



# **City of Grand Island**

**Tuesday, November 23, 2010**

**Council Session**

## **Item G2**

**Approving Minutes of November 16, 2010 City Council Study Session**

**Staff Contact: RaNae Edwards**

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

November 16, 2010

Pursuant to due call and notice thereof, a Study Session 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 November 16, 2010. Notice of the meeting was given in the *Grand Island Independent* on November 10, 2010.

Mayor Hornady called the meeting to order at 7:00 p.m. The following Councilmember's were present: Nickerson, Ramsey, Dugan, Carney, Gilbert, Haase, Niemann, and Meyer. Councilmember's Zapata and Gericke were absent. 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 Danielle Jim and Steven Bartz. Also mentioned was the CYC "Create Your Community" Art and Writing Contest this Saturday and Sunday at the Conestoga Mall. Mayor Hornady thanked the community for the successful Volleyball Tournament.

Discussion Concerning Expanding Sale of Fireworks in December. Jeff Pederson, City Administrator reported that the Nebraska State Legislature passed LB 880 during the 2010 Legislative Session allowing the sale of fireworks from December 28 to January 1. A request had been made from one fireworks vendor requesting the City to consider amending the Grand Island City Code to allow for the sale of fireworks during the specified period in LB 880.

The Fire Department was not in favor of allowing firework sales in December as it would add to the duties to already limited resources. Depending upon sales volume and the weather the Police Department didn't think it would have a major impact on their department. A survey of 22 cities was conducted with four cities approving the sale of fireworks in December.

Marvin Kohler, 1739 Ingalls spoke in support and explained the Consumer Products Safety Committee (CPSC) regulations and changes in the new law. Tom Towne, 1609 Meadow Road spoke in support.

Discussion was held regarding the additional duties to the Fire Department. Fire Chief Troy Hughes stated they would be tasked with inspecting the stands, dealing with heating devises, and hazards due to dryness during that time of the year. Mentioned was a survey of 22 communities who had looked at this law and 4 who had approved it. Safety and quality of life issues were mentioned as a concern for not supporting the sale of fireworks in December.

Seeing no strong support, City Administrator Jeff Pederson asked Council to get back to him by noon tomorrow if there was an interest in bringing this back to council for a vote.

Presentation of 2<sup>nd</sup> Year Program Prioritization Plan. Jeff Pederson, City Administrator reported that in 2009 the City of Grand Island implemented Program Prioritization for its budgeting process and format. Program Prioritization enhanced understanding and decision making to the process of allocating the City's financial resources during the fiscal distress facing the City. Consultants Johnson & Fabian conducted the first year process in creating the new system along with the City Council, Administration, and Department Directors.

Through Program Prioritization, the first year included the balancing of the General Fund budget without an increase in the property tax rate and without the drawdown of General Fund reserves. This brings a strong foundation for the 2011/2012 budget.

Several objectives for improvement to the process for the second year included: opportunity for public validation of a key component of the model; increased definition and meaning of the program scoring process; and reduction to amount of staff time required in Year Two.

A following detailed Plan for the 2<sup>nd</sup> Year Program Prioritization was presented by City Administrator Jeff Pederson:

- Refine the definition of "Program" (Internal & Consultants)
- Complete a total revenue/expenditure forecast for the General Fund (Internal)
- Conduct a public-input process to weight the Sub-Result Areas to include Town Hall meeting(s) and visits to service clubs (Internal, Consultants, City Council & External)
- Directors conduct program scoring using new sub-program weighting (Internal)
- Peer Review of Program Scoring (Internal & Council)
- Identify Tier Spending Adjustments (Internal & Consultants)
- Present New Budget Targets to Directors (Internal)
- Directors Determine Program Result Impacts from new targets (Internal)
- Council Staff Budget Workshop (Internal & Council)
  - March
  - Program Impacts presented
  - Direction for follow-up retreat identified

Finance Director Mary Lou Brown commented this was a general road map and there was a lot of work to be done in going forward. Several councilmember's spoke in support of continuing this form of budgeting. Ranking programs, CIP funds, employee involvement, new councilmember's and new mayor were mentioned in moving forward with this process.

Discussion concerning town hall meeting(s) and service clubs input was mentioned as an important part of this process along with transparency.

Update on Waste Water Capital Improvement Plan (CIP). Steve Riehle, Public Works Director reported that Waste Water planning was used to develop a Capital Improvement Plan, multi-year rate projections, and annual budgets. The Plan analyzed collection system issues such as flow projections, system condition, and operation & maintenance plans. The Plan addressed treatment plant issues such as loading & hydraulic capacity, condition, operation & maintenance plans, and

future regulations. The Plan also recommends short and long range Capital Improvement Plan recommendations.

CH2MHill Consulting Engineering was hired to develop an updated comprehensive plan for the waste water collection system and treatment plant. Black & Vetch was hired to conduct a rate analysis of the Master Plan including the need for capital investment and debt financing.

With the decision by JBS to construct extensive pretreatment facilities, the Plan changed to include a more aggressive commitment to replace and upgrade collection facilities. A PowerPoint presentation was given outlining the impact on the 2009 rate analysis associated with the revised CIP and the JBS conversion.

Presented were the following Waste Water 2011 CIP Projects:

- Aeration Basin Improvements
- North Interceptor
- Sewer replacement between 4<sup>th</sup> & 5<sup>th</sup> Streets from Eddy Street to Vine Street
- Head works
  - Bar Screen/Concrete Vault
  - Influent Pumps
- Platte Valley industrial Park East
- Miscellaneous Projects

The following Rate Model was presented:

- 6% overall revenue increase was needed to support 2009 rate model
- Overall revenue increase was now projected at 7.5%
- 2009 Rate Model design (allocation to customer classes) underway to reflect additional revenue requirement and reduced CIP spending

Discussion was held regarding the 2012 CIP total of \$11,490,000 which allocated \$5,850,000 for the North Interceptor. JBS plans to build additional pre-treatment facilities and the loss of revenue to the City was discussed. Mr. Riehle stated operating expenses should be lower for the City with JBS implementing their facilities. Interceptor pipes were discussed at length. Mandates from DEQ and debt service for CIP projects were mentioned.

ADJOURNMENT: The meeting was adjourned at 9:00 p.m.

RaNae Edwards  
City Clerk