

AGENDA
CITY COUNCIL MEMBERS' "NOON" MEETING
MONDAY, APRIL 2, 2007
(Immediately Following Directors' Meeting)
COUNTY/CITY BUILDING
CONFERENCE ROOM 113

I. MINUTES

- *1. Minutes from City Council Members' "Noon" Meeting of January 8, 2007.
- 2. Minutes from Directors' Meeting of March 19, 2007.

II. COUNCIL REPORTS ON BOARDS, COMMITTEES, COMMISSIONS AND CONFERENCES -

- 1. Internal Liquor Committee (Marvin/McRoy/Svoboda)

OTHER MEETINGS REPORTS:

III. APPOINTMENTS/REAPPOINTMENTS - To Be Announced

IV. REQUESTS OF COUNCIL FROM MAYOR - To Be Announced

V. MISCELLANEOUS -

- 1. Discussion on Public Service Commission letter from Robin Eschliman.
(See Attachment)
- 2. Discussion on forwarding of E-mails.

VI. CITY COUNCIL MEMBERS

VII. MEETINGS/INVITATIONS -

- 1. The National Rural Electric Cooperative Association's Groundbreaking Reception on Wednesday, April 18, 2007 from 5:00 p.m. to 7:30 p.m. at Firethorn Golf Club, 9301 Firethorn Lane - The National Rural Electric Cooperative Association Groundbreaking Ceremony from 4:30 p.m. to 5:00 p.m. at 8701 Montello Road - RSVP by April 11th to Bernita Faulkner at 703-907-5547 - (See Invitation)

2. Updowntowners, Inc. - Discovering Everybody's Neighborhood: An Updowntowners' Field Trip by Bus on Wednesday, April 18, 2007 from 11:45 a.m. to 1:00 p.m. - Bus will depart from the Updowntowners' Office, 206 S. 13th Street, Suite 101 - Cost: \$20/members; \$25/guests - RSVP by April 12th - (See Invitation)
3. Volunteer Partners - 5th Community-wide Volunteer Recognition Celebration on Sunday, April 22, 2007 from 2:00 p.m. to 3:30 p.m. at the Lancaster County Extension Education Center, 444 Cherrycreek Road - Please RSVP - (See Invitation)

VIII. ADJOURNMENT

***HELD OVER FROM MARCH 26, 2007.**

[Date]

Members of the Public Service Commission
[Address]

Dear Members of the Public Service Commission:

We are writing with our concerns about your recent increase to Nebraskans in order to subsidize telephone service in rural areas.

The members of our community have been challenged recently because of an ice storm that ultimately resulted in a surcharge in utilities. This is certainly not your fault, as these things happen with Mother Nature. However, we wanted to let you know that we are already hearing from the low income and those on fixed incomes since these utility costs had to increase, as it is the hardest for them to bear. Thirty-five cents for an increase in phone service may not seem like much to most people, but the combination of utility fees, general inflation in goods and services, and overall increases in property tax value certainly hurts most those who can least afford it.

In addition, we are concerned that money is being spent to fund something that most people have adequate access to and which is becoming an increasingly outdated technology.

We appreciate the opportunity to share these concerns with you.

Sincerely,

Robin Eschliman

Jonathan Cook

Patte Newman

Jon Camp

Annette McRoy

Ken Svoboda

Dan Marvin

MINUTES
CITY COUNCIL MEMBERS' "NOON" MEETING
MONDAY, APRIL 2, 2007
(Immediately Following Directors' Meeting)
COUNTY/CITY BUILDING
CONFERENCE ROOM 113

Council Members Present: Patte Newman, Chair; Dan Marvin, Vice-Chair; Jonathan Cook, Robin Eschliman, Ken Svoboda, Jon Camp, Annette McRoy

Others Present: Mark Bowen, Ann Harrell, Mayor's Office; Dana Roper, City Attorney; Tammy Grammer, City Council Staff; Deena Winter, Lincoln Journal Star Representative; and Coby Mach, LIBA.

Meeting convened at 11:20 a.m.

Location Announcement of the Nebraska Open Meetings Act: A Copy of the Nebraska Open Meetings Act is Located on the Wall at the Rear of this Room

I. MINUTES

- *1. Minutes from City Council Members' "Noon" Meeting of January 8, 2007.
- 2. Minutes from Directors' Meeting of March 19, 2007.

