

**STAFF MEETING MINUTES  
LANCASTER COUNTY BOARD OF COMMISSIONERS  
COUNTY-CITY BUILDING, ROOM 113  
THURSDAY, JULY 29, 2010  
8:30 A.M.**

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

Commissioners Absent: Bob Workman

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

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

**AGENDA ITEM**

**1 APPROVAL OF THE MINUTES OF THE THURSDAY, JULY 22, 2010  
STAFF MEETING**

**MOTION:** Stevens moved and Hudkins seconded approval of the July 22, 2010 Staff Meeting minutes. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

**2 ADDITIONS TO THE AGENDA**

A. Minutes of the July 15, 2010 Meeting with Representatives of Lancaster County Villages (Exhibit A)

**MOTION:** Hudkins moved and Stevens seconded approval of the addition to the agenda. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

**MOTION:** Stevens moved and Hudkins seconded to approve the July 15, 2010 Meeting with Representatives of Lancaster County Villages minutes. Schorr, Stevens, Hudkins and Heier voted aye. Motion carried 4-0.

**3 MEDICAL & DENTAL INSURANCE RENEWALS** - Bill Kostner, City Risk Manager; Kim Lobato, Senior Vice President, AON Consulting

**Medical Insurance Renewals**

Kim Lobato, Senior Vice President, AON Consulting, discussed the 2011 medical and dental plan renewal and provided additional deductible and coinsurance options and a breakdown of the employee contributions (Exhibit B). He said the Board can “buy down” the premium increase next year with a subsidy from the Health Insurance Fund. Two options were presented. One would leave the increase at 5% and the other at 7%.

Stevens asked what kind of balance should be retained in the Health Insurance Fund.

Lobato said something in the \$600,000 range should be sufficient to cover liabilities.

Bill Kostner, City Risk Manager, noted the County has stop-loss coverage in place.

Heier said he wants the issue of the County paying the full premium for single coverage brought up during the next round of labor negotiations.

In response to questions from the Board, John Cripe, Classification and Pay Manager, appeared and said the percentage of contribution is a negotiated item but the deductible amount is not.

Schorr asked whether full payment of the single premium is common in the industry.

Lobato said not in the private sector. He said he has seen it in the public sector.

**MOTION:** Hudkins moved and Schorr seconded to proceed with Option 3 (\$400 Deductible and 85/15 Coinsurance) with a subsidy from the Health Insurance Fund to hold the increase at 5%.

Stevens and Heier indicated a preference for Option 2 (\$500 Deductible and 80/20 Coinsurance) or Option 4 (\$500 Deductible and 85/15 Coinsurance).

Schorr said she prefers to “stairstep” increases.

**ROLL CALL:** Schorr and Hudkins voted aye. Stevens and Heier voted nay. Vote tied 2-2. Motion failed due to the lack of a majority.

Board consensus was to schedule further discussion on the August 12<sup>th</sup> Staff Meeting agenda when all five Commissioners will be present.

### **Dental Insurance Renewals**

Lobato said he checked into the coverage for dental caps (crowns) as requested by Hudkins. He said the coverage is 80% unless the provider is out-of-network or a more expensive material such as gold is used.

**MOTION:** Hudkins moved and Stevens seconded to proceed with the renewal, an 8.1% increase. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

- 4 A) LABOR NEGOTIATIONS; & B) CLASSIFIED/UNREPRESENTED EMPLOYEE SALARIES** - Mark Koller, Personnel Director; John Cripe, Classification and Pay Manager; Nicole Gross, Compensation Technician; Tom Fox, Deputy County Attorney

### **Classified/Unrepresented Employee Salaries**

John Cripe, Classification and Pay Manager, said there are 267 employees in the "C" classification and 42 employees in the "E" classification and said those classifications have always been treated the same. He said the value of a 1% salary increase for employees in those classifications is \$174,000 and \$26,000, respectively.

It was noted employees who are represented by the American Federation of State, County & Municipal Employees (AFSCME) will receive a 3.5% increase. **NOTE:** Fiscal Year 2010-11 will be the final year of AFSCME's three-year contract.

**MOTION:** Schorr moved and Hudkins seconded to give employees in the "C" and "E" classifications a 1% salary increase. Schorr voted aye. Stevens, Hudkins and Heier voted nay. Motion failed 1-3.

