

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, AUGUST 1, 2013
8:30 A.M.**

Commissioners Present: Larry Hudkins, Chair
Brent Smoyer, Vice Chair
Deb Schorr
Jane Raybould
Roma Amundson

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

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 July 31, 2013

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:33 a.m.

AGENDA ITEM

1 APPROVAL OF THE STAFF MEETING MINUTES OF JULY 25, 2013

MOTION: Amundson moved and Raybould seconded approval of the minutes of the July 25, 2013 Staff Meeting. Raybould, Amundson, Smoyer and Hudkins voted aye. Schorr was absent from voting. Motion carried 4-0.

2 ADDITIONS TO THE AGENDA

None were stated.

3 DISSOLUTION OF RIDGEWOOD ROAD IMPROVEMENT DISTRICT
- Brittany Behrens, Deputy County Attorney

Brittany Behrens, Deputy County Attorney, said the Board of Trustees of the Ridgewood Road Improvement District has notified the County of their intent to

dissolve the District. **NOTE:** The process for dissolution is outlined in Nebraska Revised Statute §39-1601. She said all requisite documents have been submitted and a resolution in the matter of dissolution of the District will be scheduled on the August 6, 2013 County Board of Commissioners Meeting agenda.

Schorr arrived at the meeting at 8:35 a.m.

In response to a question from Raybould, Behrens said this is not a road maintenance issue. Roads within the District will continue to be maintained by the County.

ADMINISTRATIVE OFFICER REPORT

B. Procedures for Sale of Community Mental Health Center (CMHC) Building and Midtown Center

Behrens discussed a legal opinion regarding the procedures for the sale of the Community Mental Health Center (CMHC) building (2201 South 17th Street) and Midtown Center (2966 "O" Street). She said based on the facts that were presented, including the Board's decision to opt out of the provision of behavioral health services at those facilities, it was determined that the buildings are no longer required for County purposes and the County will need to follow the surplus property process (see Nebraska Revised Statute §23-107.01) to sell the buildings. Behrens noted the opinion also addresses lease-back provisions (the County had agreed to provide up to a two-year lease back to any of the new providers of behavioral health services) and said it was felt that a court would view that as further proof that the buildings aren't required for County purposes.

Hudkins asked how the sale of these buildings differs from the County's sale of Lancaster Manor (nursing home facility) to Hunter Management. Behrens noted in that situation, the County was contracting with Hunter Management for the provision of services and lease of the building and said that contract stipulated that if at any point Hunter Management ceased to provide those services, the County would step back in. In this situation, Region V will contract with the new providers, adding they will not be providing services on behalf of the County.

Raybould noted although it is not the Board's intention to step back in and provide behavioral health services, state statutes provide the County with that authority. She asked how to best safeguard the County's interest in those properties should there be dissatisfaction with new providers or if there are increases in incarceration and hospitalization. Behrens said those facts and questions were not included in the legal opinion request and could change the analysis.

Amundson said she believes the Board should stick to its decision to make that split, noting the new providers were carefully selected. Smoyer said adding conditions to the sale could reduce the value of the buildings and the pool of potential buyers. Raybould felt the Board shouldn't "close doors" to future transactions.

Schorr asked whether there would be an advantage to declaring Trabert Hall (2202 South 11th Street) and the former Attention Center for Youth building (2220 South 10th Street) surplus and selling those buildings at the same time. Behrens explained each sale would be conducted separately. Amundson said she supports putting all four buildings up for sale as it could provide greater opportunities for potential buyers.

4 BUDGET UPDATE (15 CENT SHARED LEVY) - Dennis Meyer, Budget and Fiscal Officer

Dennis Meyer, Budget and Fiscal Officer, said the proposed budget has been filed in the County Clerk's Office and is available on the County Budget and Fiscal Office's webpage (<http://lanaster.ne.gov/budget/pdf/propbud14.pdf>).

Meyer also reported that today is the deadline for requests for the 15 cent levy authorized for certain political subdivisions (Lancaster County Agricultural Society, Railroad Transportation Safety District (RTSD), Public Building Commission (PBC), Lancaster County Fairgrounds Joint Public Agency (JPA), Lancaster County Correctional Facility JPA, Rural Library and Rural Fire Districts). **NOTE:** The PBC, Lancaster County Fairgrounds JPA and Lancaster County Correctional Facility JPA are excluded from the levy because they only deal with bonded debt. He said most of the levy goes to the Rural Fire Districts and said they should all fit within the levy.

