

MINUTES OF SPECIAL MEETING OF THE NELIGH MAYOR AND CITY COUNCIL  
April 16, 2019

A special meeting of the Mayor and City Council of the City of Neligh was held on Tuesday, April 16, 2019 at 7:00 P.M. at the City Council Chambers. Present were Mayor Joe Hartz and Council Members Dale Wilkinson, Brent Pickrel, Leonard Miller and Ted Hughes. Also in attendance were City Attorney Jim McNally, City Clerk Danielle Klabenes, News Reporter Carrie Pitzer, Don Zegers, Ken & Linda Klaasmeyer and approximately 20 employees and staff from the Neligh Care & Rehab. Notice of the meeting was given in advance thereof by posting in four public places on April 12, 2019. A copy of their acknowledgement of receipt of notice and the agenda is attached to the minutes. Mayor Hartz offered a prayer before opening the meeting. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public. Mayor Hartz presided over the meeting and noted that a copy of the Open Meetings Law, located on the east wall of the Council Chambers is available for the public. Clerk Klabenes recorded the minutes. The Pledge of Allegiance was recited.

**NELIGH CARE AND REHAB**

Mayor Hartz reported he had spoken to Ken Klaasmeyer the previous Friday and reported that the Neligh nursing home was not included with many other facilities under a purchase option which he was hopeful would drive the purchase price down. Ken Klaasmeyer reported an offer to buy the local nursing home started at \$700,000 for the business and 70 beds and he had spoken to potential buyers that the offer would not be agreed upon by the city at that price. He reported that after further negotiations, the offer decreased to \$350,000. He reported a New York company was purchasing other Nebraska nursing homes under the receivership, including Neligh and would sell Neligh's facility to the City of Neligh. He reported a monthly lease of \$8,000 would be incurred for 3-6 months until the purchase was finalized with Golden Living. Klaasmeyer reported no outstanding debt or penalties would follow the purchase and a free title would be provided.

Mr. Klaasmeyer reported consideration for keeping the existing Medicare number with the settlements or making application for a new Medicare number with Medicare not paying settlements until a new number was approved. He reported a public hearing on the Medicare formula was held a few weeks ago in the current legislature session with Nebraska State Senators and he was hopeful for a change in the formula. Discussion was held that if a new Medicare number was obtained then the facility would need to meet building code about the shared bathrooms.

Discussion was held for forming a separate 5-member board to oversee the nursing home. Discussion was held for being in favor of the facility purchase but monitoring the cash flow and to continue talking. It was noted that for almost 3 years the facility had been in either receivership or leased by an out of state company with no investment in the facility, and little investment made in the facility prior to that. It was noted that with local ownership that an increase in admissions was hopeful. Discussion was held that the feasibility study showed the need for nursing home services would rise in a few years. Discussion was held for considering the nursing home as a county project instead of a city project. Discussion was held that the only repair mandated by the state was a new boiler estimated at \$10,000, however it was noted that it is unknown if the cooling system would have problems this summer. Discussion for other repairs included some windows and cosmetic updates. Discussion was held for consideration of updates to the existing facility or fundraise for

construction of a new facility. Discussion was held for contracting with Klaasmeyer & Associates for a management service or leasing the facility. Discussion was held for providing a documented commitment of the purchase offer to the City Attorney for review. Discussion was held for using electric funds for the purchase and consulting with a city auditor familiar with nursing home facilities.

*Council member Miller moved to authorize Klaasmeyer and Associates to continue negotiations for the purchase of Neligh Care & Rehab at a price of \$350,000. Seconded by Hughes. Roll call votes in favor were Wilkinson, Miller, Pickrel, Hughes. Opposed: None. Motion carried.*

Mayor Hartz thanked the audience for attending the meeting.

There being no further business to conduct Council member Miller motioned to adjourn the meeting, seconded by Hughes. Roll call votes in favor were Wilkinson, Hughes, Pickrel, Miller. Opposed: None. Thereupon Mayor Hartz declared the meeting adjourned. Time: 7:46 P.M.

City of Neligh

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Joe Hartz, Mayor

(ATTEST)

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Danielle Klabenes, City Clerk

### CERTIFICATION

I, the undersigned, City Clerk of the City of Neligh, Nebraska, hereby certify that the foregoing is a true and correct copy of proceedings had and done by the Council on April 16, 2019 that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the said minutes from which the foregoing proceedings have been extracted were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

(SEAL)

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Danielle Klabenes, City Clerk