



City of Grand Island

Tuesday, November 22, 2016

Council Session

Item G-2

Approving Minutes of November 15, 2016 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

November 15, 2016

Pursuant to due call and notice thereof, a Study Session of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on November 15, 2016. Notice of the meeting was given in the *Grand Island Independent* on November 9, 2016.

Mayor Jeremy L. Jensen called the meeting to order at 7:00 p.m. The following Councilmembers were present: Mitch Nickerson, Mark Stelk, Jeremy Jones, Chuck Haase, Julie Hehnke, Linna Dee Donaldson, Vaughn Minton, Roger Steele, and Mike Paulick. Councilmember Michelle Fitzke was absent. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, Finance Director Renae Griffiths, City Attorney Jerry Janulewicz, and Public Works Director John Collins.

Mayor Jensen introduced Community Youth Council member Patrick Tum-Monge.

INVOCATION was given by Community Youth Council member Patrick Tum-Monge followed by the PLEDGE OF ALLEGIANCE.

SPECIAL ITEMS:

Presentation and Discussion Concerning the Grand Island Water System. Utilities Director Tim Luchsinger reported that the Grand Island water system had increased to where additional capacity was required to allow for future growth in the city. An elevated storage tank was recommended by the recently completed water system master plan. To fund the cost of the elevated storage tank, a bond issue was proposed and a cost of service study was made by the Nebraska Municipal Pool in order to support projected revenue requirements of the bond debt service.

Reviewed was the daily use of water for 2015 with the most (MGD) millions of gallons per day during the summer months due to watering lawns. The elevated storage tank would hold 2 million gallons of water.

The estimated cost of the elevated storage tank was \$7 million with an annual debt service of \$500,000 which was 10% of the current annual budget. The customer was charged for unfunded mandates for the Clean Water Act (Backflow program), meter charges, and actual water usage. The proposed change was to add \$0.70 per account based on current program expenses.

Andrew Ross, Director with the Nebraska Municipal Power Pool, commented on the rate study. Reviewed were the current meter charges and the proposed increase. They recommended eliminating the minimum billing charge and charging only for the water used. The average family use of water was 500 cubic feet (ccf) which would amount of about \$11.00 per month increase. The average increase for the average user would be approximately 11%.

Comparisons were made with Fremont, North Platte, Kearney, Hastings, Lincoln, and Omaha. With the increase proposed the rates would be lower or comparable to the other cities. Discussion was held regarding the Village of Alda which the city services. High pressured wells were mentioned. Comments were made regarding the growth of the city. Mr. Luchsinger stated they were planning for the next 20 years. The proposed location for the water tower would be along Engleman Road. Proposed was to bring this item to Council at the November 22, 2016 Council meeting with an Ordinance for the increase in rates to start in January 2017. Following that would be the bonding and construction of the tower.

ADJOURNMENT: The meeting was adjourned at 7:58 p.m.

RaNae Edwards
City Clerk