Chair Patte Newman, by acclamation of the Chair, approved the minutes. No objections were offered.

II. COUNCIL REPORTS ON BOARDS, COMMITTEES, COMMISSIONS AND CONFERENCES -

1. **Internal Liquor Committee** (Marvin/McRoy/Svoboda) — Mr. Marvin stated we have requested a certain number of reports to be brought back to us, one report has to do with the BAC numbers that have been creeping up. Mr. Svoboda commented the blood alcohol content average has been creeping up rather steadily so we want to get a little bit more of a history than just last year. Those that are taken into detox and been the last call we are seeing that there is a fairly significant number of individuals who are going to one bar at night and then when they get picked up for detox they identify that as the last place they had a drink. So, it's a bar that we have had problems with because of the large number of people that are picked up from that bar and taken into detox. Mr. Marvin stated the other report we have asked for is the cost of over night stay for individuals that get taken into detox. Mr. Marvin stated we discussed LB 335 which is legislation that is going through the State.

Ms. Eschliman commented question about the committee. You know how after talking every once in a while we see a problem and we vote against a liquor license or liquor application and then the State Commission repeals it have you ever met with them and talked to them about it. Mr. Svoboda responded yes, we've had Hobert Rupe the Liquor Control Commissioner Director in our meetings a couple of different times and we have regular correspondence with them. It's a difficult issue, the State is not willing to give us local control where we would have the last say on certain individuals and we have one today that has some criminal history that he has concerns on as well. We have never met with the Commissioners or at least while he has been on the ILC just the Director.

OTHER MEETINGS REPORTS: -

Ms. Newman reported on the Transit Development Plan Committee, we talked about the StarTran issue. They had an open house last week and about 290 people showed up and then we had a task force meeting after to talk a little bit about what they had heard. If you hear from people changes are being made to the proposed existing map routes right now, so we need to let people know that if they have concerns about the routes as they are drafted at that open house that they are still open and they can email David Cary or StarTran about the changes. They changed them in November and the current map they had last week at the meeting there will be some minor changes to it. At the meeting they heard some concerns about certain things so they are still working on it through May or June.

Ms. Newman gave an update on the Problem Resolution Team Meeting (PRT). In the last year we've had about 50 cases and 28 to 30 were declared PRT cases. Probably 40 to 50% of them are cases of hoarding where people collect things and just don't want to get rid of anything so we're working on those cases.

Ms. McRoy reported on the Catalyst One Project. We have had one meeting and reviewed the projects that came in and we are meeting with them on site next week. Mr. Hammons is coming in Thursday and we will meet with the other two applicants on Friday.

III. APPOINTMENTS/REAPPOINTMENTS - Mark Bowen had none to report.

IV. REQUESTS OF COUNCIL FROM MAYOR -

MARK BOWEN -

Mark Bowen handed out an updated summary of the 2007 Key State Legislation Issues and an updated summary sent to the Lincoln area State Senators regarding Periodic update on the City's positions on legislative bills. Mr. Bowen went over the information with Council. *[See Attachments 'A' and 'B']*

Mr. Bowen mentioned you saw on the front page of the newspaper the story about Women's Commission the draft is being worked on between the Mayor, Women's Commission and the County Board. The County Board has looked at it at their staff meeting and Bonnie (Coffey) has already talked to each of you individually. Kerry Eagan and I have talked about a schedule for it and I think the only thing that's sort of left in limbo at this point is the term of the termination point which we want to make it match the previous Interlocal Agreements. The County Board was going to take a look at the language one more time before they started working on advancing it so you will see some slight changes to it. Mr. Bowen noted he will get copies to Council.

ANN HARRELL - No Comments

DANA ROPER, City Attorney - No Comments

V. MISCELLANEOUS -

1. Discussion on Public Service Commission letter from Robin Eschliman. (See Attachment). — Following discussion, Council agreed with sending this letter as is to the Public Service Commission from the entire Council.
2. Discussion on forwarding of E-mails. — Following discussion, Council agreed for Tammy Grammer to continue forwarding email's to them as she has been doing.

