

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
COUNTY-CITY BUILDING  
ROOM 113  
THURSDAY, FEBRUARY 28, 2008  
8:30 A.M.**

Commissioners Present: Bob Workman, Chair  
Bernie Heier, Vice Chair  
Larry Hudkins  
Ray Stevens  
Deb Schorr

Others Present: Kerry Eagan, Chief Administrative Officer  
Gwen Thorpe, Deputy Chief Administrative Officer  
Dan Nolte, County Clerk  
Cori Beattie, Deputy County Clerk  
Ann Taylor, County Clerk's Office

The Vice Chair opened the meeting at 8:30 a.m.

**AGENDA ITEM**

- 1 APPROVAL OF THE MINUTES OF THE LANCASTER COUNTY DEPARTMENT OF CORRECTIONS VISIONING WORKSHOPS, TUESDAY FEBRUARY 12, 2008 AND WEDNESDAY, FEBRUARY 13, 2008; MEETING WITH VILLAGE REPRESENTATIVES, THURSDAY, FEBRUARY 14, 2008; AND STAFF MEETING, THURSDAY, FEBRUARY 21, 2008**

**MOTION:** Hudkins moved and Stevens seconded approval of the minutes of the Lancaster County Department of Corrections Visioning Workshops, Tuesday, February 12, 2008 and Wednesday, February 13, 2008; and Meeting with Village Representatives, Thursday, February 14, 2008. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

**MOTION:** Hudkins moved and Stevens seconded approval of the minutes of the Staff Meeting, Thursday, February 21, 2008. Hudkins, Stevens, Workman and Schorr voted aye. Heier abstained from voting. Motion carried.

## **2 ADDITIONS TO THE AGENDA**

- A. Microcomputer Request, C#2008-095, \$1,263.81 from Public Defender for Six (6) Software Licenses
- B. Report on Meeting Regarding Alvo Road, 1<sup>st</sup> Street to 14<sup>th</sup> Street

**MOTION:** Stevens moved and Heier seconded approval of the additions to the agenda. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

## **3 LEGISLATIVE UPDATE - Gordon Kissel, Legislative Consultant; Kristin Crawford, Kissel/E&S Associates**

Gordon Kissel, Legislative Consultant, presented a legislative update (Exhibit B). He noted that efforts to advance LB 979 (Change county building levy tax provisions) out of the Revenue Committee were unsuccessful and said the best way to get the legislation passed now would be to amend it into another bill.

Terry Wagner, Lancaster County Sheriff, appeared and requested support of LB 371 (Adopt the Nebraska Peace Officer Retirement Act), as amended (AM1857). He distributed documents outlining the main provisions and local impact (Exhibits C and D). It was noted the Nebraska Association of County Officials (NACO) opposed the bill as originally introduced.

Concerns were expressed regarding moving from the current defined contribution plan to a defined benefit plan and setting a precedent for employee groups to opt out of the County's retirement plan.

**MOTION:** Hudkins moved and Stevens seconded to ask the Personnel Department to examine the proposal and report back on the impact to the County, preferably by Tuesday, March 4<sup>th</sup>. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

### **SHERIFF'S COMPUTER GRANT - Terry Wagner, Lancaster County Sheriff**

Wagner said the Nebraska State Patrol has awarded his office a \$6,000 grant for computer equipment, software support and training relating to Internet crimes against children. He indicated plans to combine those funds with the funds allocated to the Lincoln Police Department (LPD) to create a computer forensics lab.

**MOTION:** Heier moved and Schorr seconded approval of the grant. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

**4 DESIGNATION OF PHRAGMITES AS A NOXIOUS WEED** - Russ Shultz, Noxious Weed Control Authority Superintendent

Russ Shultz, Noxious Weed Control Authority Superintendent, recommended that the Board designate phragmites as a noxious weed (Exhibits E & F).

**MOTION:** Hudkins moved and Heier seconded to designate phragmites as a noxious weed. Heier, Schorr, Workman, Stevens and Hudkins voted aye. Motion carried.

