Reuse Program. The purpose of this activity is to acquire for sale and/or vacant/abandon single-family properties to make available for low-income first-time homebuyers and/or sale to an eligible non-profit. But, most importantly in this case, this removes a dangerous building from one of our viable core neighborhoods.

Given the two alternatives, the opportunity to be reimbursed for the City expenses seems more prudent than relying on a future tax sale which might not yield adequate or timely reimbursement. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby approving the borrowing from the Citywide Affordable Housing Fund of approximately \$11,532 for the purchase of the property and approximately \$45,000 for asbestos removal and demolition of the structure at 1417 Douglas Avenue and approve the re-selling of the lot with the proceeds used to reimburse this fund.

The use of the Citywide Affordable Housing Fund in this case should not be viewed as precedent setting. Once our 2019/20 CDBG Action Plan is approved by HUD, \$400,000 will be available to acquire similar properties in the future. The approval by HUD could take a number of months before the City is authorized to utilize the CDBG funds.

Real Property Purchase & Sale Agreement

THIS IS AN AGREEMENT made by and between Seller and Buyer upon the following terms and conditions:

1 **Definitions & Summary.** As used in this Agreement, unless otherwise required by the context:

1.1 "Effective Date" means August _____, 2019, which is the date this Agreement became effective by its execution by both of the parties hereto.

1.2 "Seller" means **Phyllis Range**, whose address for the purpose of this Agreement is: _____

1.3 "Buyer" means the **City of Ames, Iowa**, an Iowa municipal corporation, whose mailing address for the purpose of this Agreement is: 515 Clark Avenue, Ames IA 50010.

1.4 "Purchase Price" means ^{U.S.} **\$11,532.00**.

1.5 "Real Property" means the real property, together with all easements and servient estates appurtenant thereto, located at 1417 Douglas Avenue in the City of Ames, Story County, Iowa (Parcel No. 05-35-379-040) and legally described as follows:

Lot 4, Block 2, Harriman's Addition to Ames, Story County, Iowa.

The foregoing legal description, if abbreviated or inaccurate, shall be amended as necessary to conform to the correct and proper legal description as shown by abstracting or surveying as provided in this Agreement.

1.6 "Closing Date" is no later than 30 day of the approval of this Agreement by the City Council for the City of Ames, Iowa.

1.7 "Date of Possession" shall be the Closing Date, the date on which Buyer are to receive possession of the Real Property from Seller and are thereafter entitled to the beneficial use of the Real Property.

1.8 "Closing" means a meeting of Seller and Buyer, or their agents, at which the transaction contemplated by this Agreement is finally concluded by delivery of a deed conveying title in the Real Property to Buyer and payment of the purchase price to Seller.

1.9 "Agreement" means this instrument as signed by Seller and Buyer.

2 **Sale & Purchase.** Buyer agrees to buy and Seller agrees to sell the Real Property upon the terms and conditions set out in this Agreement.

3 **Purchase Price.** Buyer agrees to pay the total Purchase Price for the Real Property to Seller as follows:

3.1 **Payment at Closing.** At the Closing of this Agreement, Buyer agrees to pay to Seller the the Purchase Price in the amount of \$11,532.00 as may be adjusted by other provisions of this Agreement. Payment shall be in the form of a check payable to the Seller issued by a commercial bank doing business in the state in which the Real Property is located and insured by the Federal Deposit Insurance Corporation.

4 **Closing.** The Closing of this Agreement shall take place on the Closing Date above stated at the offices of the City Clerk of Ames, Iowa, or such other time and place as the parties may mutually agree. At Closing, Seller shall furnish, *if applicable and as required*: the deed; a bill of sale for included personal property; a Title Guaranty or title insurance affidavit; a mechanic's lien affidavit; an assignment of leases; tenant and mortgagee estoppel letters; the Iowa Department of Revenue's required Declaration of Value Statement; the Iowa Department of Natural Resources' required Groundwater Hazard Statement; a certificate duly executed by Seller under penalty of perjury certifying that each Seller is not a "foreign person" as may be required under

- 26 U.S.C. sec. 1445, as amended, and any regulations thereunder; and any corrective title instruments. The Iowa Real Estate Transfer Tax pursuant to chapter 428A of the Code of Iowa, the cost of preparing instruments necessary to convey title, and costs of recording instruments required to cure title deficiencies and to document authority of or reliance on Seller's authority to convey shall be paid for by Seller. Seller transfer tax, real property taxes, and similar charges to the Seller customarily paid by a seller shall be offset against the purchase price at Closing. Seller shall timely provide to Buyer or Buyer's agents the pay-off statements for all mortgages or other liens encumbering the Real Property. Buyer or Buyer's agents may, at their discretion, withhold from the Purchase Price the sums due such creditors together with such interest and fees as determined by Buyer or Buyer's agents necessary for the release of the liens and remit such sums directly to such creditors on behalf of Seller. Seller's groundwater hazard statement will state that there are on the Real Property no (1) wells, (2) solid waste, (3) hazardous waste, (4) underground storage tanks, (5) private burial sites, or (6) private wastewater systems.
- 5 **Lien Contingency.** If the total amount required to payoff and release any liens attaching to the property, including mortgages, exceeds the Purchase Price, this Agreement shall be null and void, and Buyer shall have no obligation to proceed to closing. Any and all sums provided by Buyer to Seller, if any, shall be returned to Buyer forthwith.
 - 6 **City Council Approval.** This Agreement shall be subject to the approval of the City Council of Ames, Iowa. If such approval should be denied, this Agreement shall thereupon become null and void and all sums paid hereunder to Seller, if any, shall be returned to Buyer forthwith.
 - 7 **Date of for Accruals.** If Seller and Buyer hereafter select an alternate Date of Possession, such alternate date shall become the effective date for the accrual of interest earned under this Agreement and the proration of real estate taxes, utility charges, and rentals.
 - 8 **Tenants.** Seller certifies and represents that there are no tenants occupying the Real Property and that this Agreement is not subject to the leasehold rights of tenants presently.
 - 9 **Real Property Taxes.** Real property taxes are levied annually upon the Real Property by public authorities for each fiscal year ended June 30 (the "levy year") and are payable during the subsequent fiscal year (the "collection year") without penalty, if paid in two equal installments on or by September 30 and March 31 of the collection year. Seller agrees to pay all of the real property taxes previously levied upon the Real Property (the amount due if paid in full during August 2019 is \$2,432, which shall be offset against the Buyer's proceeds as set forth in Paragraph 4 above). Real property taxes are currently unpaid and delinquent for fiscal year 2017 (installments due and delinquent for September 2018 and March 2019); and Seller shall be responsible for payment of any and all delinquent property taxes. Buyer shall be responsible for real property taxes for fiscal year 2018 (due September 2019 and March 2020).
 - 10 **Property Status – "As Is."** Buyer acknowledges that they have made a sufficient and satisfactory inspection of the Real Property and are purchasing the Real Property in its "as is" condition.
 - 11 **Risk of Casualty Loss on Seller.** Seller agrees to keep in force at their expense until the Date of Possession existing insurance policies insuring against loss by fire, tornado and other casualties customarily covered by extended coverage all improvements now or hereafter constituting a part of the Real Property. Seller assumes all risk of loss to the Real Property due to fire, storm or other casualty occurring before the date of possession. If any of the Real Property is substantially damaged or destroyed by fire, storm or other casualty before the Date of Possession, Seller shall promptly notify Buyer thereof and furnish to Buyer a written statement of the amount of any insurance payable on account thereof. For purposes of this Agreement, the Real Property shall be deemed to be substantially damaged if the cost of replacement or repair of all damage before the Date of Possession will exceed \$1,000. Within ten days after receipt of notice of any such damage or destruction and the written statement of insurance payable on account thereof, Buyer may elect to terminate this Agreement by written notice of termination to Seller. Up-

on such termination, any part of the purchase price previously paid shall be promptly refunded to Buyer, and thereafter neither Buyer nor Seller shall have any further obligation under this Agreement. If Buyer fail to make such election to terminate, Seller shall apply all insurance proceeds payable by reason of such damage or destruction to the payment of the purchase price and any excess proceeds shall be payable to Buyer. If the Real Property is not substantially damaged, it shall be repaired or replaced at Seller's expense before the Date of Possession. All insurance proceeds payable by reason of damage which Seller are obligated to repair or replace shall be paid to Seller.

- 12 **Abstract.** Seller agrees to deliver forthwith to Buyer for Buyer's examination an abstract of title to the Real Property continued at Seller's expense to the date of this Agreement showing merchantable title in conformity with this Agreement, Iowa State Bar Association's *Iowa Land Title Standards*, and Iowa land title law. After Buyer's examination, the abstract shall be held by Seller. With delivery of the deed, Seller shall deliver the abstract to Buyer. Seller agrees to pay for any additional abstracting which may be required by acts, omissions or change in the legal status of Seller occurring before delivery of deed.
- 13 **Deed.** Upon payment of all sums owing by Buyer to Seller provided by this Agreement, Seller agrees to execute and contemporaneously to deliver to Buyer a deed conveying the Real Property to Buyer in fee simple absolute. The deed shall contain general warranties of title, provided, however, that the warranties shall be limited, with respect to the period after equitable title passes to Buyer under this Agreement, to the lawful claims of persons claiming by, through or under Seller. The deed shall be subject to: (a) Liens and encumbrances suffered or permitted by Buyer and taxes and assessments payable by Buyer. (b) Applicable zoning, subdivision, health and rental housing regulations; restrictive covenants of record; and existing easements, streets and other public right-of-way that may cross the Real Property.
- 14 **Fixtures.** All personal property that integrally belongs to or is part of the Real Property, whether attached or detached, shall be considered a part of the Real Property and included in this sale.
- 15 **Personal Property.** Prior to closing, the Seller shall remove any personal property from the Real Property at Seller's expense. Any personal property not removed by the time of Closing shall become the property of the Buyer and Seller shall lose all right, title and interest to any personal property remaining upon the property as of the time of Closing.
- 16 **Timeliness.** Timely performance is the essence of this Agreement. No delay in exercising any right or remedy, however, shall be deemed a waiver of or preclude the exercise of such right or remedy or constitute a waiver of any existing or subsequent default.
- 17 **Forfeiture.** If Buyer fails to perform this Agreement, Seller may forfeit this Agreement as provided by Iowa Code ch. 656. Buyer shall have no right of reclamation or compensation for money paid or improvements made, if any, which shall be retained by Seller as compensation for use of the Real Property, as liquidated damages, or both. Upon completion of forfeiture, Seller may treat any person in possession as tenants holding over after the expiration of a lease and may remove them as provided by Iowa Code ch. 648 or any other legal or equitable remedy.
- 18 **Foreclosure.** If Buyer fails to perform this Agreement, Seller may foreclose this Agreement as provided by Iowa Code chapter 654 and a receiver may be appointed. The period of redemption after sale provided by Iowa Code section 628.3 may be reduced.
- 19 **Attorney Fees & Costs.** Each party to this Agreement shall be responsible for their own attorney fees, if any, and court costs, if any.
- 20 **Joint Tenancy of Seller.** If, and only if, the Seller, immediately preceding the execution of this Agreement, holds the title to the Real Property in joint tenancy, this sale shall not constitute a

- destruction of that joint tenancy. In that case, all rights of the Seller in this Agreement, in the proceeds thereof, and in any continuing or recaptured rights of Seller in the Real Property, shall be and continue in Seller as joint tenants with full rights of survivorship and not as tenants in common. Buyer, in the event of the death of one of such joint tenants, agrees to pay any balance then owing under this Agreement to the surviving Seller and to accept a deed executed solely by such survivor.
- 21 **Notices.** Unless otherwise required by law, any notice or demand required or permitted by the terms of this Agreement shall be sufficient and deemed complete when expressed in writing and either (a) personally delivered to the person entitled thereto, or (b) deposited at any office of the United States Postal Service in the form of certified mail addressed to the last known mailing address of the party entitled thereto, or (c) served on the party entitled thereto in the manner of an original notice under the Iowa Rules of Civil Procedure, or (d) delivered electronically with acknowledgment of delivery by the receiver, or (e) delivered by a reputable private courier service, such as FedEx or UPS, which provides and does provide evidence of delivery to the party.
- 22 **Affidavit As To Mechanic's Liens.** Seller shall furnish to Buyer at the time of Closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statements, claims of lien or potential lienors known to Seller and further attesting that there have been no improvements or repairs to the Real Property for 90 days immediately preceding the date of Closing. If the Real Property has been improved or repaired within that time, Seller shall deliver releases or waivers of mechanics' liens executed by all general contractors, subcontractors, suppliers and materialmen in addition to Seller's lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers and materialmen and further affirming that all charges for improvements or repairs which could serve as a basis for a mechanic's lien or a claim for damages have been paid or will be paid at the Closing of this Agreement.
- 23 **Broker's Commission.** Seller and Buyer represent, respectively, that they have not engaged or used the services of a broker at any time for purposes of consummating the transaction represented by this Agreement and that no broker is entitled to any compensation as a result of the consummation of the transaction represented by this Agreement.
- 24 **Due Diligence.** Buyer shall have full and continuing access to the Real Property and all parts thereof, as well as to all papers and documents of Seller as they relate to the title, physical condition, development, and operation of the Real Property. Buyer and Buyer's agents shall have the right to enter upon the Real Property at any time after the execution and delivery of this Agreement for any purpose whatsoever, including inspecting, surveying, engineering, test boring, performance of environmental tests, and such other work as Buyer shall consider appropriate, excluding grading and site preparation. Buyer shall have the right to make such inquiries of governmental agencies, utility companies, and others and to make feasibility studies and analyses as Buyer shall consider appropriate. All of the rights exercised under this paragraph shall be upon the conditions that Buyer shall, at Buyer's sole cost, restore the real Property to the condition before Buyer's inspection.
- 25 **Certification.** Seller certifies that Seller is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any executive order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control and that the party is not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation.
- 26 **Entire Agreement.** This instrument constitutes the entire agreement between the parties with respect to the subject matter thereof and supersedes all prior oral or written agreements,

statements, representations, and promises. No addition to or change in the terms of this Agreement shall be binding upon the parties unless it is expressed in a writing signed by the parties.

