

COUNCIL CHAMBERS, MONDAY, AUGUST 13, 2012 AT 7:00 P.M.

The meeting was called to order in regular session by Mayor Powers with the following members present: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel.
Absent: None.

Moved by Harrington, seconded by Glen that the Open Meetings Act is posted on the southeast wall of the City Council Chambers and that prior to this meeting a notice was placed in the Hastings Tribune on August 10, 2012, that notice was posted in three public places, that each Councilmember and Mayor received a copy of the proposed agenda and that an agenda for such meeting, kept continuously current, is available for public inspection and that said meeting is held in open session. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

CITIZEN COMMUNICATIONS: None.

MAYOR'S COMMUNICATIONS: The Mayor recognized Police Sergeant Steve Murphy for 40 years of service with the Hastings Police Department. Sergeant Murphy stated he has worked with some great people and the people he works with makes it easy to be here for 40 years.

Moved by Niemeyer, seconded by Glen that the following items on the Consent Agenda be approved:

- 1(a) Minutes of the Council Meeting of July 23, 2012.
- 2(a) Application of 2nd Street Slammer, Inc. for a Special Designated License at the Adams County Fairgrounds on September 1, 2012.
- 2(b) Application of Murphy's Wagon Wheel, Inc. for a Special Designated License at the City Auditorium on September 29, 2012.
- 2(c) Application of Murphy's Wagon Wheel, Inc. for a Special Designated License at the City Auditorium on October 6, 2012.
- 2(d) Application of Murphy's Wagon Wheel, Inc. for a Special Designated License at the Hastings Museum on September 21, 2012.
- 2(e) Manager Application of Brian T. Fausch in connection with the Class "D" Liquor License of Bosselman Pump & Pantry, Inc. dba Pump & Pantry #45 located at 2412 Osborne Drive East.
- 2(f) Manager Application of Brian T. Fausch in connection with the Class "B" Liquor

License

of Bosselman Pump & Pantry, Inc. dba Pump & Pantry #24 located at 1630 East South Street.

2(g) Request of the Adams County Agricultural Society to utilize City Parking Lot and close streets on September 1, 2012 for Oregon Trail Rodeo Parade.

2(h) Application of Murphy's Wagon Wheel, Inc. for a Special Designated License at Hastings Central Park on August 25, 2012.

2(i) Request of Hastings College Department of Music to utilize City streets for the Melody Round-Up/Homecoming Parade at 10:00 A.M. on September 15, 2012.

4(a) Payrolls for the period ending August 4, 2012, paid August 10, 2012 and for the period ending August 18, 2012, paid August 24, 2012.

4(b) Authorizing the City Clerk to issue checks against the various funds for payment of claims. (Claims attached to and made a part of these minutes).

4(c) Authorizing the City Clerk to issue checks against the various funds for payment of pre-paid claims. (Pre-paid claims included in regular claims).

5(a) Department Monthly Reports received and placed on file.

6(a) Renewal of Liquor License Applications for the following **Class "C" Liquor Licenses** for the period of November 1, 2012 through October 31, 2013: 2nd Street Slammer, Inc., Adams County Ag Society, B & R Stores, Inc., Barrel Bar, Inc., Bernardo, Inc., Budson, Inc., Bullseye's, Inc., Caribbean Bar & Grill LLC, Charles Thomas Taylor, Disabled American Veterans, Eagles FO Hastings Aerie 592, El Pun Pun, Inc., Fucor, Inc., Gabriel Sanchez (2), George J. Beckby, George J.J. Beckby & Justin A. Clark, Hallet, Inc., Hamur LLC, Hastings Liquor Mart & Tobacco Row LLC, Highland Operating Company, Kitty's Roadhouse LLC, Michael P. Chase, Midtowne Mart LLC, Murphy's Wagon Wheel, Inc., Murphy's at the Track LLC, OK Café LLC, Restaurant Management Service, LLC, Rivals Bar & Grill, LLC, Sharon's Catering & Event Planning, LLC, Tri City Garden Corp., Veterans of Foreign Wars Post 1346, Virginia Wolz, Wanda's LLC, William D. Swenson. **Catering Licenses** for the period of November 1, 2012 through October 31, 2013: 2nd Street Slammer, Inc., Adams County Ag Society, Bullseye's, Inc., Eagles Frat Hastings Aerie 592, Midtowne Mart LLC, Murphy's Wagon Wheel, Inc., Sharon's Catering & Event Planning LLC, Tri City Garden Corp.

Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel.
Nays: None. The motion carried.

ORDINANCE NO. 4327

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF COMBINED UTILITY REVENUE AND REFUNDING BONDS, SERIES 2012, OF THE CITY OF HASTINGS, NEBRASKA, IN THE PRINCIPAL AMOUNT OF SIXTEEN MILLION FIVE HUNDRED THIRTY-FIVE THOUSAND DOLLARS (\$16,535,000) FOR THE PURPOSES OF REFUNDING THE CITY'S OUTSTANDING COMBINED UTILITY REVENUE BONDS, SERIES 2001, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,715,000 AND PROVIDING FOR CERTAIN IMPROVEMENTS TO THE COMBINED UTILITY SYSTEM OF THE CITY, FUNDING A DEBT SERVICE RESERVE FOR SAID BONDS AND PAYING COSTS OF ISSUANCE; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE USE OF THE PROCEEDS OF SUCH BONDS; PLEDGING AND HYPOTHECATING THE REVENUE AND EARNINGS OF THE WATERWORKS PLANT AND WATER SYSTEM, THE WATER POLLUTION AND SEWAGE DISPOSAL PLANT AND SANITARY SEWER SYSTEM AND THE GAS PLANT AND SYSTEM AND STREET LIGHTING SYSTEM OF SAID CITY FOR THE PAYMENT OF SAID BONDS AND INTEREST THEREON AND PROVIDING FOR THE COLLECTION AND APPLICATION OF THE REVENUES OF SAID UTILITIES AND ENTERING INTO A CONTRACT ON BEHALF OF THE CITY WITH THE HOLDERS OF SAID BONDS; SELLING THE BONDS AND AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; ENTERING INTO A CONTINUING DISCLOSURE UNDERTAKING; AND ORDERING THIS ORDINANCE PUBLISHED IN PAMPHLET FORM

Said Ordinance was read by title and thereafter Councilman Odom moved for passage of the ordinance, which motion was seconded by Councilman Harrington.

George Anderson, Chairman of the Board of Public Works, stated over the last six to eight weeks the Board of Public Works has been working on trying to sort out the dollar amount and buying to handle the ammonia at the Pollution Control Center. Today at a 4:00 P.M. meeting Mr. Shoemaker moved and Ms. DeWalt seconded to recommend that the Mayor and Council approve calling the old bonds of 2001 and then issuing some new. Mr. Anderson stated at our meeting this afternoon we went over again some of the bond covenants in it and one of them that is kind of unique is that we can't sell the Water System nor can we sell the Pollution Control System or Gas System because all of those funds are pledged against this. That is really about the only real key, obviously they don't want us to sell something that is pledging the funds. Mr. Anderson stated the interest rate is less than 3% spread out over 20 years and this will help us get into compliance and do the things that we need to do out there. Mr. Anderson stated we will be coming to the Mayor and Council again for more for the Water System. The Council did approve a Resolution of Intent last December for up to \$18,000,000 and this is less than that.

Bruce Lefler of Ameritas Investment Corp. stated as Mr. Anderson has pointed out, we are talking about approval of a \$16,535,000 bond issue. The bond issue is going to be repaid over a 20 year period of time through 2032. The overall interest rate in a very attractive environment, including the issuance cost, is 2.936% over that 20 year period of time. Mr. Lefler stated built into this issue as well is the refinancing of the Series 2001 bonds that are outstanding which is \$2.28 million dollars of this issue that is used to refinance and by virtue of that refinancing between now and 2021 results in a savings of approximately \$350,000.

The Mayor stated he believes this is a pretty good placement and questioned if the work has begun.

Marvin Schultes, Utilities Director, stated this is a two year construction period and it started about two months ago.

Councilman Goebel stated it was mentioned that this was a 20 year term, but it is only a 20 year term on the new money. The refinancing of the 2001 bonds only continues as long as the original term was, therefore, they will be paid off in ten years or in 2021. This is simply putting it together with the new money and getting a much better rate of interest.