VI. CITY COUNCIL MEMBERS -

JON CAMP - No Comments

JONATHAN COOK - No Comments

ROBIN ESCHLIMAN -

Ms. Eschliman commented to Mark Bowen there was an email that she forwarded to him and she said we will ask at the staff meeting about it. Mr. Bowen stated he asked Karl Fredrickson (Public Works & Utilities Director) to address this issue and he has all the answers. Mr. Bowen noted it dealt with property on the water tower that she was asking about. The person was paid fair market value for the property and they had accepted it. Ms. Eschliman stated do we have someone that can respond back to the constituent. Mr. Bowen stated he will have Karl (Fredrickson) respond back to the constituent and send a copy of the response to Council.

DAN MARVIN -

Mr. Marvin stated he received a letter from Marc Wullschleger (Urban Development Director) that the Urban Community Development Task Force is being eliminated. Mr. Marvin commented his experience, we had a difficult time getting a quorum and there was little or nothing for us to do.

ANNETTE McROY - No Comments

KEN SVOBODA -

Mr. Svoboda stated to Mark Bowen last week on Monday you described for us the process that you were calling for the TIF Standards that were coming forward which does not come through the Council. Is there a reason why we don't since we were the ones that requested there be a set of standards set and developed. Mr. Bowen responded the standards were already underway, so it was not the Council requesting as much as I think the Council started asking questions about what we were doing, it has always been thought in terms of executive order. Mr. Svoboda stated he would like an update before the Mayor signs off on it. If we could have a pre-council so we know what's going to be happening with it as well and if there's any suggestions that we would like to offer we have the ability to do so. Ms. Newman commented she thinks that might be LPS and County Board issue as well. Mr. Bowen stated we talked with the schools and got their concerns (inaudible), and the Mayor will probably have individual discussions with them.

PATTE NEWMAN - No Comments

VII. MEETINGS/INVITATIONS - Listed on the Attend Sheet for April 2nd.

VIII. MEETING ADJOURNED - Approximately at 11:52 a.m.

***HELD OVER FROM MARCH 26, 2007.**

City of Lincoln
2007 Key State Legislation Issues
March 19, 2007 Update

Improve the Highway Allocation Formula for Local Roads - Seek a more fair return of taxes collected from cities/counties for vehicle registration, motor vehicle sales tax, and state gas tax distributed through the Highway Distribution Formula. The City is supportive of the following:

- LB403, as amended [Schimek] to change the allocation of sales revenue and road funds. (Killed in Comm.)
- LB305 [Fischer] to require that sales and use taxes from leased vehicles, trailers, and semitrailers be credited to the Highway Allocation Fund.
- LB439 [Raikes] to create a Task Force to examine the Highway Trust Formula.
- LB41, as amended [Hudkins] to increase the state gas tax. (The City and many other entities testified in support at the Revenue Committee hearing. The Revenue Committee has since voted to kill it.)
- **LB 663** [Hudkins] to change the distribution of motor vehicle registration fees.-(**Priority Bill**)

Amend the Recreational Liability Act - In October 2006, a State Supreme Court ruling overturned 25 years of liability protection from lawsuits resulting from voluntary recreation activities on public property. The Court ruling creates the possibility for the city to be subject to millions of dollars of potential lawsuits. The City seeks to restore the long-standing exclusion for local governments by amending state law to provide immunity from lawsuits resulting from recreational activities on public property. The City is supportive of the following:

- **LB564** [Friend] Change the Recreational Liability Act to restore the exclusion for local governments-(**Priority Bill**). Also support LB566 [Loudon] Recreational Liability Act changes.