27 **Parties.** Words and phrases used in this Agreement shall be construed as in the single or plural number and as the masculine, feminine or neuter gender according to the context. "Parties" refers to both Seller and Buyer together. "Party" may refer to either a Seller or a Buyer. If a Seller or a Buyer, as defined in this Agreement, consists of two or more entities or persons, each is jointly and severally liable and responsible for the duties and warranties of that party. Notice given to or knowledge of any condition by any one member of a party that consists of two or more entities or persons is deemed had by the party and all its constituent members.

28 **Interpretation.** This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Iowa. The paragraph headings in this Agreement are for convenience only and in no way define or limit the scope or intent of any provisions of this Agreement. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

IN WITNESS OF THIS Agreement Seller and Buyer have executed this instrument under date of _____, 2019.

SELLER: Seller has executed this instrument on 7.26, 2019.


PHYLLIS RANGE
A.

BUYER: As set forth in Resolution No. _____, the Buyer has approved this instrument on _____, 2019.

ATTEST: DIANE R. VOSS, City Clerk

JOHN A. HAILA, Mayor

COUNCIL ACTION FORM

SUBJECT: VACATION OF PUBLIC UTILITY, SURFACE WATER FLOWAGE, AND STORM SEWER EASEMENTS AT 397 WILDER AVENUE

BACKGROUND:

The Parks and Recreation Department is planning to construct a future City park at 397 Wilder Avenue (see Attachment A). Currently, public utility, surface water flowage, and storm sewer easements exist over the entire lot, which is owned and maintained by the Sunset Ridge property owner's association. Prior to development of the park, this lot is to be split by into two separate parcels by plat of survey (see Attachment B). Parcel A will be given to the City for the future park and Parcel B will remain under the ownership of the Sunset Ridge property owner's association.

As part of this plat, surface water flowage and storm sewer easements will be established over all of Parcel B. The revised easements on Parcel A (park parcel) will include a 10' wide public utility easement that will be established along the east edge and also surface flowage and storm sewer easements will be created over the northeast corner. **Because these easements will be established with the new plat, the current public utility, surface water flowage, and storm sewer easements over the existing lot can be vacated.**

Local utility companies were contacted regarding the proposed vacation of the existing public utility easement over the entire lot and the establishment of the new 10' public utility easement along the east edge of Parcel A. No objections or negative impacts from this change were indicated by any of the utilities.

ALTERNATIVES:

1. Set the date of public hearing as July 23, 2019 to approve the vacation of the aforementioned easements at 397 Wilder Avenue.
2. Reconsider the vacation of the aforementioned easements at 397 Wilder Avenue.

MANAGER'S RECOMMENDED ACTION:

With approval of the plat of survey for 397 Wilder Ave, the new easements will be established in their proper locations and the existing easements will become obsolete. **Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as noted above.**

ATTACHMENT A



ArcGIS Web Map



© City of Ames, Iowa makes no warranties, expressed or implied, including without limitation, any warranties of merchantability or fitness for a particular purpose. In no event shall the City of Ames be liable for lost profits or any consequential or incidental damages caused by the use of this map.

Date: 6/28/2019

1 inch = 94 feet

ATTACHMENT B PLAT OF SURVEY

INDEX LEGEND

LOCATION: OUTLOT 'H' SUNSET RIDGE SUBDIVISION
THIRD ADDITION, CITY OF AMES, STORY COUNTY IOWA

REQUESTOR: CITY OF AMES

PROPRIETOR: SUNSET RIDGE PROPERTY OWNERS
ASSOCIATION

SURVEYOR: MYRON G. DARINGER

SURVEYOR COMPANY: CITY OF AMES

RETURN TO: CITY OF AMES, PUBLIC WORKS ENGINEER
515 CLARK AVE., AMES, IA 50010



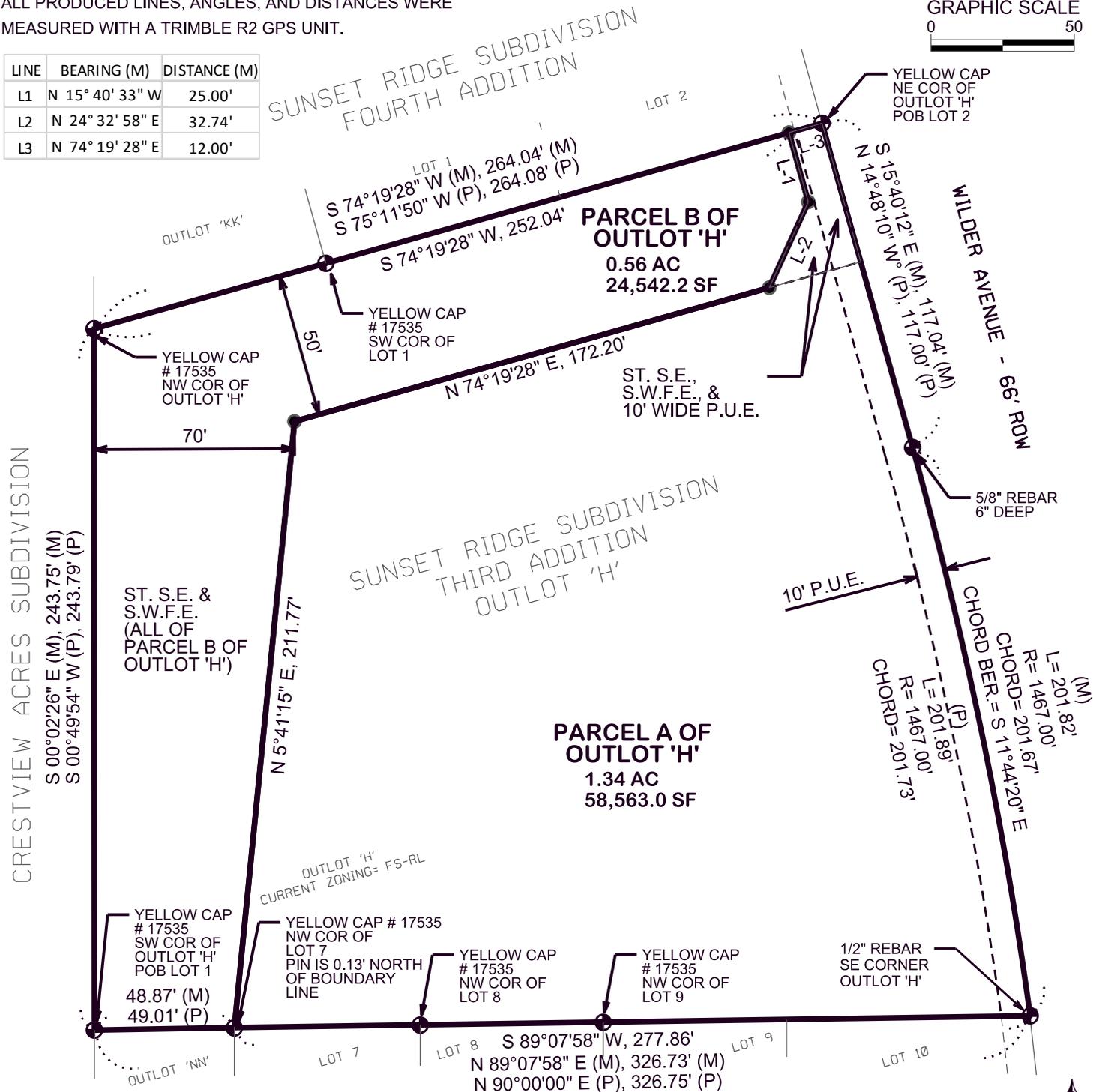
515-239-5276

SURVEYOR'S REPORT

ALL PRODUCED LINES, ANGLES, AND DISTANCES WERE
MEASURED WITH A TRIMBLE R2 GPS UNIT.



| LINE | BEARING (M) | DISTANCE (M) |
|------|-----------------|--------------|
| L1 | N 15° 40' 33" W | 25.00' |
| L2 | N 24° 32' 58" E | 32.74' |
| L3 | N 74° 19' 28" E | 12.00' |



NOTE: ALL BEARINGS ARE ASSUMED.

I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

MYRON G DARINGER
PRINTED OR TYPED NAME

MY LICENSE RENEWAL DATE IS DECEMBER 31, 2019

DATE

PRINTED OR TYPED NAME

PAGES OR SHEETS COVERED BY THIS SEAL: SHEET 1 AND 2

The Ames City Council approved this plat of survey on _____, 20____, with Resolution Number _____.

I certify that it conforms to all conditions of approval.

Planning and Housing Director

| | |
|--------------|----------|
| DATE | 05/18/19 |
| SCALE | 1" = 50' |
| DRAWN | MD |
| FIELD BOOK | 1 |
| SHEET 1 OF 2 | |



PLAT OF SURVEY

INDEX LEGEND

LOCATION: OUTLOT 'H' SUNSET RIDGE SUBDIVISION
THIRD ADDITION, CITY OF AMES, STORY COUNTY IOWA

REQUESTOR: CITY OF AMES

PROPRIETOR: SUNSET RIDGE PROPERTY OWNERS
ASSOCIATION

SURVEYOR: MYRON G. DARINGER

SURVEYOR COMPANY: CITY OF AMES

RETURN TO: CITY OF AMES, PUBLIC WORKS ENGINEER
515 CLARK AVE., AMES, IA 50010

BOUNDARY DESCRIPTION PARCEL A

PARCEL A OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA: THENCE S 15°40'12" E ON THE EAST LINE OF SAID OUTLOT 'H' BEING THE WEST RIGHT-OF-WAY OF WILDER AVENUE, A DISTANCE 117.04 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST WITH A LENGTH OF 201.82 FEET, A RADUIS OF 1467.00 FEET, A CHORD DISTANCE OF 201.67 FEET, AND A CHORD BEARING OF S 11°44'20" E, ENDING AT THE SOUTHEAST CORNER OF SAID OUTLOT 'H'; THENCE S 89°07'58" W, ON THE SOUTH LINE OF SAID OUTLOT 'H', A DISTANCE OF 277.86 FEET; THENCE N 05°41'15" E, A DISTANCE OF 211.77 FEET; THENCE N 74°19'28" E, A DISTANCE OF 172.20 FEET; THENCE N 24°32'58" E, A DISTANCE OF 32.74 FEET; THENCE N 15°40'33" W TO A POINT ON THE NORTH LINE OF SAID OUTLOT 'H', A DISTANCE OF 25.00 FEET; THENCE N 74°19'28" E ON SAID NORTH LINE, A DISTANCE OF 12.00 FEET TO THE POINT OF BEGINNING.

THE DESCRIBED BOUNDARY CONTAINS 1.34 ACRES (58,563.0 S.F.), MORE OR LESS.

OWNER: SUNSET RIDGE PROPERTY OWNERS

BOUNDARY DESCRIPTION PARCEL B

PARCEL B OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA: THENCE N 89°07'58" E ON THE SOUTH LINE OF SAID OUTLOT 'H', A DISTANCE 48.87 FEET; THENCE N 05°41'15" E, A DISTANCE OF 211.77 FEET; THENCE N 74°19'28" E, A DISTANCE OF 172.20 FEET; THENCE N 24°32'58" E, A DISTANCE OF 32.74 FEET; THENCE N 15°40'33" W TO A POINT ON THE NORTH LINE OF SAID OUTLOT 'H', A DISTANCE OF 25.00 FEET; THENCE S 74°19'28" W ON SAID NORTH LINE TO THE NORTHWEST CORNER OF SAID OUTLOT 'H', A DISTANCE OF 252.04 FEET; THENCE S 00°02'26" E ON THE WEST LINE OF SAID OUTLOT 'H', A DISTANCE OF 243.75 FEET TO THE POINT OF BEGINNING.

THE DESCRIBED BOUNDARY CONTAINS 0.56 ACRES (24,542.2 S.F.), MORE OR LESS.

OWNER: SUNSET RIDGE PROPERTY OWNERS

LEGEND

● MONUMENT FOUND
● MONUMENT SET
5/8" REBAR W/ ORANGE CAP
19758

(M) MEASURED
(P) PLATTED
(R) RECORDED
POB POINT OF BEGINNING

S.W.F.E. = SURFACE WATER FLOWAGE EASEMENT
ST. S.E. = STORM SEWER EASEMENT
P.U.E. = PUBLIC UTILITY EASEMENT

NOTE: THE CITY OF AMES, IOWA HAS THE PERPETUAL RIGHT TO CONSTRUCT, RECONSTRUCT, MAINTAIN, REPAIR AND USE UTILITY SERVICES AND APPARATUS UPON, UNDERGROUND, OVER AND ACROSS THE EASEMENT LANDS SHOWN ON THIS PLAT.

| |
|--------------|
| DATE |
| 05/18/19 |
| SCALE |
| 1" = 50' |
| DRAWN |
| MD |
| FIELD BOOK |
| 1 |
| SHEET 2 OF 2 |

Utility Easements

Know All Persons: The undersigned, Sunset Ridge Property Owners Association, an Iowa nonprofit corporation (hereinafter referred to as the “*Grantor*”), its successors and assigns, for valuable consideration, do hereby grant unto the City of Ames, Iowa, an Iowa municipal corporation, hereinafter referred to as the “*Grantee*”), upon the conditions hereinafter recited, the perpetual right to enter upon the land hereinafter described as the Easement Area for the uses set forth hereinafter, upon, across and under the Easement Area together with a perpetual right of ingress and egress between said Easement Area from adjacent public rights-of-way. The Easement Area(s) are a strip of land situated in Story County, Iowa, shown on the attached Plat of Survey, and described as follows:

For the use of a **surface water flowage and storm sewer system:**

The real property shown on **Schedule “A”** attached hereto and by this reference made a part hereof.

For **general public utility** use:

The real property shown on **Schedule “B”** attached hereto and by this reference made a part hereof.

For the use of a **surface water flowage and storm sewer system:**

The real property shown on **Schedule “C”** attached hereto and by this reference made a part hereof.

