

**THE MINUTES OF THE CITY COUNCIL MEETING HELD
MONDAY, AUGUST 10, 2009 AT 1:30 P.M.**

The Meeting was called to order at 1:30 p.m. Present: Council Chair Emery; Council Members: Carroll, Cook, Hornung, Snyder, Spatz; City Clerk, Joan E. Ross; absent: Camp.

Council Chair Emery asked all present to stand and recite the Pledge of Allegiance and observe a moment of silent meditation.

READING OF THE MINUTES

SNYDER Having been appointed to read the minutes of the City Council proceedings of August 3, 2009 reported having done so, found same correct.

Seconded by Spatz & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

MAYOR'S AWARD OF EXCELLENCE

Mayor Chris Beutler presented the Award of Excellence for the Month of July 2009 to Fire Apparatus Operator, Bryan Kratochvil, of Lincoln Fire & Rescue in the Categories of Safety, Productivity and Customer Relations. As an example going beyond his normal duties, Mr. Kratochvil organized additional training for the B-Shift personnel using five pre-demolition houses involving firefighters and rescue. In a separate action following a medical call to the home of a single mother of four special-needs children, Mr. Kratochvil offered to help with the woman's home repair. Organizing two work days in April using various donated products and services, accepting additional funding from the Lincoln Firefighter Benefit Association and with the assistance of 50 volunteers, the renovation was completed.

Chief Niles Ford, Lincoln Fire & Rescue, came forward to express his pride over the accomplishments of Mr. Kratochvil's leadership and the firefighters' participation in helping citizens in ways other than in emergency calls.

Capt. Bob Watton, Lincoln Fire & Rescue, came forward as nominator and expressed appreciation for Mr. Kratochvil's efforts.

Bryan Kratochvil came forward to graciously accept his award and state that he was taught by his parents & family to give back to his community. He stated the award actually belongs to Engine #7 B-shift for their assistance in the training event as well as the house renovation.

Council Chair Emery thanked Mr. Kratochvil and his fellow firefighters showing further proof that charitable works among government employees is more of the norm than not.

Council Member Snyder congratulated Mr. Kratochvil for his leadership.

PUBLIC HEARING

APPLICATION OF TCN, INC. DBA CHINASIA CAFÉ FOR A CLASS A LIQUOR LICENSE AT 2704 Y STREET;

MANAGER APPLICATION OF KEVIN M. BELTON FOR TCN, INC. DBA CHINASIA CAFÉ AT 2704 Y STREET - Kevin Belton, 5210 N. 11th St., came forward to take oath and answer questions.

Chien Nguyen, 3720 S 48th St., came forward to take oath and answer questions. In response to Council concerns about his long criminal record, Mr. Nguyen spoke about his criminal history but his explanation was inaudible.

This matter was taken under advisement.

APPROVING THE TRANSFER OF UNSPENT AND UNENCUMBERED APPROPRIATIONS AND CASH (IF ANY) BETWEEN CERTAIN CAPITAL IMPROVEMENT PROJECTS WITHIN THE STREET CONSTRUCTION FUND, WATER CONSTRUCTION FUND, SANITARY SEWER CONSTRUCTION FUND, AND CAPITAL PROJECTS FUND WITHIN THE PUBLIC WORKS & UTILITIES DEPARTMENT - Fran Mejer, Public Works & Utilities Business Manager, came forward to answer questions about the annual transfer of funds. She explained that the water portion is un-appropriating approximately \$9 million in capital improvement projects primarily due to decreased bonding capacity.

Roger Figard, Public Works & Utilities City Engineer, came forward to answer questions about the shared City/County goal to buy right-of-way as needed to achieve corridor protection on the East Beltway.

This matter was taken under advisement.

AMENDING ORDINANCE NO. 19169 AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$932,000.00 CITY OF LINCOLN, NEBRASKA BLOCK 85 REDEVELOPMENT PROJECT TAX ALLOCATION BONDS TO INCREASE THE MAXIMUM INTEREST RATE PERMITTED UNDER THE ORDINANCE FROM 9% TO 10% PER ANNUM - Don Herz, Finance Director, came forward to explain the rate change. He said banks are reluctant to go out 15 years on financing at much less than 10%.

This matter was taken under advisement.

**** END OF PUBLIC HEARING ****

TOOK BREAK 1:49 P.M.

RECONVENED 1:55 P.M.

