

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, NOVEMBER 4, 2010
8:30 A.M.**

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

Others Present: Gwen Thorpe, Deputy Chief Administrative Officer
Dan Nolte, County Clerk
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, OCTOBER 28, 2010 STAFF MEETING

MOTION: Hudkins moved and Workman seconded approval of the October 28, 2010 Staff Meeting minutes. Hudkins, Workman, Schorr, Stevens and Heier voted aye. Motion carried 5-0.

2 ADDITIONS TO THE AGENDA

- A. Management Team Meeting (November 11, 2010)
- B. Plaques for Outgoing Officials (Action Item)
- C. Meeting with the Mayor

MOTION: Hudkins moved and Workman seconded approval of the additions to the agenda. Hudkins, Workman, Schorr, Stevens and Heier voted aye. Motion carried 5-0.

3 AIR POLLUTION REGULATIONS UPDATE - Scott Holmes, Environmental Health Division Chief, Lincoln-Lancaster County Health Department (LLCHD); Rick Thorson, Environmental Health Supervisor; Gary Bergstrom, Senior Environmental Health Specialist

Scott Holmes, Environmental Health Division Chief, Lincoln-Lancaster County Health Department, said his department will be bringing forward updates to the Lincoln-Lancaster County Air Pollution Control Program Regulations and Standards. He said one of the most significant changes involves greenhouse gases.

Rick Thorson, Environmental Health Supervisor, said the Environmental Protection Agency (EPA) has asked the Health Department to incorporate the EPA's Title V Greenhouse Gas Tailoring Rule in its regulations and standards (see agenda packet).

Gary Bergstrom, Senior Environmental Health Specialist, said failure to do so would result in the EPA taking over the Title V Permitting Program.

Thorson said there are also updates to new rules that were adopted by the state and federal government. He said they apply to smaller sources that emit toxic air pollutants.

Holmes said one other aspect involves air curtain incinerators, which are used in disaster situations to burn large quantities of wood or tree material.

4 PUBLIC BUILDING COMMISSION (PBC) BOND REFINANCE - Scott Keene, Vice President and Managing Director, Ameritas Investment Corporation

Scott Keene, Vice President and Managing Director, Ameritas Investment Corporation, outlined a proposal to refinance the Lincoln-Lancaster County Public Building Commission's (PBC's) Series 2002 and 2005B tax supported lease rental revenue building and refunding bonds (Exhibit A). He said the Series 2002 bonds were issued to construct the parking garage north of the County-City Building. The Series 2005B bonds were issued to acquire properties across 9th Street for use by the City and County. Keene said both bond issues are callable and said the present value savings is projected to be \$620,000, which is over 8%. He said the market generally considers a present value savings over 4% of the outstanding par amount a good candidate for refunding. Keene said a resolution will be scheduled on the November 9th County Board of Commissioners Meeting agenda to authorize the issuance of the refunding bonds and approve an amendment to site leases that are related to those original projects.

In response to a question from Stevens, Keene said they will maintain the original amortization schedule and structure of the original financings.

ADDITIONS TO THE AGENDA

A. Management Team Meeting (November 11, 2010)

Board consensus was to move the meeting to December 2, 2010.

B. Plaques for Outgoing Officials (Action Item)

Gwen Thorpe, Deputy Chief Administrative Officer, said the policy governing the expenditure of public funds for appreciation awards limits the amount of the award to \$200.00 per award (County Resolution No. R-07-0034).

MOTION: Hudkins moved and Schorr seconded to authorize staff to purchase plaques of appreciation for outgoing county officials.

Cori Beattie, Deputy County Clerk, suggested the Board consider giving plaques to retiring department heads as well.

FRIENDLY AMENDMENT: Hudkins offered a friendly amendment to include plaques of appreciation for retiring department heads in the motion.

The seconder agreed to the friendly amendment.

ROLL CALL ON THE MOTION AS AMENDED: Hudkins, Schorr, Workman, Stevens and Heier voted aye. Motion carried 5-0.

C. Meeting with the Mayor

Stevens noted the Mayor frequently holds press conferences on Thursday mornings, which makes it difficult for Board members to attend. He suggested that the Mayor be asked to consider holding them on another day, or at a time that does not conflict with the Board's Staff Meetings.

Heier suggested that Stevens might want to approach the Mayor about this issue on an individual basis.