Grantee shall have the right within the Easement Area to construct, reconstruct, cover over, clean up, operate, use, maintain, and repair the systems described. The foregoing rights are granted by the Grantor and shall be accepted and exercised by the Grantee, if at all, subject to the following terms and conditions:

- 1 Obstructions Prohibited.** The Grantor, as the fee simple owner of the underlying real estate, and the Grantors’ successors and assigns, shall not erect or place within the Easement Area any building or other structure or improvement or any trees, shrubs or other landscape plantings other than grass or comparable ground cover except with the prior written consent of the Grantee. The Grantee shall have the right to prevent damage to a permitted improvement of the Grantee located in the Easement area.
- 2 Restoration.** Immediately following construction, reconstruction, or repair work by the Grantee within the Easement Area, weather and season permitting, Grantee shall return the Easement Area to its condition prior to said work, at Grantee’s sole cost, in a manner consistent with City standards.

- 3 **Nonexclusive Easement.** The easement rights granted under this instrument to the Grantee are nonexclusive. This instrument shall not preclude the Grantor from granting similar easement rights to third parties upon terms and conditions that do not impair or diminish the rights granted under this instrument to the Grantee.
- 4 **Title Warranty.** The Grantor warrants to the Grantee that the Grantor holds the Easement Area by title in fee simple; that the Grantor has good and lawful authority to grant the easement rights herein provided for; and that the Easement Area is free and clear of all liens and encumbrances.
- 5 **Successors and Assigns.** The easements rights granted under this instrument shall be binding upon successors or assigns, or both, of the Grantor and the Grantee.
- 6 **Interpretation.** Words and phrases used in this instrument shall be construed as in the single or plural number, and as masculine, feminine or neuter gender, according to the context. This instrument shall be governed exclusively by and construed in accordance with the laws of the State of Iowa. The paragraph headings in this instrument are for convenience only and in no way define or limit the scope or intent of any provisions of this instrument.

In Witness Whereof the undersigned has executed this instrument on _____, 2019.

SUNSET RIDGE PROPERTY OWNERS ASSOCIATION

By: _____
Craig Mack, President

By: _____
Jody Gatewood, Secretary

STATE OF IOWA, COUNTY OF STORY, SS.:

This instrument was acknowledged before me on July _____, 2019, by Craig Mack and Jody Gatewood, as President and Secretary, respectively, of Sunset Ridge Property Owners Association.

NOTARY PUBLIC

Schedule 'A' – Surface Water Flowage and Storm Sewer

PART OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA: THENCE S 15°40'12" E, ON THE EAST LINE OF SAID OUTLOT 'H' BEING ON THE WEST RIGHT-OF-WAY OF WILDER AVENUE, A DISTANCE 50.00 FEET; THENCE S 74°19'28" W, A DISTANCE OF 33.14 FEET; THENCE N 24°32'58" E, A DISTANCE OF 32.74 FEET; THENCE N 15°40'33" W TO A POINT ON THE NORTH LINE OF SAID OUTLOT 'H', A DISTANCE OF 25.00 FEET; THENCE N 74°19'28" E ON SAID NORTH LINE, A DISTANCE OF 12.00 FEET TO THE POINT OF BEGINNING.

THE DESCRIBED BOUNDARY CONTAINS 0.19 ACRES (864.1 S.F.), MORE OR LESS.

Schedule 'B' – Public Utility

THE EAST 10 FEET OF PARCEL "A" OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA.

Schedule 'C' – Surface Water Flowage and Storm Sewer

ALL OF PARCEL "B" OF OUTLOT 'H', SUNSET RIDGE SUBDIVISION, THIRD ADDITION, TO THE CITY OF AMES, STORY COUNTY, IOWA

COUNCIL ACTION FORM

SUBJECT: SUNSET RIDGE PROPERTY OWNERS ASSOCIATION DONATION OF PROPERTY

BACKGROUND:

The Sunset Ridge Property Owners Association (POA) has agreed to transfer 1.34 acres of an outlot to the City of Ames for the primary use as a neighborhood park. During the 2017/18 Budget hearings, the City Council committed \$80,000 in the 2018/19 Capital Improvement Program for developing this site as a neighborhood park.

The entire outlot is 1.90 acres, however, 0.56 acres to the north and to the west is a drainage way and the City was not interested in taking on the maintenance of that area. Thus the outlot was divided into two parcels (Parcel A – 1.34 acres and Parcel B – 0.56 acres) and City Council approved the Plat of Survey for this area at its July 9, 2019 meeting. City staff has confirmed that Parcel A is “clean and green” which is the standard the Council has required of previous land donations accepted by the City.

Sunset Ridge residents have been strong advocates for the addition of a park in this growing neighborhood. Parks and Recreation staff has met with residents and created a plan to develop Parcel A into a park. The POA has also been fundraising and securing in-kind contributions to supplement the City’s funding.

All legal documents have been finalized with the POA for the transfer of the property. The POA members have approved the transfer of this property to the City for the primary use as a neighborhood park.

ALTERNATIVES:

1. Accept the donation of 1.34 acres of land on Wilder Avenue from the Sunset Ridge Property Owners Association for the primary use as a neighborhood Park.
2. Do not accept the donation of this land for the primary use as a neighborhood park.

CITY MANAGER’S RECOMMENDED ACTION:

Sunset Ridge is a growing development and will have close to 300 homes when finished. The Property Owner’s Association approached the Parks and Recreation Commission regarding developing a park in the neighborhood and indicated it was

interested in deeding land to the City for this purpose. The Parks and Recreation Master Plan identifies neighborhood park service areas to cover a $\frac{1}{4}$ to $\frac{1}{2}$ mile radius. Using the $\frac{1}{2}$ mile radius, a portion of Sunset Ridge is covered by Daley Park; however, residents would need to cross Lincoln Way without a controlled intersection to get there. For this reason, the Commission could justify adding a neighborhood park in Sunset Ridge.

The City is appreciative of the Sunset Ridge Property Owners Association donating this land to the City for use as a neighborhood park. Likewise, the POA welcomes the addition of a City park to the neighborhood. The property is “clean and green” and ready for development. **Therefore, it is the City Manager’s recommendation that the City Council approve Alternative No.1, as stated above.**

S P A C E A B O V E R E S E R V E D F O R O F F I C I A L U S E

Exemption claimed:Iowa Code § 428A.2(6)

Return document to:City Clerk 515 Clark Avenue, Ames IA 50010

Document prepared by:Victoria A. Feilmeyer, City of Ames Legal Department, 515 Clark Ave., Ames, IA 50010 – 515-239-5146

Warranty Deed

KNOW ALL PERSONS: Grantor, **Sunset Ridge Property Owners Association**, an Iowa nonprofit corporation, conveys to Grantee, the **City of Ames, Iowa**, an Iowa municipal corporation, for valuable consideration, the Real Property with easements appurtenant and servient estates described as:

[See attached Exhibit 'A' for legal description].

GRANTOR conveys the Real property to the Grantee for primary use as a public park.

GRANTOR WARRANTS to Grantee and successors in interest, subject to existing easements, rights-of-way, restrictive covenants, and applicable governmental regulations, that Grantor: (1) holds title to the Real Property in fee simple; (2) holds the Real Property free and clear of all liens and encumbrances, except as may be above stated; (3) will defend the Real Property against the lawful claims of all others, except as may be stated above; and (4) has good and lawful authority to sell and convey the Real Property.

Dated _____, 2019.

SUNSET RIDGE PROPERTY OWNERS ASSOCIATION

By:

Craig Mack, President

By:

Jody Gatewood, Secretary

STATE OF IOWA, COUNTY OF STORY, SS.:

This instrument was acknowledged before me on July _____, 2019, by Craig Mack and Jody Gatewood, as President and Secretary, respectively, of Sunset Ridge Property Owners Association.

NOTARY PUBLIC

Legal Description – Exhibit ‘A’

Parcel A of Outlot ‘H’ of Sunset Ridge Subdivision, Third Addition, Ames, Story County, Iowa, as shown on the Plat of Survey filed in the office of the Recorder of Story County, Iowa, on _____, 2019, and recorded as Instrument 2019-_____, in Slide _____, at Page _____.

COUNCIL ACTION FORM

SUBJECT: PUBLIC HEARING ON SUBMITTAL OF COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM 2019-2023 CONSOLIDATED PLAN AND 2019-2020 ANNUAL ACTION PLAN

BACKGROUND:

One major requirement in receiving the Community Development Block Grant (CDBG) funds is for the City to submit a three or five-year Consolidated Plan to the federal Department of Housing and Urban Development (HUD). The Consolidated Plan is the planning document (Comprehensive Housing Affordability Strategy, or CHAS) for the jurisdiction. This plan requires detailed background information on the community, derived both from census data and other comprehensive studies performed by the community. The Plan must identify, over the selected period, the goals and priorities to address the housing and community development needs of both low and moderate-income persons and non-low and moderate-income persons.

The City of Ames has selected the five-year period to submit its plan and will complete the administration of its third five-year Consolidated Plan on June 30, 2019. CDBG regulations require that the City must now submit an updated five-year plan for the period from July 1, 2019 through June 30, 2023 along with a 2019-20 Annual Action Plan, which will cover the period of July 1 thru June 30, 2020.

The regulations require that the Consolidated and Action Plans be submitted for HUD's approval within 45 days before the beginning of the program fiscal year, which is on or before May 17, 2019. **However, staff requested and received approval to submit the plan on or before August 16, 2019, which is the maximum statutory submittal date.**

Additionally, the regulations require that both proposed Plans be published for 30 days to allow for citizen review of the proposed Consolidated Plan and Annual Action Plan project(s) for the utilization of the funds. That occurred from July 10 to August 9, 2019 (see attached Executive Summary). The City received one comment during the period (Attachment D), which is being addressed through the City's 2019 Capital Improvements Plan.

During the updating of the 2019-23 Five-Year Consolidated Plan and the required Fair Housing Impediments Study, both the ASC and the CHAS data, continued to identify the following top two as barriers and needs of the community 1) the supply of housing for lower income households for renting and 2) the cost of housing for lower income households for both renting and home buying.

The major difference from the 2014-19 data, is that the cost of housing is now #1 and the availability of housing is now #2.

Based on all of the information staff presented, on June 18, 2019, the City Council approved the proposed 2019-23 Consolidated Plan goals and priorities and approved the proposed 2019-20 Action Plan projects to be placed for public comment as outlined below:

Utilize and leverage CDBG and HOME Funds through “private, non-profit and public” partnerships to:

1. To create and expand affordable housing for low income households through:
 - Increase supply of single family or two family housing for ownership in the Neighborhood Revitalization Strategy Area (NRSA);
 - Reduce the cost burden for low income households to access or maintain rental housing citywide
 - Increase the affordability and availability of owner housing for homebuyers citywide

Staff felt that a simplified goal can be easily understood but broad enough to allow the flexibility/variety to create and implement programs during the five-year period.

In addressing the 2019-2020 Annual Action Plan projects, staff proposed the following program projects to continue to address the needs outlined in the data:

1. Utilize both CDBG and HOME funds to complete the 321 State Avenue Subdivision which will include public infrastructure and new home construction;
2. Utilize CDBG and HOME to acquire, demolish, or rehabilitate deteriorated housing city wide (as possible converting single rentals back to single family home ownership); to sale or transfer these lots or houses to non-profit housing organizations to provide to low income households for rent or purchase.

Staff believes that focusing on these two projects for the 2019-20 program year will help make an impact on the need outlined from the data, while accomplishing program projects that have been adopted in the previous action plans that have not been completed. **It is important to remember that with both CDBG and HOME funds the City Council can redirect programming each year to accomplish housing needs in the community.**

Additionally, the City received notification from HUD that its 2019-20 CDBG allocation was \$581,207 which is a \$9,113 increase from FY 18-19 and its HOME allocation for 19-20 is \$481,968, which is a \$119,926 decrease from FY 18-19.

Therefore, the proposed budgets for CDBG & HOME to address the above two projects are as follows:

| Proposed 2019-20 CDBG Program Action Plan Activities and Expenses | |
|--|--------------------|
| Homebuyer Assistance Program | \$300,813 |
| Public Infrastructure Improvements Program for State Ave for Tripp, S. Wilmoth, & South Cul-de-sac including Engineering | \$639,000 |
| GO Bonds: Public Infrastructure Improvements Program for State Ave for Tripp, S. Wilmoth, & South Cul-de-sac | \$250,000 |
| Rehabilitation/Disposition of 241 Village Dr. | \$45,000 |
| Acquisition/Reuse Affordable Housing Program | \$400,000 |
| Total Programming | \$1,634,813 |
| 2019-20 Program Administration | \$116,394 |
| Grand Total | \$1,751,207 |

| Anticipated CDBG 2019-2020 Program Revenue Sources | |
|---|--------------------|
| 19-20 CDBG Allocation | \$581,207 |
| 18-19 Anticipated Program Rollover | \$570,000 |
| 19-20 Anticipated Program Income (Stafford, Morningside) | \$350,000 |
| Total 2019-2020 | \$1,501,207 |
| Non-CDBG Revenue Resources (GO Bonds) | \$250,000 |
| Grand Total Revenues | \$1,751,207 |

| Proposed 2019-20 HOME Activities and Expenses | |
|--|--------------------|
| New Home Construction at 321 | \$883,976 |
| Total Programming | \$883,976 |
| 2019-20 Program Administration | \$120,947 |
| Grand Total | \$1,004,923 |

| Proposed 2019-2020 HOME Program Expenditures | |
|---|--------------------|
| 19-20 HOME Allocation | \$481,968 |
| 18-19 Rollover | \$747,750 |
| Adjustment for CHDO Set Aside | -\$184,795 |
| Grand Total Availability | \$1,004,923 |

Attachment A is the Executive Summary of the 2019-23 Consolidated Plan and 2019-20 Annual Action Plan. The entire 2019-23 Consolidated Plan and 2019-20 Annual Action Plan documents are available on the City’s web page at: www.cityofames.org/housing.

