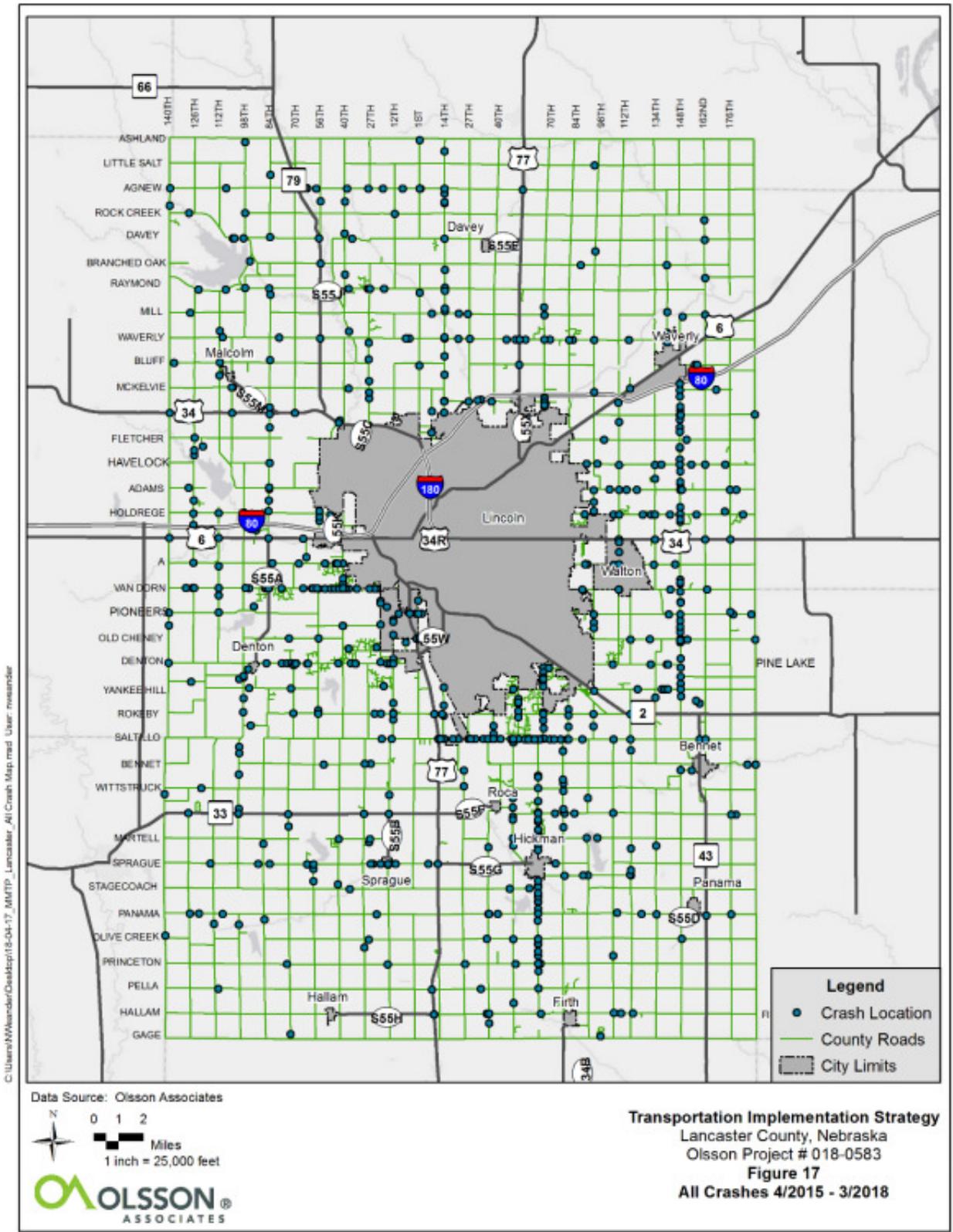


**A. Introduction and Background:**

In 2018, the Lancaster County Transportation Task Force issued a Lancaster County Transportation Strategy Final Report (September 19, 2018) regarding the serious condition of the County's roads and bridges and the projected funding gap. See:

<https://lancaster.ne.gov/engineer/pdf/olssonfinal.pdf>. The Task Force Report work provides key recommendations which includes:

