



City of Grand Island

Tuesday, July 23, 2019
Council Session/Budget Work Session

Item G-3

Approving Minutes of July 16, 2019 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

July 16, 2019

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 16, 2019. Notice of the meeting was given in the *Grand Island Independent* on July 10, 2019.

Mayor Roger G. Steele called the meeting to order at 7:00 p.m. The following Councilmembers were present: Mike Paulick, Jeremy Jones, Jason Conley, Clay Schutz, Mitch Nickerson, and Chuck Haase. Councilmembers Michelle Fitzke, Mark Stelk, Vaughn Minton, and Julie Hehnke were absent. The following City Officials were present: City Administrator Jerry Janulewicz, City Clerk RaNae Edwards, Finance Director Patrick Brown, and Public Works Director John Collins.

PLEDGE OF ALLEGIANCE was said:

SPECIAL ITEMS:

Review Wastewater Division Budget for FY 2019/2020. Public Works Director John Collins reviewed the Wastewater Division - 10 Year Capital Improvement Program (CIP). The 10 year CIP average was \$2,485,750 and the 5 year CIP average was \$2,909,600.

The Wastewater Division was an Enterprise Fund that relied on revenues collected from community residents, businesses, and industries to fund all operations and capital improvements. The average residential bill for 2018 was \$31.19. Mr. Collins gave an overview of the Wastewater Division and the FY 2019 Capital Projects which totaled \$3,405,585.

The following projects were presented:

- Lift Station No. 11 Relocation - \$400,000 (est.) Carry over from FY 2019
- Facility Security - \$50,000 (ongoing)
- Diffuser Replacement - \$50,000 (Maintenance – Included in Operating Costs)
- Final Clarifier Rehabilitation - \$400,000 (Maintenance – Included in Operating Costs)
- Capital Equipment: Flusher Truck - \$350,000
- Capital Equipment: Biosolids Dump Truck - \$180,000
- Dewatering Model - \$150,000
- Assessment Districts (Willow Street Neighborhood & Hanover Subdivision) - \$1,570,000

The total 2020 CIP Projects costs were \$3,010,000. Reviewed were the 2020 Capital Project future expenses which totaled \$25,482,643 through 2024. Mentioned were several Wastewater Operation Awards received.

Discussion was held regarding the 5 year Capital Project Future Expenses which were adjusted 3% for inflation for each year. Wastewater Treatment Plant Superintendent Dr. John Menough

answered questions regarding the capacity of the Wastewater Treatment Plant. Mr. Collins stated they were looking at a small rate increase over several years.

Review Electrical Enterprise Fund. Utilities Director Tim Luchsinger stated both the electrical and water were dependent on the weather. Reviewed were the budget guidelines of budgeting low revenues and high operating costs. They maintain adequate cash reserves and manage controllable operating expenses and capital expenditures.

Cash reserve considerations were: working capital, replacement power, asset replacement, Capital Improvement Reserve, and Debt Service Reserve. The proposed Electric Fund budget was \$36,655,000 and the Water Fund budget was \$4,123,000 for FY 2019-2020.

The following Electric Capital Improvements were presented with a total Capital Budget of \$13,230,000:

- Transmission and Substation Upgrades - \$1,350,000
- Bond payments - \$3,225,000
- Distribution improvements - \$4,275,000
 - \$1,150,000 Automated metering/LED lighting
- Power plant maintenance/improvements - \$4,340,000
 - \$2,650,000 Burdick decommissioning/GT modifications

Mr. Luchsinger stated the Burdick Steam Unit had been decommissioned and a Gas Turbine (GT-1) would be replaced. This would be a 4 to 5 year project at a total cost of \$15 to \$20 million.

Discussion was held regarding cash on hand, bonding, and upgrades to the Burdick Plant.

Review Water Enterprise Fund. Utilities Director Tim Luchsinger reviewed the following Water Capital Improvements with a total Capital Budget of \$2,405,000:

- Bond payments - \$305,000
- Distribution improvements - \$1,740,000
- Production improvements \$360,000

Review Solid Waste Budget for FY 2019/2020. Public Works Director John Collins presented the Solid Waste Budget for FY 2019/2020.

Mr. Collins stated they received no funding from the General Fund and all revenues were generated from tipping fees. This was one of the few divisions within the City that had competition. They served both residents and non-residents. He stated the landfill had 20 years of life left in the current area which included Cells 1, 2 & 3 and approximately 28 years of life were left in the total Phase 1 area.

Mentioned were notable items in FY 2019 with continued routine capital replacement schedule within the Transfer Station and Landfill. The Landfill Cell 3 construction project had been completed and the Transfer Station operations and facility improvement study was progressing.

The following 2020 Budget Capital expenditures were presented:

- Landfill GPS software and machine display - \$70,000
- Used dozer for landfill for use as back-up machine and other dirt work - \$275,000
- Replacement of transfer station wheel loader - \$150,000, truck-tractor \$110,000 and transfer trailer - \$70,000
- Transfer station and landfill concrete replacements

Mentioned was a proposed rate increase for FY 2020. They were looking at a 10% increase at the transfer station and a 4% increase at the landfill. Solid Waste Superintendent Jeff Wattier answered questions regarding traffic along Old Potash. Discussion was held concerning future expansion money and administrative services.