In addition to the 2019-23 Five-Year Consolidated Plan and the 2019-20 Annual Action Plan attached is the 2019 update to the City’s Fair Housing Impediments Study (Attachment B), the 2019 update to its Citizen Participation Plan (Attachment C).

ALTERNATIVES:

1. The City Council can approve the goals and priorities for the 2019-2023 proposed five-year Consolidated Plan and the 2019-20 Annual Action Plan Activities, the 2019 Fair Housing Impediments Study, and the 2019 Citizen Participation Plan in connection with the City’s Community Development Block Grant and HOME Programs.
2. The City Council can modify, and then approve, the goals and priorities for the 2019-2023 proposed five-year Consolidated Plan and the 2019-20 Annual Action Plan Activities, the 2019 Fair Housing Impediments Study, and the 2019 Citizen Participation Plan in connection with the City’s Community Development Block Grant and HOME Programs
3. The City Council can refer this item back to staff for further development.

CITY MANAGER'S RECOMMENDED ACTION:

These CDBG and HOME funds bring the City a unique opportunity to use federal funding to address local community development priorities. In order to qualify for receipt of these funds over the next fiscal year and the upcoming 5-year planning period, both of these documents must be approved. The above priorities and programs will help accomplish both of these purposes.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1. This action will approve the 2019-2023 proposed five-year Consolidated Plan and the 2019-20 Annual Action Plan Activities, the 2019 Fair Housing Impediments Study, and the 2019 Citizen Participation Plan in connection with the City's Community Development Block Grant and HOME Programs and authorize submittal of these documents to HUD on or before August 16, 2019.

ATTACHMENT A



PROPOSED/DRAFT

2019-2023

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) and HOME PROGRAMS

FIVE- YEAR CONSOLIDATED PLAN AND 2019-20 ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

CITY OF AMES

PLANNING AND HOUSING DEPARTMENT

515 CLARK AVE, ROOM 214

AMES, IA 50010

515-239-5400

515-239-5699-FAX

515-239-5133-TDD

WWW.CITYOFAMES.ORG/HOUSING



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Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The process for development of the Plan included identifying priority needs, establishing goals to address the needs, and then identifying projects to achieve the goals. Priority needs were determined through analysis of data and an extensive public involvement process.

The goals set forth in this Strategic Plan are in keeping with the overall mission of HUD's Community Planning and Development (CPD) Programs: Community Development Block Grants (CDBG). The statutes for these programs set three primary goals for the benefit of low-, very low- and extremely low-income persons: Provide Decent Housing, Provide a Suitable Living Environment, and Create and/or Expanded Economic Opportunities.

The Ames Promise/ Vision

Ames, Iowa, continues to be a forward-thinking community. As a city, we are committed to fostering creativity and innovation at the forefront of the world's important issues that the Midwest is uniquely positioned to address, including agriculture, veterinary medicine, sustainability, development, diversity, education, and health care.

For those who want the charms and convenience of a small town with the opportunities and amenities that come from a major university, Ames's position as an intelligent, progressive community creates a city and a region where everyone has opportunities to discover and thrive.

Ames, Iowa, is the Smart Choice!

With this Promise/Vision in mind, the City of Ames has a long standing history of having as one of its primary missions to identify, address, and implement solutions and programs that serve the needs of the elderly, disabled, homeless, extremely low-income, low-income, and moderate-income, and families in its community. In identifying the needs, the City of Ames has continued to conduct and/or partner in commissioning reports and studies to collect data to assist in determining the needs and the actions that should be taken to address those needs.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

As part of the 2019-2023 Consolidated Planning process, the City of Ames's strategies toward serving the needs of homeless, extremely low-income, low-income, and moderate-income families and households are to continue to seek public input; to continue to invest resources both physical and financial; and to continue to implement programs that will address the community's priority needs. With community participation, the following Priority Goal Objectives and Outcomes were derived:

Goals and Priorities to address Low and Moderate Income residents in the community.

1. Utilize and leverage CDBG and HOME Funds through “private, non-profit, and public” partnerships to create, sustain, and expand affordable housing for *low and moderate income* households through:
 - Increase supply of single family or two family housing for ownership in the Neighborhood Revitalization Strategy Area (NRSA);
 - Reduce the cost burden for low income households to access or maintain rental housing citywide;
 - Increase the affordability, quality, and availability of owner housing for homeowners citywide.

Goals and Priorities to address the major Housing and Community Development needs of Non-Low and Moderate Income residents in the community

1. Utilize and leverage CDBG* and HOME Funds through “private, non-profit and public” partnerships create, sustain, and expand housing for *NON-low and moderate income* households through:
 - Integrate affordable and market rate residential developments;
 - Remove blight and deteriorated housing to reuse into new housing;
 - Support and address code enforcement of deteriorated housing;
 - Remove blight and deteriorated housing in flood plain and other hazardous areas.

Based on the above Objectives, the following 2019-20 Activity Outcomes for both CDBG and HOME funds are being proposed.

(SP-35) Anticipated overview of Sources of Revenue of both CDBG & HOME for 2019-2020:

| Anticipated CDBG 2019-2020 Program Revenue Sources | |
|---|--------------------|
| 19-20 CDBG Allocation | \$581,968 |
| 18-19 Anticipated Program Rollover | \$570,000 |
| 19-20 Anticipated Program Income (Stafford, Morningside, Village, 6th) | \$350,000 |
| Total 2019-2020 | \$1,501,968 |
| Non-CDBG Revenue Resources (GO Bonds) | \$250,000 |
| Grand Total Revenues | \$1,751,968 |
| | |

| Proposed 2019-2020 HOME Program Revenues | |
|---|--------------------|
| 19-20 HOME Allocation | \$481,968 |
| 18-19 Rollover | \$747,750 |
| Adjustment for CHDO Set Aside | -\$184,795 |
| Grand Total Availability | \$1,044,923 |

Summary of SP-45-48 Proposed Summary Goals:

| | | |
|----------|--|--|
| 1 | Project Name | Acquisition/ Reuse Program for Affordable Housing |
| | Target Area | Neighborhood Revitalization Strategy Area (NRSA) and Citywide |
| | Goals Supported | Create & expand Affordable Housing for LMI Persons |
| | Needs Addressed | Increase the affordability and availability of owner housing for homebuyers citywide |
| | Funding | CDBG: \$350,000 & HOME: \$83,976 |
| | Description | Under this activity funds will be used to: a. Purchase vacant in-fill lots for redevelopment into affordable housing, which may include demolition and clearance; b. Purchase of properties for rehabilitation into affordable housing. |
| | Target Date | June 30, 2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | Anticipated (2) LMI Household/family at 80% or less of Ames MSA |
| | Location Description | See Target Area |
| | Planned Activities | Under the implementation of the Acquisition/Reuse for Affordable Housing, which will consist of the purchase of infill lots (vacant or with properties needing to be demolished and cleared); the purchase of fore-closed or blighted properties for rehabilitation, or the purchase of single-family or multi-family units that can be rehabilitated; it is anticipated that two (2) property maybe acquired for reuse into either an affordable rental or owner-occupied unit for a household at 80% or less of the Ames MSA median income limits. The activity may include demolition and clearance and/or Acquisition/Rehab. |

| | | |
|----------|--|--|
| 2 | Project Name | Homebuyer Assistance |
| | Target Area | Neighborhood Revitalization Strategy Area (NRSA) and/or Citywide |
| | Goals Supported | Create & expand Affordable Housing for LMI Persons |
| | Needs Addressed | Homebuyer Assistance for First-time Homebuyers |
| | Funding | CDBG: \$300,000 |
| | Description | The objective under this program is to provide financial assistance to qualified low- and moderate-income first-time homebuyers, with incomes at or below 80% of the AMI limits, to purchase existing and/or newly constructed single-family housing in residentially-zoned areas with the NRSA. The overall goal of the Homebuyer Assistance Program is to allow low- and moderate-income households to gain access to housing and/or improve their housing status. |
| | Target Date | June 30, 2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | Potentially 4 LMI Households at 80% or less of the Ames MSA |
| | Location Description | See Target Area |
| | Planned Activities | see above |

| | | |
|----------|--|--|
| 3 | Project Name | Public Infrastructure Improvements Program for State Avenue NRSA (including Engineering costs) |
| | Target Area | Neighborhood Revitalization Strategy Area (NRSA) |
| | Goals Supported | Create & expand Affordable Housing for LMI Persons |
| | Needs Addressed | Increase the affordability and availability of owner housing for LMI First-time homebuyers |
| | Funding | CDBG: \$719,499; \$250,000 (16-17 Roll- over General Obligation Bonds) |
| | Description | Under this activity funding for the installation of public infrastructure improvements (streets, utilities, curbs, sidewalks, etc.) to redevelop a new mixed use residential subdivision of both low and moderate and market rate housing units. Located in the City's approved designated NRSA at 321 State Avenue. |
| | Target Date | June 30, 2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | Potentially developing 37 lots, of which 19 (51%) would be LMI Households at 80% or less of the Ames MSA and 18 (49%) would be market rate |
| | Location Description | See Target Area |
| | Planned Activities | see description above |

| | | |
|---|--|---|
| 4 | Project Name | Rehabilitation/Disposition of 241 Village Drive |
| | Target Area | Neighborhood Revitalization Strategy Area (NRSA) |
| | Goals Supported | Create & expand Affordable Housing for LMI Persons |
| | Needs Addressed | Affordable Homeownership Housing |
| | Funding | CDBG: \$21,000 (18-19 funding allocation) |
| | Description | Under this activity the property will be sold to an eligible low-income First-time Home Buyer after some rehabilitation has occurred on the property. |
| | Target Date | June 30, 2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | N/A |
| | Location Description | See Target Area |
| | Planned Activities | Cover ongoing rehabilitation/ maintenance fees until property is sold |

| | | |
|---|--|---|
| 5 | Project Name | HOME Homeownership Construction Program |
| | Target Area | Neighborhood Revitalization Strategy Area (NRSA) |
| | Goals Supported | Create & Expand Affordable Housing for LMI Persons |
| | Needs Addressed | Affordable Housing Units |
| | Funding | HOME: \$562,500 |
| | Description | Under this activity the funds will be used to construct possibly 19 homes to be sold to LMI First-time Homebuyers in the NRSA at 321 State Avenue |
| | Target Date | June 30, 2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | N/A |
| | Location Description | See Target Area |
| | Planned Activities | New Home Construction |

| | | |
|----------|--|---|
| 6 | Project Name | General Administration for CDBG & HOME |
| | Target Area | CITY-WIDE/NRSA |
| | Goals Supported | Create & expand Affordable Housing for LMI Persons Maintain Development Services in the Community Address Needs of Non-LMI Persons |
| | Needs Addressed | Acquisition Reuse For Affordable Housing Homebuyer Assistance for First-time Homebuyers Rehabilitation/Disposition Programs Public Infrastructure Improvements Program New Construction; General Administration |
| | Funding | CDBG: \$116,394; HOME: \$120,947 |
| | Description | Under the activity the overall administration of the CDBG & HOME programs will occur and be expended (i.e. salaries, contractual, commodities, etc.) |
| | Target Date | 2019-20 |
| | Estimate the number and type of families that will benefit from the proposed activities | N/A |
| | Location Description | See Target Area |
| | Planned Activities | Overall day to day program administrative activities and expenses for both CDBG & HOME |

The rationale for determining the above priority objectives and outcomes are as follows:

- As reported in the 2019 update to the Fair Housing Impediments Study, the ACS and the CHAS data, continue to identify the following top two as barriers and needs of the community 1) the supply of housing for lower income households for renting and 2) the cost of housing for lower income households for both renting and home buying. The major difference from the 2014-19 data, is that the cost of housing is now #1 and the availability of housing is now #2.
- The proposed project activities are consistent with the 2019-23 Adopted Consolidated Plan goals and address the following two barriers that were outlined in the 2019 Analysis to Impediments to Fair Housing Analysis Study 1) and 2) the “cost of housing” for both renters and home buyers. the “lack of available, decent rental units in affordable price ranges”

- The proposed project activities are consistent with the needs outlined in the Comprehensive Housing Affordability Strategy (CHAS) Data, American Community Survey (ACS) and
- Analysis to Analysis of Impediments to Fair Housing Study (AI) data for the City of Ames.
- Funds have been included to contract for additional staff to accomplish the proposed project activities in FY 2019-20.
- All of the activities proposed would be of 100% benefit to low- and moderate-income persons.

Additionally, these objectives and outcomes will provide the most positive impacts on addressing the needs of homeless, extremely low-, low- and moderate-income households in the community and will be the area of focus anticipated for the Annual Action Plans over the next five (5) years in utilizing CDBG, HOME and other local and/or state funds to address these objectives and outcomes.

Therefore, we are confident that the development of this Five-Year Strategic Plan document for the City of Ames is a comprehensive, unified, cohesive vision of the strengths, gaps, and challenges of the needs of the community. It will serve as a tool to coordinate housing, community and economic development activities for the next five years, starting July 1, 2019, through June 30, 2023.

3. Evaluation of past performance

The preparation of the 2019-23 Consolidated Plan will begin the City's fourth 5-year period as an Entitlement Community. Based on reviews and monitoring by the HUD Area Field Office of the City's performance over the last fifteen years, the City has been very successful in not only meeting the regulatory and statutory requirement of the CBDG programs, but also more specifically the timely expenditures of funds within the required time period. Through the administration of the various housing, public service, public infrastructure, and public facility activities implemented, the City has achieved a 100% cumulative benefit to low- and moderate-income persons for each of the three 5-year periods, which exceeds the regulatory standard of 70%. Additionally, as a result of three monitoring reviews by HUD, the City had no major or significant findings or concerns. This was noted to be extremely rare.

4. Summary of citizen participation process and consultation process

The City of Ames has a *Citizen Participation Plan* that details the public involvement process. The Plan is available at www.cityofames.org/housing. Public participation is an on-going process, not only in preparation of the Consolidated or Action Plans but as an on-going part of the City of Ames's commitment to solicit community involvement and participation.

