



# City of Grand Island

Tuesday, August 26, 2014

Council Session - Updated

## Item G-3

### Approving Minutes of August 19, 2014 City Council Special Meeting

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL SPECIAL MEETING

August 19, 2014

Pursuant to due call and notice thereof, a Special Meeting 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 August 19, 2014. Notice of the meeting was given in the *Grand Island Independent* on August 16, 2014.

Mayor Jay Vavricek called the meeting to order at 7:00 p.m. The following Councilmembers were present: Vaughn Minton, Mike Paulick, Mark Stelk, John Gericke, Peg Gilbert, Mitch Nickerson, Linna Dee Donaldson, Chuck Haase, Julie Hehnke, and Kent Mann. The following City Officials were present: City Administrator Mary Lou Brown, City Clerk RaNae Edwards, City Treasurer and Finance Director Jaye Monter, City Attorney Robert Sivick, and Public Works Street Superintendent Shannon Callahan.

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

Mayor Vavricek introduced Community Youth Council member Diego Tum-Monge and board member Maria Lopez.

SPECIAL ITEMS:

CRA 2014-2015 Proposed Annual Budget. Regional Planning Director Chad Nabity gave an overview of the Community Redevelopment Authority (CRA) budget. The CRA was requesting property tax revenues of \$686,119 with a proposed levy of \$0.026.

The CRA budget highlights were: operating expenses - \$88,550; façade improvement - \$200,000; property purchase - \$200,000; Lincoln Pool, bond payment principal and interest - \$198,050; other projects - \$175,000; and Fire, Life Safety and Infrastructure Grants - \$200,000.

The following carry over projects were mentioned: Kaufman Park project; Life Safety Grant for Tower 217; J Elizabeth Façade Grant; and Ryan Waind Chiropractic office.

Reviewed were the proposed Fire, Life Safety and Infrastructure Grant Program. The goal was to add 50 additional upper story residential units in Downtown Grand Island within the next 5 years. Improvements needed would include but were not limited to: fire sprinklers, additional exits, monitoring equipment, fire separation walls, and elevators to meet fire and building code requirements. This 5 year program, beginning with the 2015 fiscal year, was proposed to be funded by the City of Grand Island - \$100,000 and the CRA - \$100,000 to be match by private funds from the developer. Funds would not be paid until Occupancy Certificates were obtained for new residential units. The program would be reviewed by the CRA annually beginning with the 2017 fiscal year budget and presented to Council with the CRA budget. The program could be cancelled or suspended based on the results of the review.

The following people spoke in support of the Fire, Life Safety and Infrastructure Grant Program:

- Jeremiah Krance, 201 West 17<sup>th</sup> Street

- Tom Ziller, 324 West 18<sup>th</sup> Street
- Amos Anson, 4234 Arizona Avenue

Comments were made by Council of the importance of revitalizing Downtown. Discussion was held concerning the process for approving the grants.

Motion by Gilbert, second by Haase to approve the CRA budget as presented with the Fire, Life Safety and Infrastructure Grant Program. Upon roll call vote, all voted aye. Motion adopted.

Motion by Donadlson, second by Gilbert to reduce the \$250,000 item for the study of the Fire Station and backup Emergency 911 Center be reduced to \$50,000 to relocate the 911 Center.

Discussion was held regarding the appropriateness of this motion as this time. City Attorney Bob Sivick stated due to the open meetings laws and this item not being on the agenda this should be brought back at a later date.

Tracy Overstreet representing The Grand Island Independent spoke in opposition of the motion and commented on filing a complaint with the City due to the number of changes of the agendas less than 48 hours before the meetings.

Insurance Reserve Fund. Finance Director Jaye Monter updated the Council on the cash reserve balances within the Insurance Reserve Fund. The Insurance Reserve Fund consisted of Worker's Compensation, General Insurance, and Health Insurance funds. Total budgeted for 2015 was \$5,602,347. Claims had increased and \$8,409,000 was budgeted for 2015. Proposed 2015 ending cash balance for General Property was \$713,835; Work Comp - \$879,347; and Health Insurance - \$3,109,165.