- a. *Following a thorough review of Lancaster County's existing practices, policies, and design standards, together with an analysis of the existing conditions, available revenue, and projected needs, a gap in funding was identified.*
- b. *Lancaster County's needs are twofold. First, there are numerous bridges in critical need of repair or replacement. Second, the County's roads, culverts, pipes, and other infrastructure need to be maintained and upgraded as they continue to wear and age.*
- c. *Over a twenty year period, the Task Force estimated a \$9 million annual shortfall to replace existing bridges and structures in critical condition and the annual funding gap grows to \$15 million if all the transportation infrastructure needs are included.*
- d. *The Task Force studied potential revenue tools, including property tax, wheel tax and sales tax revenues. The Task Force had the highest support for implementing a wheel tax, similar to Lincoln's, followed by a county-wide sales tax, with raising property taxes to meet any remaining funding gap and specifically earmarked for road and bridge infrastructure.*
- e. *While the added revenue from a wheel tax and sales tax would help, the total funding expected to result from these new sources would not solve Lancaster County's projected annual funding gaps.*
- f. *Below is the Task Force Report map (page 43) showing "All Crashes between 4/2015 and 3/2018":*



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As a follow-up, Lancaster County Engineer Pam Dingman commissioned Operational and Safety Studies to look at two heavily traveled County roadways and their growing traffic and recent fatalities:

1. S. 68<sup>th</sup> Street: from Saltillo Road to Firth Road; see (<http://www.lancaster.ne.gov/engineer/index.htm>). Highlights included:
  - From Firth Road north to Saltillo Road, where traffic is expected to rise by about 2.5 percent per year, from 6,600 average daily traffic to more than 11,300 in the northern section:
  - Traffic signals or roundabouts were recommended at Saltillo Road, Roca Road, Panama Road, Princeton Road, and Norris High School; a stop sign at Olive Creek Road.
  - Hickman is currently designing a roundabout for the Hickman Road intersection with 68th Street.
  
2. 148<sup>th</sup> Street: from Amberly Road to Old Cheney Road; see (<http://www.lancaster.ne.gov/engineer/index.htm>). Highlights included:
  - Traffic is expected to rise from 5,850 average daily traffic to more than 15,400 in the northern section.
  - Traffic signals or roundabouts are needed at Amberly Road, Adams Street and Old Cheney Road; stop sign is necessary at Holdrege Street.
  - Shoulder widening should be implemented between Van Dorn and Pioneers.
  - If the East Beltway isn't built within the next 20 years, the County should widen 148th Street to a four-lane road with intersection turn lanes, at an estimated cost of more than \$29 million.
  - Widen to four lanes from O Street to Amberly Road if the East Beltway isn't built in 20 years.

The costs recommendations of the two Operational and Safety Studies can be summarized as shown below:

County Roads <sup>1</sup>	Safety Improvements	Operational Improvements	Systemic Improvements <sup>2</sup>	Total
S. 68 <sup>th</sup> Street	\$ 1,633,630	\$ 4,673,560	\$ 9,803,640	\$ 16,110,830
148 <sup>th</sup> Street	\$ 1,323,030	\$ 46,697,810	\$ 9,545,200	\$ 57,566,040
<b>Total</b>	<b>\$ 2,956,660</b>	<b>\$ 51,371,370</b>	<b>\$ 19,348,840</b>	<b>\$ 73,676,870</b>

<sup>1</sup> See Paragraph 8 below for additional roadways that need improvements

<sup>2</sup> 28' top with earth shoulders and rumble strips

County Engineer Dingman reports that given current funding sources, there are not sufficient sums of monies potentially available to help fund these two important road segments and other County road segment improvements listed in Paragraph 8 below.

**B. Study Committee:**

In response to the Task Force Report and two Operational and Safety Studies, Officials from the City of Hickman, City of Waverly and Lancaster County Board formed a Study Committee to further study the Task Force recommendations and determine the merits of adopting a wheel tax to help address the area’s deficient road and bridge infrastructure and safety concerns.