COUNCIL ACTION

REPORTS OF CITY OFFICERS

REPORT FROM CITY TREASURER OF FRANCHISE TAX FOR THE MONTH OF JUNE, 2009 FROM BLACK HILLS/NEBRASKA GAS UTILITY CO., LLC - CLERK presented said report which was placed on file in the Office of the City Clerk. (16-1)

CLERK'S LETTER AND MAYOR'S APPROVAL OF RESOLUTIONS AND ORDINANCES PASSED BY THE CITY COUNCIL ON JULY 27, 2009 - CLERK presented said report which was placed on file in the Office of the City Clerk. (27-1)

REPORT FROM CITY TREASURER OF TELECOMMUNICATIONS OCCUPATION TAX FOR 1ST QUARTER 2009: INETWORKS GROUP, TELENATIONAL COMMUNICATIONS; APRIL-MAY 2009: STARTEC GLOBAL; 2ND QUARTER 2009: ASSOCIATION ADMINISTRATORS, NETWORK US, ORBITCOM, T-MOBILE CENTRAL; APRIL 2009: GLOBALSTAR USA, NOSVA; MAY 2009: ACN COMMUNICATIONS SERVICES, ADVANCED TEL INC, ARIZONA TELEPHONY, AT&T COMMUNICATIONS OF MIDWEST, BROADWING, COMM., CELLCO PARTNERSHIP, CIMCO COMM., CINCINNATI BELL ANY DISTANCE, CINTHEX, CTI LONG DISTANCE, GLOBAL CROSSING, GLOBALSTAR USA, GRANITE, IBM GLOBAL, INTELCELL OPERATOR SERVICES, KDDI AMERICA, MCLEODUSA, NEW CINGULAR WIRELESS, NEW EDGE NETWORKS, NETWORK BILLING SYSTEMS, NORSTAN NETWORK SERVICES, NOS COMM., NOSVA, OMAHA CELLULAR, ONSTAR, PRIMUS, QUANTUM SHIFT, QWEST COMM., SIOUX CITY MSA, TELECORP COMM., TCG OMAHA, TON SERVICES, TRACFONE WIRELESS, TRANS NATIONAL, TWC DIGITAL PHONE, UCN, USCOC OF GREATER IOWA, USCOC OF NEBRASKA/KANSAS, VERIZON LONG DISTANCE, VERIZON SELECT, VERIZON WIRELESS, VIRGIN MOBILE USA, VOICECOM, WINDSTREAM NEBRASKA, WINDSTREAM SYSTEMS OF THE MIDWEST, WORKING ASSETS FUNDING SERVICE, XO COMMUNICATION SERVICES; JUNE 2009: ALLTEL COMMUNICATIONS OF NEBRASKA, ATS MOBILE TELEPHONE, COVISTA, CRICKET COMMUNICATIONS, D&D COMM., ENHANCED COMM. GROUP, MCI COMMUNICATIONS

SERVICES, NOS COMM., NEXTEL, SPRINT COMMUNICATION CO., UNITE PRIVATE NETWORKS, WWC LICENSE, WINDSTREAM NEBRASKA, WINDSTREAM SYSTEMS OF THE MIDWEST, YESTEL USA, 800 RESPONSE INFORMATION SERVICES - CLERK presented said report which was placed on file in the Office of the City Clerk. (20)

REPORT FROM CITY TREASURER OF E911 SURCHARGE FOR THE 2ND QUARTER 2009: WINDSTREAM COMMUNICATIONS; MAY 2009: CHARTER FIBERLINK - NEBRASKA LLC; JUNE 2009: AT&T COMMUNICATIONS OF MIDWEST, TWC DIGITAL PHONE LLC - CLERK presented said report which was placed on file in the Office of the City Clerk. (20-02)

RESOLUTION APPROVING THE DISTRIBUTION OF FUNDS REPRESENTING INTEREST EARNINGS ON SHORT-TERM INVESTMENTS OF IDLE FUNDS DURING THE MONTH ENDED JUNE 30,

2009 - CLERK read the following resolution, introduced by John Spatz, who moved its adoption:

A-85469 BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska:

That during the month ended June 30, 2009, \$537,872.23 was earned from the investments of "IDLE FUNDS". The same is hereby distributed to the various funds on a pro-rata basis using the balance of each fund and allocating a portion of the interest on the ratio that such balance bears to the total of all fund balances.

Introduced by John Spatz

Seconded by Cook & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

PETITIONS & COMMUNICATIONS

THE FOLLOWING HAVE BEEN REFERRED TO THE PLANNING DEPARTMENT:

Change of Zone No. 09020HP: App. of Bill and Myrna Wood to designate as a historic landmark, the Rickett's House, on property located at 400 S. 33rd Street.

