

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, JUNE 28, 2012
8:30 A.M.**

Commissioners Present: Larry Hudkins, Vice Chair
Bernie Heier
Jane Raybould
Brent Smoyer

Commissioners Absent: Deb Schorr, Chair

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

Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska, web site and provided to the media on June 27, 2012.

Commissioner Heier noted the location of the Open Meetings Act and opened the meeting at 8:30 a.m.

AGENDA ITEM

1 APPROVAL OF THE MINUTES OF THE THURSDAY, JUNE 21, 2012

MOTION: Raybould moved and Smoyer seconded approval of the minutes of the June 21, 2012 Staff Meeting. Smoyer, Raybould and Heier voted aye. Schorr and Hudkins were absent from voting. Motion carried 3-0.

The Vice Chair arrived at 8:32 a.m. and assumed direction of the meeting.

2 ADDITIONS TO THE AGENDA

- A. Memorandum of Understanding (MOU) for the Voice over Internet Protocol (VoIP) System
- B. Set Date for Investment Review of the County's 401(a) Retirement and 457 Deferred Compensation Plans by Prudential and Segal Advisors

MOTION: Heier moved and Raybould seconded approval of the additions to the agenda. Heier, Raybould, Smoyer and Hudkins voted aye. Schorr was absent from voting. Motion carried 4-0.

3 BUDGET UPDATE - Dennis Meyer, Budget and Fiscal Officer

Dennis Meyer, Budget and Fiscal Officer, presented an updated list of possible savings or increases in revenue (Exhibit A). He noted it does not include the Community Mental Health Center (CMHC) but said its request is \$150,000 less than last year.

Raybould remarked that the County Engineer and County Sheriff have not submitted any changes. Meyer said they will both be scheduled on a future Staff Meeting agenda to discuss their budget requests.

Meyer said he would like to move forward with a \$1,575,000 transfer from the Keno Fund to the General Fund to help make up for the loss of State aid and prisoner reimbursement last year. The Board concurred with his recommendation.

Meyer also stated he anticipates the Inheritance Tax will be an issue before the Legislature again next year, noting the County collected over \$8,000,000 this year. Kerry Eagan, Chief Administrative Officer, said the increase in collections is a little deceptive because a number of the large estates included gifts to non-family members which are taxed at the highest rate. Many of those recipients lived out-of-state.

In response to a question from Hudkins, Meyer said State Statutes allow the Board to make budget adjustments up to September 20th.

Raybould said she would like departments that have capital expenditures of more than \$50,000, excluding microcomputer requests, to appear before the Board.

Heier asked what a 1% increase in valuation would give the County in tax revenue. Meyer said it would be approximately \$500,000.

Heier then asked how much is remaining from the sale of Lancaster Manor. Meyer said there was approximately \$2,100,000 remaining, but \$300,000 has been reserved for workers' compensation claims.

In response to a question from Raybould, Meyer said there was a 1.21% increase in valuation last year. He said it has basically been a flat number the last few years.

Heier asked how much revenue would be generated by a 1 cent increase in the tax levy. Meyer said approximately \$1,900,000.

ADDITIONS TO THE AGENDA

- A. Memorandum of Understanding (MOU) for the Voice over Internet Protocol (VoIP) System

Vince Mejer, Purchasing Agent, appeared and asked for an indication of whether the Board intends to move forward with the MOU, noting the vendor has offered favorable pricing if the order is placed within the first quarter, which ends June 30th.

Board members indicated support of the MOU. **NOTE:** The Board will take formal action on the MOU at the July 3, 2012 County Board of Commissioners Meeting.

- B. Set Date for Investment Review of the County's 401(a) Retirement and 457 Deferred Compensation Plans by Prudential and Segal Advisors

MOTION: Smoyer moved and Heier seconded to schedule the review on the August 30, 2012 Staff Meeting agenda. Smoyer, Raybould, Heier and Hudkins voted aye. Schorr was absent from voting. Motion carried 4-0.

