



# City of Grand Island

Tuesday, June 09, 2009

Council Session

## Item I1

**#2009-137 - Approving Authorizing Placement of \$1.5 Million with the Department of Administrative Services for Athletic Fields Replacement**

Staff Contact: Jeff Pederson

# Council Agenda Memo

**From:** Jeff Pederson, City Administrator

**Meeting:** June 9, 2009

**Subject:** Authorizing Placement of \$1.5 Million with the Department of Administrative Services for Athletic Fields Replacement

**Item #'s:** I-1

**Presenter(s):** Jeff Pederson, City Administrator

## Background

The City Council Study Session conducted on May 19, 2009 focused on the prospect of the City committing to a project to replace athletic field facilities that will be displaced from Fonner Park as a result of the relocation of the Nebraska State Fair to Grand Island. A Master Plan for the 78 acres that the City recently acquired through long-term lease was reviewed, that included the possibility for additional facilities being constructed at that site, including those necessary to replace current softball and soccer facilities that are currently located near Webb Road on land that will be converted to cemetery use sometime in the next decade. A Study Session is planned for June 16, during which there will be further analysis and discussion on options for project scope, financing, and timeline for construction.

LB 224 has been passed and signed into law. It contains a provision whereby up to \$1.5 million spent on capital facilities (athletic fields) replacement is an allowable part of the budget for State Fair facilities construction. The State Fair Board has gone on record in support of the use of that amount of money for this purpose. Locally generated money that is spent on the prospective athletic fields replacement project would count towards the \$8.5million requirement for Grand Island to host the State Fair.

## Discussion

LB 224 requires that the decision to allocate funds from the required city State Fair match to the replacement of athletic fields be certified to the Department of Administrative Services by July 1, 2009, in the form of cash or a legally binding commitment. The City Attorney has opined that there is not a means available for the City to make a legally

binding commitment, and therefore the means for the City to exercise the option under LB 224 must be cash.

Attached is a Resolution that authorizes the placement of \$1.5million in City funds with the Department of Administrative Services in order that the City exercise the option to proceed with the funding and the placement of replacement athletic fields. This action will not preclude the City from constructing a larger project should that decision be made following the Council Study Session, or at any later time.

This project would become part of the City's Capital Improvement Plan, and a source of funding would need to be identified to replenish the cash that is obligated by this Resolution. An Ordinance to amend the prepared food occupation tax to permit tax proceeds to be used for an athletic fields project at the Veterans Home site is scheduled for the June 23 City Council meeting. It is anticipated that the City Council will make a determination on the amount of funding for the project following the Study Session on June 16.

### **Alternatives**

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

1. Move to approve
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 authorizing placement of \$1.5 Million with the Department of Administrative Services for Athletic Fields Replacement.

### **Sample Motion**

Move to approve Resolution #2009-137.

RESOLUTION 2009-137

WHEREAS, the City of Grand Island currently has recreational facilities on land leased from the Hall County Livestock Improvement Association, which fields will be relocated onto land leased from the State of Nebraska due to the relocation of the Nebraska State Fair; and

WHEREAS, the Nebraska State Legislature has adopted Legislative Bill 224 which allows for up to One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) in cash or legally binding commitments provided by or on behalf of the City of Grand Island for the purpose of relocating and reconstructing recreational facilities displaced by the relocation of the Nebraska State Fair to Grand Island; and

WHEREAS, the City of Grand Island intends to relocate and reconstruct its recreational facilities, which cost may exceed One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00), and wishes to comply with the law as amended by Legislative Bill 224, which has been signed by the Governor of the State of Nebraska.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the amount of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) in cash shall be provided by the City of Grand Island for the purpose of relocating and reconstructing recreational facilities displaced by the relocation of the Nebraska State Fair to Grand Island, which amount shall be placed on deposit with the Nebraska Department of Administrative Services to be held in trust for use by the City of Grand Island for the purposes outlined in LB 224 or an approved escrow agent or trustee as agreed to by the Nebraska Department of Administrative Services and the City of Grand Island to hold said funds, which funds shall be restricted in use solely for the relocation and reconstructing of said recreational facilities. Said funds shall be placed with the Nebraska Department of Administrative Services or the agreed upon escrow agent by July 1, 2009.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 9, 2009.

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Margaret Hornady, Mayor

Attest:

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RaNae Edwards, City Clerk-

Approved as to Form    ☐ \_\_\_\_\_  
June 5, 2009            ☐ City Attorney