



City of Grand Island

Tuesday, January 25, 2011

Council Session

Item G2

Approving Minutes of January 18, 2011 City Council Study Session

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

January 18, 2011

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 January 18, 2011. Notice of the meeting was given in the *Grand Island Independent* on January 12, 2011.

Mayor Jay Vavricek called the meeting to order at 7:00 p.m. The following Councilmember's were present: Chuck Haase, Larry Carney, Bob Niemann, Kirk Ramsey, Peg Gilbert, Mitch Nickerson, Linna Dee Donaldson, Scott Dugan, Randy Gard, and John Gericke. The following City Officials were present: Interim City Administrator/Finance Director Mary Lou Brown, City Clerk RaNae Edwards, Interim City Attorney Jason Eley, and Interim Public Works/Utilities Director Gary Mader.

INVOCATION was given by Councilmember Donaldson followed by the PLEDGE OF ALLEGIANCE.

MAYOR COMMUNICATION: Mayor Vavricek commented on the Council Retreat to be held this Saturday, January 22, 2011 in the Council Chambers here at City Hall beginning at 7:47 a.m. Mentioned were the Citizen's Survey and an article regarding work that would start in July on a 2nd Kearney interchange. Mayor commented on the need for a request for proposal for a paid lobbyist for the City of Grand Island.

Discussion Concerning Concession Operations at the Veteran's Athletic Field Complex. Parks and Recreation Director Steve Paustian reported that with the relocation of the athletic fields to the new Veterans Athletic Field Complex a discussion with council was needed regarding the concession operation.

The Parks and Recreation Department's intent was to lease out the concession rights for the 4-field adult softball complex which did not include the soccer fields or future ball field developments at the complex. One of the issues that needed to be addressed before the development of an RFP was whether the sale of alcohol would be permitted at the complex.

The Grand Island Softball Association Board of Directors had requested that alcohol be sold as part of the concession operation at the new fields. Alcohol had been available for purchase at the Fonner Park location under Fonner Park's liquor license. The Grand Island Police Department had no complaints filed from the Fonner Park softball fields.

Mr. Paustian stated that if Council allowed the sale of alcohol at the Veterans Athletic Field Complex, staff would recommend that the alcohol be confined to an area between the fields and not allowed beyond the outfield fence foul lines, that alcohol sales be allowed only during adult league and adult tournament play, for consumption on site with no carryout allowed, and that the sale of alcohol be prohibited during any youth games or youth tournaments.

If alcohol was allowed at the Veterans Athletic Field Complex a modification to the City Code would be required.

Eric Eckstrom, 304 South Plum Street, Marty Stanfield, 200 Stoeger Drive representing St. Francis Drug and Alcohol Treatment Center, and Donald Pace, 307 E. Nebraska Avenue spoke in opposition.

Discussion was held regarding other complexes allowing alcohol. Mr. Paustian stated alcohol was not allowed at the majority of complexes where tournaments took place. Policing and liability were mentioned as concerns. Interim City Attorney Jason Eley answered the question concerning liability. The seller of the alcohol would be liable if someone was in an accident. Councilmember Dugan stated that at the Fonner Park Fields, if there was any youth either softball or soccer playing, there was no alcohol sold. Adult softball may have players who are not of age.

Mentioned was that if alcohol was allowed it was recommended the revenues should go back to the maintenance of the complex. Statutory authority was questioned relative to the lease. Mr. Eley stated this would not be a problem but the City Code would have to be changed to allow alcohol at this complex.

Mentioned was that this property was not in the City limits. Police Captain Pete Kortum stated they do police Eagle Scout Lake. Several councilmember's stated this was a facility for health and alcohol did not fit into that scenario. Discussed was that the liquor license would have to be approved by the county board since this property was in the county.

Interim City Administrator Mary Lou Brown stated the next step would be to bring forward an Ordinance for council decision to change the City Code relative to sale of alcohol at this complex. Then the Parks and Recreation Department would go out for a Request for Approval for the concession operations.