Councilman Glen moved that the statutory rule requiring reading on three different days be suspended; Councilman Niemeyer seconded the motion to suspend the rules and upon roll call vote the following Councilmen voted YEA: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. NAY: None. The motion to suspend the rules was adopted by three fourths vote of the Council and the statutory rule was declared suspended for consideration of said ordinance.

The Mayor then stated the question was "Shall Ordinance No. 4327 be passed and adopted?" Upon roll call vote the following Councilmen voted YEA: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. NAY: None. The passage and adoption of said ordinance having been concurred in by a majority of all members of the Council, the Mayor declared the ordinance adopted and the Mayor signed and approved the ordinance and the City Clerk attested the passage approval of the same and affixed her signature thereto. Effective date of the ordinance is August 29, 2012. Published in the Hastings Tribune in pamphlet form on August 17, 2012.

RESOLUTION NO. 2012-26

BE IT RESOLVED AND ENACTED BY THE MAYOR AND COUNCIL OF THE CITY OF HASTINGS, NEBRASKA (the "City"), as follows:

Section 1. That the following bonds, in accordance with their option provisions, are hereby irrevocably called for payment on September 13, 2012 (the "Redemption Date"), after

which interest on the bonds will cease:

Combined Utility System Revenue Bonds, Series 2001, dated November 1, 2001, numbered as they are shown on the books and records of the Paying Agent and Registrar, in the total outstanding principal amount of \$2,715,000 (issued for the purpose of paying a portion of the funds for additions and improvements to the City's Combined Utility System), maturing and bearing CUSIP numbers in the amounts as follows:

<u>Maturing Date</u>	<u>Principal Amount</u>	<u>CUSIP No.</u>
October 15, 2012	\$ 215,000	418596EJ7
October 15, 2013	\$ 225,000	418596EK4
October 15, 2014	\$ 240,000	418596EL2
October 15, 2015	\$ 250,000	418596EM0
October 15, 2016	\$ 260,000	418596EN8
October 15, 2021*	\$1,525,000	418596EP3

*Term Bond

provided, however, that said 2001 Bonds shall not be called for payment, and this Resolution shall be of no force and effect if the City does not issue, sell and deliver its \$16,535,000 of Combined Utility System Revenue and Refunding Bonds, Series 2012, on or before the Redemption Date.

Section 2. These bonds are to be paid at the principal corporate trust office of Wells Fargo Bank, National Association (the "Paying Agent"), as Paying Agent and Registrar, in Minneapolis, Minnesota.

Section 3. A true copy of this Resolution shall be filed by the City Clerk with the Paying Agent at least thirty (30) days prior to call date and the Paying Agent is hereby irrevocably instructed to take appropriate action to mail notice to registered owners at least thirty (30) days prior to the call date.

Moved by Niemeyer, seconded by Krings that Resolution No. 2012-26 be passed and approved.
Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel.
Nays: None. The motion carried.

RESOLUTION NO. 2012-27

RESOLUTION CALLING BOND ANTICIPATION NOTES, SERIES 2010, FOR REDEMPTION - PARTIAL CALL

Section 1. That the following bond anticipation notes of the principal amount of

\$970,000, (representing a partial call of an original issue of \$1,540,000 bond anticipation notes) are hereby called for redemption at par plus accrued interest on September 14, 2012 after which date said notes shall cease to bear interest: (partial call only)

Bond Anticipation Notes, Series 2010, Dated August 13, 2010, in the principal amount of \$970,000, becoming due August 1, 2012, issued by the City for the purpose of providing interim financing for a portion of the costs of constructing improvements in Street Improvement District No. 2008-2, pending the issuance of permanent various purpose bonds. This is a partial call consisting of the call of a \$970,000 portion of an original issue and outstanding principal balance of \$1,540,000 of Series 2010 Bond Anticipation Notes.

Section 2. Said bond anticipation notes are payable at the office of the City Treasurer as Paying Agent and Registrar.

Section 3. A copy of this resolution shall be filed at least 30 days prior to the date of call with the Treasurer of the City of Hastings, Nebraska, as Paying Agent and Registrar and said Paying Agent and Registrar is hereby instructed to give notice of redemption in the manner provided for in the ordinance authorizing said bond anticipation notes.

