



City of Grand Island

Tuesday, September 11, 2007

Council Session

Item G1

Approving Minutes of August 28, 2007 City Council Meeting

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL REGULAR MEETING

August 28, 2007

Pursuant to due call and notice thereof, a Regular 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 28, 2007. Notice of the meeting was given in *The Grand Island Independent* on August 22, 2007.

Council President Bob Meyer called the meeting to order at 7:00 p.m. The following City Council members were present: Councilmember's Brown, Zapata, Nickerson, Gericke, Gilbert, Whitesides, Niemann, and Meyer. Mayor Hornady and Councilmember's Haase and Carney were absent. The following City Officials were present: Interim City Administrator/City Attorney Dale Shotkoski, City Clerk RaNae Edwards, Finance Director David Springer, and Public Works Director Steve Riehle.

INVOCATION was given by Pastor Nancy Lambert, Trinity United Methodist Church, 511 North Elm Street followed by the PLEDGE OF ALLEGIANCE.

MAYOR COMMUNICATION: President Meyer acknowledged Community Youth Council members Ben Robbins, Lauren Shoemaker, and Sammy Sayavongsa.

PRESENTATIONS AND PROCLAMATIONS:

Proclamation "Preparedness Month" September 2007. Mayor Hornady had proclaimed the month of September 2007 as 'Preparedness Month'. Jon Rosenlund, Emergency Management Director was present to receive the Proclamation.

ADJOURN TO BOARD OF EQUALIZATION: Motion by Whitesides, second by Nickerson, carried unanimously to adjourn to the Board of Equalization.

#2007-BE-4 – Consideration of Determining Benefits for 2006 Weed Abatement Program. Wes Nespor, Assistant City Attorney reported that under Chapter 17 of the Grand Island City Code, the City had several properties which were not mowed of which the City contracted to have taken care of. The City Council in its' capacity as the Board of Equalization was required to determine the benefits for the 2006 Weed Abatement Program. This item was before Council on July 24, 2007, but due to publication requirements and a change in ownership this item was before the Council again.

Motion by Whitesides, second by Brown to approve Resolutions #2007-BE-4. Upon roll call vote, all voted aye. Motion adopted.

RETURN TO REGULAR SESSION: Motion by Whitesides, second by Gilbert carried unanimously to return to Regular Session.

PUBLIC HEARINGS:

Public Hearing Concerning Blight/Substandard Study for Redevelopment Area NO. 7 Located 1/2 Mile East of Highway 281 and 1/2 Mile West of South Locust Street between Schimmer Drive and Wildwood Drive. Chad Nabity, Regional Planning Director reported that the Grand Island Area Economic Development Corporation (GIAEDC) commissioned a Blight/Substandard Study for Redevelopment Area No. 7 which included 498.5 acres located primarily one-half mile east of U.S. Highway 281 and one-half mile west of South Locust Street between Schimmer Drive and Wildwood Drive. The Regional Planning Commission met on August 1, 2007 approving the blight declaration. Marlan Ferguson representing the Economic Development Corporation spoke in support. No further public testimony was heard.

Public Hearing on Acquisition of Utility Easement Located on the South Side of the Central Nebraska Regional Airport between Sky Park Road & Shady Bend Roads (Hall County Airport Authority). Gary Mader, Utilities Director reported that acquisition of a utility easement located on the south side of the Central Nebraska Regional Airport between Sky Park Road and Shady Bend Road was needed in order to have access to install, upgrade, maintain, and repair all utilities. This easement would be used to locate water, sewer and natural gas utilities from Sky Park Road, across the southern end of the airport to north of the golf course and finally to the new National Guard Helicopter facility at Airport Road and Shady Bend Road. These utilities would provide service to the new helicopter facility. No public testimony was heard.

Public Hearing on Acquisition of Utility Easement Located South of Old Potash Highway and East of North Road (Little B's Corporation). Gary Mader, Utilities Director reported that acquisition of a utility easement located south of Old Potash Highway and east of North Road was needed in order to have access to install, upgrade, maintain, and repair all utilities. This easement would be used to provide utilities to the new Westgate Industrial Park 2nd Subdivision. No public testimony was heard.

ORDINANCES:

Councilmember Whitesides moved "that the statutory rules requiring ordinances to be read by title on three different days be suspended and that ordinances numbered:

#9133 – Consideration of Electric Utility Rate Increase

#9134 – Consideration of Assessments for 2006 Weed Abatement Program

#9135 – Consideration of Approving FY 2007-2008 Annual Single City Budget, The Annual Appropriations Bill Including Addendum #1

be considered for passage on the same day upon reading by number only and that the City Clerk be permitted to call out the number of these ordinances on first reading and then upon final passage and call for a roll call vote on each reading and then upon final passage." Councilmember Gilbert second the motion. Upon roll call vote, all voted aye. Motion adopted.