Prior to the required public hearings, the public is encouraged to participate in public forums each year to be educated about the program and to give input on the activities being proposed to address the needs of the community. Human service agencies, neighborhood

associations, non-profit housing providers, Section 8 participants, faith-based organizations, and other community groups and businesses receive direct mailings inviting them to attend these public forums. This is in addition to ads in the area free newspaper, press releases, Facebook postings, and Twitter announcements.

For the preparation of the 2019-23 Consolidated Plan and Action Plan process, City Council members want to be more involved in the early stages of the process to become more educated about the program and have a more hands-on involvement with citizens. This process involved conducting public forums that consisted of an overview of the CDBG Program, the format of the Consolidated and Action Plan, and the history of the City's use of the funds. From there small breakout groups were formed, in which the City Council members facilitated the discussions with citizen participants about the program, needs, concerns, and future use of the funds. From there, the small groups were then reconvened into a large group and each group shared their project ideas for consideration. This format was utilized for both the Consolidated and Action Plans. Over 27 citizens from non-profit organizations, neighborhood associations, faith-based organizations, students, county, and other area organizations attend the sessions.

In conjunction with preparing for the 5-year Consolidated Plan process, the staff also updated its Analysis Impediments to Fair Housing Study, they involved citizen input through online surveys, direct mailings and through community listening sessions for elderly and disabled citizens to gain direct input on the barriers impacting the community. Additionally, surveys were conducted with both housing producers/providers and housing consumers and for the first time to the Iowa State Student population. The other four groups of respondents were a) housing producers/providers, b) renters, c) homeowners, and d) subsidized housing renters.

5. Summary of public comments

The 30-day public comment period will begin on Wednesday, July 10, 2019, and will end on Friday, August 9, 2019. Results will be reported after this timeframe.

6. Summary of comments or views not accepted and the reasons for not accepting them

Will be reported during the public hearing.

7. Summary

Below is a summary of the **major areas** addressed in the Strategic Plan for the City of Ames based on the data from the 2013-2017 American Community Survey (ACS) data, the 2011-2015 Comprehensive Housing Affordability Strategy (CHAS) data supplied by HUD, intensive public input, 2019 Impediments to Fair Housing Analysis Study, area human service agencies, ASSET, City Departments, the State of Iowa, and other market analyses and influences.

Geographic Priorities

The City of Ames will focus its CDBG resources from a city-wide approach. The majority of the determined benefit will be based on individual income eligibility, low- and moderate-income limited clientele benefit, and low- and moderate-area benefit, (based on census tracts containing concentrations of 51% or more low- to moderate- income persons, as established by HUD), except for those census tracts that have Iowa State University student housing units.

Priority Needs

The City of Ames has identified affordable housing, community development, homelessness, and public service as priority needs to address over the next five years. High priorities for fiscal year 2019-20 include the development and maintaining of affordable housing for homeowners and renters.

Influence of Market Conditions

The high cost and lack of available housing units and land continue to be the biggest influence of market conditions for the city of Ames.

Anticipated Resources

The City of Ames anticipates the following financial resources for Fiscal Year 2019-20:

| | |
|---------------------------|----------------|
| 19-20 CDBG Allocation | \$ 581,207 |
| 18-19 Anticipated Program | 570,000 |
| 18-19 Anticipated Program | <u>350,000</u> |
| Total 2019-20 | \$1,501,207 |

| | |
|-------------------------------|--------------------|
| 19-20 HOME Allocation | \$ 481,968 |
| 18-19 HOME Program Rollover | \$ 747,750 |
| Adjustment for CHDO Set Aside | <u>-\$ 184,795</u> |
| Total 2019-20 | \$1,044,923 |

2019 CDBG Allocation
 \$581,207* 2019 HOME
 Allocation: \$ 481,968*
 \$1,063,175

*Anticipate receiving \$1,063,175 over the remaining 4 years of the Consolidated Plan period.

In addition to the objectives, outcomes, and barriers addressed throughout this Strategic Plan, one additional area that should be noted is that there exists a continual reduction in funding at both the federal (CDBG, HOME, etc.) state, and local levels. The City’s initial CDBG allocation in 2004-05 was \$589,000. The City’s CDBG allocation for 2019-20 is \$581,207, which it is still approximately over \$7,000 less than what was allocated in 2004. And although the City has qualified for HOME funds, beginning in 2018 of \$750,000, the

2019 allocation is \$451,986 (a \$268,014 decrease). In the meanwhile, the City's population and number of households has steadily increased since 2004, therefore in order to have to greater impact on the needs of the homeless, chronic homeless, extremely low-, very low- and low- and moderate-income households there must be a continued effort of additional funding from all community resources (local and state) allocated: HUD programs unfortunately cannot do it all.

ATTACHMENT B

2019 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

CITY OF AMES
PLANNING AND HOUSING DEPARTMENT
515 CLARK AVE
AMES, IA 50010
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CONDUCTED IN COOPERATION WITH COMMUNITY
DEVELOPMENT DATA INFORMATION AND ANALYSIS
LABORATORY (CD-DIAL)/ INSTITUTE FOR DESIGN
RESEARCH AND OUTREACH (IDRO), IOWA STATE
UNIVERSITY

**A PROJECT OF THE CITY OF AMES HOUSING
DIVISION, COMMUNITY DEVELOPMENT
BLOCK GRANT (CDBG) AND HOME
PROGRAMS, AMES, IOWA**

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If you have questions regarding this study or other services provided by CD-DIAL, please contact us at 515-294-0734 or nading@iastate.edu.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE, 2019

Section 1 Definition of Terms, Purpose, Methodology & Executive Summary

I. Definition of Terms

The data used in this report came from different sources. To have consistent understanding of the terms and acronyms their corresponding definitions are listed below.

(1) *Family*

The Census designation of family and households is used in this report. "A family is a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family" (U.S. Census Bureau, <http://www.census.gov/cps/about/cpsdef.html>).

(2) *Households*

A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. There are two major categories of households: "family" and "nonfamily". A family household is a household maintained by a householder who is in a family (as defined above), and includes any unrelated people (unrelated subfamily members and/or secondary individuals) who may be residing there. The number of family households is equal to the number of families. A nonfamily household consists of a householder living alone (a one-person household) or where the householder shares the home exclusively with people to whom he/she is not related (U.S. Census Bureau, <http://www.census.gov/cps/about/cpsdef.html>).

(3) *Household income categories*

Definitions of household income categories are adopted from the Community Development Block Grant (CDBG) program from U.S. Department of Housing and Urban Development (HUD). Three income levels are defined as follows.

- **Extremely low income:** 0-30% of area median income,
- **Low income:** >30-50% of area median income, and
- **Moderate income:** >50-80% of area median income.

(4) *The CHAS data*

The CHAS data (Comprehensive Housing Affordability Strategy) refer to a set of data from U.S. Census Bureau that is specially tabulated for HUD and not available through standard Census products. CHAS data demonstrates the number of **households** in need of housing assistance. This is estimated by the number of households that have certain housing problems and have income low enough to qualify for HUD's programs (primarily 30, 50,

and 80 percent of median income. In addition to estimating low-income housing needs, the CHAS data contribute to a more comprehensive market analysis by documenting issues like lead paint risks, "affordability mismatch," and the interaction of affordability with variables like age of homes, number of bedrooms, and type of building (HUD, http://www.huduser.org/portal/datasets/cp/CHAS/bg_chas.html).

(5) HAMFI

HAMFI stands for HUD area median family income. This is the median family income calculated by HUD for each jurisdiction, in order to determine Fair Market Rents (FMRs) and income limits for HUD programs (HUD, http://www.huduser.org/portal/datasets/cp/CHAS/bg_chas.html)

(6) *The American Community Survey (ACS) data*

The American Community Survey is an ongoing nationwide survey conducted by the U.S. Census Bureau every year to provide communities the current information they need to plan investments and services. It is designed to provide communities with reliable and timely demographic, housing, social, and economic data every year (U.S. Census Bureau, https://www.census.gov/acs/www/Downloads/ACS_Information_Guide.pdf).

II. Introduction

As a Community Development Block Grant (CDBG) Program Entitlement Community, the City of Ames is required by the U.S. Department of Housing and Urban Development (HUD) to conduct an analysis of impediments to fair housing choice at least once during the City's 5- Year Consolidated Plan period. This Analysis of Impediments to Fair Housing Choice, 2019 is an update of the study done in 2014.

This analysis was conducted by the City of Ames Planning and Housing Department together with Institute for Design Research and Outreach (IDRO), College of Design, Iowa State University. As an update of the 2014 analysis of impediments to fair housing choice, this analysis includes some of the responses found in 2014 survey to determine if those identified impediments and barriers still exist in Ames.

III. Purpose of the Study

The primary purpose of the analysis is to identify the impediments or barriers, if any, that the citizens of Ames have in securing safe, decent and affordable housing within the jurisdiction of the City. Special attention was given to fair housing impediments identified in the 2014 study.

Thus, most of the questions or issues were patterned after the 2014 study. Information contained in the analysis is then utilized to establish recommendations to address the impediments found.

IV. Methodology

This analysis uses both qualitative and quantitative research methods. The timing of data gathering process for the Consolidated Plan prompted the use of different sources of secondary data related to housing. The local housing statistics and information came from the census data specifically 2013-2017 American Community Survey (conducted by the U.S. Census Bureau), the 2011-2015 CHAS data, Bureau of Labor and Statistics, Iowa Workforce Development - Iowa's Employment Security Agency, and other local agencies. Along with the analysis, using secondary data, questionnaire surveys were conducted to examine a variety of local housing issues and secure the opinions and experiences of the citizens of the community.

Impact of public and private sectors in the provision of fair housing in Ames was also evaluated in this report. Housing choice can be affected by local government measures to expand and control land use through the implementation of their zoning regulations, land use policies, building codes, inspection procedures, public infrastructure, and transportation systems.

Regulatory procedures to budget allocation are factors that could impact the provision of housing. This section of the report was done by the City of Ames staff who looked at the implementation process of these regulations in relation to housing and data available on the website.

The big section of this report is the result of the surveys conducted to both housing producers/providers and housing consumers. The two main of respondents were 1) housing producers/providers such as realtors, lenders, housing service providers and property managers, and 2) housing consumers such general renters, homeowners, subsidized housing renters, and Iowa State students. Students were included in this year's survey but not in 2014 study.

The questionnaires were finalized in February, 2019 and were approved by Iowa State University's Institutional Review Board (IRB) in March, 2019. ISU requires that all surveys that involve human beings be reviewed by this office.

The lists of prospective respondents were taken from several sources. The housing provider/producer list was from different websites that provide housing to Ames residents. This group included local social services and non-profit housing providers, realtors, housing developers, landlords, property managers, and various governmental agencies involved in housing and local financial institutions. Out of 157 identified housing providers/producers, 192 respondents completed the survey.

On the housing consumer side, the list of renters was obtained from the City of Ames utilities database. Due to GIS capability of the city a separate list of renters and homeowners were obtained. An additional list of new homeowners was obtained from the assessor's office.

A total of 9,855 general renters were identified, geocoded to have a stratified random sampling, and 1875 were randomly selected to be respondents. Among them, only 31 general renters voluntarily participated in this survey.

Homeowners respondents were new Ames homeowners who purchased their houses from 2010-2018. This list was provided by the city assessor's office. Of these, 52 completed the survey.

Subsidized housing renters were tenants in the HUD Section 8 Voucher Program, tenants in the HUD assisted low-income housing complex (i.e. Eastwood, Meadow Wood of Ames, etc.), and tenants in low-income tax-credit housing (i.e. Laverne, Windsor Pointe, Prairie West apartments, etc.). This group was identified by the city's Planning and Housing Department. A total of 79 subsidized housing renters completed the survey.

An online survey using Qualtrics program, was used for following groups: housing producers/providers, renters and homeowners. Since the list obtained from the city did not have email addresses, a postcard containing the link to the survey was sent by the City of Ames Planning and Housing Department to renters and homeowners. However, an email invitation was sent directly to the housing producer/provider group by persons maintaining the database for these groups. The questionnaire was mailed directly to the subsidized housing renters to accommodate any issues related to internet access, physical, and/or mental disabilities in accessing the online survey.

To determine how many samples are needed for each group of respondents, a formula located at <http://www.surveysystem.com/sscalc.htm#one> was used. That formula suggested a certain number of completed surveys needed to adequately generalize the findings to a population, based on a 95% confidence level and confidence interval of 5. A 95% confidence level and confidence interval of 5 means that researchers can be 95% confident that the responses to the questions are within 5% of the results that would be obtained if everybody participated. For example, if 60% of the respondents agreed with a particular statement, researchers could state that they were 95% confident that 55% to 65% of the general population would agree with the statement.

The desired sample size was not nearly achieved. A total of 352 housing consumers and only 96 housing providers completed the survey. The overall response rate for this survey is 16%. (See Table 1 for response rates for each group).

Table 1. Sampling and response rate

| Group | Invited to participate | Required | Completed | Response |
|--------------------|------------------------|----------|-----------|----------|
| Producer/Provider | | | 96 | 12% |
| Realtors | 600 | | 48 | 8% |
| Rental Managers | | | 36 | 37% |
| Developer | | | 5 | 11% |
| Lender | | | 5 | 20% |
| Housing service | | | 4 | |
| Housing Consumer | | | | |
| General Renter | 1875 | 375 | 31 | 2% |
| Subsidized Housing | 225 | 119 | 79 | 35% |
| Elderly Renters | 125 | 66 | 44 | 35% |
| ISU student | 1000 | 378 | 352 | 35% |
| Homeowner | 1850 | 370 | 52 | 4% |
| Total | | | 654 | 21% |

Table 2 shows the comparison of methodology used in both 2014 and 2019. There were more completed surveys in 2019 compared to 2014 (654 and 325, respectively). A stratified random sampling was used in 2019 to make sure that the five groups of respondents were well represented. This year another group of respondents was included (ISU students). This was done to show differences in the need of the students compared to residents of Ames. The online surveys were strictly directed to the intended prospective respondents (invitation postcard indicating the link to the survey was sent directly to the randomly selected respondents).

