

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

FEBRUARY 9, 2023

The special meeting of the Ames City Council was called to order by Mayor John Haila at 5:14 p.m. on the 9th day of February, 2023, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law. Present were Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, Rachel Junck, and Anita Rollins.

Council Budget Hearings:

Transportation Program: Transit Director Barb Neal presented the proposed budget along with Assistant Director of Operations Chris Crippen, Assistant Director of Fleet and Facilities James Rendall, and Budget Analyst Rob Jennings. Director Neal stated the budget had been approved by the Transit Board at the December 2022 meeting. Focuses for the coming year were reducing the staffing shortage through recruitment and retention and reducing carbon emissions. These focus areas were highlighted as supporting the overall goal of Transit to connect people to their community with safe and efficient transportation that exceeds expectations. High ridership and outperforming other transit agencies will remain a priority, with the amount of federal funding received tied to those two goals. Over the last several years ridership has been impacted by the COVID-19 pandemic, resulting in ridership levels currently being at 70% of pre-pandemic levels, but is predicted to rise. However, for the purposes of federal funding CyRide and other transportation agencies in peer cities were permitted to use 2019 ridership numbers.

Director Neal shared that due to a large increase in federal revenue, Transit was able to keep budget request increases low from local partners, with only a 2% requested increase. Several different grant programs where Transit has been successful in receiving funding were detailed. She shared commitment from Transit to continuing to seek out grant opportunities to keep local partners increases low in the future as well. Commitment to technology investment and expanding to serve as many areas of the community as possible were two more areas of importance. To support these goals, demand response software is being utilized to allow passengers to self-schedule rides. Director Neal noted that for now this service was only for the East Ames area and Moonlight Express service. She noted all routes originated from City Hall in a soft launch from January 16, 2023. Assistant Director Crippen noted they had done marketing to hotels in the area and Director Neal detailed the advertising that had been done to let the community know about this new service.

An exciting area of improvement shared was the ability for Cy-Ride to become a third-party Certified Driver's License (CDL) testing site to help address staffing shortages, as having a CDL is one of the requirements needed to operate a CyRide bus. This helped to cut down on wait times for testing and made hiring and training more efficient. With the volatility of fuel markets and supply chain issues Director Neal noted that there was an increase in these budget items, and money had been moved from the Operations fund to address potential shortfalls in this area.

Director Neal then explained that DIAL-a-Ride is a service that helps address equity by providing ride options to those who may otherwise not be able to leave their homes. This program operates in partnership with HIRTA to help close transportation gaps. Expenses for this program are up

as ridership grows. Due to the way this service is contacted, federal funds may be used for these operations, reducing costs for the customer and the City. Director Neal noted the importance of CyRide to connecting many in the community, noting it was a lifeline for people to be able to rely on safe, dependable, cost-effective transportation. She noted that continuing to develop community partnerships was a priority, and thanked CyRide employees for their commitment to CyRide's mission throughout the pandemic and the challenges following.

General Government/Internal Services: On behalf of the City Council, Assistant City Manager Brian Phillips presented. He noted the City Council was at the halfway point for the two-year goals set by the City Council, and that an update on those adjusted goals would be coming soon. He thanked the City Council for the work they had done in the community and highlighted several recognition events and special events City Council has participated in that showed their community involvement.

Assistant City Manager Phillips also presented for the City Manager's Office (CMO). He explained the CMO's role as providing major project support for initiatives such as the Climate Action Plan, Waste to Energy Study, the Fitch Family Indoor Aquatic Center, CyTown, the Linc Development, and the Steven L. Schainker Plaza, as well as providing staff support for Boards and Commissions. He noted the budget had some adjustments due to the Diversity, Equity and Inclusion Coordinator position being moved to the City Manager's budget from the Human Resources budget. Mr. Phillips also explained the vacancy of the Management Analyst Position, which he explained slowed down staff response time as these tasks had to be absorbed by existing staff. He also cited his hope that when filled this position would eventually be responsible for evaluating grant opportunities.

City Clerk Renee Hall introduced her new team and highlighted the cost savings of staff absorbing a part-time data entry position. She also highlighted streamlined processes, collaboration efforts, and commitment to utilizing existing City resources as a priority going forward. City Clerk Hall noted the partnership between this office and the City Council by highlighting resolutions, referrals, and meetings of the previous year.

Public Relations Officer Susan Gwiasda shared her focus on branding a positive City identity so that the City of Ames is recognized as the premier provider of municipal services in a vibrant, innovative, and progressive university community. She highlighted methods used to accomplish this goal, including press releases, newsletters, social media, and the website. An update on the website improvement project was given, noting the priorities of navigation, appearance on mobile devices, and ADA accessibility. Council Member Gartin thanked the City staff for the work, as well as the Iowa State Daily in keeping the community informed. Other focuses Ms. Gwiasda noted were outreach and education, surveys, tabling, and the Resident Satisfaction Survey. The City Print Shop was cited as a key collaborator that makes maintaining City branding possible. She also gave an overview of upcoming events taking place in the City.

Sustainability was also presented by Ms. Gwiasda and included funding for sustainability events, implementing low-carbon strategies, and budgeting for a full-time Sustainability Coordinator.

