

CITY OF HASTINGS, NEBRASKA  
MINUTES OF CITY COUNCIL REGULAR MEETING  
Monday, August 14, 2023

Pursuant to due call and notice thereof, a Regular Meeting of the City Council of the City of Hastings, Nebraska was conducted at the Hastings Public Library, 314 N. Denver Avenue, on August 14, 2023.

The meeting was called to order at 5:30 p.m. in Regular Session by Mayor Stutte with the following members present: Matt Fong, Shawn Hartmann, Marc Rowan, Joy Huffaker, Butch Eley, Brad Consbruck, Steve Huntley. Absent: Jeniffer Beahm.

The following City Officials were present: City Administrator, Shawn Metcalf; City Attorney, Jesse Oswald; Utility Manager, Kevin Johnson; City Clerk, Kimberly Jacobitz; Police Captain, Raelee Van Winkle; Assistant Fire Chief, Troy Vorderstrasse; Parks & Recreation Director, Jeff Hassenstab; Finance Director, Roger Nash; Information Technology Director, Erik Nielsen; Director of Engineering, Lee Vrooman; Director of Development Services, Chad Bunger; Library Director, Amy Dissmeyer; Safety Director, Trent Clark; Chief Building Official, Kevin Kubo; Director of Environmental, Marty Stange.

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

Moved by Butch Eley seconded by Shawn Hartmann to adopt current agenda from August 14, 2023 Regular Meeting. Roll Call: Ayes: Matt Fong, Shawn Hartmann, Marc Rowan, Joy Huffaker, Butch Eley, Brad Consbruck, Steve Huntley. Nays: None. Absent: Jeniffer Beahm. The motion carried.

**PUBLIC NOTICE** - Official Notice of the Regular Meeting was published in the Hastings Tribune on Friday, August 11, 2023. Pursuant to 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 for public review. Also, a current copy of the Nebraska Open Meetings Act is posted and accessible to members of the public.

**COUNCIL COMMUNICATION:**

Councilmember Fong reported that the Library Advisory Board met last week. They had a busy summer reading program. Additionally, there is a new literacy/reading program launching for elementary school kids. Councilmember Rowan attended the City/County meeting last week. The new jail is on schedule.

**CITIZEN COMMUNICATIONS:**

City Building (Item 4d): Roger Coffman, 849 North Burlington; Roy DeMars, 111 North Burlington; Helena Wilson, 839 North 4th Ave; Karren Carnes, 1139 N. Minnesota; Mike Anderson, 1405 South Baltimore; Edna Snitker, 907 Wynoka; Peg Wallace, 2825 North Columbine; Roger Harper, 701 East 2nd; Paul Dietze, 1825 West 12th.

**MAYOR'S COMMUNICATIONS:**

Mayor Stutte recognized service anniversaries for Jullee Johnson, Finance, 10; Grady Gardner, Police, 5; Brad Starling, Fire 5; Susan Deepe, Police, 10; Sarah Uden, Library, 10; James Hardy, Utility, 35; Ronald Pughes, Fire, 5; Stacey Winn, Police, 5; David Wathen, Utility, 5.

Mayor Stutte recognized those serving on the Strategic Planning Committee:

Ward 1: Aaron Martinez and Rich Wilton

Ward 2: Jacque Cranson and Caroline Cummins

Ward 3: Phil Boon and Jodi Graves

Ward 4: Faye Friesen and Joe Kindig

Shawn Metcalf stated that the committee's first meeting is scheduled this week.

#### **CONSENT AGENDA:**

##### 1. All Consent Items.

Moved by Matt Fong seconded by Shawn Hartmann to approve all consent items, as presented.

Roll Call: Ayes: Matt Fong, Shawn Hartmann, Marc Rowan, Joy Huffaker, Butch Eley, Brad Consbruck, Steve Huntley. Nays: None. Absent: Jeniffer Beahm. The motion carried.

