

**Utilities Committee Recap**  
**With Quorum of City Council Present**  
Monday, September 23, 2024 at 6:00 pm

The City Council of the City of Hastings, Minnesota met in a meeting of the Utilities Committee, with a quorum of the City Council present, on Monday, July 22, 2024 at 6:00 p.m. in the Community Room at the Hydroelectric Plant, , Hastings, Minnesota

Present: Mayor Mary Fasbender; Councilmembers Tim Lawrence, Lisa Leifeld, and DawnMarie Vihrachoff; and City Administrator Dan Wietecha, Public Works Director Ryan Stempski, and Public Works Superintendent Joe Spagnoletti.

Absent: Councilmembers Jen Fox, Angie Haus, and Dave Pemble.

Spagnoletti led a tour of the City's hydroelectric plant. He explained that the property is owned by the US Army Corps of Engineers with the City leasing space for the hydro plant. The plant was originally built in 1987 and had significant rehabilitation in 2001.

Life-cycle maintenance costs for the plant are expensive. The plant's design has extremely tight tolerances making for high maintenance needs, often with specialized, technical contractors. The layout is not conducive for maintenance, often requiring barge transport for access.

The City has little control over the amount of power production or the ability to maximize it, due to production depending on the differences in the water levels above and below the dam. The City also has FERC license and insurance requirements which contribute to high costs of ownership.

In many individual years, and certainly over time, the plant operates at a financial loss for the City. Over the past year, staff have been in a series of discussions with the Corps of Engineers about potentially transferring ownership to USACE. They would not be subject to the same FERC license and insurance costs as the City, meaning it would be less expensive for them to own and operate. Staff are also reaching out to other parties that may have an interest in the facility.

No action was requested or taken.

Meeting adjourned at 7:20 pm.

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Kelly Murtaugh, City Clerk

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Mary D. Fasbender, Mayor