Moved by Harrington, seconded by Odom that Resolution No. 2012-27 be passed and approved.

Joe Patterson, City Administrator, stated in 2010 we borrowed money to actually be the banking entity for the Lochland Road Project (1.5 million dollars). That money has set there because the State has changed the rules on them being the banker. We no longer need those funds to be the banker to pay the contract and because we don't need those funds there is no sense in paying the interest. This resolution allows us to pay those off and get it off our debt.

Vote on the motion. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

Moved by Krings, seconded by Oatman that the bid of Geneva State Bank for the Letter of Credit be approved, and that the Mayor be authorized to execute those documents necessary to obtain and maintain a Letter of Credit to satisfy the Performance Guaranty obligations related to the Hastings Groundwater Contamination Site. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

Moved by Harrington, seconded by Goebel that the Mayor be authorized to execute addendum to Lottery Operator's Agreement with Hastings Keno, Inc. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

The Mayor declared a recess at 7:15 P.M.

The meeting reconvened at 7:20 P.M. with the following members present: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Absent: None.

At this time the City Administrator presented the 2012-2013 Annual City Budget. (Budget presentation attached to and made a part of these minutes).

The Mayor thanked the City Administrator and City Treasurer Barb Adler for their work on the budget. This is probably the best budget that we have probably put together in the last several years. We are getting the debt whittled down and we are going to keep after it.

Moved by Goebel, seconded by Odom that the Mayor and Council approve the award of a contract for Low NOx Burner Installation at WEC-1 (B.I.2.04 Page 8) to TEI Construction Service, Inc., of Magnolia, Texas in the amount of \$1,010,600.00 which includes applicable sales tax and that the Mayor and City Clerk be authorized to enter into said contract accordingly.

Mr. Schultes stated this is to meet tighter environmental standards at Whelan Energy Center 1. The work will be done during an outage this Fall, the material was purchased earlier in the year. Mr. Schultes state five bids were received for this work.

Councilman Goebel stated this is a good bid in comparison to the other bids received.

The Mayor stated the EPA was hounding us to maybe close down Whelan Energy Center 1 and this will get us away from that, isn't that correct.

Mr. Schultes stated no, this is the NOx portion, that was the most limiting portion. There is another one called SO2 and we are doing a study now to see what it takes to comply with the SO2 requirements. There will probably be something in the 2013 budget for SO2 controls. There are several different ways to do it, one is a scrubber, but we think there may be a better way and we are looking at that.

The Mayor stated with this NOx burner, we are back on line with Whelan Energy Center 1.

Mr. Schultes stated this will take care of NOx limitation that we were looking at, that was the most restrictive when we talked about it last year.

Councilman Krings stated he believes it is important to bring some attention to the amount of money that we are having to spend to deal with these EPA issues. It is amazing to think about the amount of dollars we are going to have to spend over the near future to deal with these EPA issues.

Vote on the motion. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

RESOLUTION NO. 2012-24

**APPROVING LEVY AUTHORITY FOR THE COMMUNITY
REDEVELOPMENT AUTHORITY**

WHEREAS, the Community Redevelopment Authority for the Community Redevelopment Authority of the City of Hastings, Nebraska, has by Resolution adopted July 31, 2012, submitted a request to the City Council of the City of Hastings for property tax allocation as follows:

1. The amount of revenue sought to be raised from the levy of a tax on the taxable value of real property to help defray the expenses of the Authority is Two Hundred Seventy-Five Thousand Dollars (\$275,000).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hastings, Nebraska, that the final allocation of levy authority for the Community Redevelopment Authority in the amount of \$275,000 is hereby approved.

