



City of Grand Island

Tuesday, July 24, 2018

Council Session

Item G-2

Approving Minutes of July 17, 2018 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

July 17, 2018

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 July 17, 2018. Notice of the meeting was given in the *Grand Island Independent* on July 11, 2018.

Mayor Jeremy L. Jensen called the meeting to order at 6:00 p.m. The following Councilmembers were present: Mitch Nickerson, Mark Stelk, Jeremy Jones, Chuck Haase, Linna Dee Donaldson, Michelle Fitzke, Roger Steele, and Mike Paulick. Councilmember Julie Hehnke and Vaughn Minton were absent. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, Finance Director Patrick Brown, City Attorney Jerry Janulewicz and Public Works Director John Collins.

PLEDGE OF ALLEGIANCE was said.

SPECIAL ITEMS:

Discussion on Capital Improvement Fund. Public Works Director John Collins reviewed the following 2018 planned projects that were in progress:

- Stolley Park Road Restriping/Rehabilitation
- Webb Road Paving Assessments (City share)
- South Front Street Bridg Replacement & Sycamore Street Underpass Rehabilitation
- Old Potash, North Road to East of Webb Road Master Plan
- 13th Street Improvements
- Curb Ramp Installation – CDBG Project
- Five Points Intersection Improvements
- William Street Realignment
- Northwest Flood Control Project
- Moores Creek Drain Extension

The following completed projects were presented:

- Capital Avenue; Webb Road to Broadwell Avenue Widening (includes trail)
- Annual Curb Ramp Installation
- Adams Street Paving Project No. 2016-P-2
- Shady Bend Drainage Project No. 2017-D-2
- North Broadwell Drainage Project No. 2017-D-2

The total 2018 Capital Improvements Projects funded by Gas Tax money was forecast at \$3,360,242 and the total funded by General Fund & Special Assessments was \$839,427. Total Capital requests forecast for 2018 were \$4,199,669.

The following proposed Capital Projects for 2018/2019 were reviewed:

- Annual Curb Ramp Installation (\$150,000)
- South Front Street Bridge Replacement & Sycamore Street Underpass Rehabilitation (\$2,200,000)
- Pavement Condition Survey (\$150,000)
- 13th Street Improvements (\$200,000)
- Old Potash Phase I; Claude Road to Webb Road (PW/ROW) (\$600,000)
- West US Highway 30 Realignment (\$1,533,000)
- Five Points Intersection Improvements (PW/ROW) (\$170,000)
- Webb Road Paving Assessments (City share) (\$130,000)
- US Highway 281 Lighting (Stolley Park Road to US Highway 30 Overpass) (\$95,000)
- Broadwell/UPPR Grade Separation Feasibility Study (\$125,000)
- Traffic Services Evaluation – Various Locations (\$100,000)
- Northwest Flood Control Project (\$641,355)
- North Broadwell Avenue Drainage (\$200,000)
- Kaufman Detention Cell Outlet (\$500,000)
- West US Highway 30 Drainage & Pedestrian Under Crossing (\$460,000)
- Drainage West of Harrison Street (\$200,000)

Total 2019 budgeted Capital Improvement Projects funded with Gas Tax money was \$5,453,000 and funded by other revenue was \$2,001,355. Total Capital Improvement budget request for 2019 was \$7,454,355. Total available funding from balance forward, State Gas Tax Fund, NDOT Buy Backs, and other revenue was \$13,070,043. The remaining 210 Funds was \$1,569,505.

Reviewed were future project expenses: 2020 - \$4,243,131; 2021 - \$3,706,000; 2022 - \$2,443,681; and 2023 - \$292,365.

Discussion was held concerning roundabouts on Old Potash Road. This model was in the beginning stages of design with the Nebraska Department of Transportation (NDOT). There would be additional discussions with NDOT before it was finalized.