(a) Approval of the minutes of the Council Meeting of July 24, 2023

(b) Approval of the minutes of the Worksession of July 17, 2023

(c) Approval of claims and payroll except the claim of Eldon's Automotive Repair

(d) Behind the Scenes monthly Department Head report for July, 2023

(e) Approval of the renewal of Liquor License Applications for the following **Class "C" Liquor Licenses** for the period of November 1, 2023 through October 31, 2024: 201 N. Lincoln Enterprises, LLC, 2nd Street Slammer, Inc., Adams County Ag. Society, BG Olive Saloon, LLC, B & R Stores, Inc. (2), Barrel Bar II, LLC, Blue Fork Kitchen, LLC, Brique 1887, LLC, Budson, Inc., Bullseye's, Inc., Caribbean Bar & Grill, LLC, Disabled American Veterans, Eagles FO Hastings Aerie 592, Gabriel Sanchez, George J. Beckby, Halftime Lounge, LLC, Hallett, Inc., Hastings Hospitality, Inc., Hastings Lodging 2, LLC, Highland Operating Company, Jelsh Ventures, LLC, Kitty's Roadhouse I, LLC, Hublocsters, LLC, Miscues, LLC, Murphy's Wagon Wheel, Inc., Nebraska Softball Association, No Coast Brewing, LLC, Odyssey Hastings, LLC, Rivals Bar & Grill, LLC, RM Retail Services, LLC, Roadhouse Catering, LLC, Steeple Brewing Company, LLC, The Wandering Well, LLC, Valentinis, LLC, Wanda's, LLC. **Catering** for the period of November 1, 2023 through October 31, 2024: 201 N. Lincoln Enterprises, LLC, 2nd Street Slammer Inc., Adams County Ag. Society, Blue Fork Kitchen, LLC, Bullseye's Inc., Eagles FO Hastings Aerie 592, No Coast Brewing, LLC, Kitty's Roadhouse I, LLC, Miscues, LLC, Murphy's Wagon Wheel, Inc., RM Retail Services, LLC, Steeple Brewing Company, LLC, The Wandering Well, LLC. **Cigar Shop** for the period of November 1, 2023 through October 31, 2024: 201 N. Lincoln Enterprises, LLC.

(f) Approval of the request of the Hastings Downtown Center Association and Business Improvement District to utilize city streets for the Junk Street event on September 9, 2023

(g) Approval of Work Order SW-370, reline 8" sanitation sewer main and manholes between Burlington Avenue and Lincoln Avenue from "E" Street to "F" Street and on Third Street from Laird Avenue east 430'

(h) Approval of Work Order CO-188, new underground fiber optic line from Well 28 to Crane Sub.

(i) Approval of Invoice No. 1599 in the amount of \$600.00 from South Central Economic Development District for grant administrative services for Community Development Block Grant Project 19-DTR-103, Downtown Revitalization

(j) Approval of drawdown request for Community Development Block Grant funds in the amount of \$600.00 for grant administrative services for Community Development Block Grant Project 19-DTR-103, Downtown Revitalization

(k) Approval of Invoice No. 1604 in the amount of \$1,525.00 from South Central Economic Development District for grant administrative services for Community Development Block Grant Project 22-ED-003, Pacha Expansion

(l) Approval of the request for Community Development Block Grant funds, Drawdown #1, in the amount of \$1,525.00 for grant administrative services for Community Development Block Grant Project 22-ED-003, Pacha Expansion

(m) Approval of the request for Community Development Block Grant funds, Drawdown #12, in the amount of \$29,439.55 for project activity costs and South Central Economic Development District

administrative/construction management services for Community Development Block Grant Project 20-PW-004, Public Works

(n) Approval of Pay Estimates #9-11 totaling \$35,486.07 from Ben Engel Construction for work completed on the Community Development Block Grant Project 20-PW-004, Sidewalk Improvement

(o) Approval of Invoice No. 1600 in the amount of \$2,200.00 from South Central Economic Development District for grant administrative services for Community Development Block Grant Project 20-PW-004, Sidewalk Improvement

(p) Approval of Invoice No. 1602 in the amount of \$1,375.00 and Invoice No. 1603 in the amount of \$50.00 from South Central Economic Development District for grant administrative services for Community Development Block Grant Project 21-DTR-007, Downtown Revitalization

(q) Approval of drawdown request for Community Development Block Grant funds in the amount of \$1,425.00 for general administration and construction management work for Community Development Block Grant Project 21-DTR-007, Downtown Revitalization

(r) Approval of Invoice No. 1601 in the amount of \$625.00 from South Central Economic Development District for construction management services for Community Development Block Grant Project 20-PW-004, Public Works

### **REGULAR AGENDA:**

#### **2. Unfinished Business of Preceding Meeting.**

None.

#### **3. Public Hearings.**

None.

#### **4. General Business.**

(a) Moved by Shawn Hartmann seconded by Butch Eley to approve the claim of Eldon's Automotive Repair in the amount of \$286.55 (City). Roll Call: Ayes: Shawn Hartmann, Matt Fong, Marc Rowan, Butch Eley, Brad Consbruck, Steve Huntley. Nays: None. Abstain: Joy Huffaker. Absent: Jeniffer Beahm. The motion carried.