Special Permit No. 09021: App. of Integrity Builders, Inc. for expansion of a nonconforming use for a garage addition in the front yard setback on property located at 1111 East Hillcrest Drive.

LIQUOR RESOLUTIONS

APPLICATION OF TCN, INC. DBA CHINASIA CAFÉ FOR A CLASS A LIQUOR LICENSE AT 2704 Y STREET - CLERK read the following resolution, introduced by Eugene Carroll, who moved its adoption for denial:

A-85470 BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska:

That after hearing duly had as required by law, consideration of the facts of this application, the Nebraska Liquor Control Act, pertinent City ordinances, and the following:

- a. If the applicant is of a class of person to whom no license can be issued.
- b. If the existing population of the City of Lincoln and the projected population growth of the City of Lincoln and within the area to be served are adequate to support the proposed license.
- c. If the issuance of the license would be compatible with the nature of the neighborhood or community.
- d. If existing licenses with similar privileges adequately serve the area.
- e. If there are any existing motor vehicle and/or pedestrian traffic flow in the area or if this application would cause motor vehicle and/or pedestrian traffic flow issues.
- f. If there is an adequate number of existing law enforcement officers in the area.
- g. If there are zoning and/or distance restrictions that prevent the issuance of a license.

h. If there are sanitation and/or sanitary conditions on or about the area.

i. If a citizens' protest has been made.

The City Council recommends to the Nebraska Liquor Control Commission that the application of TCN, Inc. dba Chinasia Café for a Class "A" liquor license, at 2704 Y Street, Lincoln, Nebraska, be denied. The City Council has determined that the application should be denied for one or more of the following reasons:

a. The applicant is unfit, unwilling, and/or unable to properly provide the service proposed within the City of Lincoln.

b. The applicant cannot conform to all provisions and requirements of and rules and regulations adopted pursuant to the Nebraska Liquor Control Act and/or pertinent City ordinances.

c. The applicant has not demonstrated that the type of management and control to be exercised over the premises described in the application will be sufficient to insure that the licensed business can conform to all provisions and requirements of and rules and regulations adopted pursuant to the Nebraska Liquor Control Act, and pertinent City ordinances.

d. The applicant has not demonstrated that the issuance of the license is or will be required by the present or future public convenience and necessity.

BE IT FURTHER RESOLVED that the City Clerk is directed to transmit a copy of this resolution to the Nebraska Liquor Control Commission.

Introduced by Eugene Carroll

Seconded by Spatz & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

MANAGER APPLICATION OF KEVIN M. BELTON FOR TCN, INC. DBA CHINASIA CAFÉ AT 2704 Y STREET - CLERK read the following resolution, introduced by Eugene Carroll, who moved its adoption for denial:

A-85471 WHEREAS, TCN, Inc. dba Chinasia Café located at 2704 Y Street, Lincoln, Nebraska has been approved for a Retail Class "A" liquor license, and now requests that Kevin M. Belton be named manager;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska:

That after hearing duly had as required by law, consideration of the facts of this application, the Nebraska Liquor Control Act, and the pertinent City ordinances, the City Council recommends to the Nebraska Liquor Commission that Kevin M. Belton be denied as manager of this business for said licensee. The City Council has determined that the application should be denied for one or more of the following reasons:

a. The applicant is unfit, unwilling, and/or unable to properly provide the service proposed within the City of Lincoln.

b. The applicant cannot conform to all provisions and requirements of and rules and regulations adopted pursuant to the Nebraska Liquor Control Act and/or pertinent City ordinances.

c. The applicant has not demonstrated that the type of management and control to be exercised over the premises described in the application will be sufficient to insure that the licensed business can conform to all provisions and requirements of and rules and regulations adopted pursuant to the Nebraska Liquor Control Act, and pertinent City Ordinances.

The City Clerk is directed to transmit a copy of this resolution to the Nebraska Liquor Control Commission.

Introduced by Eugene Carroll

Seconded by Spatz & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

ORDINANCES - 2ND READING & RELATED RESOLUTIONS (as required)

APPROVING THE TRANSFER OF UNSPENT AND UNENCUMBERED APPROPRIATIONS AND CASH (IF ANY) BETWEEN CERTAIN CAPITAL IMPROVEMENT PROJECTS WITHIN THE STREET CONSTRUCTION FUND, WATER CONSTRUCTION FUND, SANITARY SEWER CONSTRUCTION FUND, AND CAPITAL PROJECTS FUND WITHIN THE PUBLIC WORKS & UTILITIES DEPARTMENT - CLERK read an ordinance, introduced by Jane Snyder, approving the transfer of unspent and unencumbered appropriations and cash (if any) between certain capital improvement projects within the Street Construction Fund, Water Construction Fund, Sanitary Sewer Construction Fund, and Capital Projects Fund within the Public Works & Utilities Department, the second time.

