



# City of Grand Island

Tuesday, April 11, 2006

Council Session

## Item G19

**#2006-115- Approving Renewal of Leases at Cornhusker Army  
Ammunition Plant for Storage Buildings**

Staff Contact: Steve Paustian

# **Council Agenda Memo**

**From:** Steve Paustian, Parks and Recreation Director

**Meeting:** April 11, 2006

**Subject:** Approving Renewal of Leases at Cornhusker Army Ammunition Plant for Storage Buildings

**Item #'s:** G-19

**Presenter(s):** Steve Paustian, Parks and Recreation Director

## **Background**

On May 22, 2001, City Council approved the leasing of several buildings at the former Cornhusker Army Ammunition Plant pursuant to the provisions of Resolution 2001-132. The leases that were approved provide for an automatic one year renewal requested by the lessees. The resolution that is presented for Council consideration would authorize the city to renew the lease on Building's No. A-30, A-11, and A-12 located on city property at the former Cornhusker Army Ammunition Plant.

## **Discussion**

The city purchased property at the former Cornhusker Army Ammunition Plant that had several buildings located on it. The city has been leasing these buildings to the State of Nebraska, Department of Administrative Services, State Building Division; Dominion Construction Company; and Jerry Harders to obtain revenue and utilize these assets. There have not been any problems with damage to the property or with non payment of rent and City Parks & Recreation officials are recommending that the Council extend the lease for an additional year.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the resolution authorizing the city to extend the leases for another year.
2. Refer the issue to a Committee.

3. Postpone the issue to future date.
4. Take no action on the issue.

### **Recommendation**

City Administration recommends that the Council approve the resolution authorizing the extension of the leases for an additional year.

### **Sample Motion**

Motion to approve the resolution authorizing the city to extend the leases for an additional year to the State of Nebraska, Department of Administrative Services, State Building Division in the amount of \$500.00; Dominion Construction Company in the amount of \$2,000.00; and Jerry Harders in the amount of \$500.00.



**Dave Heineman**  
Governor

# STATE OF NEBRASKA

DEPARTMENT OF ADMINISTRATIVE SERVICES

Gerry Olligmueller  
Acting Director

January 26, 2006

Ms. RaNae Edwards, City Clerk  
City of Grand Island  
Box 1968  
Grand Island, Nebraska 68802-1968



Dear Ms. Edwards:

The State currently leases storage space (Building A-30, Cornhusker Army Ammunition Plant) from the City of Grand which is occupied by the Nebraska State Patrol.

As per the terms and conditions of this lease agreement (CA-65971364), it can be extended annually through April 30, 2007.

The State would like to extend this lease term for one (1) year at the annual rental rate of \$500.00. As soon as I received approval of this extension from the City of Grand Island, I will have our Accountant process the annual rental payment.

If you have any questions or comments regarding this request, please feel free to contact me at your earliest convenience.

Thank you for your continued cooperation.

Pat Genzmer  
Leasing Coordinator  
State Building Division

cc: ~~Parks~~  
Legal  
1-30-06

# DCC Dominion Construction Company

POST OFFICE BOX 48  
SCOTTSBLUFF, NEBRASKA 69363-0048

TELEPHONE (308) 635-3372  
FAX NUMBER (308) 635-3576

March 14, 2006

*To: Rahnke to put on agenda*

City of Grand Island  
Attn: City Mayor  
PO Box 1968  
Grand Island, Nebraska 68802-1968

Dear Sir:

We presently are leasing the property identified as Building No. A-11 on the former Cornhusker Army Ammunition Plant and at this time wish to renew our lease. Enclosed is a copy of Resolution 2005-97.

Very truly yours,

DOMINION CONSTRUCTION COMPANY



R. Michael Olmstead  
President

encl.



Working Together for a  
Better Tomorrow. Today.

March 11, 2005

**Jerry Harders**  
10582 W. 13<sup>th</sup> Street  
Wood River, NE 68883

*PER phone conversation with  
Jerry Harders please consider  
this years request per last years  
LETTER. Steve Paustian*

Re: CAAP Building Lease

Dear Mr. Harders:

The lease for Building A-12 at the former Cornhusker Army Ammunition Plant site in Grand Island will expire on April 30, 2005 unless renewed. If you request that the lease be renewed, please sign the bottom of this letter and return it with the lease payment of \$500.00 to my office. Upon city council approval, the lease will be renewed.

If you have any questions, please call me at 385-5444, extension 290.

Sincerely,

**CITY OF GRAND ISLAND**

A handwritten signature in cursive script, appearing to read "Steve Paustian".

**STEVE PAUSTIAN**  
Parks and Recreation Director

SP:LJB

A handwritten signature in cursive script, appearing to read "Jerry L Harders".  

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Jerry Harders

RESOLUTION 2006-115

WHEREAS, the City of Grand Island is the owner of an approximately 420 acre tract of land at the former Cornhusker Army Ammunition Plant, which has several buildings which were leased by the US Army Corp of Engineers during their ownership of the property; and

WHEREAS, on May 22, 2001, by Resolution 2001-132, the City approved Building Leases with the tenants of the buildings pending development of the property; and,

WHEREAS, the leases provide an automatic one-year renewal if requested by the Lessee's; and

WHEREAS, three of the Lessee's of storage buildings have requested that their lease be extended for another year.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Building Leases at the former Cornhusker Army Ammunition Plant are hereby authorized to be extended for an additional year to the following Lessees in accordance with the Building Leases:

<u>Lessee</u>	<u>Description</u>	<u>Rental</u>
Dominion Construction Company	Storage building	\$2,000/yr.
Jerry Harders	Fire/guard building	\$500/yr.
Nebraska State Patrol	Storage building	\$500/yr.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 11, 2006.

\_\_\_\_\_  
Jay Vavricek, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
April 6, 2006	☐ City Attorney