

CITY OF HASTINGS, NEBRASKA
MINUTES OF CITY COUNCIL REGULAR MEETING
Monday, April 25, 2016

Pursuant to due call and notice thereof, a Regular Meeting of the City Council of the City of Hastings, Nebraska was conducted in the Council Chambers of City Hall, 220 N. Hastings Avenue, on April 25, 2016.

The meeting was called to order at 5:30 p.m. in Regular Session by Mayor Powers with the following members present: Sarah Hoops, Chuck Niemeyer, Kathy Duval, John Harrington, Ginny Skutnik, Michael Krings, Everett Goebel, Phil Odom. Absent: None.

The Mayor led the group in recital of the Pledge of Allegiance to the United States of America.

Moved by Chuck Niemeyer seconded by Sarah Hoops to adopt the agenda for April 25, 2016 Regular Meeting. Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Mayor Powers read the Public Notice - Pursuant to the Nebraska Revised Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible written material which will be discussed at today's meeting is located at the back of the Council Chambers. Also, a current copy of the Nebraska Open Meetings Act is posted on the south wall of the Council Chambers which is accessible to members of the public.

COUNCIL COMMUNICATION:

Councilmember Goebel reported on the Board of Public Works meeting held on April 14th. Councilmember Duval attended and gave a report for the Complete Streets Committee. The main discussion was on the possibility of planting terrace trees and where to plant trees to avoid utilities. There was a report on a WEC Unit 2 failure April 4th. While the unit was down for routine maintenance, it caused an electrical outage for a portion of Clay County. A work order was approved for city parking lot streetlights using funds from the Inter-City Services fund. Hastings Utilities received a \$4.4 million grant from the Natural Resource Commission of Nebraska, which will help with the Aquifer Storage and Restoration project. The next meeting will be April 28th at 9a.m. in the Hastings Utilities Boardroom.

CITIZEN COMMUNICATIONS:

Brad Beahm, President-Hastings Library Board of Trustees, spoke on Ordinance No. 4773.
Bob Wilson, 1341 West 2nd Street, spoke on behalf of the Hastings Area Manufacturers Association, with regards to Ordinance No. 4773.
Shelly Tork, 719 North 6th Avenue, spoke on Ordinance No. 4773.
Jeanette Dewalt, Board of Public Works, spoke on Ordinance No. 4773.
Butch Hughes, 714 West 5th Street, spoke on Redevelopment Agreement and Ordinance No. 4773.
Dave Rippe, Hastings Economic Development Corporation, spoke on Redevelopment Agreement.
Susan Meeske, Vice President Hastings College, spoke on Redevelopment Agreement.

MAYOR'S COMMUNICATIONS:

Sheana Smith, Executive Director Adams County Convention and Visitors Bureau, reminded the group that Thursday, April 28th is Give Hastings Day for 73 non-profit organizations. You can visit the website at givehastings.org or walk-in a donation to the Community Foundation Building.

Sheana Smith also talked about the Do the Brew Event held last weekend in downtown, with approximately 900 people in attendance.

Mayor Powers read a Proclamation for National Volunteer Week, April 24th through April 30th. Kaitlyn Karr, Education Assistant and Volunteer Coordinator from the Hastings Museum, presented medals to the following people who volunteered over 50 hours in one year: Emma Arthur-Gold Medal; Alexa Muske-Bronze Medal; Katie Hodson-Silver Medal; Landon Jacobus-Bronze Medal; Liz Hartman-Bronze Medal; Michael Hock-Bronze Medal; Mikey Perry-Bronze Medal.

CONSENT AGENDA:

Moved by Chuck Niemeyer seconded by John Harrington to approve all consent items as presented.

(a) Approval of the minutes of the Council Meeting of April 11, 2016.

(b) Approval of the payroll for the period ending April 23, 2016, paid April 29, 2016.

(c) Approval of the regular claims and authorizing the City Clerk to issue checks against the various funds for payment.

(d) Approve receiving and placing on file department monthly reports.

(e) Approval of the application of Midtowne Mart, LLC for a Special Designated License at the Morrisson Cancer Center Conference Room on May 26, 2016.