AMENDING ORDINANCE NO. 19169 AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$932,000.00 CITY OF LINCOLN, NEBRASKA BLOCK 85 REDEVELOPMENT PROJECT TAX ALLOCATION BONDS TO INCREASE THE MAXIMUM INTEREST RATE PERMITTED UNDER THE ORDINANCE FROM 9% TO 10% PER ANNUM - CLERK read an ordinance, introduced by Jane Snyder, amending Ordinance No. 19169 to change the maximum interest rate on the Block 85 Redevelopment Project Tax Allocation Bonds authorized thereby; to repeal certain provisions of Ordinance No. 19169; taking other action in connection with the foregoing; and related matters, the second time.

PUBLIC HEARING RESOLUTIONS - NONE

ORDINANCE - 1ST READING & RELATED RESOLUTIONS (as required)

APPROVING AN AMENDMENT TO SUBLEASE AGREEMENT BETWEEN THE CITY AND THE STATE OF NEBRASKA DEPARTMENT DAS/STATE BUILDING DIVISION TO CHANGE THE AMOUNT OF SUBLEASE SPACE FROM 6,568 SQ. FT. TO 6,076 SQ. FT. OF OFFICE SPACE IN THE ONE STOP CAREER CENTER AT 1010 N STREET FOR PROVIDING JOB TRAINING AND EMPLOYMENT SERVICES UNDER THE WORKFORCE INVESTMENT ACT FOR A TERM OF JANUARY 1, 2007 THROUGH DECEMBER 31, 2011 - CLERK read an ordinance, introduced by John Spatz, accepting and approving the Amendment to Sublease Agreement between the City of Lincoln and DAS/State Building Division on behalf of Nebraska Workforce Development, Department of Labor, for a lease of space at 1010 N Street, Lincoln, Lancaster County, Nebraska for a term of January 1, 2007 through December 31, 2011 to reduce the area leased from 6,568 sq. ft. of space to 6,076 sq. ft. to Nebraska Workforce Development, Department of Labor, at the One Stop Career Center for providing job training and employment services under the Workforce Investment Act, the first time.

APPROVING A SUBLEASE AGREEMENT BETWEEN THE CITY AND EXPERIENCE WORKS AT THE ONE STOP CENTER AT 1010 N STREET FOR PROVIDING JOB TRAINING AND EMPLOYMENT SERVICES UNDER THE WORKFORCE INVESTMENT ACT FOR A ONE-YEAR TERM FROM APRIL 1, 2009 THROUGH MARCH 31, 2010 - CLERK read an ordinance, introduced by John Spatz, accepting and approving a Sublease Agreement between the City of Lincoln and Experience Works for a lease of space at 1010 N Street, Lincoln, Lancaster County, Nebraska for a term of April 1, 2009 through March 31, 2010 whereby the City of Lincoln is subleasing 13,718 sq. ft. of space to Experience Works at the One Stop Career Center for providing job training and employment services under the Workforce Investment Act, the first time.

APPROVING AN AMENDMENT TO THE SUBLEASE AGREEMENT BETWEEN THE CITY AND GOODWILL INDUSTRIES TO CHANGE THE AMOUNT OF SUBLEASE SPACE FROM 159 SQ. FT. TO 147 SQ. FT. IN THE ONE STOP CENTER AT 1010 N STREET FOR PROVIDING JOB TRAINING AND EMPLOYMENT SERVICES UNDER THE WORKFORCE INVESTMENT ACT FOR A TERM OF JANUARY 1, 2009 THROUGH DECEMBER 31, 2010 - CLERK read an ordinance, introduced by John Spatz, accepting and approving the Amendment to Sublease Agreement between the City of Lincoln and Goodwill Industries for a lease of space at 1010 N Street, Lincoln, Lancaster County, Nebraska for a term of January 1, 2009 through December 31, 2010

to reduce the area leased from 159 sq. ft. of space to 147 sq. ft. to Goodwill Industries at the One Stop Career Center for providing job training and employment services under the Workforce Investment Act, the first time.