Discussion on Half Cent Sales Tax. City Administrator Marlan Ferguson reported that State Statute 77-27,142 allowed incorporated municipalities to impose sales and use tax of up to 1/2% above the allowed 1 1/2%. In order for this to go on the ballot, 70% of the City Council would have to vote in favor, which would have to be voted either at a primary or general election. The proceeds could only be used for public infrastructure projects and capital equipment purchases. This tax would terminate no more than 10 years after its effective date, or if bonds were issued and the sales tax revenue was used for the payment of the bonds. An interlocal agreement would have to be established with a political subdivision within the City/County and cannot be one that was in existence for 1-year preceding the election. If the vote failed it could not be voted on again for at least 23 months.

Mr. Ferguson gave a history of the half cent sales tax and stated 17 other Nebraska communities had adopted an additional sales tax great than 1 1/2%. The goal was to put before the voters an additional 1/2% sales tax on all eligible purchases made in Grand Island at the General Election to be held on November 6, 2018. If passed the additional 1/2% sale tax would begin in April, 2019. The interlocal agreement would be with the Community Redevelopment Authority as allowed by state statute.

Reviewed was the proposed ballot language. The revenue received from the 1/2% sales tax would be used for public infrastructure projects and would terminate no more than ten years. Also included in the ballot language was language to increase the City's budgeted restricted funds for fiscal year 2019-2020 by \$5,500,000 over the current year's restricted funds to permit the expenditure of revenue derived from the increased tax.

The following infrastructure projects would be funded by the additional sales tax:

- Old Potash Highway
- North Road
- Downtown Parking Lots
- Sidewalks: (Examples – Independence and George Park)
- Upgrade Gravel Streets: (Examples – Macron and Jay Streets)
- Handicap Ramp Installations
- Moores Creek Flood Control
- South Locust – Koenig to Fonner
- State Street
- Eddy Street Underpass

Reviewed were the following Capital Equipment Projects for Public Safety:

Fire Department – 5 Year Plan:

- \$ 510,000 Fire Engine (Replace a 2000 model)
- \$ 500,000 Ambulances (Replace 2000 and a 2003)
- \$ 40,000 Shift Commander Vehicle (Replace 2012)
- \$ 375,000 Fire Station remodel (Station #1 and #2)
- \$ 325,000 SCBA replacement
- \$1,000,000 Ladder Truck Replacement (Replace 1999 model) (6-10 years)

Police Department

- \$ 83,000 per year Police Vehicles (1-5 years)
- \$ 122,000 per year Police Vehicles (6-10 years)
- \$ 200,000 per year Other Equipment (1-10 years)

Mr. Ferguson stated the City was estimating \$450,000 to \$500,000 from online sales. Mayor Jensen explained where the money flowed through the city's budget for Fiscal Year 2018. Mentioned was that the wheel tax would sunset in 2019.

City Attorney Jerry Janulewicz commented on the difference in the 2018 ballot language and the ballot language that passed in 2004.

Zach Moul, 503 Johnson Drive representing the International Association of Firefighters (IAFF) spoke in support of the 1/2% sales tax. Jarret Daugherty, 1605 East 17th Road, Aurora, Nebraska representing the Fraternal Order of Police (FOP) spoke in support. Jay Vavricek, 2729 Brentwood Boulevard commented on where the money would be spent if the 1/2% sales tax passed.

Discussion was held regarding why the City could not promote the 1/2% sales tax ballot issue. Mr. Janulewicz stated state statutes did not allow it but private groups could promote the issue.

Mr. Ferguson stated the 1/2% sales tax ballot language would be on the August 14, 2018 City Council meeting.

Discussion on Capital Equipment Request: General Fund. This was included with the Capital Improvement Fund discussion.

Discussion on 400 Fund. This was included with the Capital Improvement Fund discussion.

General Fund Revenue and Expense Update. No changes.

ADJOURNMENT: The meeting was adjourned at 7:42 p.m.

RaNae Edwards
City Clerk