(f) Approval of the Release of Easement for the Johnson Imperial Home Company of Hastings.

Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

REGULAR AGENDA:

Moved by Phil Odom seconded by Michael Krings to approve Motion to approve request for CDBG funds, Drawdown #14 (\$50,000) for CDBG Downtown Revitalization Project (12-DTR-107) for the Thoar, LLC Façade Improvement Project. Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Moved by John Harrington seconded by Ginny Skutnik to approve Motion to approve extension to CDBG 07-ED-005 grant contract end date to January 13, 2018. Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Moved by Ginny Skutnik seconded by Sarah Hoops to approve Motion to approve awarding bid to Hansen International of Grand Island, NE, for cab and chassis in the amount of \$55,392.00 excluding sales tax and awarding bid to Altec Industries, Inc. of St. Joseph, MO, for the line body and aerial device including the trade in and excluding sales tax in the amount of \$101,511.00. (HU Electric Dept.) Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Moved by Everett Goebel seconded by Ginny Skutnik to approve that the Mayor and the City Council reject the bids received from Werner Construction Company, 129 East 2nd Street, Hastings, Nebraska for AID 2013-1 in the amount of \$175,080.70 and AID 2015-1 in the amount of \$90,035.00.

Dave Wacker, City Engineer, stated these are two Alley Improvement Districts requested by the property owners for construction. Both projects were substantially over the engineer's estimate. He spoke with representatives from both groups and they decided it was in the best interest to reject all bids. Both projects will be re-advertised for bid.

Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Moved by John Harrington seconded by Ginny Skutnik to approve Change Order #001A1R & #001A2R in the amount of \$46,797.00 for the City Auditorium Renovation. Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Moved by Ginny Skutnik seconded by Everett Goebel to award contract to Vontz Paving, 2355 West Hwy 6, Hastings, NE for Project CDBG 15-CR-008 (Garfield Ave.--"A" St. to "E" St. and "D" St.--Garfield Ave. to Baltimore Ave.) in the amount of \$237,233.19, and authorize Mayor and City Clerk to execute contract documents.

Dave Wacker stated the project is scheduled to begin in May, with an estimated completion date of September 15, 2016.

Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Ordinance No. 4473. . .AMENDING AND REPEALING CERTAIN SECTIONS OF HASTINGS CITY CODE DEALING WITH DEPARTMENT HEADS, DUTIES OF THE MANAGER OF UTILITIES, ANNUAL TAX LEVIED FOR MAINTENANCE, LIBRARY BOARD AND LIBRARY OPERATIONS, AND MUSEUM BOARD AND MUSEUM OPERATIONS.

Moved by John Harrington seconded by Ginny Skutnik to amend and repeal certain sections of Hastings City Code dealing with department heads, duties of the Manager of Utilities, annual tax levied for maintenance, Library Board and Library operations, and Museum Board and Museum operations.

Councilmember Niemeyer stated that hiring a manager for Hastings Utilities is a priority. He suggested the Utilities Manager be hired through a committee appointed by the Mayor, ratified by the Council. He does not feel the need to change operations of the Museum and Library Boards. Board of Public Works, first need to establish hiring process for manager and all other duties stay the same. He suggested to form a committee made up of 5 individuals (3 City Council and 2 Board of Public Works) that meet for purpose of creating a structure that promotes cooperation, communication, and collaboration between Hastings Utilities and City Hall.

Dave Ptak, City Attorney, stated currently the City Code gives the Board of Public Works the authority to hire the new Utilities Manager. Unless that portion of the City Code is changed, there is no provision for the Mayor and City Council to be involved in the hiring of the Utilities Manager. First, it must be decided if a change will be made in who is the hiring authority.