ORDINANCES - 3RD READING & RELATED RESOLUTIONS (as required)

AUTHORIZING THE EXECUTION AND DELIVERY OF LOAN CONTRACTS BETWEEN THE NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY AND THE CITY (PROJECT NO. C317078 AND PROJECT NO. 317247) IN CONNECTION WITH IMPROVEMENTS TO THE CITY'S WASTEWATER COLLECTION AND TREATMENT SYSTEM - CLERK read an ordinance, introduced by Adam Hornung, authorizing the execution and delivery of loan contracts between the City and the Nebraska Department of Environmental Quality (Project Nos. C317078 and C317247) and related promissory notes in a principal amount not to exceed \$10,000,000; and related matters, the third time.

HORNUNG Moved to pass the ordinance as read.
Seconded by Spatz & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

The ordinance, being numbered **#19286**, is recorded in Ordinance Book #26, Page

MISC. 09004 - VACATING THE FINAL PLAT OF HUNT'S ADDITION AND ALL RIGHT-OF-WAY WITHIN AND ABUTTING SAID PLAT, GENERALLY LOCATED NORTHWEST OF NORTH 9TH STREET AND CLAREMONT STREET - CLERK read an ordinance, introduced by Adam Hornung, vacating the final plat of Hunt's Addition and all right-of-way within and abutting said plat on property generally located northwest of North 9th Street and Claremont Street, and retaining title thereto in the City of Lincoln, Nebraska, the third time.

HORNUNG Moved to pass the ordinance as read.
Seconded by Spatz & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

The ordinance, being numbered **#19287**, is recorded in Ordinance Book #26, Page

AMENDING THE PAY SCHEDULE FOR A CERTAIN EMPLOYEE GROUP BY CREATING THE CLASSIFICATION OF FIREFIGHTER PARAMEDIC - CLERK read an ordinance, introduced by Eugene Carroll, amending Section 1 of Ordinance No. 18970 passed August 6, 2007, relating to the pay schedules of employees whose classifications are assigned to the pay range which is prefixed by the letter "F," by creating the job classification of "Firefighter Paramedic", the third time.

CARROLL Moved to pass the ordinance as read.
Seconded by Spatz & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

The ordinance, being numbered **#19288**, is recorded in Ordinance Book #26, Page

AMENDING THE PAY SCHEDULE FOR A CERTAIN EMPLOYEE GROUP BY ADJUSTING THE HOURLY PAY RANGE SCHEDULE AND SCHEDULES OF ANNUAL, MONTHLY, BIWEEKLY AND HOURLY PAY RANGE EQUIVALENTS FOR EMPLOYEES OF THE CITY OF LINCOLN WHOSE CLASSIFICATIONS ARE ASSIGNED TO PAY RANGES PREFIXED BY THE LETTER "E" TO BE EFFECTIVE AUGUST 20, 2009 - PRIOR to reading:

CARROLL Moved to amend Bill No. 09-102 by substituting the Appendix A and Appendix B attached hereto for the Appendix A and Appendix B attached to Bill No. 09-102.

Seconded by Spatz & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.

CLERK Read an ordinance, introduced by Eugene Carroll, adopting pay schedules and schedules of pay ranges for employees of the City of Lincoln, Nebraska whose classifications are assigned to pay ranges prefixed by the letter "E"; and repealing Ordinance No. 19187, passed by the City Council on December 15, 2008, the third time.

CARROLL Moved to pass the ordinance as amended.
Seconded by Spatz & carried by the following vote: AYES: Carroll,
Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.
The ordinance, being numbered **#19289**, is recorded in Ordinance Book #26, Page

AMENDING THE PAY SCHEDULE FOR A CERTAIN EMPLOYEE GROUP BY ADJUSTING THE HOURLY
PAY RANGE SCHEDULE AND SCHEDULES OF ANNUAL, MONTHLY, BIWEEKLY AND HOURLY
PAY RANGE EQUIVALENTS FOR EMPLOYEES OF THE CITY OF LINCOLN WHOSE
CLASSIFICATIONS ARE ASSIGNED TO PAY RANGES PREFIXED BY THE LETTER "X" TO
BE EFFECTIVE AUGUST 20, 2009 - CLERK read an ordinance, introduced by
Eugene Carroll, adopting pay schedules and schedules of pay ranges for
employees of the City of Lincoln, Nebraska whose classifications are
assigned to pay ranges prefixed by the letter "X" and repealing
Ordinance No. 19147, passed by the City Council on September 22, 2008,
the third time.