ADMINISTRATIVE OFFICER REPORT

- A. Keno Prevention Advisory Committee Appointment (Valdeen Nelson)

The Board scheduled the item on the July 3, 2012 County Board of Commissioners Meeting agenda.

- B. Lancaster County Agricultural Society Visitor Improvement Fund Grant Request (\$10,000 for Go Fish, a Religious Related Event at the Lancaster County Fair)

Kerry Eagan, Chief Administrative Officer, said there isn't sufficient time to reconvene the Visitors Promotion Committee (VPC) to get a recommendation. He said the VPC has reviewed the request but decided to defer the matter, pending legal review. The County Attorney's Office has provided the Board an opinion that they believe funding could be defended if a lawsuit were filed.

MOTION: Heier moved and Raybould seconded to proceed with the Visitor Improvement Fund grant request. Heier, Raybould, Smoyer and Hudkins voted aye. Motion carried 4-0.

- C. Recognition of Pat Talbott

Item was held as there are indications that Talbott is reconsidering her decision to resign from the Community Mental Health Center (CMHC) Invitation to Negotiate (ITN) Committee.

4 LABOR NEGOTIATIONS - Doug McDaniel, Personnel Director; Nicole Gross and Amy Sadler, Compensation Technicians; Richard Grabow, Deputy County Attorney

MOTION: Smoyer moved and Raybould seconded to enter Executive Session at 8:57 a.m. for the purpose of protecting the public interest with regards to labor negotiations.

The Vice Chair restated the motion for the record.

ROLL CALL: Raybould, Smoyer, Heier and Hudkins voted aye. Schorr was absent from voting. Motion carried 4-0.

MOTION: Smoyer moved and Heier seconded to exit Executive Session at 9:53 a.m. Smoyer, Heier and Hudkins voted aye. Schorr and Raybould were absent from voting. Motion carried 3-0.

5 AGRICULTURAL PRESERVATION LOTS - Sara Hartzell, Planner

Sara Hartzell, Planner, said the Planning Commission voted 9-0 on June 27th to support the following applications: 1) County Change of Zone No. 12015, amending Article 4, Agricultural (AG) District, and Article 14, Community Unit Plan (CUP), of the County Zoning Resolution, to add the definition and provisions for AG Preservation Lots and to increase the CUP density bonus to 25% and 2) County Miscellaneous No. 12004, amending Chapter 3, Procedure, and Chapter 4, Design Standards, of the County Land Subdivision Resolution to add provisions for AG Preservation Lots, allow final plats without preliminary plat, and remove County Administrative Subdivision Permits. She noted that text related to height and minimum lot requirements within the AG District has been moved to Section 4.017 of the Zoning Resolution. There is new language related to setbacks for shared driveways (see Subsection VI).

Raybould returned to the meeting at 9:58 a.m.

Hartzell said the five basic requirements for AG preservation lots are detailed in Article 4, Section 2: 1) Maintain the overall density of one dwelling unit per 20 acres; 2) Have at least 3 acres (less than 3 acres may be allowed if there is an easement for a lagoon); 3) The remaining land shall be placed in an outlot that occupies a minimum of 75% of the total area of the subdivision; 4) Lots shall be accessed by a shared driveway, which shall be within a public access and utility easement, and will act as local road right-of-way in the event the property, or adjacent parcels, should further subdivide in the future; and 5) The subdivider will dedicate 50 feet of right-of-way on the County section line and one half section line roads abutting the subdivision.

Hartzell noted the Planning Director will have the ability to adjust the frontage, with appeal to the Planning Commission and County Board.

Hudkins asked whether language to "round up" was included. Hartzell said it was. The language is as follows: *For purposes of calculating dwelling unit bonuses in community unit plans, any final dwelling unit calculation which is greater than, or equal to, fifty hundredths (0.50) shall be rounded up to the next whole number.*

Hudkins asked whether this would be a retroactive change for those who have an existing CUP. Hartzell said it is understood and does not have to be written in. She explained that whenever a change is made to the zoning or subdivision code, landowners can follow the new rules. Those who have a CUP could apply for an amendment to recalculate the number of lots using the new bonus calculations.