The Study Committee members and staff member includes:

Study Committee Membership	
Name	Organization
Doug Hanson	Mayor of the City of Hickman
Silas Clarke	Hickman City Administrator/Economic Development Director
Mike Werner	Mayor of the City of Waverly
Stephanie Fisher	Waverly City Administrator
Roma Amundson	Lancaster County Commissioner
Rick Vest	Lancaster County Commissioner
Pam Dingman	Lancaster County Engineer
Staff: Kent Seacrest	Seacrest & Kalkowski, PC, LLO

Lancaster County Commissioners voted to hire Kent Seacrest to assist the Study Committee to examine alternatives and propose this set of recommendations for a potential wheel tax for the three governmental jurisdictions. Kent Seacrest is being paid \$11,240 for this first stage of work. After eleven meetings, the Study Committee has completed its first stage work and offers the following recommendations listed below.

These recommendations will have public review during August. At the end of the public review period, the three governmental entities will determine whether there appears to be enough “potential” consensus to carry out the second stage of study—discuss and prepare written agreements and to formally seek governmental approvals (second stage). If there is preliminary first stage consensus, then the County, in cooperation with the City of Hickman and City of Waverly could ask the Study Committee, Kent Seacrest (at a fee of \$17,422 payable by Lancaster County) and others, to prepare written drafts of the required written documents for public review, public hearings and possible governmental approvals of a wheel tax.

**C. Study Committee’s Recommendations:**

The Study Committee believes it is in the best interest of the City of Hickman, City of Waverly and Lancaster County to carry out a public discussion on the merits of creating a Joint Public Agency (JPA) to implement a uniform annual motor vehicle fee (i.e., wheel tax) within the three jurisdictions to construct, repair, maintain, and improve roads and bridges and address transportation safety issues. The Study Committee believes that the key farm to market and transportation needs of these cities and the County are more efficiently and timely met if the entities’ plans and projects are carried out under a collaborative JPA model. The key Study Committee Recommendations include:

1. **Name:** The suggested name of the Joint Public Agency (JPA) is “Safe Roads Joint Public Agency”.
2. **Starting Date:** If a JPA agreement is approved by the three entities, the Study Committee recommends that the wheel tax should start on January 1, 2020 or later.
3. **Persons:** The JPA should only collect a motor vehicle fee from an individual whose primary residence or person who owns a place of business which is within (i) the limits of the City of Waverly, (ii) City of Hickman; and (ii) within Lancaster County (outside an incorporated city or village).
4. **Payment Due Date:** The motor vehicle fee should be paid to the Lancaster County Treasurer at the time in which the registration fees as provided in the Motor Vehicle Registration Act are paid.
5. **Proposed JPA Wheel Tax Schedule:** The proposed motor vehicle fee schedule is shown below.

<b>Proposed Safe Roads JPA Annual Motor Vehicle Fee Schedule</b>		
	City of Lincoln	Proposed JPA
Motor-driven vehicles operated on three wheels or less	\$37.00	Same
Passenger motor vehicle of nine-passenger capacity or less, but not used for hire	\$74.00	Same
Passenger motor vehicle of nine-passenger capacity or less, and used for hire	\$111.00	Same
Motor-driven vehicles used for carrying passenger for hire with passenger capacity of more than nine passengers	\$148.00	Same
Licensed motor vehicle dealer, except dealer of motor-driven vehicles operated on three wheels or less, for each dealer number plate issued under provisions of Neb. Rev. Stat. §60-320, (Reissue 1988), and amendments thereto	\$74.00	Same
Licensed motor vehicle dealer of motor-driven vehicles operated on three wheels or less, for each dealer plate issued under provisions of Neb. Rev. Stat. §60-320, (Reissue 1988), and amendments thereto	\$37.00	Same
Commercial trucks having a gross vehicle weight of four tons or less	\$111.00	Same
Commercial trucks having a gross vehicle weight of more than four tons and less than six tons	\$148.00	Same
Commercial trucks having a gross vehicle weight of six tons or more, and less than eight tons	\$259.00	Same
Commercial trucks having a gross vehicle weight of eight tons or more	\$370.00	Same
Farm plated commercial trucks having a gross vehicle weight of four tons or less	\$111.00	\$74.00
Farm plated commercial trucks having a gross vehicle weight of more than four tons and less than six tons	\$148.00	\$74.00