(b) Moved by Shawn Hartmann seconded by Matt Fong to approve the Extension Agreement for the Interlocal Agreement for Ambulance Service with Adams County. Shawn Hartmann and Matt Fong withdrew their motion and second.

Moved by Shawn Hartmann seconded by Matt Fong to approve the Extension Agreement of the current Interlocal Agreement for Ambulance Service with Adams County in the amount of \$75,000 for one year, from August, 2023 to June 30, 2024.

Shawn Metcalf spoke on this item. Mayor Stutte stated that we need some time for them to examine if fire districts would work out in the county. Councilmember Eley said the State of Nebraska does not recognize emergency medical services as an essential service in Nebraska. The City and County are not required to have an ambulance service. Most counties that have larger cities in their counties contract services with a larger city. There are only three basic life-support ambulances in the county: Roseland, Kenesaw, Holstein. We have been negotiating this for over a year. They gave options to Adams County. This is a one-year contract. Mayor stated that they ran out of time. Ron Pughes will help put the plan together for Adams County. The contract negotiations were done by: Councilmembers Eley, Beahm, and Hartmann, and also included Fire Chief Starling, Mayor Stutte, and Shawn Metcalf.

At the most recent joint meeting with the County, it was determined that a 1-year agreement would be appropriate to provide additional time for the County and Fire Districts to work together towards a longer-term solution.

Roll Call: Ayes: Matt Fong, Shawn Hartmann, Marc Rowan, Brad Consbruck, Joy Huffaker, Butch Eley, Steve Huntley. Nays: None. Absent: Jeniffer Beahm. The motion carried.

(c) Presentation of 2023-2024 Annual City Budget including Utility Budget

Shawn Metcalf presented the proposed city budget highlights. The complete proposed budget will be accessible on the city's website sometime tomorrow. He briefly spoke about revenues, expenditures, special revenue funds, and the LB 644 Property Tax Request.

General fund revenues: Projected revenues at year end are \$23,049,096, a 5.34% increase from budget of \$21,879,707. Projected expenditures at year end are \$22,626,930 under budget of \$27,317,276. Significant vacant positions and supply chain issues on projects and lead time on equipment. Several budget items will be carried over to FY24.

Other Major funds: (Street, Museum, Landfill) are all on target for budgeted revenues and under budget on expenditures.

General Fund projects: Phase IV of Parkview Cemetery resurfacing will continue this fall. ERP will go live with HR/Payroll module on October 1, 2023.

State Budget: Adams County is responsible for organizing the LB 644 hearing and sending out notices of that joint public hearing. The state budget is due September 30th. County will provide the new assessed valuation by August 20th.

There have been updates to the fee resolution, and most of those changes are inflation-related.

General Fund Revenues: Proposed to increase 9.1% compared to FY23 budget. Sales tax revenue continues to increase and no proposed change to the levy. Sales tax revenue was up 12.7% through May 2023, compared to the prior year. ARPA funds will have a positive effect on the general fund budget for a second year. Health insurance plan continues to benefit both employees and the city fund. Projects for FY25 and beyond are the Highway 6 East and city hall projects.

Kevin Johnson presented the utility budget portion. The same presentation was given to the Utility Advisory Board. They received the utility budget last week, and will hold a special meeting to give a recommendation on the budget to the City Council. We continue to have material delays, major projects that do not fit into the fiscal year, so there are carry-overs.

General budget highlights: Cost of Service discipline continues with the Gas study completed in 2023 and Electric study planned for 2024. No headcount (fulltime employees) increase for Utility Department. Organizational reviews and role validation continues with each and every open position. Facility management integration into new City Department for Facility Management planned. Depreciation method better reflected utilizing new accounting software.

Administration highlights: AML expansion continues, MCARE software plans, and collaboration with City Safety Director.

Electric Department highlights: Renewable strategy continues with solar farm expansion. Units 4 and 5 anticipated to bring around \$1.5 million in capacity revenue starting FY2024. Recent operational successes: running all five production plants at once. Infrastructure support for Heartwell Renewables. Contribution in Aid of Construction: Highway 6, Solar Farm, and Flowserve. Electric production had projects deferred from the IRP study completed in 2020, but have been revived with Whelan Energy Center 1 (WEC1) recent profitability. Electric Distribution continues success with the tree trimming work totaling around \$500,000.