Dave Ptak, City Attorney, spoke on Ordinance 4473, to give an idea of what it does. The Mayor asked Mr. Ptak to prepare a change to the ordinance that would deal with the governance and nothing else as far as the duties or functions of the board. Ptak did that this morning and gave a copy of that draft to the Mayor, Council and Hastings Tribune. He explained the inconsistencies in the City Code between Chapter 2-501 and Chapters 26 and 27. The ordinance handed out would change Section 2-501 to include the Library, Museum, and Utility Directors as City Department Heads, which are basically appointed by the Mayor, with the approval of the City Council. This ordinance does not create committees for the hiring of Department Heads. It tries to put into place the governance model and does not affect the actual everyday operations with regard to what the Board of Public Works, Library Board, or the Museum Board does. It is simply a matter of governance. The other question is who do the boards report to? If you make the Utilities Manager a Department Head, who does he report to? The governance model is the first choice and secondly, if they are Department Heads, who do they report to? Mr. Ptak asked for guidance on how to structure the ordinance. The ordinance draft tonight follows the normal process of the Mayor and Council would appoint and Department Heads would report to the City Administrator's office.

Mayor Powers stated that we need to first get on the hiring process, regardless of who the position reports to in the future. He proposed that we have language at the next meeting where the Mayor, two Council members and 4-6 community members are on a committee to hire the next director.

Councilmember Harrington stated before we form a committee, we have to decide who this person works for. He stated the adoption of this ordinance should come first and then we go from there to organize a hiring committee. He is in favor of involving the Board of Public Works in the hiring process.

Councilmember Hoops stated she would be in favor of an amendment to change to a selection committee hiring process and would support the use of a professional recruiter for the Utilities Manager position. The hiring process needs to start soon and it needs to happen first.

Councilmember Duval stated her only question she has is if we are going to hire somebody, don't they need to know who they are responsible to? She agrees that the hiring needs to be done by a combined committee.

Councilmember Krings stated we need to start the hiring process now. He is not comfortable with taking away the governance from the Board of Public Works.

Councilmember Harrington stated we want to hire the very best Utility Manager we can. He would think that applicants would not want to touch this position because of so many unresolved questions. Job number one is fixing or deciding the governance structure. A hiring committee would be premature.

Councilmember Niemeyer stated when you have a company, you have a Board of Directors. The Board of Public Works is appointed by the City Council, so we have influence on what they do and how they operate. We haven't exercised that influence over the years, but are capable of putting pressure on that board if we so choose. We approve the rates and their budget. The Utility Manager can answer to the Board of Public Works. They will run the company the very best they can and we will benefit from it.

Councilmember Skutnik pointed out that the draft ordinance does not take away anything from the boards. It just deals with the organizational structure.

Councilmember Krings stated that some are not comfortable with that structure going through to the City Council, through the City Administrator. He believes if we make changes discussed tonight, we have answered that question that we will continue to operate through the Board of Public Works as they currently are. This committee will get together and figure out how we work better together, which is what we want to accomplish. Any Council could make a change in the structure reporting lines anytime in the future.

Councilmember Duval disagreed. If a Council can change the structure anytime, why haven't we changed the structure in the past 30 years? The Mayor 30 years ago was looking at what was happening between the Utilities and the City Council, same as now. The Library and Museum should be separated out, because it is a different issue than what we have with Utilities. When people say Hastings Utilities is a business, they are not a business, they are a part of the City. They are a City Department. What we are trying to do is pull the City together and streamline and not have a business over here. We have had problems for 30 years over this.

Councilmember Odom feels it would be better to do the hiring committee as a resolution or policy, not an ordinance. He requested that the City Administrator attend the Board of Public Works meetings.

Councilmember Niemeyer explained that Utilities is a company in the sense that it negotiates contracts, buys and sells a product, and it needs to generate a profit. The committee would work to make things consistent across all employees. We need to empower the boards to do their job.

Councilmember Hoops clarified her position that she doesn't support this ordinance at this time, but is open to discussion about governance in the future. It is inappropriate timing for the Library and Utilities. Having a Novak Study Committee would be a proper channel to discuss.