Farm plated commercial trucks having a gross vehicle weight of six tons or more, and less than eight tons	\$259.00	\$129.00
Farm plated commercial trucks having a gross vehicle weight of eight tons or more	\$370.00	\$185.00
Trucks and truck-tractors other than commercial trucks, having a factory-rated carrying capacity of more than one and one-half tons and less than two and one-half tons	\$148.00	Same
Trucks and truck-tractors other than commercial trucks, having a factory-rated carrying capacity of two and one-half tons or more, and less than four tons	\$259.00	Same
Trucks and truck-tractors other than commercial trucks, having a factory-rated carrying capacity of four tons or more	\$370.00	Same
Ambulances and hearses	\$111.00	Same
Self-propelled mobile homes	\$111.00	Same
Trailers with one thousand pounds or less carrying capacity	\$18.00	Same
Trailers with more than one thousand pounds carrying capacity	\$37.00	Same
All other vehicles not specifically set forth above	\$74.00	Same

6. **JPA Schedule Similar to the City of Lincoln:** The above fees, definitions and procedures should generally follow the City of Lincoln’s Street Improvement Vehicle Tax (Chapter 3.20, Lincoln Municipal Code; see <http://online.encodeplus.com/regs/lincoln-ne/doc-viewer.aspx#secid-6945>). The one exception would be farm plated vehicles. Farm plated vehicles of six tons or less should generally be charged \$74 and heavier farm plated vehicles should be charge ½ a commercial truck vehicle fee since farm plated vehicles use on public roads is generally not year round and is seasonal.

7. **Estimated Annual Wheel Tax Revenues:** The Lancaster County Treasurer Office provided the following annual revenue projections based upon the above fees:

Governmental Jurisdiction	Number of Vehicle	Estimated Wheel Tax
Hickman	2,460	\$ 202,908
Waverly	4,615	\$ 410,589
Lancaster		
County Rural	37,115	\$ 3,200,477
<b>JPA Total</b>	<b>44,190</b>	<b>\$ 3,813,974</b>

Source: Lancaster County Treasurer Office

If the wheel tax is approved, then the expected wheel tax revenues collected are assumed to be less than the estimated revenues shown above. The Study Committee estimates net annual wheel tax revenues to be eighty-eight percent of the above Estimated Wheel Tax figures after taking into account (i) a projected ninety percent collection rate from motor vehicle owners and (ii) up to two percent expenses for administrative costs. Thus, the



9. **Unincorporated Villages:** The unincorporated villages in the County (Prairie Home, Rokeby, Cheney, Emerald, Agnew, Holland, Walton, Princeton, Kramer and Martell) do not have authority to issue a wheel tax. These unincorporated villages should be provided the Task Force Report, the two Operational and Safety Studies and these Study Committee Recommendations.
10. **Incorporated Cities and Villages:** The other ten incorporated cities and villages in the County (Hallam, Firth, Roca, Sprague, Raymond, Malcom, Davy, Denton, Panama and Bennett) have statutory authority to levy a wheel tax. These incorporated cities and villages should be briefed and provided the Task Force Report, two Operational and Safety Studies and these Study Committee Recommendations. In addition, these other cities and villages in Lancaster County should be asked whether their governmental entities would be interested in exploring the possibility of joining the JPA.
11. **Fiscal Agent:** The Study Committee believes that the County is the best fiscal agent and the County's Budget Director would be best to administer the accounting, checks, books and records on behalf of the JPA.
12. **Procurement:** The JPA should follow the bidding/procurement process of Lancaster County.
13. **Revenue Bonds:** The JPA should be allowed to issue revenue bonds (if needed) based upon pledged wheel tax receipts.
14. **Lead Engineering Advisor:** County Engineer should be the lead engineering advisor to the JPA.
15. **Representatives:** Representatives should be appointed by the participating public agencies and be elected officials (e.g., Council Members, Commissioners and Mayors).
16. **Fiscal Year:** Proposed fiscal year starts July 1 and ends June 30.
17. **Withdrawal:** A member entity could withdraw from the JPA by providing the other members a minimum of 12 months' notice of the JPA's fiscal year. In the event revenues have been issued, the withdrawal would not be permitted until the bonds have been paid in full or properly refunded by the remaining JPA member entities.
18. **Public Notices:** The JPA Board will need to give public notice of the meeting pursuant to Neb. Rev. Stat. § 84 1411, as amended, including maintaining an agenda in the office of the Waverly City Clerk, Hickman City Clerk and Lancaster County Clerk which shall be available for inspection by the public and on the County's website.
19. **Compliance with the Open Meetings Act:** All meetings shall be conducted in accordance with the Open Meetings Act (Chapter 84, Article 14, Nebraska Revised Statutes, as amended).

