

CITY OF HASTINGS, NEBRASKA
MINUTES OF CITY COUNCIL WORKSESSION
Tuesday, August 16, 2016

The Worksession was called to order at 5:30 p.m. by Council Vice President Goebel with the following members present: John Harrington, Kathy Duval, Phil Odom, Sarah Hoops, Ginny Skutnik. Absent: Chuck Niemeyer, Michael Krings.

Board of Public Works: Jeanette DeWalt, Willis Hunt, Jeff Kully, Chuck Shoemaker.

Others Present: Vern Powers, Joe Patterson, Dave Ptak, Al Meyer, Lee Vrooman, Keith Leonhardt, Marty Stange, Lori Hartman, Kevin Schawang, Mark Barfknecht, Dave Rippe, Steve Cogley, Carol Crecelius.

Pledge of Allegiance.

Moved by Ginny Skutnik seconded by Sarah Hoops to adopt the August 16, 2016 Worksession Agenda. Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: Chuck Niemeyer, Michael Krings. The motion carried.

Vice President Goebel read the Public Notice - Notice posted on Friday, August 12, 2016. 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 available. Also, a current copy of the Nebraska Open Meetings Act is posted and accessible to members of the public.

Presentation of proposed 2016-2017 Hastings Utilities Budget.

Al Meyer, Interim Hastings Utilities Manager, gave the presentation on the 2016-2017 Hastings Utilities Budget (Attached and made part of original minutes.) He reviewed with Council the Proprietary Budget Statement and listed the major challenges for Hastings Utilities in the 2016-2017 budget year as: levels of nitrates and uranium in drinking water, construction of ASR project, WEC-1 environmental compliance, WEC-2 capacity increase and soft energy market. Mr. Meyer indicated the 2016-2017 Hastings Utilities Budget would reflect a 12% water rate increase and an 8% sanitary sewer rate increase to be effective October 1, 2016. He mentioned that the 2016-2017 budget including a Hastings Utilities staffing study and a 2.5% increase in staff salaries. He told Council that the In Lieu of Tax transfer would increase from 5.5% to 5.6%. Mr. Meyer stated that in resolutions coming to Council there would be funding for the Hastings Chamber of Commerce and the Hastings Economic Development Corp.(HEDC).

Mayor Powers asked about the water treatment plant and about putting some money aside now to cover costs in the future if it became mandatory that updates be made.

Chuck Shoemaker, Hastings Utilities Board Member, indicated they didn't want to go any further than they had to at this time in dealing with the nitrate issue.

Marty Stange, Environmental Supervisor, reviewed options and told Council that they are building one cell and trying to delay the second cell for a few years and cut down the amount of capital improvements as much as they can.

Discussion was had by Council and Utility Board Members on putting funds away for future expenditures regarding the water treatment options.

Councilmember Goebel touched on the 5.5% to 5.6% In Lieu of Tax increase and stated it was based on the NPPA average.

Councilmember Odom questioned if a policy could be put in place to give staff something to go by in regards to reserve funds.

Discussion was had on being proactive in regard to new development and new customers and looking at HEDC marketing funds and criteria for how the money is spent. They discussed adding additional money to those funds on a regular basis and possibly using some of the In Lieu of Tax funds.

Mayor Powers brought up the proposed downtown development project and how vital the downtown has become.

Mr. Shoemaker mentioned that the funding for the utilities for the downtown project is in the Hastings Utilities budget and they hope they are able to spend the funds.

Council had a brief discussion on combining Hastings Utilities and City services.

Mayor Powers mentioned the City and Hastings Utilities sharing some software and asked Kevin Schawang to elaborate.

Kevin Schawang, Hastings Utilities IT Supervisor, indicated that he was collaborating with Lindsey Stone, City IT/GIS Technician, on some financial software that hopefully could be to the advantage of both the City and Utilities.

Councilmember Harrington stated he has been questioned on the wisdom of the Chamber of Commerce and HEDC funding. He asked how they evaluate the spending of the funds and how they gage if it is doing any good.

Jeff Kully, Hastings Utilities Board Member, stated that they receive a quarterly report from the Chamber of Commerce as to where the money was spent.

Councilmember Harrington questioned what kind of bills are paid.

Mr. Kully indicated the salary of the marketing director and special projects like having a retail development speaker come speak are things the funds are used for.

Dave Rippe, HEDC Director, briefly reviewed projects the HEDC funds are being used for and stated their main goal is job creation, community growth and figuring out how to get people here that are needed for jobs.

Councilmember Skutnik questioned the Hastings Utilities budget items going on the agenda before the Council approved the City's budget at the September 12th Council Meeting.

Mr. Meyer indicated they needed to approve the Hastings Utilities Budget 30 days prior to the Council approving theirs.

Discussion was had on WEC-1 and 2 and the selling off of power, decommissioning of WEC-1 and converting the plants to natural gas.

Councilmember Odom asked about any plans for hiring the replacement for the Hastings Utilities Manager or were they leaving it up to the incoming Council.

Mayor Powers indicated he wanted them to make the right decision and said if it goes to the next mayor and council, then it does.

Councilmember Odom just stated that he would like to see the Council continue to move forward.

Discussion was had on the appointment of the fifth member of the Board of Public Works.

Mr. Kully asked if they need to look at the meeting time and length of meetings.

Mayor Powers stated as he has had a lot of people say no because they can't take three hours off twice a month for the meetings. He also indicated he would like to appoint another woman to the board if possible.

Moved by Ginny Skutnik seconded by John Harrington to adjourn the Worksession at 6:55 P.M.
Roll Call: Ayes: John Harrington, Kathy Duval, Phil Odom, Sarah Hoops, Ginny Skutnik, Everett Goebel. Nays: None. Absent: Chuck Niemeyer, Michael Krings. The motion carried.