The original plan was to have focus group sessions among the several groups of respondents. Due to time constraint, only a face-to-face interview of the elderly from subsidized housing renter group was conducted. A total of 44 elderly did the face-to-face interview.

Table 2. Methodology used and completed survey, 2014 vs. 2019

| Group | Methodology | | Completed Survey | | Response Rate | |
|---------------------------|---------------------------------|--|------------------|------------|---------------|------------|
| | 2014 | 2019 | 2014 | 2019 | 2014 | 2019 |
| Producer/Provider | online survey (random sampling) | online survey | | 96 | 21% | 12% |
| General Renter | posted on City of Ames website | online survey (random sampling) | 50 | 21 | 12% | 2% |
| Subsidized Housing Renter | mail survey | mail survey | 120 | 79 | 37% | 35% |
| Elderly Renter | | Face-to-face interview | | 44 | | 35% |
| ISU student | | online survey (random sampling) | | 352 | | 35% |
| Homeowner | posted on City of Ames website | online survey (random sampling) | 121 | 52 | 23% | 4% |
| Total | | | 325 | 654 | 23% | 21% |
| | 5 focus group sessions | 1 face-to-face interview; 1 public listening session | | | | |

This statistical report summarizes results from 654 respondents who returned usable questionnaires, including 21 general renters, 79 subsidized housing renters, 44 elderly renters, 352 ISU students, 52 homeowners and 94 housing providers/producers; and face- to-face interview of elderly renters.

V. Executive Summary

Demographic Characteristics of Housing Consumers

This analysis was done separately for housing consumers (renters, subsidized housing renters, homeowners and ISU students) and housing producers/providers.

- **Gender** - Among the 558 housing consumers, 58% were female and 42% were male. There were significantly more women among subsidized housing renters than among homeowners and renters.
- **Age** - Renters were much younger than homeowners.
- **Marital status** - Majority of the renters were single whereas 83% of homeowners were married.
- **Race** - In terms of race/ethnicity, most of the respondents were of white/European- American descent. However, subsidized housing renters were more likely to be minorities compared to homeowners and renters.
- **Household Income** - Unsurprisingly, homeowners had the highest household income, followed by general renters, subsidized housing renters, and then by ISU students.
- **Residency in Ames** – On average, subsidized housing renters have lived longer in Ames compared with general renters and students. Renters seem to move more frequently than subsidized housing renters and students.
- **Type of rental housing** – The majority of the renters (general renter, subsidized renter and students) lived in multiple unit apartment buildings.
- **Programs for subsidized rental recipients** - For the subsidized housing renters, about half (52%) were tenants in the HUD Section 8 Voucher Program, 11% were tenants in low-income tax-credit housing and the other 25% were tenants in a HUD assisted low-income complex.
- **Type of homeownership** - For homeowners, 90% lived in an owner-occupied detached single family dwellings.

Characteristics of Housing Producer/Provider

- **Housing producer role in housing** - The housing producer/provider group was represented by 49% realtors, 37% rental managers, 5% developers, 4% local service housing providers, and 2% lenders.

Housing Issues

- **Housing satisfaction** - Homeowners generally had higher satisfaction levels compared to renters and subsidized housing renters. While general renters and students had lower satisfaction level on cost and overall condition compared to homeowners, subsidized housing renters were satisfied with all of the housing features.
- **Transportation access** - The vast majority of housing consumers stated that they had reasonable access to the public transportation system (both distance to bus stop and adequate frequency)
- **Housing discrimination** - Housing discrimination is not a major issue in Ames as perceived by both housing consumers and housing producers/providers.
- **Housing areas of concern** in the provision of housing. This question was exclusively asked to the housing producers/providers only. - only two issues were considered as areas of concern: “discrimination” and “standard of living condition”
- **Housing Barrier** - The analysis of the 2019 Fair Housing Choice survey results indicates that there were few, if any, serious barriers to fair housing choice in the City of Ames. To determine if a certain housing issue was considered a barrier, the following criteria were used: mean value of 3.5 & higher, and median of 4.0 & higher. Percent distribution of 50% and higher on “agree” and “strongly agree” responses was also considered.
 - **For owning a house**
 - a) **As perceived by homeowners – cost of housing**
 - b) **As perceived by housing producers/providers**
 - lack of adequate public transportation (1st)
 - lack of knowledge of fair housing rights (2nd), and
 - lack of knowledge on how to file a fair housing complaint (3rd)
 - **For renting**
 - a) **As perceived by general renters- four barriers identified**
 - Cost of housing (1st)
 - Lack of available, decent rental units in an affordable price range (2nd)
 - Excessive rental deposit (3rd)

- Negative attitudes of landlord (4th)
- b) As perceived by subsidized housing renters – four barriers identified**
- Lack of available, decent rental units in an affordable price range (1st),
 - Cost of housing (2nd),
 - Excessive rental deposit (3rd)
 - Excessive application fees (4th)
- c) As perceived by ISU students– four barriers identified
- Cost of housing (1st)
 - Lack of available, decent rental units in an affordable price range (2nd)
 - lack of knowledge on how to file a fair housing complaint (3rd)
 - cost of utilities (4th)
- d) As perceived by housing producers/providers – top two barriers identified**
- Lack of adequate public transportation (1st)
 - Attitudes of landlords (2nd)
 - Excessive application fees and/or rental deposits (3rd)
 - Cost of utilities (3rd)
 - Use of background checks (3rd)
- *Comparison between 2014 vs. 2019 barriers to housing*
 - a) For homeowners, cost of housing was identified to be the 1st and only barrier to fair housing choice for 2019. In 2014 study, its mean value was quite low that it can't be considered as a barrier (Mean value=3.3). Housing costs include mortgage payments, property taxes, homeowner's insurance, condo fees, and basic utilities.
 - b) Cost of housing
 - 1st housing impediment for both renters and owners in 2019 but 2nd impediment for general renters for 2014 survey
 - Lack of available decent rental units in affordable price ranges
 - 1st impediment to renters as identified in both 2008 & 2014 surveys but 2nd impediment for 2019 general renter and ISU student
 - Still remains to be 1st impediment for subsidized renter and elderly

ATTACHMENT C

Appendix A Citizen Participation Plan

PURPOSE

This Citizen Participation Plan (the “Plan”) is a requirement of the Consolidated Plan process outlined in 24 CFR 91.105 of the Housing and Community Development Act of 1974 and its amendments. The Plan sets forth the steps the City shall provide for and encourage citizens to participate in the development and any substantial amendment of the Consolidated Plan and/or Annual Action Plan and the development of the Annual Performance Report.

The Consolidated Plan and each year’s Annual Action Plan guide the City’s use of Community Development Block Grant (CDBG) and HOME other federal funds, which are made available from the U. S. Department of Housing and Urban Development (HUD). The Annual Performance Report provides an assessment of the funds expended and a quantitative analysis of the program for project outcomes. The entire Consolidated Plan process shall be integrated into the City’s overall yearly goal-setting and budget process and shall provide for citizen access, designed to encourage participation by groups most directly affected during the Consolidated Plan process, as well as the general public.

The City has recognized in its City Plan Principles and Policies the importance of involving citizens in the planning and decision-making processes of government. The City intends that its programs and policies have the support of the largest possible number of people in the community. The City intends to allow and encourage all citizens to be involved during the Consolidated Plan process with opportunities to express views on housing and community development needs and to participate in planning, reviewing and assessing actions to meet those needs, proposed and performed by the City and to be informed prior to the time of any official action taken by the City Council. In particular, it is the intent to include low and moderate income persons, particularly those living in low and moderate income neighborhoods; minorities; non-English speaking persons; persons with disabilities; and residents of public and assisted housing developments, as well as organizations and agencies that serve low and moderate-income persons and other interested parties.

PARTICIPANTS IN THE CITIZEN PARTICIPATION PLAN

The development of the Consolidated Plan and Annual Action Plans is a collaborative effort of many individuals, organizations, and agencies. Each is encouraged to make requests and recommendations throughout the Consolidated Planning process. The City will conduct at least one public forum (at different times through-out the day) to educate citizens on the process of developing the plans and to seek input regarding the Consolidated Plan needs and goals, and the proposed annual projects.

The participation is the foundation of the Consolidated Planning process. Reasonable efforts will be made to make all citizens aware of the meetings and events that concern the development of the Five-year Consolidated Housing and Community Development Plan and yearly Annual Action Plans. It is the goal of the City of Ames to create ample participation opportunities for all interested citizens

including, but not limited to, minorities, non-English speaking persons, and persons with visual, mobility, or hearing impairments.

Organizations, Agencies and the City of Ames Housing Authority: The City of Ames Housing Authority, as well as other organizations and agencies involved in the development and implementation of projects to assist low-income citizens will be contacted to advise them of the Consolidated Plan process. These organizations and their clients will be encouraged to participate in the development of the Consolidated Housing and Community Development Plan and the Annual Action Plan.

Ames City Council: The City Council is the final citizen policy body that reviews and takes action on the Consolidated Plan. After receiving the Plan, the City Council considers and votes on the proposed plan. After approval at the local level, the Consolidated Plan is forwarded to the U. S. Department of Housing and Urban Development.

DEVELOPMENT OF THE CONSOLIDATED PLAN AND ANNUAL ACTION PLANS

1. Prior to proposing activities for the Annual Action Plan, staff will review the following HUD guidelines that outline the key steps that should be utilized:

- Determine if the proposed activity is included in the listing of eligible activities;
- Determine if the proposed activity meets the City's Consolidated Plan priority goals for addressing the needs of low- and moderate-income person within the community;
- Determine if the proposed activity can meet one or more National Objective;
- Ensure that carrying out the activity will help to meet the grantee's certification (of one to three years, as determined by the grantee) that 70% of its CDBG expenditures will be for activities that benefit low- and moderate-income persons; and
- Meet the new performance measurement requirements effective October 2006.

2. The City will furnish citizens with information concerning the amount of Community Development Block Grant (CDBG) funds expected to be available (including the annual grant, program income for community development and housing activities, and the range of activities that may be undertaken with those funds. The City will also make available the estimated amount that will benefit persons of low and moderate income at the public hearing on the one-year action plan.

3. The City will provide budget summary of the annual action plan in the local newspaper site in a manner that affords citizens, public agencies and other interested parties a reasonable opportunity to examine its contents and to submit comments. The entire plan and attachments will be published on the City's web site. The City will also make copies of the proposed plan available at the Planning and Housing Department office and the City of Ames Public Library for review during public hours. Ten (10) free copies of the proposed plans will be made available. One free copy will be provided to each individual or organization requesting said copy until the supply is exhausted.

4. The City will hold at least two public forum sessions during the development of the Consolidated Plan and Annual Action Plans and one public hearing prior to the submittal of the Plan (s) to HUD. The notice of the Public Forum sessions will be announced through a press release, and Public forums notices may also be sent to a listing of organizations and groups that represent the social, economic, neighborhood and business groups that may have an interest in the program, along with participants in the City's Section 8 Rental Subsidy Program.

5. There will be a 30-day comment period on both proposed Consolidated and Annual Action Plans. A 15-day comment period exception will be allowed under the following circumstances:
 - Copies of the adopted Plan will be available upon request to the City of Ames Department of Planning and Housing. The plans will also be posted on the City’s web site.
6. The City will consider any comments or views of citizens received in writing or orally at the public hearings in preparing the final Consolidated Plan. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final Consolidated Plan.

DISPLACEMENT

The City will make every reasonable effort to minimize the number of persons displaced by CDBG or HOME funded activities. In the event that a person is displaced by a CDBG or HOME undertakings, relocation assistance will be offered in accordance with the Uniform Relocation Assistance Act.

AMENDMENTS

1. The City will amend its approved plan whenever it makes a decision to make a change in its allocation priorities or a change in the method of distribution of funds; to carry out an activity using funds from any program covered by the Consolidated Plan (including program income), not previously described in the action plan; or to change the purpose, scope, location or beneficiaries of an activity.
2. The City will use the following criteria to determine what changes in the planned or actual activities constitute a substantial amendment to the Consolidated Plan; any of the following will require a substantial amendment following this citizen participation plan:
 - a. Changes in the use of CDBG funds from one eligible activity to another eligible activity that exceeds \$100,000
 - b. Carrying out a new CDBG eligible activity in an amount greater than \$100,000.

A change in the entity responsible for carrying out an activity, a change in the location of a proposed project, or any updates or corrections will not constitute a substantial amendment.

3. The City will publish a summary of the proposed substantial amendment in the local newspaper in a manner that affords citizens, public agencies and other interested parties a reasonable opportunity to examine its contents and to submit comments. The entire substantial amendment and attachments will be published on the City’s web site. The City will also make copies of the proposed substantial amendment available at the Planning and Housing Department office and the City of Ames Public Library for review during public hours. Ten (10) free copies of the proposed plans will be made available. One free copy will be provided to each individual or organization requesting said copy until the supply is exhausted.

The City of Ames will hold at least one public hearing on the proposed substantial amendment to the Consolidated Plan prior to the submittal. Notice of the public hearing will be published in the

local newspaper not less than four days or more than twenty days before the public hearing. There will be a 30-day comment period on the proposed substantial amendment to the Consolidated Plan.

4. The City will consider any comments or views of citizens received in writing or orally at the public hearings in preparing the final substantial amendment to the consolidated plan. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final amended consolidated plan.

ANNUAL PERFORMANCE REPORTS

1. The City will publish notice of the availability of the annual Consolidated Annual Performance Report (CAPER) in the local newspaper and on the City's web site. Citizens and organizations will be given the opportunity to submit comments on the CAPER during a 15-day comment period and through a public hearing that will be held each year before the submission of the CAPER to HUD.
2. The City will consider any comments or views of citizens received in writing, or orally at any public hearings. Any public comments received during the comment period or at the public hearing shall be considered and shall be summarized and attached to the Consolidated Annual Performance Report.