Shultz also presented Hudkins with a 20-year service award from the Nebraska Weed Control Association.

**5 THERAPY DOGS AT YOUTH SERVICES CENTER** - Randy Farmer, Education Coordinator, Director of the Pathfinder Education Program at the Youth Services Center (YSC); Michelle Schindler, YSC Director; Gale Lothrop and her dog Misty, Healing Heart Therapy Dogs

Randy Farmer, Education Coordinator, Director of the Pathfinder Education Program at the Youth Services Center (YSC), said Healing Heart Therapy Dogs has offered the services of a volunteer therapy dog and handler to help teach reading to students for one hour per week. There is also potential to expand the service.

Gale Lothrop, Healing Heart Therapy Dogs, said there are four individuals with dogs in her organization that are very interested in working at YSC with this population. She said it may also be possible to incorporate animal care into the curriculum.

Michelle Schindler, YSC Director, said there are some policies and procedures that will need to be worked out, such as the County's policy regulating animals in County buildings.

**MOTION:** Heier moved and Schorr seconded to allow therapy dogs at the Youth Services Center, at the discretion of Michelle Schindler, Youth Services Center Director.

**FRIENDLY AMENDMENT:** Workman offered a friendly amendment to amend the policy regulating animals in County buildings.

Kerry Eagan, Chief Administrative Officer, said it may not be necessary as the policy addresses working dogs.

No action was taken on the friendly amendment.

**ROLL CALL:** Heier, Schorr, Workman, Stevens and Hudkins voted aye. Motion carried.

## **6 JAIL CONSTRUCTION ISSUES**

**Project Manager** - Don Killeen, County Property Manager; Vince Mejer, Purchasing Agent; Chuck Zimmerman, Building & Safety Plan Review Manager; Scott Weiskamp, Lincoln Public Schools (LPS)

Discussion took place regarding whether to hire a Project Manager for the jail project.

Scott Weiskamp, who manages construction projects for Lincoln Public Schools (LPS), said LPS has utilized a Construction Manager (CM) at Risk and Project Managers for its construction projects. He said a Project Manager would represent the County and look at issues from the County's perspective. The architects and CM at Risk will also represent the County but have a vested interest (derive private benefit) in the project. Weiskamp said the Board should define what qualities it believes are important in a Project Manager, such as architectural, contracting, engineering, estimating, accounting, legal, contract administration and public speaking experience.

Don Killeen, County Property Manager, said it is also valuable to have someone who is familiar the department's needs and how the facility functions. He said Aaron Hartung, The Clark Enersen Partners; and Steve Neukirch, Sampson Construction Company, Inc., will represent the County on the project and said the Board needs to decide how much overlap is necessary. **NOTE:** Clark Enersen is the architect for the project and Sampson Construction serves as the CM at Risk.

It was noted that Bob Jarrett, Corrections Department, has been asked to provide oversight for the County.

Stevens said he believes the Project Manager needs to be directly responsible to the Board and favors conducting a search to fill the position. He said if Jarrett is determined to be the best person for the job he should take a leave of absence from his job to serve in that position.

Workman said he does not believe Jarrett would have a conflict of interest. He said Judy Halstead provided oversight on the Health Department project while working for the Health Department and that project came in on time and under budget.

Weiskamp stressed that the point person has to have the authority to make decisions on behalf of the County.

**MOTION:** Stevens moved to ask the Personnel Department to draft job specifications and a job description for a Project Manager, with the understanding that it will be an unclassified position, and make a recommendation on the salary range.

The motion died for the lack of a second.

Weiskamp agreed to share the job description that LPS utilizes.

There was general consensus to have Jarrett, Hartung and Neukirch come to a meeting to discuss their respective areas of responsibility to see if there are any gaps.