Gary Mader, Utilities Director reported that Ordinance #9133 was an increase of \$0.001 per kWh due to increased costs for materials and fuel. Also mentioned was from 1980 to 2005 the Electric Utility did not increase electric rates. Last year the Council discussed rates being spread out over longer time frames.

Wes Nespor, Assistant City Attorney reported that Ordinance #9134 referred to the aforementioned Public Hearing.

David Springer, Finance Director reported that Ordinance #9135 was one of the final steps in approving the FY 2007-2008 City Budget. The final step approving the tax request would be brought back to council at the September 11, 2007 Council meeting.

Motion by Whitesides, second by Brown to approve Ordinances #9133, #9134 and #9135.

City Clerk: Ordinances #9133, #9134 and #9135 on first reading. All those in favor of the passage of these ordinances on first reading, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

City Clerk: Ordinances #9133, #9134 and #9135 on final passage. All those in favor of the passage of these ordinances on final passage, answer roll call vote. Upon roll call vote, all voted aye. Motion adopted.

President Meyer: By reason of the roll call votes on first reading and then upon final passage, Ordinances #9133, #9134 and #9135 are declared to be lawfully adopted upon publication as required by law.

CONSENT AGENDA: Motion by Gilbert, second by Gericke to approve the Consent Agenda. Upon roll call vote, all voted aye. Motion adopted.

Approving Minutes of August 14, 2007 City Council Regular Meeting.

Approving Minutes of August 21, 2007 City Council Special Meeting.

#2007-198 – Approving Acquisition of Utility Easement Located on the South Side of the Central Nebraska Regional Airport between Sky Park Road and Shady Bend Road (Hall County Airport Authority).

#2007-199 – Approving Acquisition of Utility Easement Located South of Potash Highway and East of North Road (Little B's Corporation).

#2007-200 – Approving Bid Award for Chimney Repair at the Platte Generating Station with Gerard Chimney Co. of St. Louis, Missouri in an Amount of \$45,400.00.

#2007-201 – Approving Bid Award for Outage Cleaning Services at the Platte Generating Station with W-S Industrial Services, Council Bluffs, Iowa in an Amount of \$80,787.00.

#2007-202 – Approving Change Order #1 – Water Main District 455 – Park-View Area with Starostka Group Unlimited, Inc., of Grand Island, Nebraska for an Increase of \$8,910.00 and a revised Contact Amount of \$228,772.80.

#2007-203 – Approving Oversize of Water Main Project 2006-W-8 – Copper Creek Estates Subdivision – Old Potash Highway and Engleman Road with W. C. “Dub” Baker – Re-Max Realty Specialist of Grand Island, Nebraska in an Amount of \$36,341.37.

#2007-204 – Approving Purchase of Two (2) 621 D Wheel Loaders for use in the Sludge Disposal Operation at Waste Water Division with Mid-Land Equipment of Omaha, Nebraska in an Amount of \$24,500.00 (after trade-in).

#2007-205 – Approving Program Agreement with the Nebraska Department of Roads for Safe Route to School Funding for the “Walk to Walnut” Project in an Amount of \$269,644.00 Grant Funds.

#2007-206 – Approving Amendment NO. 2 to the Interlocal Agreement with the Central District Health Department.

#2007-207 – Approving Interlocal Agreement Between the Cities of Grand Island, Kearney, North Platte and the Village of Alda Regarding Direct Negotiations of Rate Changes with Northwestern Energy.

#2007-208 – Approving Purchase of Furniture Systems from State Contract for Law Enforcement Center with Surroundings, Inc. in an Amount of \$153,189.51.

#2007-209 – Approving Bid Award for River-Way Hike/Bike Trail Construction Project STPB-40(53) with The Diamond Engineering Company of Grand Island, Nebraska in an Amount of \$339,423.85 with Matching Grant Funds paid by the State of Nebraska in the Amount of 80%.

RESOLUTIONS:

#2007-210 – Consideration of Approving 1% Increase to the Lid Limit. David Springer, Finance Director reported that in 1998 the Nebraska State Legislature passed LB 989 which put a cap on the amount of restricted revenues a political subdivision could budget for. The restricted revenues that the City of Grand Island included in the budget were Property Taxes, Local Option Sales Tax, Motor Vehicle Tax and State Aid. Of those restricted revenues, property tax was the only revenue that the City could control. The increase in restricted funds authority using the 1% additional amount and the population growth (when available) was not an increase in budgeted revenues. It only provided the ability to increase restricted revenues, particularly property tax, in a future year if necessary.