In response to a question from Heier, Hartzell said ag preservation lots would not have to be "clustered".

Hartzell said in terms of County Miscellaneous No. 12004, allowing final plats without preliminary plat and removing County Administrative Subdivision Permits will streamline the process and make things clearer for everyone. Ken Schroeder, County Surveyor, appeared and indicated he supports the change. Hartzell said the conditions are the same as those required for County Administrative Subdivision Permits and there will still be the ability to do things such as a farmstead split (a split-off of a farmhouse in existence for more than five years that passes minimum housing code and health inspection of septic system and well) and adjustments of lot lines.

Hudkins said he and Commissioner Heier met with Marvin Krout, Planning Director, and suggested there be ongoing monthly meetings with the Planning Department in an effort to improve communication.

6 OLD JAIL REMODEL FINANCE - Scott Keene, Vice President and Managing Director; Ameritas Investment Corporation

Scott Keene, Vice President and Managing Director; Ameritas Investment Corporation, said the County has three options for financing the project: 1) Ask the Public Building Commission (PBC) to issue bonds for the project and enter into a lease agreement with the County, with the County making lease payments equal to the debt service payments on the bonds. The County would retain ownership of the building and the PBC would do the improvements and lease them back to the County. 2) Do the project under the provisions of Nebraska Revised Statute § 23-120, the statute that describes how counties typically fund certain types of projects; and 3) Do the project outside the provisions of Nebraska Revised Statute § 23-120. The County could enter into a lease agreement with Ameritas Investment Corporation and Ameritas would sell off Certificates of Participation in that lease. The Certificates of Participation would be considered general obligations of the County and would be under the County's 50 cent levy limitation.

In response to a question from Hudkins, Keene explained that, based on its population, Lancaster County may pledge \$2,000,000, per year, to debt service on bonds for capital projects under the provisions of §23-120. He said the County has loaned \$2,000,000 of taxing authority to the Lancaster County Correctional Facility Joint Public Agency (JPA) so that option is no longer available. The statute also provides that, to the extent that the County does not have any general obligation debt payable from its General Fund outstanding at the time that bonds are issued, the County has the ability to levy up to 5.2 cents to issue bonds for a period of up to 20 years. The County has approximately \$1,500,000 in general obligation bonds outstanding but they are not paid from the General Fund (the County pays debt service from the Debt Service Fund or a separate levy).

Heier asked how it might impact the County's lid limits. Dennis Meyer, Budget and Fiscal Officer, said the lid would not be impacted if the PBC issues the bonds. If the County issues the bonds, they would become part of the County's 50 cent lid. **NOTE:** Five cents of the lid is used for certain political subdivisions, such as the Railroad Transportation Safety District (RTSD) and the rural fire districts.

Hudkins asked whether there would be a more favorable bond rating if the PBC issued the bonds. Keene said there would be a slight difference in the ratings. He said a rating is not required and depending on the size of the project and financing, the cost for a rating may not be justified.

Board consensus was to schedule further discussion of the financing with Keene and Lauren Wismer, Gilmore & Bell P.C. (Bond Counsel), on the July 19th Staff Meeting agenda.

Keene agreed to do a debt service analysis based on a cost projection of \$24,000,000. He will also contact Don Killeen, County Property Manager, for more information on how the project might be phased.

7 ACTION ITEMS

There were no action items.

8 CONSENT ITEMS

There were no consent items.

9 ADMINISTRATIVE OFFICER REPORT

- A. Keno Prevention Advisory Committee Appointment (Valdeen Nelson)
- B. Lancaster County Agricultural Society Visitor Improvement Fund Grant Request (\$10,000 for Go Fish, a Religious Related Event at the Lancaster County Fair)
- C. Recognition of Pat Talbott

Items A-C were moved forward on the agenda.

10 PENDING

There were no pending items.