**Financing** - Scott Keene and Al Evland, Ameritas Investment Corporation; Lauren Wismer, Gilmore & Bell PC (Bond Counsel)

Scott Keene, Ameritas Investment Corporation, presented a preliminary analysis of election and financing options (Exhibit G):

- \* Election options
  - \* May, July, August, September and November are the only remaining allowable months for a bond election in 2008 (July, August and September would require a stand-alone Special Election)
  - \* Since the County has funded a "Jail Fund" in the current year bond levy, there is no need to fund a Capitalized Interest Account and no distinct financial advantage to the timing of bond election
- \* Funding options
  - \* Unlimited Tax General Obligation Bonds
    - \* Exempt from all statutory lid restrictions
    - \* Maturity to be determined by the County Board
    - \* Lowest interest rate/financing cost
    - \* Requires a vote of the electorate
  - \* Limited Tax Bonds issued under Nebraska Revised Statute §23-120
    - There are two levy mechanisms under the statute:
      - 1) A 10-year levy not-to-exceed 5.2 cents
        - \* This is how the County has financed a number of its capital projects
        - \* The County's current levy under Statute §23-120 drops to approximately 1.0 cents in 2009
        - \* Using 90% (for rating purposes) of the 5.2 cent maximum would finance a \$62 million project at current insured interest rates
        - \* Subject to the 50 cent levy limit
        - \* Does not require a vote of the electorate

- 2) An unlimited maturity levy of not-to-exceed \$2 million
  - \* Will not finance as large a project when used alone
  - \* Could be used in combination with the other part of Statute §23-120 by levying 5.2 cents in Years 1 to 10 and levying \$2 million in Years 11 to 25
  - \* Combining the two parts of Statute §23-120 would add another \$12 million to the available construction amount at current insured interest rates (provides a total of \$74 million of construction assuming 90% levy described above)
  - \* Subject to 50 cent levy limit
  - \* Does not require a vote of the electorate
- \* Lease Rental Revenue Bonds issued by the Public Building Commission (PBC) - There are two options:
  - 1) PBC funds only at the level that the City of Lincoln currently pays
    - \* If the City were willing to commit a minimum of \$1,454,000 per year to PBC financing, an additional \$20.6 million of construction would be available at current insured interest rates
    - \* Would not require additional levy from the County for the bonds, but would require the County to make up lost revenue from the City that it is currently used for operations
    - \* Does not require a vote of the electorate
  - 2) PBC funds the entire project and leases it to the City and County
    - \* This structure mirrors that used for the City-County Building
    - \* Would allow for the financing of the entire project
    - \* Lease payments made by each partner could be tied to use
    - \* PBC would take care of typical building maintenance
    - \* Lease payments of the County would not be subject to limits under Statute §23-120, but would be subject to the 50 cent limitation
    - \* Does not require a vote of the electorate
- \* Bond sizing and levy impact at current insured interest rates
  - \* Funding of a \$60 million project over 10 years requires an annual levy of \$7,270,000 or approximately 92% of the maximum 5.2 cents when combined with existing requirements under Statute §23-120
  - \* Funding of a \$65 million project over 10 years requires an annual levy or \$7,880,000 or approximately 99% of the maximum 5.2 cents when combined with existing requirements under Statute §23-120

- \* Funding of a \$61.9 million project over 10 years requires an annual levy of \$7,500,000 or approximately 90% of the maximum 5.2 cents when combined with existing requirements under Statute §23-120
- \* Utilizing 90% of the maximum 5.2 cents (when combined with existing requirements under Statute §23-120) and utilizing the \$2 million also available under Statute §23-120 allows for another \$12 million, or a total of \$74 million of construction
- \* Utilizing 25-year amortization of current payments from the City would allow for additional construction of approximately \$20.6 million

Workman said he believes the taxpayers should be allowed to have input into the financing.

Hudkins said he favors placing the issue on the May primary election ballot, and if the ballot issue fails, to fund the jail through the PBC.

Keene said today is the deadline to call for a special bond election in May and said the resolution would need to specify the maximum amount of bonds to be issued. He said it would not need to specify the term of the financing and recommended that it be left up to the Board to make the best determination for the taxpayers at the time the bonds are issued.

The Board reviewed proposed ballot language (see agenda packet). Workman suggested that it be revised to state that the bonds may have a repayment period longer than 10 years, as determined by the County Board of Commissioners (see Exhibit H).