Review Capital Improvement Projects for FY 2019/2020. Public Works Director John Collins reviewed the Capital Improvement Projects for FY 2019/2020.

The following Capital Improvement Projects for 2019/2020 for a total amount of \$7,436,447 were presented:

- Old Potash Highway, North Road to Webb Road - \$2,365,000
- Annual Curb Ramp Installation - \$154,500
- Broadwell/UPRR Grade Separation Feasibility Study - \$410,000
- North Road, 13th Street to Highway 2 - \$3,654,397
- North Road, Old Potash Highway to 13th Street - \$100,000
- North Road, US Highway 30 to Old Potash Highway - \$90,000
- Five Points Intersection Improvements - \$102,000
- South Front Street Bridge Replacement & Sycamore Street Underpass Rehab - \$170,000
- Capital Avenue, Moores Creek to North Road - \$90,000
- Custer Avenue, Forrest Street to Old Potash Highway - \$77,250
- Eddy Street Underpass Rehabilitation - \$103,000
- Webb Road Paving Assessment (City share) - \$120,000
- Kaufman Detention Cell Outlet - \$450,000
- Storm Sewer Mapping - \$500,000
- North Moores Creek 80 Wetland Detention Design - \$200,00
- North Front Street at Webb Road

Total 2020 Capital Improvement requests were \$8,586,447 of which \$154,500 was mandated and \$512,000 was funding for Federal Aid projects.

Mr. Collins answered questions concerning a round-a-bout at Five Points intersection. He stated there would be a public hearing on September 5, 2019 regarding this. Mentioned was the safety of using round-a-bouts. Comments were made regarding the 1/2 cent sales tax going towards equipment, street projects, and public safety. Mentioned was the need to fix sidewalks to meet ADA requirements.

Councilmember Nickerson was absent at 8:45 p.m.

Review FTE Requests for FY 2019/2020. Finance Director Patrick Brown gave the following overview of the FTE requests by department:

- City Clerk – add Deputy City Clerk/Media Relations to the City Clerk Department (1.0 FTE)
- Library – add three part-time employees (1.5 FTE's)
- Public Information Office – move the Audio/Visual Technician from General Fund to Information Technology (Internal Service Fund)
- Building – add 0.40 FTE to existing position (moving from 0.35 FTE to 0.75 FTE)
- Police – add (3) Lieutenants and subtract (1) Captain and (2) Sergeants (net zero FTE change but would impact the General Fund by \$7,070)
- Fire – add (6) FTE's for a third advance life support ambulance
- Parks – Cemetery – add 0.50 Seasonal FTE
- Parks – Heartland Public Shooting Park/Fieldhouse – add 0.25 Customer Service Representative (increasing existing CSR from 0.75 to 1.00)
- Parks – Greenhouse – add (3) seasonal workers for 0.80 FTE

Discussion was held concerning the revenue from Cable TV that went to the General Fund to help pay for GITV.

Library Director Steve Fosselman introduced Library Board President Ed Meedel, 4258 Augusta Parkway who spoke in support of the additional employee requests. Mr. Fosselman answered questions regarding staff. He stated three were bilingual and they had approximately 200 volunteers. Mentioned was the need of a bookmobile or outreach vehicle. It was suggested they look at the Library Foundation to fund this.

Building Department Director Craig Lewis stated he was requesting an additional 0.40 FTE to increase the part-time position to provide service for the permit counter, inspection scheduling and plan processing.

Police Chief Robert Falldorf stated he didn't have much to add from last week's meeting. He stated by restructuring he would reduce his operating expenses by \$20,000.00 to help cover the extra costs.

Fire Chief Cory Schmidt stated he was requesting an additional six FTE's for a third advance life support ambulance. Fire Division Chief Russ Blackburn gave a PowerPoint presentation regarding the history of the ambulance division, changes in Grand Island, call volume over the years, and reason why calls were increasing due to an aging community.

Discussion was held regarding the new hospital which would increase the number of transports. The collection rate on ambulance bills was around 80%. 15% of the patients did not have insurance. Revenues were discussed. Chief Schmidt stated transports were the best alternative to increase the revenue for the department. Zachery Moul, 503 Johnson Drive spoke in support.

Parks & Recreation Director Todd McCoy stated they were requesting an additional 0.50 seasonal FTE for the Veteran's Cemetery. This position would not be hired until the City took

over the Veteran's Cemetery. Heartland Public Shooting Park/Fieldhouse had grown and they were requesting 0.25 Customer Service Representative to increase the existing CSR to a full time position. This position would be used at the Fieldhouse. The Greenhouse was asking for an additional 3 seasonal workers for an additional 0.80 FTE.

The following people from "Friends of the Park" spoke in support of the three additional employees for the Greenhouse:

- James Truell, 903 West Division Street
- Vicki Duel, 2515 Jan Street
- Cindy Miller, 927 Claussen Avenue

City Administrator Jerry Janulewicz answered questions concerning a paralegal position in the City Attorney's office. He stated they would be looking for a new City Attorney and would leave that decision to the new City Attorney.

ADJOURNMENT: The meeting was adjourned at 10:04 p.m.

RaNae Edwards
City Clerk