CARROLL Moved to pass the ordinance as read.
Seconded by Spatz & carried by the following vote: AYES: Carroll,
Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.
The ordinance, being numbered **#19290**, is recorded in Ordinance Book #26, Page

OPEN MICROPHONE SESSION - NONE

MISCELLANEOUS BUSINESS

PENDING -

AMENDING SECTION 5.38.050 OF THE LINCOLN MUNICIPAL CODE TO INCREASE PERMIT
FEES FOR MOTELS, HOTELS, ROOMING, LODGING, AND APARTMENT HOUSES; AND
REPEALING SECTION 5.38.050 OF THE LINCOLN MUNICIPAL CODE AS HITHERTO
EXISTING. (11/3/08 - 1st Reading suspended, to have Introduction 12/1/08
with P.H. 12/8/08) (12/1/08 - Placed on Pending Indefinitely) (Request
to Withdraw) - PRIOR to reading:

HORNUNG Moved to withdraw Bill No. 08-157.
Seconded by Spatz & carried by the following vote: AYES: Carroll,
Cook, Emery, Hornung, Snyder, Spatz; NAYS: None; ABSENT: Camp.
The ordinance, having been **WITHDRAWN**, was assigned the File **#38-4595** & was
placed on file in the Office of the City Clerk.

TOOK BREAK 2:02 P.M.

RECONVENED 2:30 P.M.

ONE AND SIX YEAR STREETS AND HIGHWAYS PROGRAM

Council Chair Emery: This public hearing is held each year to
fulfill State Statutory requirements for the One and Six Year Streets
and Highways Program and also serves as the public hearing for the
City's Capitol Improvements Program. It should be noted that the C.I.P.
is a "funding" document only. The one year program lists projects
proposed for final design, right-of-way acquisition, construction or
study during Fiscal Year 2010. The Second through Sixth Year (FY 2011-
2015) Program lists those projects which are in some phase of
development or will enter the street planning process. The program was
identified on the public hearing notice, advertised in the Lincoln
Journal Star on Sunday, July 19th, 2009 plus being placed on the City's
website and on Channel 5.

Citizens have 10 days from today to submit any statements or
exhibits to the Public Works Department. Therefore, all statements and
exhibits received on or before, August 20st, 2009 will become a part of
the public hearing record. These statements should be forwarded to Roger
Figard, City Public Works Department, Engineering Services, 531 Westgate
Boulevard / Suite 100, Lincoln, Nebraska 68528.

The information received will be evaluated by the Public Works Department, and subsequently by the City Council. Final action will be taken by City Council resolution adopting the first year of the C.I.P. Budget.

The State Statutory requirement ensures that an integrated system of public roads is provided for the general welfare of the state, counties and municipalities. The program is administered by the State Board of Public Roads Classifications and Standards. With the passage of LB 277, MPO (Metropolitan Planning Organizations), such as the City of Lincoln, can now submit their annual report in lieu of a One and Six Year Program. This helps to eliminate redundant work/programs for the MPOs.

Our proposed MPO Annual Report and the Capital Improvement Program for Fiscal Years 2010 thru 2015 reflects an average annual expenditure of nearly 26.8 million dollars. This average annual expenditure is comprised of \$16.5 million dollars of City Revenues, \$7.2 million in Federal Aid and \$3.1 million in other funds (includes State/Federal, Train Mile Tax, and Railroad Transportation Safety District).

This FY 2010 thru 2015 Streets and Highways Program, which is also the C. I. P. and the T. I. P., was earlier voted on by the Planning Commission on May 13th, 2009.

**2009-2010 MAYOR'S RECOMMENDED ANNUAL OPERATING BUDGET
& CAPITOL IMPROVEMENT PROGRAM 2009/10 - 2014/15**

Clerk Ross: As part of the Mayor's proposed budget, the budget also proposes to take the following action allowed by LB 989 as passed by the 1998 Nebraska State Legislature.

1. The Mayor's Recommended Budget anticipates the use of allowable growth, if any, in the tax base above the 2.5% already provided by LB 989 for improvements to real property as a result of new construction, additions to existing buildings, any improvements to real property which increase the value of such property, and any increase in valuation due to annexation, and any personal property valuation over the prior year. This change is estimated as a decrease of -1.25% pending certification of final valuations from the County Assessor's office. It is the City's intention to utilize the final percentage change or the 2.5% increase provided for by the certified final valuations, to increase the restricted funds base and to utilize various other lid exemptions provided in LB 989. An additional 1% of lid authority can be authorized by a super majority (5) vote of the City Council. It is the Administration's intention to ask for this additional authority in the final budget resolution.