#### RESOLUTIONS:

2014-231 Consideration of Approving Health Insurance Renewal with Blue Cross Blue Shield. Human Resources Director Brenda Sutherland reported the City had a partially self-funded health and dental benefits plan for its employees. Claims were paid by the premium dollars generated through the plan to a specified limit and a third party, Blue Cross Blue Shield of Nebraska, administered and paid claims and provided stop loss coverage.

Explained was the Health Savings Account (HSA) and the recommendation of increasing the HSA contribution to \$1,250 for single coverage and \$2,500 for family coverage. Also recommended was to adjust the contribution for new employees based on their starting date to be calculated quarterly. The funding level for the 2014-2015 budget would remain the same as last year at \$7.2 million.

Councilmember Minton recused himself from this item.

Motion by Nickerson, second by Paulick to approve Resolution #2014-231.

Discussion was held regarding increasing the HSA Seed fund. Ms. Sutherland stated the goal was to incentivize employees to move to the high deductible plan and continue to control rising costs with increased consumerism. Explained was the transitional fee.

Motion by Gilbert, second by Paulick to leave the HAS contribution at the same level. Upon roll call vote, Councilmembers Stelk, Gilbert, Hehnke, Haase, and Donaldson voted aye. Councilmembers Paulick, Gericke, Nickerson, and Mann voted no. Mayor Vavricek cast the sixth and deciding no vote. Motion failed.

Upon roll call vote of the main motion, Councilmembers Paulick, Stelk, Gericke, Nickerson, Hehnke, Haase, Donaldson, and Mann voted aye. Councilmember Gilbert voted no. Motion adopted.

#2014-232 - Consideration of Approving Voluntary Employee Vision Plan. Human Resources Director Brenda Sutherland reported that as part of the City's comprehensive benefit package to its employee, vision was not included. Request for proposals had been issued for a voluntary employee vision plan with no funding from the City. Eye Med from Mason, OH had been recommended to provide the voluntary vision plan.

Motion by Paulick, second by Minton to approve Resolution #2014-232. Upon roll call vote, all voted aye. Motion adopted.

OTHER ITEMS:

Food and Beverage Occupation Tax Ballot Language. Finance Director Jaye Monter reported that any ballot measure for voter consideration in the 2014 General Election would need to be submitted to the Hall County Election Office no later than September 2, 2014. The current food and beverage occupation tax would expire on December 31, 2015. Any new occupation tax or rate increase would be subject to voter approval.

The following potential allocation of the tax proposed was:

- Provide a funding source for the Nebraska State Fair host city expense (2015 budget amount is \$425,000).
- Remainder of the revenue would be dedicated to the city's capital improvement projects.

The following people spoke in support of using part of this money for marketing the City of Grand Island:

- Cindy Johnson, President of the Chamber of Commerce, 309 West 2<sup>nd</sup> Street
- Brad Mellema, Director of the Convention and Visitors Bureau
- Joseph McDermott, Executive Director of the Nebraska State Fair
- Steve Kunzman, President of Fonner Park, 2408 Riverside Drive
- Lewis Kent, 624 Meves Avenue

Comments were made concerning the importance of bringing events to the City. Mr. McDermott, Ms. Johnson, and Mr. Mellema commented on incentives to bring events to Fonner Park. Mr. Kunzman asked why this had to be decided now since this tax did not sunset until December 31, 2015. Comments were made by Council to take more time to discuss this issue.

Motion by Minton, second by Stelk to approve the ballot language as presented for the Food and Beverage Occupation Ballot.

Comments were made concerning changes in the governing body and wanting to hear their thoughts before this issue is decided.

Motion by Gilbert, second by Hehnke to postpone this matter until after the budget has been completed after the first of October. Upon roll call vote, Councilmembers Minton, Paulick, Stelk, Gericke, Gilbert, Hehnke, Haase, Donaldson, and Mann voted aye. Councilmember Nickerson voted no. Motion adopted.

ADJOURN TO EXECUTIVE SESSION: Motion by Gilbert, second by Haase to adjourn to Executive Session at 9:33 p.m. for the purpose of a strategy session with respect to labor negotiations with IBEW - Utilities. Unanimously approved.

RETURN TO REGULAR SESSION: Motion by Paulick, second by Gilbert to return to Regular Session at 10:28 p.m. Unanimously approved.

ADJOURNMENT: The meeting was adjourned at 10:28 p.m.

City Clerk