ADMINISTRATIVE OFFICER REPORT

A. Nebraska Association of County Officials (NACO) 116th Annual Conference (December 8-10, 2010)

Thorpe asked Board members whether they plan to attend the conference.

All of them indicated plans to do so, with the exception of Stevens.

5 WILDERNESS PARK & BISON TRAIL BRIDGES - Terry Genrich,
Natural Resources and Greenways Manager, Parks and Recreation
Department

Terry Genrich, Natural Resources and Greenways Manager, Parks and Recreation Department, said his department inspected all of the Wilderness Park bridges after one (a pedestrian bridge) collapsed in August and decided to close three more. Two were subsequently removed. One of them is no longer needed and will not be replaced (the small "L" Bridge on 14th Street). He said repairs to the bridge west of Densmore Park are nearing completion and that bridge should be reopened soon. Genrich said the bridge at the north end of the park, south of Pioneers Boulevard, remains closed and said he deems that bridge, and the one that collapsed and was removed, the most critical. Replacement is estimated to be \$300,000 to \$350,000 for each.

Hudkins inquired about funding sources.

Genrich said the Recreational Trails Program is the only grant funding source for bridge restoration and replacement and said the City has submitted an application for \$250,000 for the Bison Trail Bridge. That bridge, which leads to Pioneers Park, was closed in June. He said the bridge is a top priority because the Bison Trail was a federally funded project and the City is required to maintain the trail and its bridges. The replacement cost will be more than \$350,000 because an existing bridge will be removed. The grant has a match requirement and the Great Plains Trails Network and City have pledged funds towards that cost. Genrich said the City will not know whether they will receive the grant until the middle of January.

Stevens noted that Wilderness Park is a County facility, administered by the City Parks and Recreation Department, and suggested the Board consider building a reserve fund within the Keno Fund for replacement of the Wilderness Park bridges.

Heier said perhaps the County's Visitors Improvement Fund could serve as a funding source if hotel nights could be tied to use of the park.

Board consensus was to schedule further discussion on the Mid-Year Budget Review agenda and to seek input from the Visitors Promotion Committee (VPC).

6 IN-CAR CAMERA GRANT REIMBURSEMENT FROM THE STATE -
Bill Jarrett, Chief Deputy Sheriff

Bill Jarrett, Chief Deputy Sheriff, noted the County received a grant from the State in the amount of \$21,975.00 for in-car camera equipment. He said the State has changed its procedure and the County must now pay for the equipment, then request reimbursement. Jarrett said grant match in the amount of \$5,494.00 was met through the County's Safety Training Option Program (S.T.O.P.). **NOTE:** The total amount of reimbursement will be \$16,481.00.

MOTION: Hudkins moved and Stevens seconded approval of the expenditure. Stevens, Schorr, Workman, Hudkins and Heier voted aye. Motion carried 5-0.

7 PURCHASING BID PROTEST PROCEDURE/PROCUREMENT
APPEAL BOARD - Vince Mejer, Purchasing Agent; Brittany Behrens,
Deputy County Attorney

Brittany Behrens, Deputy County Attorney, said federal grants require that bid protest procedures be in place and said she has drafted a policy based on the City's policy (see agenda packet).

Vince Mejer, Purchasing Agent, said the City's bid protest procedures are cumbersome and said the proposed policy expedites the process.

Behrens said a protest will initially be reviewed by the Purchasing Agent, who will make a written recommendation on how to resolve the issue. If the interested party is not satisfied, they will have an opportunity to protest to the Procurement Appeals Board. The Procurement Appeals Board will make recommendation to the County Board, who will make a final decision.

Mejer said the Board could elect to use the City's Procurement Appeals Board, which is comprised of five individuals who have contracting knowledge and are familiar with the bidding process.

Hudkins said if the Board decides to do so, it should have input on appointments to the Procurement Appeals Board.

Behrens agreed to refine the procedures and to bring them back for finalization.

ADMINISTRATIVE OFFICER REPORT

B. Review of Legislative Priorities

The Board reviewed a draft of 2011 Lancaster County Legislative Priorities (see agenda packet) and asked that No. 5 (Modify Strict Liability Provisions of Nebraska Revised Statutes §13-911) be moved ahead of No. 4 (Mandate Payment of Medical Expenses for Inmates and Emergency Protective Custody Patients at Medicaid Rate) in the list of priorities.

C. Mid-Year Budget Review Date

The Board decided to hold the Mid-Year Budget Review on February 17th. The location is still to be determined.