In response to a question from Raybould, Meyer said the Rural Fire Districts submit their requests for specific dollar amounts and provide their preliminary budgets.

Schorr suggested the Raymond Rural Fire District and Southeast Rural Fire District firehouses as possible locations for the Midyear Budget Retreat.

Meyer said he plans to schedule a resolution on a County Board of Commissioners Meeting agenda to increase the County's lid by 1% to allow the base amount to grow.

5 FIBER OPTIC COSTS - Steve Henderson, Chief Information Officer, Information Services (IS)

Steve Henderson, Chief Information Officer, Information Services (IS), said the County's Motor Vehicle Facility (625 North 46th Street), Election Commissioner's building (601 North 46th Street) and the Driver's License Facility (500 West O Street)

are currently served by low capacity digital subscriber line (DSL) service and are unable to fully move onto the Voice over Internet Protocol (VoIP) System. He said City Public Works & Utilities is working to connect the City's fire stations to the fiber optic network, creating conditions which make it more feasible to establish fiber connectivity to those County facilities. Henderson estimated the cost at \$40,000 to \$60,000.

Raybould asked whether the fiber optic connection could be included in the bond issue for the VoIP System. Meyer said no, there aren't any funds for that purpose. He pointed out it was the intent to use savings from getting all departments on the VoIP system to pay off the bonds and delays in getting some departments moved over has resulted in less funds to pay off the bonds.

Schorr exited the meeting at 9:15 a.m.

Hudkins said the Keno Fund may be another funding option. Meyer said there may also be funds available in the County's IS budget.

Schorr returned to the meeting at 9:17 a.m.

Henderson said IS also plans to invest in the project. He agreed to bring back more refined cost projections.

In response to a question from Hudkins, Henderson said they are still working on transitioning the County's payroll system to the State's mainframe, noting that will be the last County system to move over.

6 COMMUNITY MENTAL HEALTH CENTER (CMHC) TRANSITION UPDATE - C. J. Johnson, Region V Systems Administrator

C. J. Johnson, Region V Systems Administrator, said the new providers have had an opportunity to look at logistical issues and their representatives will come before the Board in two weeks to discuss what they will need to move forward with transition of services.

Johnson also inquired about the status of the contract between Lancaster County and Region V for the provision of Emergency Protective Custody (EPC) services at the Crisis Center. Ron Sorensen, CMHC Executive Director, appeared and said the contract was apparently lost in the mail and will need to be replicated.

7 MINIMUM WORK WEEK REQUIREMENT FOR BENEFITS (DENTAL, VISION AND LIFE INSURANCE; FLEXIBLE SPENDING ACCOUNT; VOLUNTARY BENEFITS) - Doug McDaniel, Personnel Director; Bill Kostner, City Risk Manager

Doug McDaniel, Personnel Director, noted the Board discussed minimum work week requirements for health insurance at the July 25, 2013 Staff Meeting and took action to change eligibility from 20 to 30 hours per week. He suggested the Board consider changing the minimum work week requirement for other benefits (dental, vision and life insurance; flexible spending accounts and voluntary benefits) to 30 hours for consistency.

Schorr asked how many employees would be affected by the change. McDaniel said nine, four of which are covered by the American Federation of State, County & Municipal Employees (AFSCME) contract and would need to be "grandfathered."

MOTION: Schorr moved and Raybould seconded to authorize a 30 hour minimum work week requirement for those additional benefits. Schorr, Smoyer, Amundson, Raybould and Hudkins voted aye. Motion carried 5-0.

Hudkins asked whether there have been changes to the verification requirements for the flexible spending account. Kostner said no, but Payflex Systems, the administrator, was acquired by Aetna and they may be enforcing the requirements more stringently.

ADMINISTRATIVE OFFICER REPORT

D. Bus Pass Payment for Unrepresented, Classified Employees

McDaniel said the County's subsidy of bus passes was eliminated for AFSCME represented employees. He said asked whether the Board wants to eliminate the subsidy for unrepresented employees as well.

Tim Genuchi, Accounting Operations Manager, County Clerk's Office, appeared and said the bus pass costs \$15.00 and the County has subsidized half the cost. He said he is only aware of one unrepresented employee receiving the benefit.

MOTION: Schorr moved and Raybould seconded to eliminate the bus pass subsidy for unrepresented, classified employees, effective September 1, 2013. Smoyer, Schorr, Raybould, Amundson and Hudkins voted aye. Motion carried 5-0.

Raybould exited the meeting at 9:42 a.m.

