



City of Grand Island

Tuesday, June 22, 2010

Council Session

Item G13

**#2010-170 - Approve Amended Interlocal Agreement with the
Community Redevelopment Authority**

Staff Contact: Chad Nabity

Council Agenda Memo

From: Chad Nabity, AICP

Meeting: June 22, 2010

Subject: Amended Interlocal Agreement with CRA Relative to Compensation of the City for Staffing the CRA

Item #'s: G-13

Presenter(s): Chad Nabity, AICP

Background

The Community Redevelopment Authority and the City of Grand Island entered into an interlocal agreement to have the Regional Planning Director act as Director of the CRA beginning July 1, 2005. According to the terms of the agreement the CRA would pay 10% of the Director's salary and benefits and 10% of the planning department's secretary's salary and benefits to offset the cost this service.

In 2007, for the 2008 budget, this agreement was amended with the CRA paying 20% of the Director's benefits and salary. In response to current budget constraints and in reviewing the work performed by the planning secretary the CRA Board has determined that it would be appropriate for the CRA to increase the percentage of the salary and benefits for that position from 10% to 20% for the next fiscal year. The CRA Board passed an amendment to the interlocal agreement to increase the payment to the City at their meeting on June 9, 2010.

Discussion

Discussions on these changes were part of the budgeting process at the CRA, County and City. These changes are consistent with the program prioritization process initiated by the City of Grand Island.

The 2010-2010 budget for the Hall County Regional Planning Department was prepared with these changes. The CRA approved and signed the amended agreement at their meeting on June 9, 2010. A copy of the approved amendment is attached.

Alternatives

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

1. Move to approve the amendments to the interlocal agreement
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 amended interlocal agreement with the CRA as presented.

Sample Motion

Move to approve the amendment to the interlocal agreement with the CRA as presented.

The foregoing instrument was acknowledged before me this ____ day of _____, 2010 by Margaret Hornady, Mayor on behalf of the City of Grand Island, Nebraska a municipal corporation.

Notary Public
COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

By: _____
Barry Sandstrom, Chairperson

The foregoing instrument was acknowledged before me this ____ day of _____, 2010 by Barry Sandstrom, on behalf of the Community Redevelopment Authority of City of Grand Island, Nebraska.

Notary Public

INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") is made pursuant to the Nebraska Interlocal Cooperation Act (the "Act") by and between the City of Grand Island, Nebraska (the "City") and the Community Redevelopment Authority of the City of Grand Island, Nebraska (the "Authority") with respect to the following facts:

1. The City is a city of the first class and a public agency within the meaning of the Act; and
2. The Authority is a community redevelopment authority duly created by the City and is a public agency within the meaning of the Act; and
3. The City and the Authority desire to enter into an agreement whereby the Authority will reimburse the City related to the performance of services by whomever the City Administrator shall designate, as Director for the Authority.

NOW, THEREFORE, in consideration of the foregoing facts, the terms and conditions of the Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Authority agree as follows:

1. The City and the Authority specify the following pursuant to Section 3 of the Act:
 - a. The duration of this Agreement is for the period beginning on July 1, 2005 and ending September 30, 2006; thereafter, the Agreement shall automatically renew for successive one year terms beginning each October 1st until terminated as provided in this Agreement.
 - b. No separate legal or administrative entity is created by this Agreement.
 - c. The purpose of this Agreement is to provide for reimbursement by the Authority to the City for certain services provided by whomever the City Administrator shall designate, as Director of the Authority ("Director").
 - d. The obligations of the City and the Authority pursuant to this Agreement shall be financed pursuant to their general budgets. No additional budgets or financing shall be required.
 - e. This Agreement may be terminated at any time by either party upon 30 days prior written notice to the other party. All facilities and equipment provided by the City and used by the Director for the benefit of the Authority shall remain the property of the City upon termination of this Agreement. If termination occurs on any day other than the last day of the month, the monthly reimbursement payable to the City by the Authority

pursuant to this Agreement for the month of termination shall be prorated based on the number of days in the month of termination during which this Agreement is in effect.

- f. (1) The City agrees that the Director will spend, during the term of this Agreement, approximately ten percent (10%) of his or her time, more or less, as Director of the Authority. The City further agrees that the Director may use the physical office provided to him or her by the City, together with equipment, supplies and services (such as telephone and utilities) provided in connection with his or her office for his or her services as Director of the Authority. Neither the City nor the Director shall be obligated to record or maintain records of the actual allocation of his or her time or of the equipment, supplies and services provided in connection therewith, as between the City and the Authority.

