



City of Grand Island

Tuesday, March 27, 2007

Council Session

Item G6

**#2007- 70- Approving Funding of Economic Development
Corporation Request for CNH America, LLC (NWPS Rate
Agreement Funds)**

Staff Contact: David Springer

Council Agenda Memo

From: Dave Springer, Finance Director

Meeting: March 27, 2007

Subject: Approving Funding of Economic Development Corporation Request for Case IH Plant Expansion (NWPS Rate Agreement Funds)

Item #'s: G-6

Presenter(s): Dave Springer, Finance Director

Background

On September 26, 2000, the City Council approved Resolution #2000-291 establishing an Economic Development Policy for the annual contribution from Northwestern Public Service (NWPS). A request has been received for funding and recommended for approval by the NWPS Funds Review Committee.

Discussion

The Grand Island Area Economic Development Corporation (GIAEDC) requests \$50,000 to be used towards the expansion of the Case IH plant in Grand Island and increased usage of their paint line. These funds represent direct cash contributions previously made by NWPS to the City of Grand Island and the usage of these funds for this purpose falls within the guidelines of the economic development policy set forth in the rate agreement. Adequate funds will not be in Account #10011102-85454 until the next quarterly contribution from NWPS is received.

Alternatives

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

1. Approve the request for funds
2. Disapprove or /Deny the request for funds
3. Table the issue

Recommendation

City Administration recommends that the Council approve the request for funds.

Sample Motion

Approve the request for funds to allow payment to Case IH.



GRAND ISLAND AREA
**ECONOMIC
DEVELOPMENT CORPORATION**

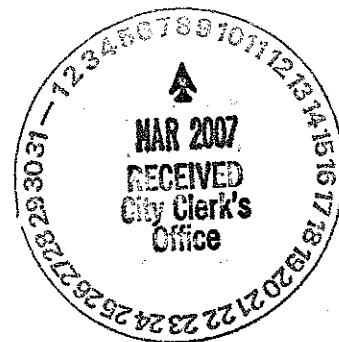
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P.O. Box 1151

GRAND ISLAND, NE 68802-1151

March 7, 2007

Mayor Margaret Hornady
City of Grand Island
100 E 1st St
PO Box 1968
Grand Island, NE 68802-1968



RE: Applications for NWPS Economic Development Rate Agreement Funds

Dear Mayor,

Our local review committee made up of the GIAEDC Executive Committee and Jim Hartman of NorthWestern Energy as spelled out in the rate agreement policy have reviewed the following project and recommends to the City Council for their review and approval.

Project: Case IH is requesting funds from the NorthWestern account to help offset the high gas usage and new equipment purchased.

After review by the committee, the committee unanimously approved to obligate \$50,000 now.

Attached is the request letter for your reference. If you have any questions, or would need any additional information, please give me a call.

Sincerely,

L. Denise McGovern
Executive Assistant

Enclosure



October 20, 2006

Grand Island Area Economic Development Corp.
Executive Committee & Mr. Jim Hartman
Acting as NWPS Funds Review Committee
The Downtown Center
308 N. Locust Street, Ste. 400
Grand Island, NE 68801

RE: Request for Funding

Dear Review Committee Members,

I am writing to request that you consider CNH America LLC as a recipient for the NorthWestern Energy Gas Funding program. The Case IH plant of Grand Island will be expanding its current facility an additional 90,000 square feet as well as increasing the use of the current paint line.

This request for \$50,000 is consistent with and falls within the guidelines of the economic development policy set forth in the rate agreement. I feel this is a prudent use of the funds, as our Grand Island Plant continues to expand its facility and create new jobs.

Thank you for your consideration. Please give me a call if you have any questions or need any additional information.

Sincerely,

Steven G. Lee
Plant Manager
3445 W. Stolley Park Rd.
Grand Island, Ne. 68802-4902
Ph: 308-389-5702
Cell: 308-379-7199

R E S O L U T I O N 2007-70

WHEREAS, Northwestern Public Service (NWPS) makes an annual contribution for economic development purposes to the City of Grand Island in the amount of \$86,000; and

WHEREAS, on September 26, 2000, the Mayor and City Council approved Resolution 2000-291 establishing an economic development policy for receiving, considering and making recommendations regarding requests for disbursement of said funds; and

WHEREAS, the office of the Mayor of the City of Grand Island received a recommendation for funding from the local economic development committee for \$50,000 payable to the Grand Island Area Economic Development Corporation on behalf of Case IH to assist with the expansion of the plant and increased usage of their paint line; and

WHEREAS, said request is consistent with the intent of NWPS in making its annual economic development contribution, and the policy established by the Mayor and City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the request for disbursement in the amount of \$50,000 to fund a portion of the expansion of Case IH and their increased usage of their paint line is hereby approved, and a payment is authorized to be made to the Grand Island Area Economic Development Corporation on behalf of Case IH for such purpose.

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Adopted by the City Council of the City of Grand Island, Nebraska on March 27, 2007.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk