



City of Grand Island

Tuesday, August 10, 2010

Council Session

Item G2

**Approving Minutes of August 3 and 5, 2010 City Council Special
(Budget) Meetings**

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL BUDGET MEETING

August 3, 2010

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 3, 2010. Notice of the meeting was given in *The Grand Island Independent* on July 28, 2010.

Mayor Hornady called the meeting to order at 7:00 p.m. The following City Council members were present: Councilmember's Meyer, Niemann, Gilbert, Haase, Carney, Dugan, Ramsey, Zapata, Nickerson, and Gericke. The following City Officials were present: City Administrator Jeff Pederson, City Clerk RaNae Edwards, Finance Director Mary Lou Brown, City Attorney Dale Shotkoski, and Public Works Director Steve Riehle.

INVOCATION was given by Mayor Hornady followed by the PLEDGE OF ALLEGIANCE.

MAYOR COMMUNICATION: Mayor Hornady introduced Community Youth Council members Ava Mackey and Tyler Barrientos. The Mayor mentioned that we would go until 9:30 p.m. unless the council wanted to go longer.

Motion by Nickerson, second by Dugan to reverse the order as presented on the agenda and move the CRA Public Hearing before the Public Hearing for the City Budget. Upon roll call vote, all voted aye. Motion adopted.

PUBLIC HEARINGS:

Public Hearing on Community Redevelopment Authority (CRA) Budget. Chad Nabity, Regional Planning Director presented the CRA 2010-2011 Annual Budget. Presented was a PowerPoint presentation explaining the CRA programs and functions. The following budget highlights were presented: 1) \$100,000 to purchase dilapidated properties/infrastructure 2) \$150,000 for façade development and 3) \$800,000 for other projects. Total CRA request was \$425,000 for 2009-2010 which was down from \$475,000 requested in 2008-2009.

Motion by Carney, second by Niemann to approve the Community Redevelopment Authority (CRA) Budget. Motion was withdrawn.

Discussion was held regarding the action to be taken on this item. It was decided that no action could be taken as only the Public Hearing was on the agenda.

Motion by Haase, second Carney to add this item to tonight's agenda. Upon roll call vote, Councilmember's Niemann, Haase, and Carney voted aye. Councilmember's Meyer, Gilbert, Dugan, Ramsey, Zapata, Nickerson, and Gericke voted no. Motion failed.

Motion by Gilbert, second by Nickerson to move Item E-2 to Thursday, August 5, 2010 at 7:00 p.m. Upon roll call vote, all voted aye. Motion adopted.

Public Hearing on Proposed FY 2010-2011 City Single Budget. Mary Lou Brown, Finance Director reported that Council needed to conduct a public hearing to take information from the citizens of Grand Island on the proposed FY 2010-2011 City Single Budget. Adoption of the budget and lid limit increase was needed by Council no later than September 7, 2010. This year marked the formal implementation of Program Prioritization which provided the framework within which budget allocations were driven and decisions made.

The following people spoke with regards to the Proposed FY 2010-2011 City Single Budget:

- David McCarthy, 1812 West John Street – supported maintenance and garbage pick up in the alleys
- Paul Wicht, 936 So. Kimball – suggested keeping the 30 employees scheduled for cutting and getting rid of the newly hired assistant city attorney, engineer, and city administrator
- Jerry Lueth, 4252 Nevada Avenue – suggested doing away with the 5 code inspectors and community service officers. Also mentioned going to a volunteer Fire Department
- Lewis Kent, 624 E. Meves – supported garbage pick up in the allies

No further public testimony was heard.

Review of Proposed FY 2010/2011 City Single Budget. Jeff Pederson, City Administrator commented on the city budget with a change to Program Prioritization. Mr. Pederson stated the budget brought forward for Council's approval was a balanced budget with no increase in the tax levy. The process of Program Prioritization was explained. Mentioned was that the Department Director's were directed to cut \$1.8 million for the 2010/2011 Budget from the previous years budget.

Finance Director Mary Lou Brown commented on the background of the 2010 approved budget and how the numbers fit. The new process was a learning experience. The budget submitted would show the personnel services and operating expenses which was different from last year.

Discussion was held on the process of the budget discussion which was different than last year. Mayor Hornady stated she would like to have motions for any changes so staff would have direction on how to proceed with the final budget. Councilmember Haase suggested that all changes be written down and brought back to Council for a final vote.

The following questions were brought forward in each quartile:

QUARTILE 1 PROGRAMS:

Responsive Patrol:

Q: Is there any study or data that suggest optimum number of officers for a given population size? Is there data that demonstrated the impact that officers have on crime rates (e.g. for each officer added to a police force the crime rate typically drops by XX%)? I would like to see the basic crime data for previous year compared to current year, such as # of violent crimes last year vs. this year.

A: The Department has realigned and reassigned resources from other programs to enhance our ability to address needs in the Responsive Patrol program. We are planning additional realignment and scheduling changes that will provide additional resources to this program.

Police Chief Steve Lamken answered questions concerning the number of officers, proactive policing, and dealing with problem areas with the number of officers on the street. Mr. Pederson answered questions concerning the four Police Officer's positions open from last years budget.

The total number of FTE reduction in the Police Department budget for 2010/2011 was 11. Discussion was held regarding the importance of Public Safety.

Motion by Haase, second by Carney to add back the four Police Officer's positions in the budget and offset it with a reduction of two employees in the Human Resources Department and two employees in the Finance Department. Upon roll call, Councilmember Haase voted aye. Councilmember's Gericke, Nickerson, Zapata, Ramsey, Dugan, Carney, Gilbert, Niemann, and Meyer voted no. Motion failed.

Chief Lamken answered questions concerning the support staff and work load.

Plumbing Inspections – all plumbing:

Q: Why do demolition costs impact the plumbing inspection program?

A: No material impact.

Emergency Communications/911:

Q: The original question was regarding an increase in personnel services dollar and a decrease in FTE. The personnel services number has been corrected.

A: One FTE has been moved from the General Fund to the E911 Landline Fund to maintain this program. Operational expense reductions should have no material impact on the program.

Emergency Management Director Jon Rosenlund answered questions regarding the operating expense funds and FTE's.

Collections:

Q: Why is there an increase in the personnel services cost?

A: No material impact.

Union contract increases, step increases and healthcare costs were mentioned. Collection activity was discussed as it related to outsourcing this program.

Emergency Response to Medical Emergencies:

Q: What changes will occur in this program with the proposed union contract change?

A: Two firefighter Emt-B positions are being eliminated. A slight increase in this program cost is due to a 2% wage increase factor being built in to account for the unknown financial impact of union negotiations. If union negotiations result in a zero financial impact, no FTE reductions would need to occur.

State Fire Marshal Delegated Authority:

Q: Why are the FTE declining and the personnel services costs increasing?

A: Minimal impact to this program. This program is primarily supported only by the efforts of the Fire Division Chief in charge of our Life Safety Division. Rarely do other GIFD employees outside the division chief and administrative assistant work within this program.

Fire Chief Troy Hughes explained the FTE numbers and grant funds.

Prosecution of City Code Violations:

Q: What drives the increase in operating expense?

A: The increase of Police activity increases the cost of prosecution.

Review of Proposed Developments:

Q: Are expenses decreasing in addition to increases in the fee schedule? Is there a recommendation on the towers?

A: FTE reductions are due to more accurately billing time for the planning secretary's time to CRA. Operating expenses have been adjusted downward where possible and new equipment will not be purchased. There are no fees associated with this stage of the process. This activity occurs on an as needed basis and often does not result in anything other than providing answers to a citizen's what if questions.

Regional Planning Director Chad Nabity answered questions concerning increases to the fee schedule. Mentioned were time frames for applications and staff time to complete them. Tower fees and regulations were discussed. Mr. Nabity stated this item would come before Council sometime in October.

Council recessed at 8:50 p.m.

Council resumed at 9:00 p.m.

Snow Removal & Ice Control (both City and contractor provided)

Q: Discuss the impacts of this program change more thoroughly.

A: Contracted snow removal is eliminated. Ice control and emergency snow route plowing are not affected. Residential snow removal will take an estimated 4 to 5 hours longer. The \$50,000 snow removal contingency fund is still available only if needed.

Discussion was held concerning the \$50,000 contingency fund. Public Works Director Steve Riehle commented on the numbers in the proposed budget. Comments were made by Council with regards to the change in service and personnel costs.

QUARTILE 2 PROGRAMS:

Daily Administration of Benefit Plans:

Q: Discuss the shift in EAP dollars.

A: The most significant reason for change in this area is due to moving the expense for EAP services to the general insurance fund. This is a citywide benefit and it is more appropriately handled there.

The General Fund reserve was mentioned to cover this cost. This was a reallocation within the budget. Personnel services were discussed along with automation. Human Resources Director Brenda Sutherland commented on the services provided by the HR Department which required a personal touch and probably should not be automated.

Maintenance for Four Wading Pools:

Q: Wading pools must be clean – describe the impact of this program change more thoroughly.

A: Reduced FTE will increase the percentage of time dedicated to maintenance and impact the number of hours the pools are available to the public.

Park and Recreation Director Steve Paustian explained the maintenance process for each of the wading pools. Two of the four pools would be in operation at any one time. The pool hours would be reduced. Mr. Paustian explained the cuts in FTE's of 4.93 in the current Parks programs to make up the proposed 3.79 FTE's for the new Fieldhouse. Discussion was held regarding the hours of operation for each pool. Comments were made from Council to continue the current service of the wading pools.

Sports Field Management/Maintenance:

Q: Explain where FTE is moving from to create the staffing for the new fieldhouse.

A: No visible impact.

Community Fieldhouse:

Q: Explain where FTE is moving from to create the staffing for the new fieldhouse.

A: New operation.

Shotgun Sports:

Q: What can we do to offset the dollar loss at the shooting park and should we make this an enterprise fund?

A: No visible impact.

Discussion was held on statistics and donated funds to the shooting park.

Motion by Meyer, second by Dugan to schedule a Study Session for setting a policy on subsidy for Heartland Public Shooting Park projects. Upon roll call vote, Councilmember's Gericke, Nickerson, Ramsey, Dugan, Carney, Haase, Gilbert, Niemann, and Meyer voted aye. Councilmember Zapata voted no. Motion

Proactive Patrol:

Q: Is there any study or data that suggest optimum number of officers for a given population size? Is there data that demonstrated the impact that officers have on crime rates (e.g. for each officer added to a police force the crime rate typically drops by XX%)? I would like to see the basic crime data for previous year compared to current year, such as # of violent crimes last year vs. this year.

A: There will be no significant changes to the resources dedicated to proactive patrol. The additional resources shown in this program are offset by the elimination of the Patrol Support Program. The resources of the Patrol Support program were vested in proactive patrol. The Department will be implementing changes in assignments and scheduling in the Patrol Division which we hope will enhance the Proactive Patrol program.

Traffic Control – Signals, Signs and Pavement Markings:

Q: The program impacts identified would appear to drive more cost savings than what has been identified.

A: Three traffic signal controller cabinets now over 25 years old will not be replaced. With no summer hires available, pavement markings that are now painted twice per year will only be painted once.

Public Works Director Steve Riehle commented on the reduction in painting pavement markings. Traffic signal controller cabinets were discussed.

Motion by Gilbert, second by Ramsey to fix the time to which to adjourn to Thursday, August 5, 2010 at 7:00 p.m. Upon roll call vote, all voted aye. Motion adopted.

ADJOURNMENT: The meeting was adjourned at 10:10 p.m.

RaNae Edwards
City Clerk

City Council Budget Meeting – Cont.
August 5, 2010

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 5, 2010. Notice of the meeting was given in *The Grand Island Independent* on July 28, 2010.

Mayor Hornady called the meeting to order at 7:00 p.m. The following City Council members were present: Councilmember's Meyer, Niemann, Gilbert, Haase, Carney, Dugan, Ramsey, Zapata, Nickerson, and Gericke. The following City Officials were present: City Administrator Jeff Pederson, City Clerk RaNae Edwards, Finance Director Mary Lou Brown, City Attorney Dale Shotkoski, and Public Works Director Steve Riehle.

INVOCATION was given by Mayor Hornady followed by the PLEDGE OF ALLEGIANCE.

MAYOR COMMUNICATION: Mayor Hornady introduced Community Youth Council members Katrina Molholm and Kaitlin Hehnke. Mayor Hornady read a letter from Lisa Katsburg representative of the Grand Island Community Foundation stating the City was being awarded \$3,210.00 for three portable bleachers to be used at the Fieldhouse.

It was the consensus of Council to go until 10:00 p.m. tonight.

The City Council resumed review of the 2010/2011 proposed budget.

Public Hearing on Community Redevelopment Authority (CRA) Budget. This Public Hearing was continued from the August 3, 2010 City Council Special (Budget) meeting. Planning Department Director Chad Nabity stated \$425,000 was requested from the CRA for FY 2010/2011 the same as last fiscal year.

Barry Sandstrom, 2117 West Charles Street spoke in support of the CRA budget and thanked the Council for their support of the CRA.

Motion by Gilbert, second by Ramsey to approve the Community Redevelopment Authority (CRA) Budget.

Motion by Carney, second by Haase to amend the main motion to reallocate \$400,000, \$250,000, \$240,000 and reduce Land to \$50,000 for a total of \$890,000 to the Lincoln Park Pool.

Discussion was held regarding reallocating some of these funds to other areas. Discussion was held on the legalities of this process. Mr. Nabity stated the Redevelopment Plan for the City would have to be changed which would take 90 days. Comments were made concerning the short use of the Lincoln Pool Park and the projects planned to be done by the CRA. Concerns were raised about the future of the CRA. Other options regarding Lincoln Pool were mentioned. Mr. Nabity answered questions concerning CRA monies being used for the Lincoln Park Pool renovation.

Parks & Recreation Director Steve Paustian stated the amount to upgrade the pool was between \$1.1 and \$2.4 million. The time to complete an upgrade would probably take up to two years to complete depending on the State Health Departments and other approvals.

Upon roll call vote to reallocate monies, Councilmember's Niemann, Haase, and Carney voted aye. Councilmember's Meyer, Gilbert, Dugan, Ramsey, Zapata, Nickerson, and Gericke voted no. Motion failed.

Motion by Haase, second by Carney to amend the main motion to reduce the property tax request by \$425,000 and expenses by \$425.00.

Discussion was held concerning the cash balance on hand. Reviewed were the decreases in the CRA budget Councilmember Haase suggested. Mr. Nabity explained each of the line items requested and how CRA arrived at those amounts. Explained was that CRA was a taxing entity of its own and if this motion was approved this money would not be collected. Mr. Nabity stated if the cash is not on hand CRA would not be able to do the projects like the demolition on South Locust Street which would be used for parking during the State Fair. Mentioned was the tax rate request for CRA for FY 2010/2011 would be less than last year. Comments were made about the CRA not being part of the Program Prioritization.

Motion by Gericke to postpone this item until after further review of the budget. Motion died due to lack of a second.

Upon roll call vote to reduce property tax and expenses, Councilmember's Niemann, Haase, and Carney voted yes. Councilmember's Meyer, Gilbert, Dugan, Ramsey, Zapata, Nickerson, and Gericke voted no. Motion failed.

Upon roll call upon the main motion, Councilmember's Niemann, Gilbert, Haase, Carney, Gericke, Nickerson, Zapata, Ramsey, and Dugan voted aye. Councilmember Meyer voted no. Motion adopted.

Review of Proposed FY 2010/2011 City Single Budget.

The following people spoke:

- Kent Coen, 2604 South Stuhr Road spoke in support of the Heartland Public Shooting Park and all parks within the City
- Timothy O'Conner, 2112 West John Street spoke in support of public/private partnership with regards to the Heartland Public Shooting Park
- Steve Hornady, 2323 West John Street spoke in support of parks and recreation areas in a community
- Ralph Naber, 4017 West Capital Avenue wanted to speak about the Capital Improvement Projects

Council took a recess at 8:35 p.m.