Seek Authority to Create Redevelopment Districts for Economic Growth, Tourism Expansion and Building Infrastructure. The City is supportive of the following:

- **LB562** [Adams] to authorize local options to finance infrastructure in redevelopment areas.-(**Priority Bill**)
- **LB565** [Avery] the Entertainment and Tourism Development Act(**Priority Bill**)
- LB697 [Nelson] the Entertainment Tourism and Development Act.
- LB131 [Raikes] calls for a University Research and Corridor Master Plan.
- **LB435** [Raikes] would provide for a Nebraska State Fair Park Master Plan(**Priority Bill**)

Support state funding and initiatives that reduce the reliance on local property taxes and avoid further pressure on property taxes The City is supportive of the following:

- **LB530** [Nantkes] would clarify distribution of state funds dealing with storm water management plan-(**Priority Bill**)
- LB534 [Schimek] the urban storm drainage program would grant cities local authority to help pay for the federal mandate in ways other than property taxes. The federal government has mandated requirements on cities to enforce a storm water management program, but not provided funding to pay for the program. The City, along with other cities, seeks state authority to allow cities to pay for the federally mandated regulations without relying on property taxes.
- LB182 [Kruse] to provide additional funds for public transit (StarTran).
- **LR6CA** [Avery] a constitutional amendment to allow for a more diverse investment of funds by public endowments such as the Community Health Endowment(**Priority Bill**)
- State Dealer Licensing Requirement on Large Vehicle Sales - Change the requirement to allow more competitors to bid on large utility vehicles.
- The City generally opposes legislation that narrow the sales tax base. This is because the City of Lincoln relies more on revenue from sales tax than from property taxes to fund local government.

Reduce Duplication of Public Process- Allow the Capital Improvement Program (CIP) to serve as the Nebraska Department of Road's requirement for the 1 and 6 Highway Program. The City is supportive of the following:

- LB277 [Mines] would eliminate redundant paperwork.

Exempt Critical Infrastructure from Open Records Law – To protect critical public infrastructure networks, diagrams and plans the City seeks to exempt these items from freedom of information requests. The City is supportive of the following:

- LB135 [Fulton] seeks to provide confidentiality to critical security information of the city's water infrastructure.

March 23, 2007

TO- Lincoln area State Senators

FROM - Mark Bowen, City of Lincoln

RE - Periodic update on the City's positions on legislative bills.

LB435 [Raikes, Ag Committee Priority Bill] to provide for a State Fair Master Plan - The City of Lincoln donates \$270,000 in local tax funds annually to the State Fair to make it eligible to receive State Lottery funds. The City supports efforts to improve the State Fair by providing for a Master Plan for the Nebraska State Fair.

LB530 [Nantkes, a Speaker Priority Bill] to change the Stormwater Management Plan Program - The City strongly supports LB530 because it would correct distribution of state funds from the DEQ Stormwater Management Program. The fund was created in 2006 to help offset the cost of the federally mandated stormwater management programs. In 2006, the City of Lincoln received \$377,000 from the Stormwater Management Program. If LB530 is approved correcting the formula and if the appropriation is at least the \$2.5 million requested by the Governor's budget, then the City of Lincoln would receive approximately \$533,500 in both FY2007 and FY2008. This important bill corrects the formula.

LB562 [Adams, Priority Bill] to create Development Districts - The City supports LB562. Infrastructure is a key component to creating jobs and economic development. The City would use funds generated from a district to help develop the public infrastructure needed to support the facilities for the additional employment. This bill would provide another tool to address gaps in helping complete the public infrastructure of a project. The costs that cause a financial gap can be many, including environmental issues with the land that TIF may not always provide enough money to address. LB 562 would allow the revenue from a project area to be directed at the project in a voluntary agreement with the private sector without diverting existing city revenue.

LB564 [Friend, Aguilar Priority Bill] the Recreational Liability Act - The City strongly supports restoring the 25-year provision that previously exempted local governments from liability on public properties. Lincoln Parks and Recreation manages 85 playgrounds, two skate parks, two dog parks, 60 sports fields, more than 10 square miles of public park and open space land and 121 miles of recreation and commuter trails. Public recreation lands should have the same standards and protections established for private landowners who allow access to their land for recreation purposes. Approval will assure that Lincoln's citizens will continue to have access to outdoor recreation facilities and activities. Without being covered by the Recreation Liability Act, the liability potential from activities such as hiking and biking on trails, sledding, ice skating, dog parks and general park use could cause the City to restrict these activities and likely greatly increase city costs.

LB565 [Avery, a Speaker Priority Bill] to create the Entertainment and Tourism Development Act - The City strongly supports LB 565. If a new arena is approved in the future, LB565 will be a key part of the financial package to help build it. This bill is in the Revenue Committee. We encourage the Lincoln area State Senators to cosponsor LB565 and encourage the Revenue Committee to advance it.