(2) In consideration of the provision of the services of the Director, and the related provision of the use of his or her office and of equipment, supplies and services in connection therewith, the Authority shall reimburse to the City a sum equal to ten percent (10%) of the Director's total annual salary and benefits and ten percent (10%) of the Planning secretary's total annual salary and benefits, as determined by the City of Grand Island Salary Ordinance in effect on the date of this Agreement, and on the first day of October for each subsequent year. All reimbursements due under this provision are to be made in equal quarterly installments due on the last day of the quarter.

(3) CRA shall also reimburse the City for expenses directly attributable to the operation of the CRA. These expenses shall include, but not be limited to, publication expenses, such as legal notices, office supplies and postage, travel expenses and all other line item expenditures set forth in the CRA budget.

- g. The City Finance Director will serve, as provided by Neb. Rev. Stat., §18-2102.01(7), as Ex-Officio Treasurer of the Authority, at no additional compensation. The City agrees that but for equipment and supplies unique to the Authority, that the physical office, equipment, supplies and services provided in connection with his or her services as Ex-Officio Treasurer of the Authority, is also at no additional compensation.

- 2. The City and the Authority specify the following pursuant to Neb. Rev. Stat. §18-2102.01(4):

- a. This Agreement shall be administered by the members of the Authority and the Mayor and Council of the City.

- b. The office and equipment shall remain the property of the City. Supplies and services provided to the Authority shall become the property of the Authority as and when used by the Authority. No other property shall be conveyed or transferred as between the City and the Authority in connection with this Agreement.
- c. This Agreement shall not relieve either the City or the Authority of any obligations imposed on it by law. This Agreement shall be governed by the laws of the State of Nebraska. This Agreement is entered into strictly for the benefit of the parties hereto and shall not inure to the benefit of or create rights in favor of any third party. This Agreement shall be effective upon approval by the members of the Authority and by the Mayor and Council of the City.

IN WITNESS WHEREOF, the City and the Authority hereby execute this Agreement by their duly authorized officers as of the date written below.

Attest:

CITY OF GRAND ISLAND, NEBRASKA,
A Municipal Corporation,

RaNaE Edwards
RaNaE Edwards, City Clerk

By: Jay Vavricek
Jay Vavricek, Mayor

Approved as to form by City Attorney DRW
Approved by Resolution 2005-191

Attest:

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA,

Cheryl A. [Signature]
Secretary

By: Bruce J. [Signature]
, Chairperson

STATE OF NEBRASKA)
) SS.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this 21 day of November, 2005, by Jay Vavricek, Mayor on behalf of the City of Grand Island, Nebraska, a municipal corporation.


Michelle R. Nelson
Notary Public
GENERAL NOTARY - State of Nebraska
MICHELLE R. NELSON
My Comm. Exp. Feb. 21, 2006

STATE OF NEBRASKA)
) SS.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this 21st day of November, 2005,
by Danny C. Sanderson of the Community Redevelopment Authority of the City of Grand Island,
Nebraska..



Traci A. Raber
Notary Public

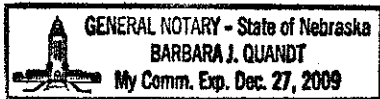
 GENERAL NOTARY - State of Nebraska
SHERRY A. PETERS
My Comm. Exp. April 9, 2008

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF GRAND
ISLAND, NEBRASKA

By: Barry H. Sandstrom
Barry Sandstrom, Chairperson

The foregoing instrument was acknowledged before me this 25 day of August, 2007 by Barry Sandstrom, on behalf of the Community Redevelopment Authority of City of Grand Island, Nebraska.

Barbara J. Luandt
Notary Public



RESOLUTION 2010-170

WHEREAS, on June 28, 2005, by Resolution 2005-191, the City of Grand Island approved an Interlocal Cooperation Agreement with the Grand Island Community Redevelopment Authority (CRA) which directed that the Regional Planning Director would serve as the Director of the CRA; and

WHEREAS, on September 25, 2007, by Resolution 2007-234, the City of Grand Island approved an amendment to that Interlocal Cooperation Agreement with the CRA, and

WHEREAS, according to the terms of the amended Interlocal Agreement, 10% of the Planning Secretary's salary and benefits are paid by the CRA; and

WHEREAS, on June 9, 2010, the CRA Board passed an amendment wherein the CRA would pay 20% of the Planning Secretary's salary and benefits; and

WHEREAS, the City Attorney's office has reviewed and approved the amendment to the Interlocal Cooperation Agreement setting out such changes.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the amendment to the Interlocal Cooperation Agreement for the Community Redevelopment Authority is hereby approved

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such amendment on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 22, 2010.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 18, 2010	☐ City Attorney