Motion by Zapata, second by Whitesides to approve Resolution 2007-210. Upon roll call vote, all voted aye. Motion adopted.

#2007-211 – Consideration of Approving Blight/Substandard Study for Redevelopment Area No. 7 Located 1/2 Mile East of Highway 281 and 1/2 Mile West of South Locust Street between Schimmer Drive and Wildwood Drive. Chad Nabity, Regional Planning Director reported this item related to the aforementioned Public Hearing Item E-1.

Discussion was held on the importance of future development and benefits to this area by designating this area as substandard and blighted.

Motion by Gilbert, second by Brown to approve Resolution #2007-211 with the following findings of fact:

- The Blight/Substandard Study presented by Hanna:Keelan, with the exception of Amendment B, the Redevelopment Plan;
- The written testimony by the Grand Island Economic Development Corporation (see attached);
- The buildings located on the property identified as aged/dilapidated;
- The age of structures are at least 40 years old;
- The property is different from other properties because of location on the urban fringe of the community in that it is directly adjacent to an industrial area on the west, directly adjacent to the power plant on the south with high voltage lines, as well as, close to rail lines, which would be good for manufacturing growth, but possibly detrimental for other development;
- The location of major commercial arterial roads between, but not on , property; and,
- Public intervention is deemed appropriate for the redevelopment of the area due to inadequate infrastructure, specifically sewer and water, and the high cost of making that available.

Upon roll call vote, all voted aye. Motion adopted.

PAYMENT OF CLAIMS:

Motion by Brown, second by Zapata to approve the Claims for the period of August 15, 2007 through August 28, 2007, for a total amount of \$4,393,414.05. Motion adopted unanimously.

Motion by Brown, second by Nickerson to approve the following Claims for the Library Expansion for the period of August 15, 2007 through August 28, 2007:

#80 \$4,870.00
#81 \$ 323.00

Motion adopted unanimously.

ADJOURNMENT: The meeting was adjourned at 7:55 p.m.

RaNae Edwards
City Clerk



P.O. Box 1151

GRAND ISLAND, NE 68802-1151

August 28, 2007

To: Grand Island City Council

From: Marlan Ferguson, President GIAEDC

The Nebraska Legislature passed the Nebraska Community Development Law to allow certain areas of the communities to be designated Blighted and Substandard thereby allowing a redevelopment plan to commence. A redevelopment plan can among other things include the use of tax increment financing (TIF). This is an invaluable tool which has been used multiple times in communities across Nebraska and the nation. As an example Kearney has approved 17 TIF projects, Hastings has 47 projects and Grand Island which currently has 8 projects. As you know Wood River has designated a large area Blighted and Substandard for the benefit of increased development.

Recruitment of businesses and industries is becoming extremely competitive and all the tools economic developers can have at their disposal is critical. The potential for TIF financing is attractive to potential new job creation and gives us another tool in the competition for economic development. It expedites the development of an area which is good for the tax base in the long run.

The Grand Island Area Economic Development Corporation has invested heavily in developing the Platte Valley Industrial Park including acquiring additional property titled PVIP II. This includes 320 acres with large tracts of land available. This acquisition was made in response to a potential project that would have taken 170 acres for a 1,000,000 square foot Distribution Center employing over 600 people. One of the first items they asked for was the availability of TIF and they continued to ask if the City would make that property eligible for TIF, so it was abundantly clear the need for TIF was paramount. Since then we have had numerous inquiries on this property and the request for TIF has been asked each time. We currently have three projects interested in locating in this area and one has indicated they would come.

The City has now annexed most of the area including an area not owned by the EDC but is a projected site for an ethanol plant, for which they too have asked about the availability of TIF. Most of the area has also been zoned to M-2 making this an excellent location for development. However there remains the need to upgrade the roads, improve surface drainage and extend the water and sewer system. The GIAEDC decided to have a "Blight and Substandard" study completed as the annexation and rezoning were taking place in order to plan for the future development of the area.

The study was completed by Hanna:Keelan Associates, P.C. from Lincoln, Ne. the same firm who completed previous studies for the City. The purpose of this Blight and Substandard Determination Study is to apply the criteria set forth in the Nebraska Community Development Law, Section 18-203, to the designated Redevelopment Area.

It is the opinion of the **CONSULTANT**, that the findings of this Blight and Substandard Determination Study warrant designating the Redevelopment Area as "substandard" and "blighted."

The GIAEDC Board encourages the City Council to approve the designation of this area as Blight and Substandard as determined by the consultants.