Media Production Coordinator Bill Gebhart presented the Media Production Services budget. He noted an increase in demand for Media Production Services across departments for services such

as trainings, promos, events, recruitments, and on-going series. Mr. Gebhart stated that with social media algorithms favoring video, the Division does its best to say yes to each request received. He shared the Division won the Iowa Motion Picture Association Award of Achievement in 2022, and that almost all videos are posted to Facebook and were always on YouTube. Equipment and program changes, as well as staff time, were the biggest budget factors cited in the budget increase, as well as increased fees with Granicus to address some Information Technology vulnerabilities.

City Attorney Mark Lambert shared the Legal Services budget and priorities, as well as giving staff backgrounds. The Department boasts over 151 years in the legal field with their combined experience. He noted the Department does its best to be responsive, and has an open-door policy, meaning anyone can come in and talk to the attorneys. Advising City Council, City staff, Boards and Commissions, and reviewing contracts were key services provided by the Legal Department. City Attorney Lambert explained the majority of the Legal budget was for personal services-staff wages and benefits. This category is followed by contractual obligations for programs used in the Department.

Human Resources (HR) Director Bethany Ballou cited the Excellence Through People program as a key part of the functions of HR. Director Ballou noted impressive accomplishments of the HR Department in the last year, citing 241 recruitments, 188 external hires, 2939 applications, and 41 promotions facilitated by the Department. She also noted that the Department faced the same hiring challenges as other departments and those across the nation. Recently launched software developments were shared that would allow a more strategic approach to employee training.

Risk Manager Bill Walton presented the Risk Management budget, with an increase of 14%, which City Manager Steve Schainker noted was due to uncontrollable circumstances. Manager Walton explained the liability insurance program is purchased through the Iowa Community Assurance pool, which the City has been with for over 15 years. Risk Manager Walton noted that as with all other insurance, he anticipated an increase in this category. Commercial property insurance was also projected to rise. He noted that property appraisals were included in this budget, as they had not been completed since 2011.

Health Insurance was covered by HR Officer Krista Hammer. She informed the City Council that there was an increase of 8% for the next fiscal cycle, which met the goal of staying below 10% for increases. A majority of health expenditures came from medical claims, but Ms. Hammer noted this area had a 4% decrease from the previous year. She also noted that pharmacy had an increase of 19% over the previous year and would be going out for RFP as well to see if there were any potential savings the City could be achieving. Excess insurance was also reported as an increase which would be going out for RFP as well. Council Member Gartin commended staff, stating he was amazed at how Ames self-insures and keeps prices low. Risk Manager Walton noted that the City utilizes a brokerage service to handle insurance contracts as well.

Health Promotion Coordinator Kacie Schumann explained the Health Promotion fund comes from the Health Insurance fund and has a focus on catering to all areas of wellness. Creating a work environment that supports healthy choices was cited as a major component of this. Health promotions such as health screenings were noted as being an important part of this process as

well. Coordinator Schumann shared the program was able to save over \$16,000 through partnerships with the Iowa State University Department of Kinesiology. On-site vaccines clinics allowed 408 flu vaccines and 244 COVID-19 boosters to be administered, and cost savings were realized in this area as well with costs for shots decreasing slightly. Coordinator Schumann shared overall employee Health Promotion programming was up this year compared to the last two years, noting 319 unique employees, or about 50% of benefit-eligible employees, participated in programming this year. Mental Health First Aid certification was identified as an area of need that the Department was focused on expanding to all employees. She also shared that the Department is planning on going out for an RFP for wellness portal services. Coordinator Schumann stated the biggest expenditures came from outside vendors, who provided vaccines, health coaching, the wellness portal, and nutrition programming. Healthy4Life incentive payments and health screenings constituted the next largest portion of the budget. Director Ballou explained for City Council that with these programs there may be an increase in claims as issues are being caught earlier, hopefully reducing large claims. She also noted healthcare costs rise every year which may skew the ability to track cost-savings.

Council Member Rollins inquired if Director Ballou was able to share the number of women and racially diverse individuals that had been hired by the City. Director Ballou replied in the affirmative, stating those numbers could be shared in the future as it was not included in the current presentation.

Community Development Program: Planning Services was covered by Planning and Housing Director Kelly Diekmann. He explained the Planning Department divided projects by current planning and long-range projects. The Planning and Zoning Commission, Zoning Board of Adjustment (ZBA), and Historic Preservation Committee were all showcased as boards the Planning Department supports. Director Diekmann explained Single Family home production was down about 25% to 69 homes. For comparison, he shared the five-year average was 81. Director Diekmann also noted that the market is more diverse than it has been previously which may be contributing to this decline. No new apartment complexes were approved in 2022, with the Linc Development being the only projected new apartment building to be approved for 2023.

Commercial/Industrial trends were projected to continue to follow recent trends and a focus has been more on employment uses instead of new retail. Director Diekmann also noted the Department increased application fees by 10% on July 1st, 2022. He noted the Ames Urban Fringe Plan and completing the Front Yard and Driveway Permit changes were two projects given to the Department by the City Council that accounted for staff time. The Planning Department further reflected the City Council priorities by planning an upcoming Infill Housing workshop and Affordable Housing Strategy workshop planned for later in the spring. Director Diekmann then provided a further update on in-progress and upcoming planned projects for the City Council.