11 DISCUSSION OF BOARD MEMBER MEETINGS

- A. Lincoln Metropolitan Planning Organization (MPO) Officials Committee - Schorr, Hudkins

No report.

- B. Community Mental Health Center (CMHC) Invitation to Negotiate (ITN) Committee (June 22, 2012) - Raybould, Smoyer

Ron Sorensen, CMHC Executive Director, appeared and reported on the meeting. He said Kathy Reynolds and Jeff Capobianco, National Council for Community Behavioral Healthcare, presented information on their experiences with integration of behavioral health and primary care. He said they favor the ITN process, which he described as a more open process with a substantial amount of time spent talking to potential providers and working out the details before the more structured Request for Proposal (RFP) process.

Raybould said they discussed an approach in which they partnered mental health professionals (psychiatrists, psychologists, psychiatric nurses and therapists) with physicians and reported a 20% reduction in the health care costs. She said they also reported successes in recovery outcomes.

- C. Emergency Medical System Oversight Agency (EMSOA) - Schorr

No report.

- D. Lincoln Independent Business Association (LIBA) Monthly Meeting - Schorr

No report.

E. Lancaster County Correctional Facility Joint Public Agency (JPA) - Schorr, Hudkins

Hudkins said Sampson Construction Company, the Construction Manager at Risk, gave a project update. He also reported that claims totaling \$434,698.27 from Wells Fargo for bank fees, Sampson Construction Company, and The Clark Enersen Partners, architect for the project, were approved.

F. Community Mental Health Center (CMHC) Invitation to Negotiate (ITN) Committee (June 27, 2012) - Raybould, Smoyer (Hudkins was an observer)

Raybould said Eagan has agreed to draft the ITN document.

G. Community Mental Health Center (CMHC) Advisory Committee - Raybould

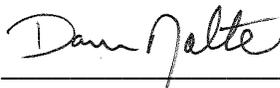
Raybould said the focus of the meeting was on the budget, the transition, and transportation issues.

12 EMERGENCY ITEMS AND OTHER BUSINESS

Heier reported the Nebraska Association of County Officials (NACO) Board voted to hold the Annual NACO Conference in Kearney, 2017 and 2018. He also reported that Mary Ann Borgeson was appointed the Nebraska representative to the National Association of County Officials (NACo) Board of Directors.

13 ADJOURNMENT

MOTION: Heier moved and Raybould seconded to adjourn the meeting at 10:50 a.m. Raybould, Heier, Smoyer and Hudkins voted aye. Schorr was absent from voting. Motion carried 4-0.



Dan Nolte
Lancaster County Clerk



Possible Savings or Increases in Revenue

County Clerk -	
Fill position in January instead of July (Tim's number)	(29,344.00)
County Treasurer -	
Information Services	(60,000.00)
Increase in Revenues	(100,000.00)
Administrative Services -	
Leave Minette at 40 hours	14,799.00
County Court -	
Legal Services	(18,000.00)
Guardian Ad Litem	(10,000.00)
Juvenile Court -	
Legal Services (Legal Aid)	(100,000.00)
District Court -	
Legal Services	(65,000.00)
Records Management -	
Shelving	(10,736.00)
Rent	(9,140.00)
Justice Miscellaneous -	
Legal Services - new contract with Legal Aid	228,853.00
Liz Neeley Contract - Objective Advantage	23,400.00
County Attorney -	
Add back PEHP	45,500.00
Corrections -	
	(500,000.00)
Community Corrections -	
Reductions in salaries and match (Talk to Kim)	(70,953.00)
Emergency Services -	
(Need to review after EMPG funding) (Could Remove Sirens - \$60,000)	
General Assistance -	
(Talk to Gary about change in guidelines)	
Veteran Services -	
Removed Temp Salary of \$24,000 (Would like back, if possible)	
Health & Human Services -	
Reduced JBC by 3%	(23,820.00)
Human Services -	
Fill position at 20 hours plus benefits	(25,000.00)
	<u>(709,441.00)</u>