8 FAUCET REPLACEMENT AT YOUTH SERVICES CENTER (YSC) -
Sheli Schindler, Youth Services Center (YSC) Director; Don Killeen,
County Property Manager

Sheli Schindler, Youth Services Center (YSC) Director, requested authorization to replace 70 faucets at the YSC for safety reasons.

Don Killeen, County Property Manager, estimated the cost at \$5,300 and said the expense could be covered by the Building Fund.

Raybould returned to the meeting at 9:45 a.m.

MOTION: Schorr moved and Smoyer seconded to spend up to \$5,300 from the Building Fund to replace 70 faucets at the Youth Services Center (YSC). Amundson, Raybould, Smoyer, Schorr and Hudkins voted aye. Motion carried 5-0.

9 APPRAISAL PROPOSALS FOR TRABERT HALL AND FORMER ATTENTION CENTER FOR YOUTH - Don Killeen, County Property Manager

Don Killeen, County Property Manager, said John Layman, Steve Medill and Great Plains Appraisal submitted proposals to appraise Trabert Hall and the former Attention Center for Youth Building. He said Layman and Medill were the low bidders for Trabert Hall (\$3,500). Layman was low bidder on the former Attention Center for Youth Building (\$2,500).

MOTION: Smoyer moved and Raybould seconded to award bids to John Layman for an appraisal of the former Attention Center for Youth Building and Steve Medill for an appraisal of Trabert Hall, with the stipulation that the appraisals be completed within eight (8) weeks. Smoyer, Amundson, Raybould, Schorr and Hudkins voted aye. Motion carried 5-0.

Killeen was asked to come back in two weeks and discuss possible lease rates for Midtown Center.

RETURNING TO ITEM 7

Doug McDaniel, Personnel Director, and Bill Kostner, City Risk Manager, reappeared at the request of the Board to provide additional clarification regarding the minimum work week requirement for benefits.

Hudkins asked whether moving from 20 hours to 30 hours in order to qualify for benefits was negotiated with the American Federation of State, County & Municipal Employees (AFSCME). McDaniel said it was not. He said the AFSCME contract was already signed so four employees covered by the contract have contractual rights to benefits and will need to be "grandfathered" for the term of the contract, which ends August 20, 2014.

Hudkins asked what the County contributes to dental, vision and life insurance coverage and flexible spending accounts. Kostner said the County contributes to dental and life insurance but voluntary benefits, such as vision, and flexible spending accounts are paid entirely by the employee.

Hudkins asked whether unrepresented employees should also be required to work 30 hours in order to qualify for benefits. **NOTE:** There are currently five unrepresented employees working between 20-29 hours. McDaniel said it may complicate administration. He said it becomes a philosophical discussion on whether everyone should be treated equally or are there differences for represented and unrepresented employees. Eagan noted one instance in which a shared job was designed to provide one of the employees, who works 21 hours per week, with benefits. He said that employee relies on those benefits and said it seems to be a question of fundamental fairness.

McDaniel said 20 hours is a very low threshold for health insurance and benefits, noting many in the private and public sector are moving eligibility to 30 hours. Kostner reminded the Board that the County is now required under the Affordable Care Act to pay a Patient Centered Outcomes Research Institute (PCORI) fee for individuals covered by the health plan. He said employees who do not meet the new threshold, which will take effect January 1, 2014, will be notified by mail and could elect for coverage through Combined Omnibus Budget Reconciliation Act (COBRA) or try to resolve the issue through other means such as increasing hours or participating in an insurance exchange.

10 ACTION ITEMS

- A. Approval to Submit Grant Application to the Nebraska Crime Commission for Legislative Bill (LB) 561 Community-Based Juvenile Services
- B. Approval to Submit Grant Application to the Nebraska Crime Commission for Legislative Bill (LB) 561 Enhancement Funds

MOTION: Schorr moved and Amundson seconded to authorize submittal of the two grant applications, with signature by the Chair. Amundson, Raybould, Smoyer, Schorr and Hudkins voted aye. Motion carried 5-0.

DISCUSSION OF BOARD MEMBER MEETINGS

A. Lincoln Independent Business Association (LIBA) Monthly Meeting - Amundson

Amundson said they discussed a variety of topics, including the fiscal impact of Legislative Bill (LB) 561 (Change provisions and transfer responsibilities regarding the juvenile justice system), the inheritance tax and reuse of the current Adult Detention Facility once it is vacated by Corrections.

B. Lancaster County Correctional Facility Joint Public Agency (JPA) Meeting - Hudkins, Smoyer

Smoyer said they approved claims totaling \$28,823.27 from Wells Fargo for bank fees and Becker Construction, Inc. for services related to the warehouse.