LB 663 [Hudkins, Priority Bill] to change Distribution of Motor Vehicle Registration Fees - The City supports LB663 because even though it would reduce the general sales tax revenue to the City of Lincoln, it will increase by a larger amount the street construction funds distributed to the City.

LR6CA [Avery, Priority Bill] a Constitutional Amendment to Improve Investments - The City supports LR6CA to allow for a more diverse investment of funds held by a public endowment. This change would allow the Community Health Endowment to receive a higher return on the funds invested and make more funds available for local health programs.

LB335 [Kruse] to change Civil Protective Custody - The City encourages Lincoln area Senators to support LB335 to extend the hold period for civil protective custody and supports efforts being discussed to attach it to LB578. A longer intervention period would help the chronic population address their addictions.

LB551 [Flood] to provide for sales tax revenue under the Convention Center Facility Financing Assistance Act - The City supports this bill because it also could be an important tool toward financing a future arena and convention center in Lincoln.

LB 305 [Fischer] to change the distribution of certain sales tax revenue - The City of Lincoln supports LB305 because it would increase road and street construction funds to cities.

Public Transit Appropriations – The City testified in support of LB 182 and supports increasing state financial assistance for public transportation. Currently, the Lincoln StarTran bus system receives about \$400,000 of state transit funds. Preliminary funding allocations in FY07-08 and FY 08-09 are \$1,648,672 and \$1,911,339 respectively would result in Lincoln receiving about \$450,000 in FY07-08 and \$500,000 in FY08-09. This funding, while significantly less than amounts for which Lincoln is eligible, is vital to maintaining the current public transit services in Lincoln. The funding distribution does point to the need for supporting LB 182 which would equally allocate financial assistance to all public transportation providers with up to 50 percent of the eligible operating expenses. State funding traditionally has been allocated such that the rural and other non-metro transit systems have received nearly 100% of their eligible operating costs, while Lincoln StarTran and Metro Area Transit of Omaha split any remaining funds. This traditional allocation has historically resulted in Lincoln receiving approximately 6% of eligible operating costs.

DEQ Appropriations - The City of Lincoln testified in support of funding the Stormwater Management Program at least at the \$2.5 million annual level recommended by the Governor's Budget. This fund was established in 2006 to help offset the costs of the federally mandated stormwater programs. In 2006, the City of Lincoln received \$377,000 from the Stormwater Management Program. If LB530 is approved correcting the formula and if the appropriation is at least the \$2.5 million requested by the Governor's budget, then the City of Lincoln would receive approximately \$533,500 in both FY2007 and FY2008. Currently cities must rely on property taxes to pay the costs of this federal unfunded mandate which is enforced by the DEQ. LB534 would reduce the burden this federal mandate places on property taxes.

A FEW ITEMS THE CITY IS OPPOSED TO INCLUDE:

LB420 [Erdman] to change the distribution of cigarette tax funds - The City opposes LB420 because it would eliminate the funding source the City is using to pay for bonds that the Legislature authorized in 2001 to fund construction projects for the Antelope Valley flood control and redevelopment project. The bond generated \$10.7 million, of which \$9.4 million was used to pay for State and University projects that were affected by the flood control and road improvements in the project.

LB597 [Kopplin] to change zoning jurisdictions for 1st and 2nd class cities - The City is opposed to the Urban Development Committee changes to LB597 that expanded the scope of the original bill and unexpectedly included Lincoln and Lancaster County. It is our understanding the Committee intends to amend the bill to narrow the scope again, so it does not affect Lincoln and Lancaster County.

The City opposes legislative proposals that narrow the sales tax base. The city of Lincoln has successfully lowered the city property tax rate from 50-cents per \$100 of value in 1994 to its current rate of 28.3-cents reducing the burden on property taxes to fund city government services. As the City lowered the city property tax rate, property taxes revenue funding city services dropped from nearly 37 percent in 1994 to nearly 30 percent in 2007. Sales tax revenue currently funds nearly 42 percent of the city budget. Each time the sales tax base is narrowed by the State it reduces local sales tax revenue and puts more burden on property taxes to fund city services.