2. The City intends to carryover all unused restricted fund authority from prior and current fiscal years as well as any unused restricted fund authority from the 2008-09 Budget to future fiscal years. This unused restricted fund authority is estimated at up to \$13,000,000 but depends upon final completion of lid documents to be filed with the State Auditor's Office. It is the City's intention to carryover all unused restricted funds authority as determined by final completion of the forms.

PUBLIC HEARING

PUBLIC HEARING ON THE 1 & 6 YEAR STREET & HIGHWAY PROGRAM, THE 2009/10 CITY OF LINCOLN ANNUAL OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM FOR FY 2009/10 - 2014/15;
AMENDING SECTIONS 3.24.080 AND 3.24.090 OF THE LINCOLN MUNICIPAL CODE TO INCREASE THE TELECOMMUNICATIONS OCCUPATION TAX RATE FROM 5.5% TO 6% OF

GROSS RECEIPTS COMMENCING JANUARY 1, 2010; AND REPEALING SECTIONS 3.24.080 AND 3.24.090 OF THE LINCOLN MUNICIPAL CODE AS HITHERTO EXISTING;

APPROVING A CHANGE OF THE FRANCHISE FEE ASSOCIATED WITH THE FRANCHISE TO PROVIDE GAS SERVICE FROM AN ANNUAL RATE OF \$0.39 TO \$0.43 PER FOOT OF GAS MAIN EFFECTIVE OCTOBER 1, 2009;

APPROVING A NEW SCHEDULE FOR WASTEWATER USE CHARGES COMMENCING NOVEMBER 2009;

APPROVING A NEW SCHEDULE FOR WATER USE CHARGES COMMENCING NOVEMBER 2009 -

Steve Hubka, City Budget Officer, came forward to comment and state that the Council will be considering legislation related to revenue to fund the budget. He said the proposed tax-funded budget increases spending only .04%. He said the last three budgets have increased an average of only 1.3% per year. He said the City receives only about 14% of each property tax dollar paid by Lincoln residents. He stated that other than voter-approved bond issues, the City property tax rate hasn't increased since the 1993-94 fiscal year; but since that time, property tax rates decreased 44.6%. When the county assessor re-valuates property upward, the City tax rate is cut a corresponding percentage. When a re-valuation results in a decrease, such as this year, a tax increase is not being proposed. The last two budgets have reduced 115 full-time positions; the current proposed budget will reduce 28 more. Benefits include significant cost savings in fuel, health care premiums and correction expenses. Even though operational costs were examined closely, water & wastewater rates will be increased but both capital improvement programs were cut by large amounts. Mr. Hubka said an amendment corrects the natural gas franchise fee from \$0.43 to \$0.429.

Rick Hoppe, Mayor's Chief of Staff, came forward to speak about proposed changes. He said a proposed language change will affect the Crawford Trust Fund which will distribute 5% or \$100,000 annually to use as the City chooses, yet in a manner as close as possible to the donor intent. He said issues regarding the Special Assessment Revolving fund will be to seek a transfer increase to the General Fund from \$325,000 to \$392,000. Funding will allow the individual filling the Hispanic community outreach position to fill a broader role. Mr. Hoppe said a suggestion has been made to delay implementation of the Nature Center fees by one year to September 1, 2010 to allow advocates time to find a financing plan. The Federal Cops Grant money requires an authorization to hire four police officers.

Linda Rohman, 6300 Meeker Circle, came forward to present points of interest that affect the budget: one of which is to be more self reliant as parents to teach our children safety; secondly, define police duties to cover necessary services, not covering duties for citizens' convenience only; and thirdly, assure that budget decisions are based on reason not emotion.

Coby Mach, LIBA, 620 N. 48th St., came forward to express appreciation to the Mayor and the Council for working through the tough budget cycle. He said an adoption to reduce the 200% retirement match for new hires will result in a \$2.2 million savings over the next five years. Before closing any libraries, he suggested a discussion about structure and management of all eight. Mr. Mach suggested that LFR should cover staffing expenses within their own current budget which allows the Fire Chief to manage his own department. He said LIBA would like to see SAR funds earmarked for the South Beltway. In an effort to eliminate the telecommunication tax increase, Mr. Mach suggested two options: 1)use \$400,000 of vacancy savings or 2)reduce the StarTran budget by \$400,000. In finality, he said LIBA's opinion is that because of restructured jail funding there is a \$1.4 million property tax increase. He recounted the words of the Mayor who said we could not cut our way to prosperity. Mr. Mach said we could not tax our way to prosperity, either.

Ron Ecklund, LIBA, 620 N. 48th St., was on hand for questioning.