Gas Department highlights: Gas purchases have decreased in cost by greater than 25%. Increase in Propane Peaking Shaving Plant operation has increased the need for more scheduled training and maintenance. Full time effort to troubleshoot full gas cathodic system this year. Re-defining zones and set maintenance schedules moving forward. FY23-24 budget will include a three-year plan to replace regulator.

Water Department highlights: Anticipated increase in Contribution of Aid for lead replacement project. Slight increase in Aquifer Storage and Restoration (ASR) expense.

Pollution Control/Sewer Department highlights: Budget includes approximately \$100,000 more for sewer line expense. Increase in maintenance of structures for repair of two large roofs and two overhead door replacements in sold complex.

Utility rate changes proposed: Electric (2020 Cost of Service Study) 1%, Electric Operations 3%, Gas (2023 Cost of Service Study) 6.3%, Water (2022 Cost of Service Study) 5%. Disconnect and reconnect fee change was discussed.

(d) Moved by Steve Huntley and seconded by Brad Consbruck to direct the City Administrator to prepare plans, specifications, and details of the scope of work to be performed and advertise for bids for the removal of the asbestos and mold remediation from the city hall building located at 220 North Hastings and return such bids to the City Council for review and consideration.

Shawn Metcalf reported that at the July 24, 2023 City Council meeting, Council direction was for staff to gather more information on the unknowns of the renovation option. To be able to understand some of the issues, we recommend asbestos removal and interior demolition, since it is required for both renovation and new build options. Proceeding with these expenditures will help uncover most of the unknowns of the renovation option to allow City Council to make a more informed decision. The cost of asbestos removal is approximately \$300,000. The cost of interior demolition is approximately \$140,000. The City Council appropriated \$500,000 in the current budget under BANS funding which would cover these costs. Real estate numbers were discussed on how much the current building is worth, and how much it might be worth after a renovation. Shawn Metcalf will reach out for information on how much the renovated building could be worth. The new build and renovation cost estimates are very close to each other. Prices continue to fluctuate.

Councilmember Huntley's motion does not include interior demolition of walls. Lee Vrooman stated that it would take approximately 45-60 days to come back to council with specifications for mold and asbestos. He said asbestos is known to be in the ceilings. Our intent, as discussed in the last meeting, was to take it down to the concrete walls to know the extent of any issues. He stated that current walls might not be in the locations that we would need them, if we renovate the current building. The two structural analyses did not look inside the walls. The analyses were only on the foundation they could see in their visual inspections. CMBA has completed drawings utilizing information and conversations, beginning back in 2020, with staff on employee count, workflows, space, and equipment needed. Some departments have changed in the past several years since they met with the architects. We would need to update that information, whenever we come to a conclusion on the option. We might be able to salvage some items, if they can be used in the renovation. Discussion ensued on whether the interior walls needed to be demolished to find mold. Mayor Stutte pointed out that because of this conversation, we are now back to three options back on the table, which includes a basic repair approach. He thought we were down to gutting down to the concrete walls, to help decide between renovation or new build. That throws a lot more questions into the conversation.

Roll Call: Ayes: Matt Fong, Shawn Hartmann, Marc Rowan, Brad Consbruck, Steve Huntley. Nays: Joy Huffaker, Butch Eley. Absent: Jeniffer Beahm. The motion carried.

#### 5. Ordinances and Resolutions.

(a) Moved by Shawn Hartmann seconded by Butch Eley to approve Resolution 2023-25 Approving an amendment to Hastings Utilities Gas Supply Agreement with Central Plains Energy Project (CPEP). Kevin Johnson reported that this is required for refinancing the bonds

that finance the combined Central Plains Energy Project (CPEP) purchases of natural gas. This also extends the contract for an additional five (5) years and is for the whole CPEP partnership. Roll Call: Ayes: Matt Fong, Shawn Hartmann, Marc Rowan, Joy Huffaker, Butch Eley, Brad Consbruck, Steve Huntley. Nays: None. Absent: Jeniffer Beahm. The motion carried.

6. Final Passage of Ordinances.  
None.

7. Appointments.  
None.

8. Miscellaneous and Other Business.  
None.

Moved by Matt Fong seconded by Shawn Hartmann there being no further business to come before the council to adjourn at 7:32 P.M. Roll Call: Ayes: Matt Fong, Shawn Hartmann, Marc Rowan, Joy Huffaker, Butch Eley, Brad Consbruck, Steve Huntley. Nays: None. Absent: Jeniffer Beahm. The motion carried.

APPROVED:

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Corey Stutte, Mayor

ATTEST:

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Kimberly S. Jacobitz, City Clerk

( S E A L )