Keene explained that the proposed language has been used in other bond elections in Nebraska and has withstood challenge.

Stevens asked whether the County could finance the jail through an interlocal with the City, with the County making the payments.

Lauren Wismer, Bond Counsel, said the PBC structure provides certain services that makes it more of a lease transaction. He said a pass-through transaction would be subject to the same restrictions as the County would have if it financed the jail directly under Statute §23-120.

Heier expressed concern that the voters will believe that they are voting on whether to build the jail or not. He said he would prefer to word the ballot to ask voters whether they want to finance the jail construction over a 10 or 20 year period.

Wismer said the ballot question is whether to issue bonds of the County for the purpose of constructing the jail and suggested the issue could be made clear through disseminated information.

Keene said the media will play a major part in communicating that the Board is not asking for permission to build a jail, rather direction on how to finance the construction.

Discussion took place on what principal amount and bond term to list on the ballot.

**MOTION:** Heier moved and Hudkins seconded approval of a resolution calling for a special election in Lancaster County on May 13, 2008 to issue bonds for constructing, equipping and furnishing a new correctional facility and related facilities (County Resolution No. R-08-0011) with the following language:

*Shall the County of Lancaster, Nebraska (the "County") issue bonds of the County in a principal amount not to exceed Sixty-Five Million Dollars (\$65,000,000) for the purpose of paying the costs of constructing, equipping and furnishing new correctional and related facilities of the County; such bonds to be issued from time to time as may be determined by the Board of Commissioners, to bear interest at a rate or rates to be determined by the Board of Commissioners and to become due at such time or times as may be fixed by the Board of Commissioners not to exceed 26 years from the date of issuance; provided, however, any or all such bonds shall be redeemable at the option of the County as provided by law at the time of issuance; and*

*"Shall the County cause to be levied and collected annually a special levy of taxes against all the taxable property in the County sufficient in rate and amount to pay the principal of and interest on such bonds as the same become due?"*

Schorr said she believes the ballot measure is misleading to voters because the Board intends to issue bonds regardless of the vote.

Stevens thinks the action is premature. He said the Board might have a better idea of what the jail will cost by November.

Al Evland, Ameritas Investment Corporation, suggested the Board ask the Election Commissioner to add a descriptor prior to the ballot question to indicate the County Board is committed to building a jail.

The maker of the motion and the seconder concurred with the suggestion.

Stevens asked if the Board would have authority to issue bonds for the jail if the ballot issue is unsuccessful.

Wismer said yes, the Board has other independent authority to issue bonds.

**ROLL CALL:** Heier, Hudkins and Workman voted aye. Schorr and Stevens voted no. Motion carried 3 to 2.

**7 POTENTIAL LITIGATION** - Sue Eckley, County Risk Manager

**MOTION:** Heier moved and Hudkins seconded to enter Executive Session at 11:26 a.m. for discussion of potential litigation. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

Schorr exited the meeting.

**MOTION:** Stevens moved and Heier seconded to exit Executive Session at 11:37 a.m. Heier, Stevens, Hudkins and Workman voted aye. Schorr was absent from voting. Motion carried.

Schorr returned to the meeting at 11:38 a.m.

**8 LONG TERM CARE PREMIUMS** - Bill Kostner, City Risk Manager; Bill Thoreson, Benefits Specialist; Vera Schneider, Union Agency, Inc.

Vera Schneider, Union Agency, Inc., noted the Board had decided to offer employees enrolled in the voluntary long-term care plan with Prudential Insurance the option of direct billing or payroll deduction. Information regarding the advantages and disadvantages of direct billing and payroll deduction was disseminated (Exhibit I). She recommended that the County be consistent with the City and limit participation to direct billing, noting there is a discount for annual or semi-annual payment.

**MOTION:** Hudkins moved and Heier seconded to limit participation in the voluntary long-term care plan to direct billing. Heier, Schorr, Workman, Stevens and Hudkins voted aye. Motion carried.

**9 SHERIFF'S COMPUTER GRANT** - Terry Wagner, Lancaster County Sheriff

Item was moved forward on the agenda.