PUBLIC HEARINGS

1. A one public hearing prior to the submittal of the report will be held per year to obtain citizens' views and to respond to proposals and questions. These hearings will be held at different stages in the program year. Together the hearings will address housing and community development needs, development of proposed activities and review of program performance. At least one of these hearings will be held prior to the proposed consolidated plan being published for comment.
2. Notice will be published in the local newspaper(s) at least four days but not more than twenty days before the public hearings and include sufficient information about the subject of the hearing to permit informed comment, the date, time and location. The notice also will include specific information to assist persons with disabilities as well as non-English speaking citizens on how to participate in the process. In all newspaper advertisements for public hearings and in mailings for public hearings, language will be included expressing the City's desire to accommodate the above special needs, along with the Department of Planning and Housing phone number and the City's TDD number, so arrangements can be made for the services of an interpreter, signer, or reader.
3. Public hearing notices may also be sent to a listing of organizations and groups that represent the social, economic, neighborhood and business groups that may have an interest in the program.

MEETINGS

The City of Ames Planning & Housing Department will schedule meetings at sites that are accessible. Special measures will be taken to assure an opportunity for involvement by low-income persons, the elderly, handicapped and disabled persons, minorities, and civic and business interests. Also, upon request, the Planning & Housing Department shall provide interpretive services for non-English speaking and hearing impaired individuals and groups and shall provide informational handouts in

foreign languages. The arrangement and costs of such services shall be incurred by the Planning & Housing Department. Any questions or requests for special/reasonable accommodations or services for meetings should be directed at least 3 business days in advance to the Planning & Housing Department. In addition to the scheduled public hearings, the Planning & Housing Department may hold other meetings, as necessary, to further their duties and responsibilities.

ACCESS TO RECORDS

1. Information and records relating to the jurisdiction's Consolidated Plan and the jurisdiction's use of assistance under the programs covered by 24 CFR section 91.105 during the preceding five years will be available to citizens, public agencies and other interested parties. The City will reply to the written request for such information within 15 working days, where practical. The information may not be removed from the Planning & Housing Department. If copies of information are requested the normal copy charges will apply.
2. Comments and questions will be accepted throughout the year and should be addressed to: Housing Coordinator; Planning & Housing Department; City Hall, 515 Clark Avenue; Ames, Iowa 50010.
3. Citizens, public agencies and other interested parties including those most affected, shall be given the opportunity to receive information. Program records, files, and information are confidential to the extent provided by Chapter 68A of the Code of Iowa. Information not protected by this chapter, or otherwise specified by federal regulations to be public information, will be made available upon request.

TECHNICAL ASSISTANCE

The Planning & Housing Department will provide technical assistance to groups representative of persons of low- and moderate-income that provide a written request for such assistance in developing proposals for funding assistance under any of the programs covered by the Consolidated Plan. That assistance may be limited to activities that are directly associated with the Community Development Program and will be at the discretion of the Planning & Housing Community Development staff.

OBJECTIONS AND COMPLAINTS

The City will respond to written citizen complaints regarding the Consolidated Plan, amendments, and the performance report. The reply will be made within 15 working days, where practical. Complaints must be made in writing to: Housing Coordinator; Planning & Housing Department; City Hall, 515 Clark Avenue; Ames, Iowa 50010.

Citizens may contact HUD directly, if they wish, to object to any part of the Community Development Program, or if they feel that they have been aggrieved by any program, activity, or procedure funded through the Community Development Program. Such objections should be made to:

Director, Community Planning and Development Division
Department of Housing and Urban Development
Omaha Office, Region VII
Executive Tower Centre
10909 Mill Valley Road
Omaha, Nebraska 68154-3955

USE OF CITIZEN PARTICIPATION PLAN

The City will follow the citizen participation plan from the date of its adoption until it is amended or repealed.

CITY RESPONSIBILITY

The requirements for citizen participation do not restrict the responsibility or authority of the City for the development and execution of its Consolidated Plan.

CITY OF AMES

By: _____
John A. Haila, Mayor

Attest:

BY: _____
Diane R. Voss, City Clerk

STATE OF IOWA, COUNTY OF STORY: SS

On this _____ day of _____, 2019, before me, the undersigned, a Notary Public in and for said State, personally appeared John A. Haila, Mayor, and Diane R. Voss, City Clerk, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Notary Public In and For the State of Iowa

ATTACHMENT D

Page 1 of 1



Suggestion for CDBG /HOME Consolidated and 2019-20 Annual Action Plans

Nita Pandit

to:

vbakerlatimer@cityofames.org

07/15/2019 10:08 AM

Hide Details

From: "Nita Pandit" <npandit@live.com>

To: "vbakerlatimer@cityofames.org" <vbakerlatimer@cityofames.org>

History: This message has been replied to.

Hello.

I am a resident of Hickory Drive in Ames. The residential area on the north east corner of Hickory and McDonald Drive, along both streets, has long been neglected and could use improvement. I am hoping some of the funds could be used towards this purpose. It would address two of the goals of the initiative :

- Benefit persons of low and moderate income
- Aid in the prevention or elimination of slums or blight

Thanks you.

Nita Pandit
336 Hickory Drive

COUNCIL ACTION FORM

SUBJECT: WATER TREATMENT PLANT HANDRAIL MODIFICATIONS PROJECT

BACKGROUND:

Construction of the new Water Treatment Plant (WTP) was completed in 2017. Tours of the WTP are a valuable public outreach opportunity. In partnership with the Inspections Division, several handrail areas were identified as needing modifications to better protect the public after a public tour path was identified.

The City Council issued a notice to bidders on June 25, 2019, for a project to modify the handrails. Three bids were received.

| Bidder | Total Price |
|----------------------------|--------------------|
| Minturn, Inc. | \$79,800 |
| Woodruff Construction, LLC | \$135,859 |
| HPC, LLC. | \$170,000 |

The engineer's estimate for this work is \$53,600. Staff recommends rejecting the bids and reevaluating the scope of work to bring the cost down. Options include bidding part of the work and having WTP staff do the remainder or having WTP staff do all the work. Staff is also exploring the cost to completely replace a portion the handrails.

ALTERNATIVES:

1. Receive the report of bids; and reject all bids and do not award a contract at this time.
2. Accept the low bid and direct staff to proceed with the modifications to the handrails.

CITY MANAGER'S RECOMMENDED ACTION:

The bids received were higher than staff was anticipating for the scope of work requested. After receiving the bids, staff has concluded that the scope of work solicited is not the most appropriate way to proceed. Staff intends to evaluate the possibility of performing all or a portion of the modifications in-house with City labor, and to attempt to secure pricing to replace a portion of the handrails in lieu of modifying them from the original manufacturer. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.1, as described above.

COUNCIL ACTION FORM

SUBJECT: WELLHEAD CONTROLS IMPROVEMENTS AND REPAINTING PROJECT

BACKGROUND:

The Water Treatment Plant (WTP) owns and operates 22 wells throughout the community. Some of the wells are in need of electrical control upgrades. Controls on the five wells in the southeast well field (constructed in the 1980s) have reached the end of their useful life. The paint coatings on the well discharge piping are also starting to fail and need to be repainted. There are two additional wells located in the Hunziker Youth Sports Complex well field (constructed in the 2000s) that are in need of similar upgrades; these two wells will be bid as an optional add to the project, and will be included if the budget allows.

Council issued a notice to bidders on June 25, 2019. One bid was received.

| Bidder | Base bid | Bid alternate |
|----------------------|-----------------|----------------------|
| Baker Electric, Inc. | \$205,000 | \$82,000 |

The engineer's estimate for this work is \$359,000. This estimate includes the base bid, bid alternate, and a 25% contingency. The work is being completed in two separate construction contracts; the Wellhead Controls Improvements and Repainting Project (this CAF) and a separate Radio Telemetry Upgrade Project (awarded on June 25, 2019). This project was designed by City staff so there are no engineering fees associated with this project. City staff has worked with Baker Electric, Inc. on previous projects and is confident in its ability to perform the work.

The project cost is as follows:

| | |
|---|------------------|
| Wellhead Controls & Repainting (<i>this CAF</i>) | |
| Base bid 5 wells | \$205,000 |
| <u>Optional 2 wells</u> | <u>82,000</u> |
| Engineer's Estimate of Construction | \$287,000 |
| Radio Telemetry Upgrade (<i>previously awarded</i>) | |
| Contract award | \$53,200 |
| Total Project Cost | \$340,200 |

A summary of the authorized project budget is shown below.

| | |
|---|------------------|
| FY 18/19 CIP (<i>wellhead controls project</i>) | \$370,000 |
| FY 19/20 CIP (<i>well antenna project</i>) | 50,000 |
| Total Available Budget | \$420,000 |

ALTERNATIVES:

1. Award the Wellhead Controls Improvements and Repainting Project at the City's Water Treatment Facility to Baker Electric, Inc. of Des Moines, Iowa, in the amount of \$287,000.
2. Do not award a contract at this time.

CITY MANAGER'S RECOMMENDED ACTION:

The wells are important infrastructure and need to be kept in good repair. The project has been planned in the CIP and is ready to implement. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

COUNCIL ACTION FORM

SUBJECT: 2017/18 WATER SYSTEM IMPROVEMENTS – WATER SERVICE TRANSFER (10TH STREET, 12TH STREET, GRAY AVENUE, COUNTRY CLUB BLVD, AND CESSNA STREET)

BACKGROUND:

The Water System Improvements program provides for replacing water mains in areas that are experiencing rusty water problems. It also provides for installing larger distribution mains in areas that have a high concentration of 4” supply lines, transferring water services from 4” water mains in streets where larger water mains exist, and abandoning 4” water mains. Eliminating duplicate water mains improves water flow, helps reduce rusty water and enhances fire-fighting capacity.

This project will transfer water services to the newer water main and allow the old main to be abandoned. Staff has completed plans and specifications for this project with a total estimated construction cost of \$295,000.

A summary of revenue and expenses is shown, below:

| <i>Bidder</i> | <i>Amount</i> |
|-------------------------------|----------------------|
| <i>Engineer’s estimate</i> | <i>\$295,000.00</i> |
| Ames Trenching & Excavating | \$320,456.00 |
| On – Track Construction, Inc. | \$498,890.00 |

Revenue and expenses associated with this program are estimated as follows:

| | Available Revenue | Estimated Expenses |
|--|--------------------------|---------------------------|
| Water Utility Fund | \$1,300,000.00 | |
| 2017/18 Water System Improvements Program # 2 (previous project) | | \$ 544,978.01 |
| Construction (this project) | | \$ 320,456.00 |
| Engineering/Administration (overall total) | | \$ 200,000.00 |
| | <u>\$ 1,300,000.00</u> | <u>\$1,065,434.01</u> |

Remaining funds within this program will be used for future water system improvements project.

ALTERNATIVES:

1. a. Accept the report of bids for the 2017/18 Water System Improvements – Water Service Transfer (10th Street and 12th Street) project.
 - b. Approve the final plans and specifications for this project.
 - c. Award the 2017/18 Water System Improvements – Water Service Transfer (10th Street and 12th Street) project to Ames Trenching & Excavating of Ames, Iowa in the amount of \$320,456.
2. Award the contract to one of the other bidders.
 3. Do not proceed with this project.

MANAGER’S RECOMMENDED ACTION:

By improving the water systems in these local neighborhoods, residents will see improved water quality and firefighting capacity. This project was designed in accordance with the latest plans and specifications and the engineer’s estimate is below the Capital Improvement Plan funding amount.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as describe above.

COUNCIL ACTION FORM

SUBJECT: 2017/18 SHARED USE PATH SYSTEM EXPANSION (WEST LINCOLN WAY – SUNSET RIDGE SUBDIVISION TO NORTH DAKOTA AVENUE)

BACKGROUND:

This annual program provides for the construction of shared-use paths on street rights-of-way, adjacent to streets, and through greenbelts. **The location for this project is along the north side of West Lincoln Way from the Sunset Ridge Subdivision to North Dakota Avenue.** This path is identified in the Long Range Transportation Plan (LRTP) and is also an important component for continuing a Complete Streets approach along this corridor.

On August 7, 2019, bids for the project were received as follows:

| <i>Bidder</i> | <i>Total Bid Amount</i> |
|----------------------------|--------------------------------|
| <i>Engineer's estimate</i> | \$324,268.00 |
| Manatt's Inc. | \$193,618.93 |
| Con-Struct, Inc. | \$251,646.15 |
| Caliber Concrete LLC | \$298,356.93 |
| Howrey Construction, Inc. | \$338,805.97 |

The following table summarizes the funding sources, funding distribution, and expense breakdown for this project.