D. Southeast Community College Presentation

The Board consensus was to schedule the presentation on a regular County Board of Commissioners Meeting agenda.

E. District Energy Corporation (DEC) Appointment (Expiration of Workman's Term)

MOTION: Hudkins moved and Stevens seconded to appoint Commissioner Heier to serve on the District Energy Corporation (DEC) Board of Directors as a replacement for Commissioner Workman. Hudkins, Workman, Schorr, Stevens and Heier voted aye. Motion carried 5-0.

8 DEPARTMENT OF ENERGY GRANT FOR ENERGY EFFICIENCY EQUIPMENT FOR THE NEW JAIL - Tom Fox, Deputy County Attorney; Don Killeen, County Property Manager

Tom Fox, Deputy County Attorney, said the General Counsel for the Department of Energy (DOE) has confirmed that acceptance of the \$110,000 Energy Efficiency and Conservation Block Grant (EECBG) Program grant for the purchase of equipment that will be installed during construction of the new jail will result in the whole \$60,000,000 jail project becoming subject to the Davis-Bacon Act. He said confirmation was also received from DOE representatives who were in town to meet with the City. Fox said he asked them who has authority with regards to these matters and they indicated it would be the contracting officer for the project. The contracting officer had previously indicated in a letter that the Davis-Bacon Act would not apply because the DOE only authorized using the grant to purchase equipment (see October 28, 2010 Staff Meeting minutes). The DOE representatives recommended the County retain the contracting

officer's letter but Fox said he does not believe the letter is sufficient protection for the County.

Discussion followed on whether to decline the grant.

Schorr suggested the Board notify Senator Nelson as he has listed the County as a recipient of stimulus grant funds for this project on his website.

Stevens said he reported on this matter at the Chamber Coffee and said he was approached by representatives of Senators Nelson and Johanns following the meeting and indicated a willingness to look into the matter.

MOTION: Stevens moved and Hudkins seconded to send a letter to ask Kerry Eagan, Chief Administrative Officer; Don Killeen, County Property Manager; and Tom Fox, Deputy County Attorney, to draft a letter to Senators Nelson and Johanns and Congressman Fortenberry outlining the situation, with signature by all members of the Board. Hudkins, Workman, Schorr, Stevens and Heier voted aye. Motion carried 5-0.

DISCUSSION OF BOARD MEMBER MEETINGS

A. Emergency Medical Services (EMS) Oversight Committee - Schorr

The meeting was cancelled.

B. Meeting Between Public Building Commission (PBC) Chair, Vice Chair and Mayor - Hudkins

Hudkins said they discussed concerns regarding a proposal to move records from the "K" Street Building to the Experian Building. He said the Mayor suggested the move be restricted to the Police Property Division which will free up 15,000 square feet in the "K" Street Building. Hudkins said they also discussed furnishings for Conference Rooms 113 and 303. The Mayor invited the subcommittee that is looking at furniture options to assess the furniture in the Experian Building to see whether it could be utilized. **NOTE:** The City recently purchased the Experian Building.

C. Lincoln Partnership for Economic Development (LPED) Investors - Schorr

Schorr said they received a presentation on life sciences industries in Lincoln and Nebraska and an assessment of Nebraska's competitiveness.

D. Joint Budget Committee (JBC) - Stevens, Schorr

Stevens said they discussed the behavioral health needs of the community with behavioral health representatives.

9 NEBRASKA EMERGENCY MANAGEMENT AGENCY (NEMA) 2007 GRANT ADJUSTMENT NOTICE FOR SOUTHEAST REGION - Doug Ahlberg, Emergency Management Director

Doug Ahlberg, Emergency Management Director, said the 2007 Nebraska Emergency Management Agency (NEMA) grant award of \$471,800.57 for the Southeast Region has been adjusted because the State has asked that the Region transfer \$63,835.90 back to them to pay for equipment related to the Paraclete Communications System.

MOTION: Schorr moved and Stevens seconded to authorize the Chair to sign the adjustment document. Hudkins, Workman, Stevens, Schorr and Heier voted aye. Motion carried 5-0.

10 TAILORED LANDSCAPES - Jake Sittner, Tailored Landscapes; Terry Kathe, Zoning Coordinator, Building & Safety Department; Mike DeKalb, Planner

Item was dropped from the agenda.

11 ACTION ITEMS

There were no action items.

12 CONSENT ITEMS

There were no consent items.