**MOTION:** Hudkins moved and Stevens seconded to give employees in the "C" and "E" classifications a 0% salary increase, due to budget considerations. Hudkins and Heier voted aye. Stevens and Schorr voted nay. Vote tied 2-2. Motion failed due to the lack of a majority.

**MOTION:** Schorr moved and Stevens seconded to give employees in the "C" and "E" classifications a 0.5% salary increase. Schorr and Stevens voted aye. Hudkins and Heier voted nay. Vote tied 2-2. Motion failed due to the lack of a majority.

Cripe asked whether the Board wants to address salaries for employees in the "X" classification. He said there are less than 10 employees in this classification and said they have always been treated the same as their AFSCME counterparts.

Board consensus was to wait until August 12<sup>th</sup> to address their salaries.

## **Labor Negotiations**

**MOTION:** Hudkins moved and Stevens seconded to enter Executive Session at 9:22 a.m. for the purpose of protecting the public interest with regards to labor negotiations, the sale of county property and potential litigation. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

Schorr exited the meeting.

**MOTION:** Stevens moved and Hudkins seconded to exit Executive Session at 10:07 a.m. Stevens, Hudkins and Heier voted aye. Schorr was absent from voting. Motion carried 3-0.

- 5 SALE OF COUNTY PROPERTY AND POTENTIAL LITIGATION -**  
Abbie Widger, Attorney with the Law Firm of Johnson, Flodman, Guenzel & Widger; Mike Thew, Chief Deputy County Attorney; Tom Fox, Deputy County Attorney; Vince Mejer, Purchasing Agent

See Item 4.

- 6 BOARD OF EQUALIZATION HEARINGS -** Cori Beattie, Deputy County Clerk; Melissa Virgil, Board of Equalization Specialist; Megan Scherling, Temporary Office Clerk in the County Clerk's Office

Cori Beattie, Deputy County Clerk, said 736 property valuation protests were filed this year with approximately 55% of those having adjustments. She said information can still be submitted to the County Clerk's Office until Friday, July 30<sup>th</sup> at 4:30 p.m. for those wishing to appear before the Board of Equalization (BOE). Beattie presented a schedule of the BOE hearings for August 3<sup>rd</sup> and 5<sup>th</sup> (Exhibit C).

Schorr returned to the meeting at 10:10 a.m.

Heier asked members of the Board whether they would like any special information or changes to the procedure.

None were stated.

Beattie said the County Clerk's Office will provide Board members with a written report and will display any additional information that has been submitted on the overhead.

The Board recognized Melissa Virgil, Board of Equalization Specialist, and Megan Scherling, Temporary Office Clerk in the County Clerk's Office, for their work in the property valuation protest process.

### **RETURNING TO ITEM 5A**

**MOTION:** Stevens moved and Schorr seconded to reconsider the motion to give employees in the "C" and "E" classifications a 1% salary increase. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

**MOTION:** Hudkins moved and Schorr seconded to grant a 1% increase to employees in the "C" and "E" classifications. Schorr, Stevens, Heier and Hudkins voted aye. Motion carried 4-0.

John Cripe, Classification and Pay Manager, appeared and asked whether the Board would be willing to reconsider the issue of salaries for employees in the "X" classification.

**MOTION:** Hudkins moved and Stevens seconded to grant a 3.5% increase to employees in the "X" classification. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

### **7 A) HEALTH DEPARTMENT FEE INCREASES; & B) AIR POLLUTION REGULATION UPDATES** - Scott Holmes, Environmental Health Division Chief, Lincoln-Lancaster County Health Department (LLCHD); Rick Thorson, Environmental Health Supervisor, LLCHD; Gary Walsh, Environmental Engineer, LLCHD

#### **A) Health Department Fee Increases**

Scott Holmes, Environmental Health Division Chief, Lincoln-Lancaster County Health Department (LLCHD), gave an overview of proposed incremental increases to Health Department fees for body art and piercing establishments, on-site waste water treatment systems and inspection of on-site water supply systems and on-site wastewater treatment systems prior to the sale, transfer or conveyance of property (see agenda packet). He said most of the increases are in the range of \$5.00 to \$10.00, adding most permits are in the \$100.00 to \$300.00 range.

## **B) Air Pollution Regulation Updates**

Holmes gave an overview of a proposal to update multiple sections of the Lincoln-Lancaster County Air Pollution Control Program Regulations and Standards (see agenda packet):

- Update regulations so they reflect state and federal regulations
- A change to fees charged to existing regulated sources to be more equitable
- A new set of regulations and fees for maximum achievable control technology for hazardous air pollutants

Rick Thorson, Environmental Health Supervisor, LLCHD, said there are only a few sources in the County that will be affected by the new regulations (two bulk terminal plants and five body shops).