Administrative Support Services was also covered by Director Diekmann, where he noted that the Division provides permitting and administrative support for Fire, Public Works, and the Planning and Housing Department. The five staff from this area also support multiple Boards and Commissions for Planning and Housing, Public Works, and Inspections. He noted that there was an increase in support services, as ZBA returned to the Planning and Housing Department from the City Clerk's Office. Training Costs were also noted as being higher, due to work with

EnerGov for an online submittal process that would match the Inspections process.

Housing Coordinator Vanessa Baker-Latimer presented on City Wide Housing, Community Development Block Grant (CDBG), and Coronavirus Aid, Relief, and Economic Security (CARES) Programs. These programs work together to support the Housing Departments goals to address housing needs by investing ways to increase availability of affordable housing and exploring ways to encourage all types of housing. The City-Wide Housing Program was noted as program to account for expenses incurred that are not eligible for federal funding under the CDBG.

Coordinator Baker-Latimer explained CDBG is a federally funded program that provides a variety of affordable housing, and the City had been awarded its 18th allocation of funds. She noted in previous years this funding was spent on infrastructure at the Baker Subdivision. One highlighted future project was the Slum and Blight Acquisition and Demolition Program, which was being coordinated with the Inspections Department as well as the United States Department of Housing and Urban Development to continue to maintain viable and safe neighborhoods. Coordinator Baker-Latimer then provided an overview of future projects to be addressed by CDBG funding, and noted this budget was based on allocation from the previous year, as they had not received the funding allocation amount for this year.

The HOME Program was next addressed by Coordinator Baker-Latimer. She noted the City was awarded its fifth allocation of HOME funds, a federally funded program to be used to construct non-luxury affordable housing for low-income households, which had previously been targeted for use in the Baker Subdivision. The program requires a 25% local match contribution, which the City addressed through General Obligation bonds for the first several years. She noted the allocation of HOME funds had not yet been announced, but that the allocation amount would hopefully be brought to the City Council before the end of the month. A RFP for a partner developer to apply for Low-Income Housing Tax Credit (LIHTC) is planned for April 2023.

CARES Act funding was awarded to the City to prevent, prepare for, and respond to the COVID-19 pandemic and build affordable housing for various vulnerable population. Coordinator Baker-Latimer noted funds were used to provide low and moderate-income households with rent, mortgage, and utility relief. Over 169 households were helped, with the largest portion of these funds being spent towards rent. Coordinator Baker-Latimer presented the future plan to use this funding to purchase a van to help non-profits with food delivery and distribution.

HOME ARP funding was to be spent on a non-congregant shelter for those who met the criteria set forth such as homelessness, victims of domestic violence, and those being stalked. Coordinator Baker-Latimer explained this was decided after Public Input from stakeholders and the public, as well as surveys made available to the public.

City Manager Schainker reminded the City Council that Budget Wrap-up would take place on February 14, 2023. He asked that if there were any drastic changes the City Council desired that they would notify staff so there was time to adjust the budget. Finance Director Corey Goodenow requested the City Council delay the process of setting the maximum levy budget and delay approving the budget. He shared staff were considering an amended timeframe that would last until April to observe the actions of the State Legislature, as this would impact future budgets.

City Manager Schainker clarified staff still wanted City Council to finalize the budget but would hold off on approving it until further information was available.

Director Goodenow clarified for the City Council that future budgets would be focused on limiting expenses to address the shortfall, but there was still time in the budget certification process to adjust for the current fiscal year as needed. Mayor Haila noted there were three main bills staff was monitoring. He furthered explained there was enough room in the levy to increase it if needed, but it would be a historic jump in the City's levy rate. Director Goodenow stated the primary concern was the certification of taxes and the conveyance to the county of what the levy rate would be and what levies the City would be utilizing to realize those tax rates. He further stated that once those tax rates are certified they cannot be changed, and because of this staff was requesting the delay in certification of the levy rates.

City Manager Schainker shared that devastating cuts in service levels can be avoided by increasing the levy. He noted this would allow the City to still collect the same amount of revenue that was originally planned for, and that adding to the levy would ease the burden on single-family homes. Director Goodenow explained that right now decision-making was difficult, as staff were working on a lot of hypotheticals. He gave a proposed timeline of the end of March to begin the Public Hearings.

DISPOSITION OF COMMUNICATIONS TO COUNCIL: Mayor Haila stated that there were no communications to the City Council.

COUNCIL COMMENTS: Council Member Beatty-encouraged everyone to bring Valentine's Day boxes the next week for Budget Wrap up.

Council Member Betcher shared her thanks to staff for all they do.

ADJOURNMENT: Moved by Gartin, seconded by Betcher, to adjourn the meeting at 7:31 p.m. Vote on Motion: 6-0. Motion declared carried unanimously.

Grace Bandstra, Deputy City Clerk

John A. Haila, Mayor

Renee Hall, City Clerk