13 ADMINISTRATIVE OFFICER REPORT

- A. Nebraska Association of County Officials (NACO) 116th Annual Conference (December 8-10, 2010)
- B. Review of Legislative Priorities
- C. Mid-Year Budget Review Date
- D. Southeast Community College Presentation
- E. District Energy Corporation (DEC) Appointment (Expiration of Workman's Term)

Items A-E were moved forward on the agenda.

14 PENDING

There were no pending items.

15 DISCUSSION OF BOARD MEMBER MEETINGS

- A. Emergency Medical Services (EMS) Oversight Committee - Schorr
- B. Meeting Between Public Building Commission (PBC) Chair, Vice Chair and Mayor - Hudkins
- C. Lincoln Partnership for Economic Development (LPED) Investors - Schorr
- D. Joint Budget Committee (JBC) - Stevens, Schorr

Items A-D were moved forward on the agenda.

- E. Public Building Commission - Hudkins, Schorr

Schorr said a revised layout of space for the City Attorney's Office and furnishings for Conference Rooms 113 and 303 were discussed.

- F. Chamber Coffee - Stevens

Stevens said there was a presentation on the Haymarket Arena Project. He said he reported on the following: 1) A Bureau of Justice Assistance (BJA)/Substance Abuse and Mental Health Services Administration (SAMHSA) grant for expansion and enhancement of the Adult Drug Court; 2) Concerns that the County will be required to comply with the Davis-Bacon Act for construction of the new jail if it accepts a Department of Energy grant for energy efficient equipment for the facility; and 3) The County's legislative priorities.

16 EMERGENCY ITEMS AND OTHER BUSINESS

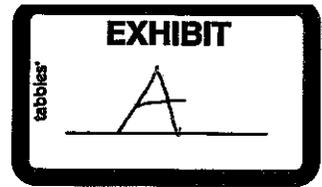
There were no emergency items or other business.

17 ADJOURNMENT

MOTION: Schorr moved and Stevens seconded to adjourn the meeting at 10:10 a.m. Stevens, Schorr, Heier, Workman and Hudkins voted aye. Motion carried 5-0.

/s/ Dan Nolte

Dan Nolte, Lancaster County Clerk



LINCOLN-LANCASTER COUNTY PUBLIC BUILDING COMMISSION

PROPOSAL TO REFUND THE SERIES 2002 AND 2005B
TAX SUPPORTED LEASE RENTAL REVENUE BUILDING AND
REFUNDING BONDS

OCTOBER 12, 2010

- Series 2002 Bonds issued August 21, 2002
- Final maturity of the Series 2002 Bonds is August 15, 2022
- Par amount currently outstanding is \$6,175,000
- Series 2002 Bonds callable August 15, 2010 at price of 100%
- Average Rate of Outstanding Series 1998 Bonds is 4.68%
- Average Rate of proposed refunding is currently 3.17%
- Annual projected savings under proposed refunding is approximately **\$50,000 per year** through the final maturity (**\$500,000 present value**)
- This represents savings equal to over 8.00% of the outstanding par amount of bonds (industry standards say 4.0% is a good target for a “current refunding” such as this one).

- Series 2005B Bonds issued December 20, 2005
- Final maturity of the Series 2005B Bonds is October 15, 2025
- Par amount currently outstanding is \$1,410,000
- Series 2005B Bonds callable October 15, 2010 at price of 100%
- Average Rate of Outstanding Series 2005B Bonds is 4.48%
- Average Rate of proposed refunding is currently 3.44%.
- After taking into account the removal of the Debt Service Reserve Requirement, annual projected savings under proposed refunding is approximately **\$10,000 per year** through the final maturity (**\$124,000 present value**)
- This represents savings equal to over 8.75% of the outstanding par amount of bonds (industry standards say 4.0% is a good target for a “current refunding” such as this one).

- Recommended next steps:
 - 1) Gilmore & Bell, AIC and staff continue to prepare legal documents that combine the two issues into a single refunding issue of approximately \$7,400,000
 - 2) Present appropriate documents to Moody's for bond rating
 - 3) Present appropriate documents to City Council and County Board subsequent to approval of Bond Resolution by Public Building Commission on November 9(?)
 - 4) Market bonds late in November or early December
 - 5) Settle bond issue and call outstanding 2002 and 2005B bonds late in December or early in January 2011 (approximately 35-40 days after the bond sale).