Holmes said they were sent information regarding the new regulations and the projected fees and only one source objected.

### **ADMINISTRATIVE OFFICER REPORT**

#### **A. City-County Common Meeting Agenda (August 3, 2010)**

Board consensus was to suggest that: 1) The August 3<sup>rd</sup> meeting be cancelled; and 2) The September 6<sup>th</sup> meeting be rescheduled to September 13<sup>th</sup> and a presentation on private on-site health clinics for government and business entities be scheduled on the agenda.

#### **8 BUDGET UPDATE - Dennis Meyer, Budget and Fiscal Officer**

Dennis Meyer, Budget and Fiscal Officer, presented the following documents (Exhibit D):

- *Lancaster County Summary of Expenditure Requirements*
- *Lancaster County, Comparison of Budgeted Expenditures, Fiscal Year 2011 Proposed Compared to Fiscal Year 2010 Adopted*

Meyer said Dave Shively, Election Commissioner, informed him the Malcolm School District plans to hold two special elections so that budget will need to be adjusted.

**NOTE:** The Malcolm School District will be billed for costs.

Meyer said the proposed budget will be filed with the County Clerk's Office on July 30<sup>th</sup> and posted on the County's website and a press release will be issued about the budget process. He said the total budget is \$166,800,000, a 7.39% decrease from the Fiscal Year 2010 budget, and said the property tax request is at the same level (slightly more than \$50,000,000). Meyer attributed the decrease in the budget in part to a \$4,300,000 decrease in the Grants Fund. **NOTE:** The County is no longer participating in the Nebraska Department of Health and Human Services' (HHS) Intergovernmental Transfer (IGT) (a pass-through of Medicaid funds). He said there is a \$7,800,000 proposed budget for Lancaster Manor because the County is still involved in a pass-through of Medicaid payments.

Hudkins inquired about fund balances.

Meyer said the General Fund balance is a little low compared to the last ten years but is still deemed adequate. He said the Mental Health Fund balance dropped this year and said the County's contribution to Region V was reduced by \$50,000 to balance the Community Mental Health Center's budget.

Schorr said she spoke to C. J. Johnson, Region V Systems Administrator, and he indicated he will lose an employee as a result of the reduction.

Meyer said the levy allocation to the rural fire districts and other political subdivisions will be discussed over the next few weeks and said a public hearing on the budget will be held on August 31<sup>st</sup>.

## **9 ACTION ITEMS**

There were no action items.

## **10 CONSENT ITEMS**

There were no consent items.

## **11 ADMINISTRATIVE OFFICER REPORT**

### **A. City-County Common Meeting Agenda (August 3, 2010)**

Item was moved forward on the agenda.

## B. Special Olympics Update

Kerry Eagan, Chief Administrative Officer, said Doug Ahlberg, Emergency Management Director, and Jeff Maul, Lincoln Convention and Visitors Bureau (CVB) Executive Director, will give a report on the 2010 National USA Special Olympics Games at the August 2<sup>nd</sup> County Board of Commissioners Meeting. Volunteers will be recognized at that time.

### **12 PENDING**

There were no pending items.

### **13 DISCUSSION OF BOARD MEMBER MEETINGS**

- A. Lincoln Independent Business Association (LIBA) Monthly Meeting - Heier, Hudkins

Hudkins said discussion focused on the budget.

- B. Downtown Lincoln Association (DLA) - Stevens

No meeting was held.

- C. Lancaster County Correctional Facility Joint Public Agency (JPA) Meeting - Stevens

Stevens said the JPA approved claims totaling \$1,035,341.82. He noted Mayor Beutler asked several questions regarding the Construction Manager at Risk concept.

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

No meeting was held.

### **14 EMERGENCY ITEMS AND OTHER BUSINESS**

Stevens said he attended the Adult Drug Court Graduation held July 28<sup>th</sup> and said the main speaker was a former graduate.

**15 ADJOURNMENT**

**MOTION:** Schorr moved and Hudkins seconded to adjourn the meeting at 10:55 a.m. Hudkins, Stevens, Schorr and Heier voted aye. Motion carried 4-0.

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Dan Nolte  
Lancaster County Clerk