

**CITY OF SCOTTSBLUFF**  
**Scottsbluff City Hall Council Chambers**  
**2525 Circle Drive, Scottsbluff, NE 69361**  
**LB 840 Application Review Committee**

**Regular Meeting**  
**February 28, 2020**  
**8:00 AM**

1. Roll Call
2. **For public information, a copy of the Nebraska Open Meetings Act is posted in the back of the room on the north wall.**
3. Notice of changes in the agenda by the city manager (Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless added under Item 4 of this agenda.)
4. Citizens with business not scheduled on the agenda (As required by state law, no matter may be considered under this item unless the committee determines that the matter requires emergency action.)
5. Approval of Minutes
  - a) Approval of minutes for meeting of February 21, 2020
6. Reports from Staff, Boards & Commissions
  - a) Receive Information and Consider Making Recommendation for Budget Authority Increase for LB840 Funds.
  - b) Presentation Regarding the Open Meetings Act.
7. Closed Session (to consider any of the above matters, where an Executive Session is appropriate).
  - a) Following passage of motion to enter into executive session, presiding officer must state purpose of executive session.
8. Adjournment.

**City of Scottsbluff, Nebraska**  
**Friday, February 28, 2020**  
**Regular Meeting**

**Item 1**

**Approval of minutes for meeting of February 21, 2020**

**Staff Contact: Starr Lehl**

**CITY OF SCOTTSBLUFF**  
**ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE**  
**February 21, 2020**

The meeting of the Economic Development Application Review Committee was held on February 21, 2020 at 8:00 a.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska.

Present were committee members Dennis Hadden, Nate Merrigan, Jim Trumbull, Lee Glenn and Hod Kosman. Also present was alternate member Dave Schaff. Also in attendance on behalf of the City was Starr Lehl, City Economic Development Director, Adam Hoelsing, Deputy City Attorney, Nathan Johnson, City Manager, Elizabeth Hilyard, City Finance Director, and Rick Kuckkahn, Interim City Manager.

Chairman Trumbull called the meeting to order at 8:00 a.m. and stated that a copy of the Nebraska Open Meetings Act was located on the south wall of the Council Chamber. There was one change to the agenda, that being a change of date from February 12, 2020 to February 21, 2020 due to a typo listed on the agenda.

It was moved by member Kosman, and seconded by alternate member Schaff that the minutes of the February 12, 2020 committee meeting be approved. Voting yes: Hadden, Schaff, Trumbull, Glenn, and Merrigan. Voting no: None. Abstaining: Kosman.

The next item on the agenda was the presentation and discussion from Crossroads Cooperative regarding an expanded grain receiving facility in Gering, Nebraska. Crossroads Cooperative presented that they are a 12 location cooperative serving 1800 patrons. They have 6-8 grain receiving facilities, and are looking to expand their current facility in Gering, Nebraska in order to receive and process more grain as well as utilize Union Pacific Railway located near their facility. They are requesting a partnership with the City of Scottsbluff in order to fund infrastructure and improvements for the expansion of their facility, including a rail spur to the Union Pacific Railroad as well as a rail end that may help with loading onto highway commercial vehicles. Present on behalf of the City of Gering, Nebraska was Annie Folk. Ms. Folk stated that the City of Gering is providing TIF funding as well as LB 840 funds in the approximate amount of \$500,000 for the work on the infrastructure expansion. The City of Gering is also expending another \$500,000 worth of utilities for the expansion of the facility, to be financed through enterprise funds through the City of Gering, Nebraska.

Committee member Schaff asked whether an improvement district was being considered for the project or to pay for some of the infrastructure upgrades. Ms. Folk responded that as of right now an improvement district would be unlikely, given that most of the surrounding real estate is either owned by the Applicant or by the City of Gering, Nebraska. Therefore, a special assessment tax on the real estate parcels would be less than ideal.

Member Hadden expressed a concern that there are only four full-time equivalent jobs anticipated to be created by the Applicant, and that the request for funding from the Committee far exceeded the job creation shown. Other committee members agreed with this concern.

Member Schaff also raised a concern regarding the interplay between the Applicant and the City of Gering. LB 840 funds are not eligible for assistance to other governmental subdivisions, and appeared to member Schaff that it was possible with some of the improvements being contemplated that the LB 840 funds may be ultimately or unintentionally used to help pay for the City of Gering, Nebraska utility expansions.

Member Merrigan asked whether this expanded facility would benefit local grain producers, in addition to the job creation. The Applicant responded that it would, and that currently the area has a surplus of grain that has trouble entering the market due to the lack of facility space.