Council reconvened at 8:50 p.m.

QUARTILE 3 PROGRAMS:

City Administrator Jeff Pederson explained the reductions and efficiencies throughout the process of Program Prioritization. Finance Director Mary Lou Brown gave an in-depth overview of the reductions in the Finance Department, Human Resources Department, and PW – Traffic Control Signals, Signs, Pavement Markings.

Discussion was held concerning the Finance budget cuts in the General Fund and reduction in the IT Allocation.

Finance Director Mary Lou Brown continued the review of the FY 2010/2011.

Accounts Payable Processing:

- Q.** Explain the increase in personnel services costs.
- A.** Reduction in computer services change – no material impact.

Utility Cashier Services:

- Q.** Does the utilities department in the long run pay for the window clerk or is it totally supported by the General fund? Have we taken any precautions on protecting the employees behind the window up front from dissatisfied customers, other than just adding locks to the doors?
- A.** FTE reduction will lead to the closing of the drive up window. Customers will still be able to drop their payment in the drop box, but we will not staff the position. With the implementation of online payments, we anticipate a reduction in the number of face-to-face payments.

Discussion was held concerning closing the drive-thru window. Comments were made concerning where the reduction was made, utilities fund or general fund.

Safety Training Option Program (STOP):

- Q.** Operating expense in total for legal increased from a projected 2010 amount of \$37,966 to a 2011 proposed budget of \$45,780. What is the driver of the overall increase?
- A.** Increased expenses in payroll and increased volume of traffic tickets.

Juvenile Diversion Program:

- Q.** This program is run by the County. What is the City spending money on?
- A.** Personnel time and expenses to review juveniles in the diversion program.

Park Maintenance Community Parks – (restrooms etc.)

- Q.** Describe the impacts of this program change more thoroughly.
- A.** Less day to day maintenance and turf inputs.

Detention Cell Maintenance – Irrigated and Non Irrigated Areas and Boulevards:

- Q.** How will this program change impact the drainage of the detention cells?
- A.** Less watering, less mowing, less inputs.

Discussion was held concerning conditions in the detention cells and problems related to less maintenance.

Lincoln Pool:

Q. The proposed 2011 budgeted FTE number has been corrected. Why is there an operational budget when this is the last year we can operate it?

A. Correction was made. No visible impact.

Summer Adult/Family Programs – Grand Island Games, Summer Concert Series:

Q. The proposed 2011 budgeted FTE number has been corrected.

A. Correction was made. No visible impact.

GITV City and Other Government Segments:

Q. The FTE has dropped slightly; why does the personnel services increase? What does the graphics template package do that makes it so costly?

A. The Public Information budget has moved .15 FTE to the Community Youth Council budget to cover the costs of salary and benefits for the Community Youth Council coordinator. This change allowed the Public Information budget to include a graphics template package for GITV.

Discussion was held concerning GITV Channels 6 and 12. Public Information Officer Wendy Meyer-Jerke stated Channel 12 was a public information channel and Channel 6 was video. City Attorney Dale Shotkoski stated the cable franchise agreement with Charter made the channels available to the City. There would be no cost savings to have just one channel.

GITV Educational:

Q. Same questions regarding the graphics template package.

A. Same answer as above.

Pavement Maintenance – Grade Alleys:

Q. How will traffic flow and safety be affected if there is a ban on alley garbage service, especially on streets that typically have cars parked at curb most times of day or on busy streets like Broadwell and Eddy that have only 1 traffic lane?

A. This cut can only be made if garbage collection is changed to curb service only.

Discussion was held regarding garbage service in the alleys. Public Works Director Steve Riehle reported the cost savings to not grade the alleys was estimated at \$25,000.

Motion by Niemann, second by Meyer to leave the garbage collection in the alleys. Upon roll call vote, all voted aye. Motion adopted.

ADJOURNMENT: The meeting was adjourned at 9:50 p.m.

RaNae Edwards
City Clerk