Moved by Niemeyer, seconded by Harrington that Resolution No. 2012-24 be passed and approved. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

Moved by Harrington, seconded by Oatman that the following appointments made by the Mayor be approved:

Business Improvement District:

Appoint John Hamburger to replace Jim Guthmann, term to be 11/10/10 to 11/10/13
Reappoint Mike Nevriy, term to be 11/10/11 to 11/10/14
Reappoint Roy DeMars, term to be 11/10/11 to 11/10/14
Appoint Jeb Brant to replace Angela Graham, term to be 11/10/11 to 11/10/14
Reappoint Bob Murphy, term to be 11/10/11 to 11/10/14

City Tree Board:

Appoint Jeff Hassenstab, Parks Director, to replace Eric Christensen
Reappoint Margaret L. Hermes, term to be 11/15/11 to 11/15/14

Reappoint William Locke, term to be 11/15/11 to 11/15/14

Electrical Examining Board:

Reappoint Dennis Smidt, term to be 7/1/12 to 7/1/14

Reappoint Eldon Bassett, term to be 7/1/12 o 7/1/14

Museum Board:

Reappoint Kay Langseth, term to be 7/1/12 to 7/1/14

Board of Public Works:

Reappoint George Anderson, term to be 7/1/12 to 7/1/17

Civil Service Commission:

Reappoint Dave Fisher, term to be 7/1/12 to 7/1/17

Board of Adjustment:

Reappoint Robert Myers, term to be 7/10/10 to 7/1/13

Reappoint John Northrup, term to be 7/1/12 to 7/1/15

Planning Commission:

Reappoint Keith Napier, term to be 2/1/12 to 2/1/15

Reappoint Lou Kully, term to be 2/1/12 to 2/1/15

Community Redevelopment Authority:

Reappoint Roger Coffman, term to be 11/1/11 to 11/1/16

Housing Authority:

Reappoint Deb Ross, term to be 7/1/11 to 7/1/16

Library Board:

Reappoint Matt Fong, term to be 7/1/12 to 7/1/16

Employee's Pension Board:

Reappoint Mark Barfknecht, term to be 7/1/12 to 7/1/18

Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Krings, Oatman, Goebel. Nays: None. The motion carried.

Moved by Goebel, seconded by Peterson that the Council approve the following appointments made by the Mayor to the Mayor's Youth Council:

Levi Cermak, Adams Central
Samuel Linblad, Adams Central
Alexis Allerheiligen, Adams Central
Madison Tschauner, Adams Central
Victoria Korth, Adams Central
Diana Chavez, Hastings High
Kaitlyn Grothen, Adams Central
Benjamin Troudt, Adams Central
Madison Hucke, St. Cecilia's
Brittany Trausch, St. Cecilia's
Tyler Kirkegaard, Adams Central

Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

REPORTS OF LIAISONS: Councilman Goebel reported on the August 2, 2012 Board of Public Works Meeting. There was a recommendation from staff to award a contract for a plug in electric four door sedan purchase. This was tabled and will be coming up again for discussion on August 16th. There was an update given on power plant activities, WEC 2 generation was up at its highest rate ever.

Councilman Goebel stated he had the opportunity to attend some Kool-Aid Days activities this past weekend and they were really well attended. The crowd in downtown Hastings for the parade was the biggest he had ever seen and the business owners he talked to in the downtown were pleased with the turn out. The car show at the Pastime Bowling Alley was great and there were quite a number of people walking through.

Councilman Goebel stated he heard some positive comments about the Mayor's comments in reference to the EPA. Councilman Goebel thanked the Mayor for his effort, we don't need those holes punched in the town.

The Mayor stated that former Mayor and current Councilmember Odom proposed that maybe we talk about some legislation and he would like to pursue that. The Mayor stated we are going to keep a finger on this, this has got to stop in our town. We need that money to do other projects

in our town and after 28 years they don't have their work done, that is ridiculous, anybody that has hired a company that takes 28 years and can't get the job done ought to be fired right on the spot. Our town is not an annuity and it isn't a place to draw money from and we are going to do our best to take them to the mat.

Moved by Odom, seconded by Niemeyer that the Council approve the Mayor's appointment of William Mann as the Interim Police Chief. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

Moved by Krings, seconded by Harrington that the Mayor and Council go into Executive Session at 7:55 P.M. for the purpose of discussing contract negotiations. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

Moved by Odom, seconded by Niemeyer that the Mayor and Council go out of Executive Session into Regular Session at 8:30 P.M. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

Moved by Krings, seconded by Niemeyer there being no further business to come before the Council, the meeting adjourn at 8:30 P.M. Roll Call: Ayes: Harrington, Peterson, Odom, Niemeyer, Glen, Krings, Oatman, Goebel. Nays: None. The motion carried.

APPROVED:

Acting Mayor

ATTEST:

City Clerk

(S E A L)