20. **JPA Representatives:** The JPA Board should be comprised of seven representatives. City of Hickman should have two (2) representatives elected from its governing body; City of Waverly should have two (2) representatives elected from its governing body; and Lancaster County should have three (3) representatives elected from its governing body.
21. **Voting:** Each Board representative should have one vote on matters before the JPA Board. All actions of the JPA Board should require a minimum affirmative vote of one of the two City of Hickman officials entitled to vote, one of the two City of Waverly officials entitled to vote and two of the three Lancaster County officials entitled to vote.
22. **Quorum:** In order for the JPA Board to take an action or transact any JPA Board business at any meeting of the JPA Board, a quorum of a majority of the representatives and a minimum of one of the City of Waverly officials must be present, one of the City of Hickman officials must be present and two of the Lancaster County officials must be present.
23. **Officers:** The JPA Board should elect a chair, vice-chair, secretary and treasurer from among the representatives.
24. **Regular and Special Meetings:** The JPA Board needs to be subject to the Open Meetings Act. The manner of scheduling regular meetings and the method of calling special board meetings, including the giving or waiving of notice within the requirements of the Open Meetings Act. It is believed that quarterly meetings of the JPA Board would be needed for the first year.
25. **Meetings and Notice:** Meetings of the JPA Board should be called by the chair or any two representatives. Notice of the meeting and agenda will need to be provided to each representative, the Waverly City Clerk, Hickman City Clerk and Lancaster County Clerk with reasonable advance notice prior to each such meeting through a method designated by the JPA Board pursuant to Neb. Rev. Stat. § 84-1411, as amended. In the event that the necessity arises for an emergency meeting without reasonable advance notice, the nature of the emergency will need to be stated in the minutes and any formal action taken in the meeting, which may occur by electronic or telecommunication equipment, shall pertain only to the emergency.
26. **Rules of Governance:** The JPA Board would be required to adopt rules of governance (similar to Bylaws). The rules of governance or other documents would be formally adopted by the JPA Board for operation and governance of the JPA. The Study Committee also recommends that the rules of governance be included as an exhibit to the JPA Agreement.
27. **Audits:** JPA would have regular independent audits that should be carried out by Lancaster County on behalf of the JPA.
28. **Stage Two:** If public and governing body discussions on the above recommendations are generally positive (subject to offering further recommendations and changes), then the Study Committee should next work with the governing members' legal counsels and

others, to develop a draft written JPA Agreement for the public and governing bodies review and consideration.

**D. Public Educational Meetings:**

The Study Committee will be sponsoring public education meetings regarding these Recommendations on the following dates:

<b>Information Meeting</b>	<b>Date &amp; Time</b>	<b>Location</b>
Lancaster County Transportation Task Force Meeting	Tuesday, August 6 @ 2:00 PM	Lancaster County Extension Office, 444 Cherrycreek Road Bldg. C, Lincoln, NE
City of Hickman City Council Briefing	Tuesday, August 13 @ 7:00 PM	Hickman City Hall
City of Waverly City Council Briefing	Wednesday, August 14 @ 5:00 PM	Waverly City Hall
Lancaster County Commissioner Briefing	Tuesday, August 27 @ 9:00 AM	County-City Building, 555 S. 10th Street, Lincoln, NE
North of O Street Community Meeting	Wednesday, September 11 @ 7:00 PM	Waverly Community Center Foundation Building, 11120 North 141st Street, Waverly, NE
South of O Street Community Meeting	Thursday, September 12 @ 7:00 PM	Hickman Community Center

**These Study Committee Recommendations are posted on the following sites:**

**City of Waverly:** <https://www.citywaverly.com/draft-recommendations-from-lancaster-county-city-of-hickman-and-city-of-waverly-for-county-wheel-tax/>

**City of Hickman:** <http://www.hickman.ne.gov/vnews/display.v/ART/5d3877638372a>

**Lancaster County:** (hyperlink to be provided)