Presentation by HDR Engineering Concerning Uranium Removal Process at the Platte River Well Field. Utilities Director Gary Mader reported that in 2003 a new regulation placing a Maximum Contaminate Level (MCL) on uranium in drinking water became effective. Uranium is a naturally occurring element in the aquifers of Nebraska and other states across the nation. Since 2004 sampling and testing of the Grand Island water system have been in full compliance with the EPA regulation.

The City's municipal water system is supplied primarily from 21 wells and a pumping station at the Platte River Well Field. Recent testing had indicated composite uranium levels to be approaching the MCL established by the EPA. Testing of individual wells had indicated most wells exceed the MCL. Additional piping was installed this past year for blending with lower uranium concentration wells.

HDR Engineering of Lincoln was hired to evaluate and determine uranium removal methods. The recommendation of the evaluation was an adsorptive media system.

Tim Luchsinger, Assistant Utilities Department Director presented a PowerPoint presentation giving Council the background of the Safe Drinking Water Act which included the 2000 Uranium Rule which took effect in 2003.

Solutions for the high uranium levels were: blend water sources, treatment, and look for other sources. HDR Engineering was hired to evaluate the Uranium treatment system. Technology screening, treatment process selection, and implementation plan were looked at.

Total capital cost was \$18,000,000 financed for 20 years at 2.5% with an annual debt service of \$1,144,590 and an annual operating cost of \$2,400,000. Annual total cost would be \$3,544,590. Annual water sales in 2010 were \$4,102,915.

If this was phased in the capital cost would be \$3,000,000 financed for 20 years at 2.5% with an annual debt service of \$190,765 and annual operating costs of \$1,000,000. Total annual cost would be \$1,190,765.

The following pros and cons were presented for two of the treatment plans :

Coagulation/Filtration

- Pros
 - Established technology/process
 - Flexibility for future quality issues
- Cons
 - Centralized facility – large financial impact, complex construction planning
 - Pilot study to determine optimal design
 - Liquid and solid waste disposal by the City

Adsorptive Media

- Pros
 - Phased construction – lower financial impact
 - System design by supplier
 - Waste disposal and radioactive licensing by supplier
- Cons
 - Limited operational background
 - Minimal supplier competition
 - Uncertain long-term supplier reliability

The adsorptive media system was recommended with a phased construction, procurement through performance specification, and residual management and radioactive licensing responsibility of manufacturer. Phase 1 would be equipment procurement and Phase 2 would be detailed engineering/construction specifications.

Capital funding options were: long-term bonding, short-term debt, or cash reserves. Mr. Mader commented on the revenue options, current rate structure, flat rate increase of (\$0.23 100 cf,) and percentage rate increase at 29%.

Dennis Mudloff, 2816 West Waugh commented on the contaminate levels set by EPA and the health risks associated with uranium in the water.

Discussion was held regarding if we implemented this plan would it solve the problem. Mr. Mader stated a small pilot test had been done at the Platte Generating Power Plant and it worked. Mentioned were nitrates, uranium, VOC's, and superfund's within Grand Island relative to our drinking water and was there a need for a full blown treatment plant. Mr. Mader stated it may come to that but regulations change continually. The lowest cost option was what the Utilities Department looked at.

Well depth of all 21 wells were discussed which were at a depth of 130' to 140' representing the bottom of the aquifer. It was recommended that the Utilities Department look at other communities with uranium problems and what was being done. Pretreated water was mentioned in other larger communities and may be what we needed to do. Reverse Osmosis was mentioned as being effective in households using them, but would not be something the City would require for each household.

Kent Prior representing HDR Engineering commented on the Coagulation/Filtration system which was proven to work. He commented on the permits required for reverse osmosis. Mentioned were the factors that needed to be looked at in order to choose which options were best. Amit Shirvastava with HDR Engineering commented on by-product disposal. Mr. Prior stated the system proposed could be expanded. Mr. Mader commented there were not many other options available due to other contaminants in the surrounding areas.

Mr. Mader stated the majority of the capital cost could be paid in cash or short-term financing. The annual cost may require an increase in rates. Annual cost was expected to be approximately \$1,000,000 per year. Life expectancy for the equipment was expected to be in excess of 20 years. Timeline for a rate increase was speculated for October 2011.

ADJOURNMENT: The meeting was adjourned at 9:45 p.m.

RaNae Edwards
City Clerk