Councilmember Harrington stated he would be willing to sideline the Library and Museum at this moment. If the problem was just a matter of better cooperation or better communication with the Board of Public Works, it would have solved itself a long time ago. This decision is a much more serious situation that needs legal definition. Hastings Utilities runs a big shop. There are big shops all over the state that are run directly from the Utilities Manager that don't have a Board of Public Works. It can be done well. We are here because the Novak Study pin-pointed points of inefficiency within the governance. Duplications of services and departments all over the place that for us to be a competitive city, need to be streamlined. The heart of the Novak Study, echoing the study done 30 years before saying we can be more efficient. We value the Board of Public Works' expertise and are not going to eliminate them. Let's take the Novak Study seriously and be honest about what changes need to occur in this city. We need to be more unified and more efficient. He heard a lot of talk about terrible fall-out. If we pass this ordinance tonight, the lights will turn on tomorrow. There will not be mass firing or resignations. There would be a stage where we could be deliberate about making changes to be better and more efficient. There will be gradual change. This ordinance would establish a change for deliberate, rational, and great cooperation with an advisory Board of Public Works.

Councilmember Goebel stated that he wants to leave the structure of the Board of Public Works in place. He likes the idea of a committee with representatives from the City Council, Boards, and Mayor. We need

to separate and deal with one board at a time. They are unique. He wants the hiring committee to be done as a policy instead of in an ordinance

Councilmember Duval agreed that Library and Museum need to be put on hold. She also agrees with putting together a hiring committee.

Councilmember Skutnik mentioned the tight timeline we are working on. We have to start somewhere. That is how we went for so many years without change.

Mayor Powers will put together an informal committee tonight. The committee will work on benchmarks and hurdles to get over. Members would be: Councilmembers Niemeyer, Hoops, and Skutnik, and Board of Public Works members Jeanette Dewalt and Jeff Kully. They will come together on a semi-regular basis to work towards the best outcome for everyone.

Dave Ptak stated if you want to address the hiring practice, you must change Section 32-109 of the City Code that is part of the ordinance. Then you have to decide if the Utilities Manager is a Department Head or not, that is another section of the City Code. Those two sections are important in order to make a structural change to do what everybody has talked about doing tonight. You could pass section 1 and section 7 of the ordinance and amend it by deleting all the other sections. That would pretty much put it in a situation where the Mayor appoints the informal committee as well as a possible selection committee. By policy you could bring that back next time as far as the actual process. You have to change the structural elements of the City Code in order to be able to do what you want.

Councilmember Odom suggested they table to May 9th meeting, allowing time to tweak the ordinance to address at that time.

Councilmember Niemeyer asked why can we not have a Department Head answer to the Mayor and Council through their board representatives?

Dave Ptak stated usually a Department Head has the ability to hire within their department. Utilities Human Resource now reports to Utilities Manager and Human Resource Technician reports to the City Administrator. This needs to be consistent.

Motion by Odom, seconded by Niemeyer to table until May 9, 2016 City Council Meeting.
Roll Call: Ayes: Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: John Harrington. Absent: None. The motion carried.

Moved by Phil Odom seconded by Ginny Skutnik to approve Resolution No. 2016-12...Accepting the bid for the construction of improvements in Street Improvement District No. 2016-2. (Fox Run Street, Dovetail Circle, Mallard Way) Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Moved by Michael Krings seconded by Kathy Duval to approve the Redevelopment Agreement with Hastings Catalyst Partners - Hospitality, LLC, Hastings Catalyst Partners - Mixed Use, LLC, and Hastings Catalyst Partners - Housing, LLC. for the redevelopment of the City Block Project.

Dave Ptak received a final draft of the document this afternoon. He requested a short closed session to hand out the draft.

Motion by Sarah Hoops, seconded by Chuck Niemeyer to go into closed session at 7:03p.m. for negotiations of contract. Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None.
The motion carried.

Motion by Sarah Hoops, seconded by Everett Goebel to go out of closed session at 7:17p.m.
Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Motion by Odom, seconded by Hoops to postpone this item until all proper information is received.
Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings,
Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

Moved by John Harrington seconded by Ginny Skutnik to approve the appointment of Michelle Lubkin to
the Airport Advisory Board. Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer,
Michael Krings, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None.
The motion carried.

Moved by Michael Krings seconded by Ginny Skutnik to adjourn at 7:19p.m.
Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Chuck Niemeyer, Michael Krings, Sarah
Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: None. The motion carried.

APPROVED:

Vern P. Powers, Mayor

ATTEST:

Kimberly S. Jacobitz, City Clerk

(S E A L)