



City of Grand Island

Tuesday, July 24, 2007

Council Session

Item G21

#2007-170 - Approving Funding of Economic Development Corporation Request for Hall County Airport Authority for the Air National Guard Facility (NWPS Rate Agreement Funds)

Staff Contact: David Springer

Council Agenda Memo

From: Dave Springer, Finance Director

Meeting: July 24, 2007

Subject: Approving Funding of Economic Development Corporation Request for Air National Guard Facility (NWPS Rate Agreement Funds)

Item #'s: G-21

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 \$26,000 to be used towards the expansion of the natural gas distribution system to serve the new Air National Guard Facility at the Central Nebraska Regional Airport. 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 are in Account #10011102-85454.

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 the Hall County Airport Authority.

P.O. Box 1151

GRAND ISLAND, NE 68802-1151

July 2, 2007

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



RE: Application 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: Hall County Airport Authority for the Air National Guard facility at Central Nebraska Regional Airport.

After review by the committee, the committee unanimously approved to obligate \$26,000 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

CC: Legal
Finance
Clark
7-3-07



June 25, 2007

Grand Island Area Economic Development Corp.
NorthWestern Energy Review Committee
The Downtown Center
308 N. Locust Street, Suite 400
Grand Island, NE 68801

Re: Request for Funding

Dear Review Committee Members:

On behalf of the Hall County Airport Authority, I am writing to request that you consider using the NorthWestern Energy Economic Development Fund to assist in paying for the expansion of the Natural Gas Distribution System to serve the new Air National Guard facility at Central Nebraska Regional Airport.

The total projected cost to extend service to the site is approximately \$44,000.00. Adjusting for the Allowed Rate of Return, NorthWestern Energy's Supportable Investment into this project is approximately \$18,000.00.

It is at this time that Hall County Airport Authority is requesting \$26,000 from the fund and this request is consistent with and falls within the guidelines of the economic development policy set forth in the rate agreement. I believe this request is a prudent use of the funds as it is helping to build infrastructure for new business to Grand Island.

I would like to thank you for considering this request. Please feel free to contact me if you have any questions about this request.

Sincerely,

Mike Olson, AAE
Executive Director
Hall County Airport Authority

3743 Sky Park Road
Grand Island, NE 68801
Phone 308.385.5170
Fax 308.385.5179
FlyGrandIsland.com

HALL COUNTY AIRPORT AUTHORITY
BOARD MEMBERS
Ken Caldwell, Chairman
Lynne Werner, Vice Chair
Jim Roe, Secretary/Treasurer
Harold Rosenkranz
Curtis Grass
Mike Olson, AAE, Executive Airport Director

RESOLUTION 2007-170

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 City Administrator received a recommendation for funding from the local economic development committee for \$26,000.00 to be used towards the expansion of the natural gas distribution system to serve the Air National Guard Facility at the Central Nebraska Regional Airport; 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 \$26,000.00 to be used towards the expansion of the natural gas distribution system to serve the Air National Guard Facility at the Central Nebraska Regional Airport is hereby approved, and a payment is authorized to be made to the Hall County Airport Authority for such purpose.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 24, 2007.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 19, 2007	☐ City Attorney