Thereafter, no action was taken on the Application, and the Applicant was directed to address several questions and concerns raised by the Committee before a decision could be made.

The next item on the agenda was the “Together We Grow” initiative. Economic Director Starr Lehl and Becky Horne of the Oregon Trail Community Foundation were present for the initiative to the Committee. Also in attendance was Doug Mader of West Nebraska Community College and John Marrin of West Nebraska Community College. The presentation requested a \$500,000 set aside for LB 840 funds in order to establish a pilot internship or job training initiative. Economic Director Lehl stated that several businesses in the area were willing to work as pilot programs in order to commit towards the training and certification of employees that are otherwise difficult to locate and hire. Both Doug Mader and John Marrin of WNCC reiterated their commitment of WNCC to a career pathways approach and to a job training approach that included the career readiness certification program.

No action was taken on the presentation, as the amount of the LB 840 funds and specific financials of the fiscal year 2020 budget were needed to be discussed.

Therefore, the next item on the agenda was the amendment to the City’s 2020 budget and the LB 840 fund. Annually, the City budgets to \$250,000 of expenditures from the LB 840 fund, but the City is currently up against that limit during the fiscal year and will need to request and report a budget modification in order to expend further funds during the current fiscal year. City Finance Director Elizabeth Hilyard presented on the current amounts of the funds, the anticipated amount of funds at the end of the fiscal year, the current revenues of the fund, and the current expenditures of the fund. The Committee reviewed the financials and agreed to discuss it and make a recommendation for modification of the budget at the next Committee meeting.

Committee member Schaff left the meeting at approximately 8:50 a.m.

Committee member Hadden left the meeting at approximately 9:00 a.m. Both had prior engagements with their schedule.

Further discussions were then had regarding deficiencies with Crossroads Cooperative’s Application. It was agreed that many issues need to be discussed and addressed, and that the

Application may be slightly premature regarding the build-out of infrastructure extensions, and that the Application does not generally match the job creation anticipated.

Thereafter, motion was made by member Merrigan and seconded by member Glenn to adjourn the meeting at 9:20 a.m. Voting in favor: Merrigan, Trumbull, Glenn and Kosman. Voting against: None.

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Starr Lehl, Economic Development Director

# **City of Scottsbluff, Nebraska**

**Friday, February 28, 2020**

**Regular Meeting**

## **Item Reports1**

**Receive Information and Consider Making Recommendation for  
Budget Authority Increase for LB840 Funds.**

**Staff Contact: Starr Lehl**

	FY20 Budget	FY20 Actual (5 mos)	Estimated FY20
Balance forward cash 10/01/2019	\$ 4,223,721.32	\$ 4,223,721.32	\$ 4,223,721.32
Sales tax	\$ 849,991.00	\$ 387,703.79	\$ 900,000.00
Loan repayments	\$ 324,253.00	\$ 135,843.61	\$ 432,386.00
Interest earnings	\$ 30,000.00	\$ 25,433.21	\$ 30,000.00
Total Revenues	\$ 1,204,244.00	\$ 548,980.61	\$ 1,362,386.00
Personnel Expense	\$ 111,635.00	\$ 44,406.18	\$ 111,635.00
Supplies	\$ 1,400.00	\$ 1,058.24	\$ 1,400.00
Contractual service/legal	\$ 50,000.00	\$ 11,666.00	\$ 50,000.00
Economic Development	\$ 2,500,000.00	\$ 605,091.77	\$ 2,486,216.00
Total Expenses	\$ 2,663,035.00	\$ 662,222.19	\$ 2,649,251.00
Ending cash 09/30/2020	\$ 2,764,930.32	\$ 4,110,479.74	\$ 2,936,856.32

Current Year Economic Development Expense:		
	\$ 174,175.00	RWMC
	\$ 1,441.00	Der Topher
	\$ 76,600.00	Rural Health Develop/Mitchell Care Center
estimated	\$ 29,000.00	American Lodging - Balloon Fest
	\$ 90,000.00	McKinney Manufacturing
	\$ 500,000.00	Western Farms
	\$ 75,000.00	Factory Crimp
	\$ 40,000.00	Gardner Tech
	\$ 1,500,000.00	Prime Metal
	\$ 2,486,216.00	

# **City of Scottsbluff, Nebraska**

**Friday, February 28, 2020**

**Regular Meeting**

## **Item Reports2**

### **Presentation Regarding the Open Meetings Act.**

**Staff Contact: Starr Lehl**



**City of Scottsbluff, Nebraska**  
**Friday, February 28, 2020**  
**Regular Meeting**

**Item 1**

**Following passage of motion to enter into executive session,  
presiding officer must state purpose of executive session.**

**Staff Contact:**