## 10 ACTION ITEMS

- A. Microcomputer Request, C#2008-090, \$650.75 from Lancaster Manor Budget for Two (2) 19" LCD Monitors and Two (2) Wireless Keypads

**MOTION:** Schorr moved and Heier seconded approval of the microcomputer request. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

- B. Payroll Insert from Peoples Choice Credit Visa (March 6, 2008)

**MOTION:** Schorr moved and Heier seconded approval of the request for a payroll insert. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

- C. Resolution Calling for a Special Election in Lancaster County on May 13, 2008 to Issue Bonds for Constructing, Equipping and Furnishing a New Correctional Facility and Related Facilities

See Item 6.

## ADDITIONS TO THE AGENDA

- A. Microcomputer Request, C#c008-095, \$1,263.81 from Public Defender for Six (6) Software Licenses

**MOTION:** Heier moved and Stevens seconded approval of the microcomputer request. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

- B. Report on Meeting Regarding Alvo Road, 1<sup>st</sup> Street to 14<sup>th</sup> Street

Stevens noted the City Council held the interlocal agreement relating to the Alvo Road project, 1<sup>st</sup> Street to 14<sup>th</sup> Street, because one of the non-abutting property owner's objected to removal of scrub trees. He said he attended a meeting with the County Engineer and area property owners to discuss the project and said one of the property owners offered to pay the cost of moving the road. Stevens said the County Engineer explained the County builds roads on the section line roads, unless there are extreme circumstances, and said the only reason they would not do so is if the U. S. Army Corps of Engineers does not get approval to re-channel the creek.

## 11 ADMINISTRATIVE OFFICER REPORT

### A. Letter of Support for City's East Bypass Earmark

Heier said he believes the beltway needs to be defined.

**MOTION:** Stevens moved and Schorr seconded to authorize the Chair to sign the letter of support, with copies to Senator Hagel and Congressman Fortenberry. Stevens, Workman and Schorr voted aye. Hudkins and Heier voted no. Motion carried 3 to 2.

### B. Mail Service for Court House Plaza

Eagan said Records & Information Management has been asked to deliver mail to Court House Plaza, the building in which the Public Defender's Office and Community Corrections are located. (Exhibit J).

**MOTION:** Heier moved to expand the mail route to include Corrections, Adult Probation and Court House Plaza.

Eagan said Corrections and Adult Probation have not requested mail service and said expansion of the mail route may result in additional personnel requirements and costs.

The maker of the motion withdrew his motion.

**MOTION:** Stevens moved and Schorr seconded to direct Records Management to pick up and deliver mail to Court House Plaza twice a day. Heier, Schorr, Workman, Stevens and Hudkins voted aye. Motion carried.

### C. Date for Employee Recognition Awards

The Board scheduled the event on Tuesday, May 20<sup>th</sup>.

### D. Date for Next Joint Lincoln Public Schools (LPS) Board of Education/City Council/County Board Meeting

There was no objection to the proposed date of April 8<sup>th</sup>. The Board also suggested the City-County Common meeting be moved from April 1<sup>st</sup> to April 8<sup>th</sup>.

## 12 DISCUSSION OF BOARD MEMBER MEETINGS

- A. Lancaster County Fairgrounds Joint Public Agency (JPA) - Heier, Workman

Workman said \$1.3 million in expenditures were approved.

- B. Lincoln Independent Business Association (LIBA) Monthly Meeting - Hudkins, Schorr

Heier said the jail was discussed.

- C. Visitors Promotion Committee (VPC) - Stevens

No report.

- D. Community Mental Health Center (CMHC) Advisory Committee - Stevens

Stevens said there was a presentation on the Crisis Center.

Schorr suggested the presentation would be appropriate for a City-County Common meeting.

## 13 ADJOURNMENT

**MOTION:** Heier moved and Schorr seconded to adjourn the meeting at 12:07 p.m. Hudkins, Stevens, Workman, Schorr and Heier voted aye. Motion carried.

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Dan Nolte  
Lancaster County Clerk