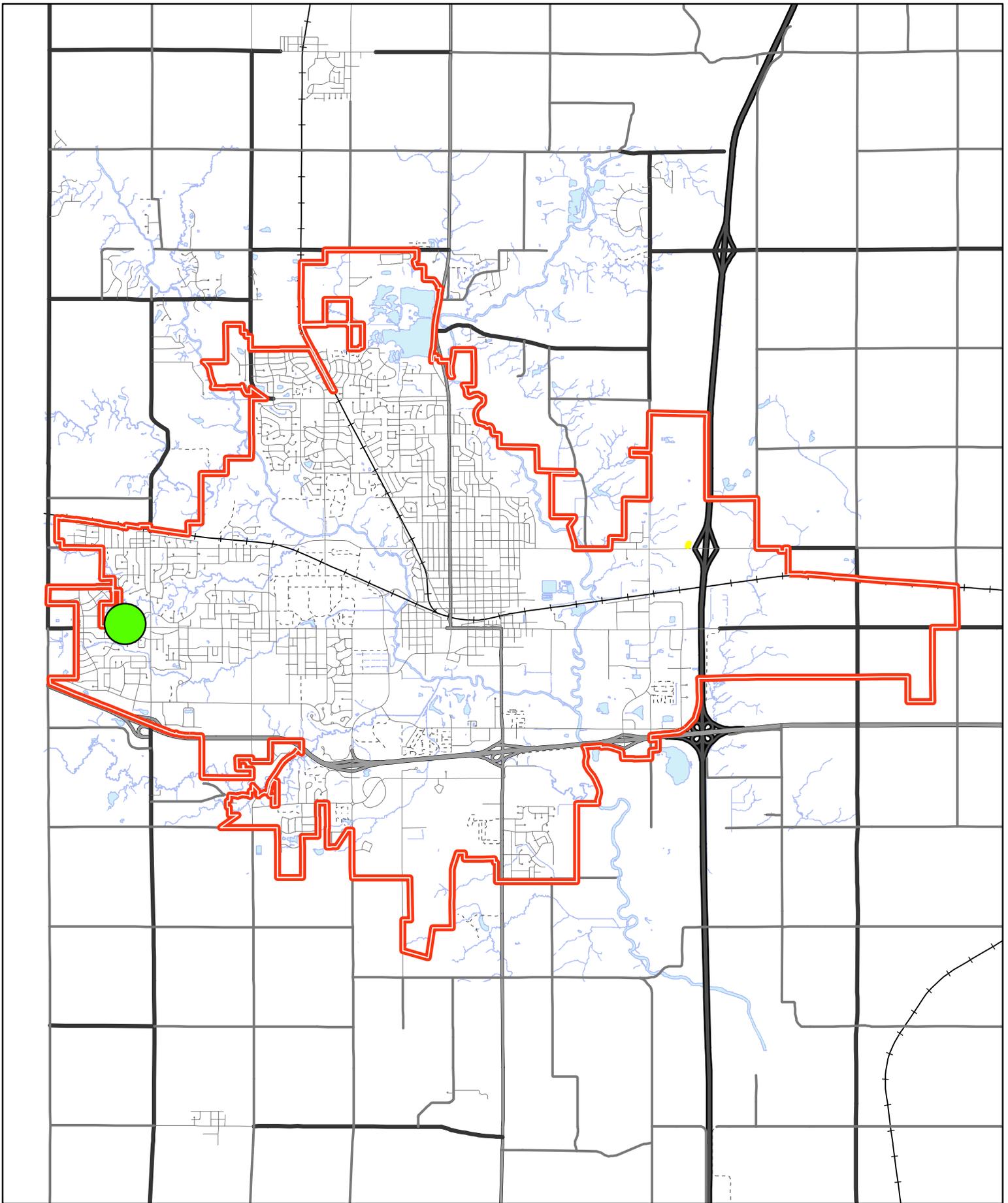
| Activity | Expenses | Revenue |
|------------------------------|---------------------|------------------|
| Engineering & Administration | \$64,000 | |
| Construction | \$193,618.93 | |
| | | |
| Local Option Sales Tax | | \$295,488 |
| Road Use Tax | | \$87,775 |
| Bike Licenses Fund | | \$8,450 |
| TOTAL | \$257,618.93 | \$391,713 |

ALTERNATIVES:

- 1.a. Accept the report of bids for the 2017/18 Shared Use Path System Expansion (West Lincoln Way – Sunset Ridge Subdivision to North Dakota Avenue).
 - b. Approve the final plans and specifications for this project.
 - c. Award the 2017/18 Shared Use Path System Expansion (West Lincoln Way – Sunset Ridge Subdivision to North Dakota Avenue) to Manatt’s Inc. of Ames, IA, in the amount of \$193,618.93.
2. Award the contract to one of the other bidders.
 3. Do not proceed with this project.

MANAGER'S RECOMMENDED ACTION:

Proceeding with this project will make it possible to continue a Complete Streets approach in this corridor and expand our shared use path network. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.



2017/18 Shared Use Path System Expansion
W Lincoln Way-Sunset Ridge Subdivision to N Dakota Ave



Project Location



1 inch = 6,612 feet

Date: 8/7/2019

ITEM#: 50
DATE: 08-13-19

COUNCIL ACTION FORM

SUBJECT: STORM WATER FACILITY REHABILITATION PROGRAM (SOMERSET SUBDIVISION)

BACKGROUND:

Somerset Subdivision was developed over a period of approximately 15 years, beginning in the late 1990s. At the time this subdivision was approved, new developments within the community were required to manage storm water quantity. However, it was standard practice in the developers' agreements that the City of Ames would be responsible for the long-term maintenance of these facilities in residential areas. As these facilities age, sediment accumulates, volunteer vegetation becomes more prevalent, erosion occurs, and structures need to be improved. This annual program addresses those concerns.

The City contracted with CGA Inc. of Ames Iowa to perform a hydraulic study to analyze this facility and to provide a recommendation on needed improvements. This project was originally bid on April 17, 2019 however bids came in above budget with the low bid being \$499,075. City staff and the design team then had discussions with various contractors on their thoughts for how the project approach could be revised to make it more efficient and cost effective to accomplish the work. Staff continued to meet with surrounding property owners to make sure the project was meeting their needs and expectations for improvements to the pond and adjacent area.

Using the information gained from these discussions, CGA Inc. has revised the plans and specifications, which will increase storage capacity and establish bank stabilization having a total estimated construction cost of \$237,655. Engineering and construction administration costs are estimated at \$47,000, bringing the **total estimated costs for the base bid to \$284,655.**

On August 7, 2019, bids for the project were received as follows:

| <i>Bidder</i> | <i>Amount</i> |
|----------------------------|----------------------|
| <i>Engineer's estimate</i> | <i>\$237,655.00</i> |
| Con-Struct, Inc. | \$322,997.00 |
| Keller Excavating, Inc. | \$374,809.75 |

Revenues and expenses associated with this program are estimated as follows:

| | Available Revenue | Estimated Expenses |
|--|------------------------------|-------------------------------|
| Storm Water Facility Rehab Program | \$ 100,000 | |
| 2018/19 Storm Water Quality Improvement | \$ 100,000 | |
| Storm Water Imp. Program (18/19 & 19/20) | \$ 180,000 | |
| Construction | | \$ 322,997 |
| Engineering/Administration | | \$ 47,000 |
| | \$ 380,000 | \$ 369,997 |

ALTERNATIVES:

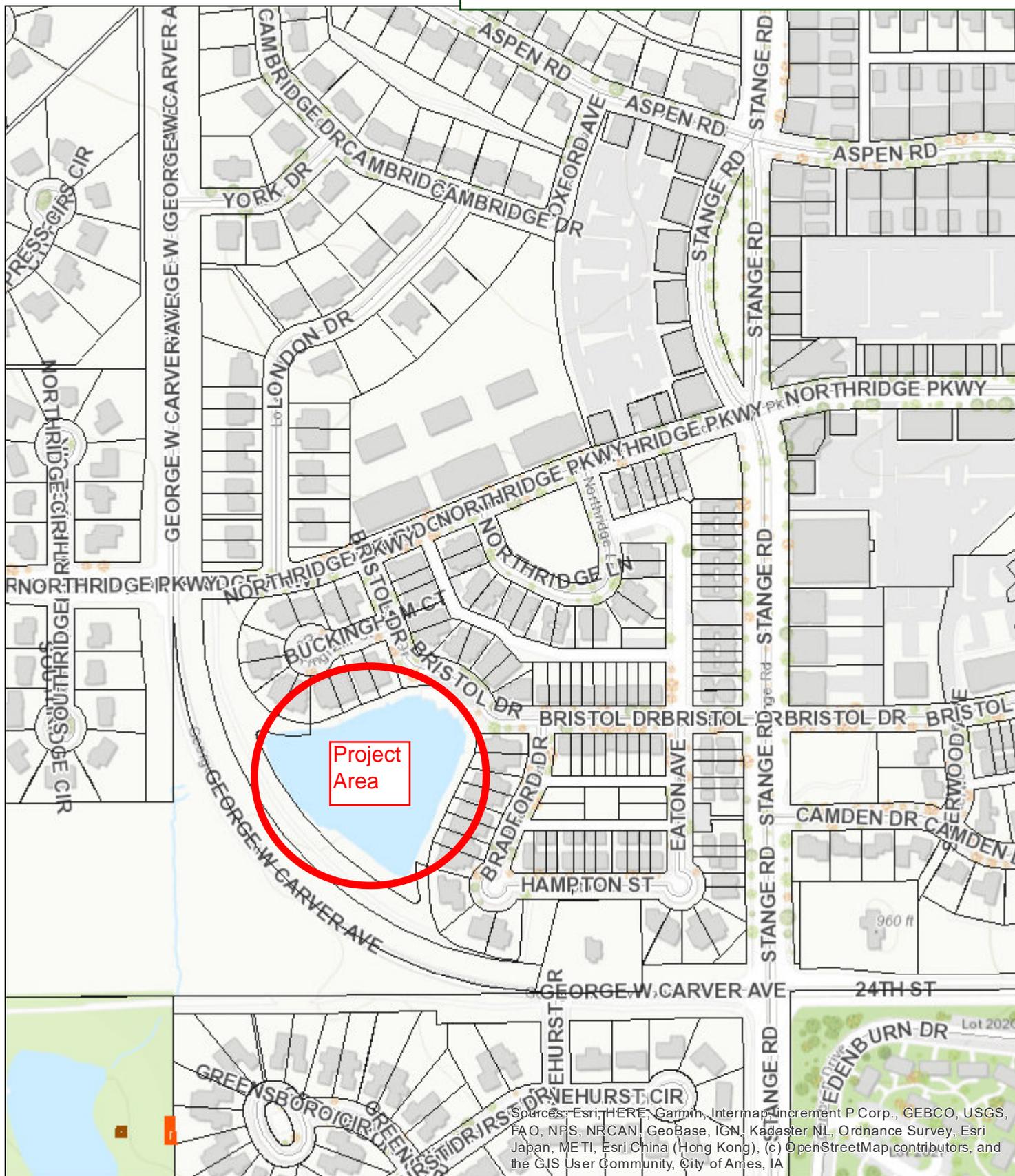
1. a. Accept the report of bids for the Storm Water Facility Rehabilitation program (Somerset Subdivision) project.
- b. Approve the final plans and specifications for this project.
- c. Award the Storm Water Facility Rehabilitation program (Somerset Subdivision) project to Con-Struct, Inc. of Ames, Iowa in the amount of \$322,997.
2. Award the contract to one of the other bidders.
3. Do not proceed with this project.

MANAGER’S RECOMMENDED ACTION:

By approving final plans and specifications and awarding the contract, this project will provide more storage capacity in the stormwater facility and will help retain drainage during flash flooding.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

Storm Water Facility Rehabilitation Program (Somerset)



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community, City of Ames, IA



ArcGIS Web Map



NORTH

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Date: 8/6/2019

1 inch = 376 feet

COUNCIL ACTION FORM

SUBJECT: 2018/19 WATER SYSTEM IMPROVEMENTS – (BURNETT AVENUE AND MURRAY DRIVE)

BACKGROUND:

The Water System Improvements program provides for replacing water mains in areas that are experiencing rusty water problems. It also provides for installing larger distribution mains in areas that have a high concentration of 4” supply lines, transferring water services from 4” water mains in streets where larger water mains exist, and abandoning 4” water mains. Eliminating duplicate water mains improves water flow, helps reduce rusty water and enhances fire-fighting capacity.

Staff has completed plans and specifications for this contract with a total estimated construction cost of \$1,059,223. Engineering and construction administration costs are estimated at \$159,000, bringing the **total estimated costs to \$1,218,223.**

On August 7, 2019, bids for the project were received as follows:

| <i>Bidder</i> | <i>Amount</i> |
|----------------------------|-----------------------|
| <i>Engineer’s estimate</i> | <i>\$1,059,223.00</i> |
| Keller Excavating, Inc. | \$1,194,492.10 |
| GM Contracting, Inc. | \$1,287,521.95 |

Revenue and expenses associated with this program are estimated as follows:

| | Available Revenue | Estimated Expenses |
|------------------------------|--------------------------|---------------------------|
| Water Utility Fund (2018/19) | \$1,300,000.00 | |
| Water Utility Fund (2017/18) | \$ 150,000.00 | |
| Construction | | \$ 1,194,492.10 |
| Engineering/Administration | | \$ 185,000.00 |
| | <u>\$ 1,450,000.00</u> | <u>\$ 1,379,492.10</u> |

ALTERNATIVES:

1. a. Accept the report of bids for the 2018/19 Water System Improvements – (Burnett Ave. and Murray Dr.) project.
- b. Approve the final plans and specifications for this project.

- c. Award the 2018/19 Water System Improvements – (Burnett Ave. and Murray Dr.) project to Keller Excavating, Inc. of Boone, Iowa, in the amount of \$1,194,492.10.
2. Award the contract to one of the other bidders.
3. Do not proceed with this project.

MANAGER’S RECOMMENDED ACTION:

By approving final plans and specification and awarding the contract, this project will improve the water systems in these local neighborhoods, residents will see improved water quality and firefighting capacity. This project was designed in accordance with the latest plans and specifications and the engineer’s estimate is below the Capital Improvement Plan funding amount.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

TO: City Council

FROM: Department of Planning and Housing

DATE: July 12, 2019

SUBJECT: Zoning Text amendment Related to Multiple Principal Buildings on Single Lots

At the July 9, 2019 meeting, Council approved First Reading of the text amendment to Sec. 29.401.(5)., Multiple Principal Buildings on Single Lots.

A concern was raised regarding the implications of the text amendment upon the “S-HM” Hospital-Medical District for multiple single-family dwellings on a lot. As a result, City Council gave direction to modify the proposed ordinance prior to second reading to include an exception for S-HM zoning that was consistent with the South Lincoln Mixed Use District limitations.

Subsequently, staff reviewed the permitted uses within the “S-HM” Hospital-Medical District in the context of the concerns expressed on June 9th. The concern for permitting additional single-family dwellings was unfounded as **Residential Uses as a principal use are not allowed in the zoning district (Table 29.1001). Therefore, it is not permissible to add an additional building for the use to a lot regardless of the allowance for multiple buildings.**

Because of this limitation on use, the three private residential properties and dwellings located within S-HM clustered at 11th St. & Carroll Avenue are nonconforming uses and would not have the ability to add an additional dwelling unit as an expansion of the use.

With the review of the circumstances, staff does not recommend adding the language as directed by Council on the 9th. Therefore, staff will bring back the ordinance for second reading without any changes beyond the scrivener’s error correction. If City Council has concerns about the ordinance language, it can direct staff how to proceed at the time of the second reading on July 23rd.