C. Planning Meeting with Marvin Krout, Planning Director, and Sara Hartzell, Planner - Hudkins, Smoyer

Hudkins said Hartzell briefed them on a community unit plan that originally involved split jurisdiction with the Village of Roca but has been revised to reflect Lancaster County's jurisdiction only. The area of application is on South 68th Street along Roca Road.

D. District Energy Corporation (DEC) - Hudkins, Schorr

Schorr said they discussed the possibility of extending power to additional buildings along Centennial Mall and set rates for the West Haymarket area, which has moved from construction to operation mode.

Hudkins said the federal government has approached the DEC about providing heating and cooling to the Robert V. Denney Federal Building and U.S. Courthouse (100 Centennial Mall North).

11 CONSENT ITEMS

There were no consent items.

12 ADMINISTRATIVE OFFICER REPORT

A. Management Team Meeting (October 10, 2013)

It was noted Tracy Krause, AON Risk Solutions, will discuss actuarial rates.

B. Procedures for Sale of Community Mental Health Center (CMHC)
Building and Midtown Center

Item was moved forward on the agenda.

C. Retirement Match for Unrepresented, Classified Employees

Raybould proposed that an adjustment be made to the County's retirement match for unrepresented employees to bring them in line with recent adjustments for certain represented employees. **NOTE:** The American Federation of State, County & Municipal Employees (AFSCME) (Blue Collar, Clerical and Technical Workers) and Fraternal Order of Police (FOP), Lodge 32 (Correctional Officers) bargaining groups have agreed to reduce the County's pension match from 1.5 to 1 to 1 to 1 for new hires. The County still needs to negotiate with FOP, Lodge 77 (Juvenile Detention Officers) and the contract with FOP, Lodge 29 (Sheriff Deputies, Sergeants and Lieutenants) will not expire until August 30, 2014.

In response to a question from Raybould, Richard Grabow, Deputy County Attorney, appeared and said there is no legal impediment to enacting a change in the retirement match for unrepresented employees before adjustments have been negotiated with all of the bargaining units.

Raybould proposed that the retirement match for all new hires in the unrepresented classification be reduced from 1.5 to 1 to 1 to 1, with an effective date of September 1, 2013.

Amundson, Schorr and Smoyer said they favor waiting until the same adjustment is negotiated with the bargaining units to make sure everyone is treated fairly.

Grabow said he believes there are a number of interested parties that would like to provide input on this subject.

Raybould said she is looking at fairness differently, explaining she is concerned with the cost to the taxpayers.

Doug McDaniel, Personnel Director, appeared and said he has noticed that the County has historically negotiated the labor contracts and then had the unrepresented employees follow suit. He said when that occurs, there is potential for the unrepresented employees to become form a union. McDaniel said the private sector generally takes the approach to have a constructive dissatisfaction between union and non-union employees, with the non-union employees generally faring better.

Raybould said public sector benefits far exceed private sector benefits. Amundson said the County's primary focus is service to the public and it is important to retain committed, experienced employees. Raybould said the turnover rate is extremely low and said that is due in part because employees know it is difficult to find comparable benefits in the private sector. Smoyer said benefits are only one piece, noting salaries are frequently greater in the private sector. He added that private sector benefits have also been catching up to those of the public sector.

D. Bus Pass Payment for Unrepresented, Classified Employees

Item was moved forward on the agenda.

13 PENDING

There were no pending items.

14 DISCUSSION OF BOARD MEMBER MEETINGS

- A. Lincoln Independent Business Association (LIBA) Monthly Meeting - Amundson
- B. Lancaster County Correctional Facility Joint Public Agency (JPA) Meeting - Hudkins, Smoyer
- C. Planning Meeting with Marvin Krout, Planning Director, and Sara Hartzell, Planner - Hudkins, Smoyer
- D. District Energy Corporation (DEC) - Hudkins, Schorr

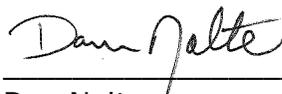
Items A-D were moved forward on the agenda.

15 EMERGENCY ITEMS AND OTHER BUSINESS

There were no emergency items or other business.

16 ADJOURNMENT

MOTION: Schorr moved and Amundson seconded to adjourn the meeting at 10:30 a.m. Schorr, Smoyer, Amundson, Raybould and Hudkins voted aye. Motion carried 5-0.



Dan Nolte
Lancaster County Clerk