Kay Young, 545 Eastborough Lane, came forward in opposition to implementing an entry fee to use the Nature Center.

Chair Emery requested those who favor keeping the Nature Center free to stand in recognition.

Kyle Fischer, Chamber of Commerce, 1135 M St., came forward to thank Council for renewing the investment to LPED. He said over the past five years the investment has produced more than 4,000 new jobs and over \$250 million in investment in the community. In recognition of keeping costs down and following the lead of private industry leaders in finding efficiencies & savings, Mr. Fischer said the Chamber is in general support of the budget today. He said they are in disagreement with increasing a specific tax to a specific industry such as telecommunication companies. He said the Chamber supports the Development Services Center concept & start-up costs; and commends the reduction of the retirement match from 2 to 1 to 1 to 1.

Bruce Bohrer, Chamber of Commerce, 1135 M St., came forward in support of changes to the Fast Forward Fund, transfer of SAR Funds for infrastructure needs and a one-time expense for the physical move of the Development Services Center.

Stuart Long, 4412 NW 49th St., came forward representing the Lincoln Neighborhood Alliance. He suggested the City raise property taxes and adjust impact fees on new building permits.

Russell Miller, 341 S. 52nd St., came forward to share information and express his opinion. He stated that in the last 10 years, population in Lincoln has increased 15%; the area has grown by 24%, streets by 27% and water mains by 21%. He said despite its growth sales tax revenue has decreased and property tax revenues have not grown. He stated he is in favor of increasing the telecommunication tax and feels the addition of four police officers is needed.

Roger Dodson, 2941 S. 26th St., came forward in favor of transferring \$6 million from SAR to the Fast Forward Fund to leverage private/public investment infrastructure; expand/preserve primary jobs in the community; facilitate positive long-term economic development; or fulfill community economic development objectives.

Kent Peterson, 8430 Hollynn Lane, Lincoln business manager, came forward expressing appreciation to Council for answering his e-mail questions and shared his reasons for opposition to the telecommunication tax increase.

Mike Morosin, 1500 N. 15th St., came forward to comment on cuts he has made in his own personal expenses.

James Jeffers, 1505 W. Raymond Rd., came forward to comment on road construction projects and its cost to the taxpayer in delays, detours and fuel use.

Rick Krueger, 8200 Cody Dr., came forward to comment on CIP items as they relate to parks and streets. He suggested improvements such as parking, picnic tables and fencing be completed for Porter Ridge Park. He urged Council not to use wheel tax money for sidewalks. He requested advancement of road completion on 56th Street, Old Cheney Road from 70th to 84th Streets, and Pine Lake Road from 60th to Highway 2. He also suggested getting away from the huge standard and returning to the five-lane cross section.

Stacey Sprinkle, 8350 E. Crescent Pkwy, Greenwood Village, CO, came forward in her capacity as Vice President of State Tax Policy for Verizon in opposition to the telecommunication tax increase. She suggested City government raise revenues in the broadest way they can so the burden is spread equitably among all constituents not through a targeted specific tax. She said wireless companies do not receive the benefit of using the public right-of way, nor does her business or its consumers bear any additional cost to the City that would warrant that it be targeted for a specific tax to support the City revenues. Ms. Sprinkle said communication service consumers in Lincoln are already paying on average 18% in state/local taxes & fees every month to support state/local budgets. She understands high tax rates are levied upon alcohol & tobacco to discourage their usage but in today's environment communication services are essential. In answer to questions, Ms. Sprinkle said the national average wireless tax is estimated at 11%.

Peter Stadig, 2400 C St., representing Friends of Pioneers Park Nature Center, came forward in favor of a moratorium on park admission fees to allow them time to pursue funding solutions without impacting the rest of Parks & Recreation.

Judy Cook, 3339 S. 40th St., member of Friends of Pioneers Park Nature Center, came forward in favor of keeping the 600+ acre nature park free.

Jane Kinsey, 6703 Hawkins Bend, came forward in opposition to the telecommunication tax increase as it will hurt the individual who has to budget higher costs in these hard times as well. She suggested salaries of department heads be cut back before laying off low-level employees.

Brad Stevens, 3921 Madison Ave., came forward representing Americans for Prosperity in opposition to the telecommunication tax increase. He said 18.35% is higher than our neighboring states.

Tim Golden, 4631 Rockwood Ct., came forward as a former 30-year educator who has used the Nature Center for over 20+ years and established an eight-acre outdoor classroom there as well. He expressed his desire to keep the Nature Center free.

Miles Bryant, 2035 B St., came forward to question the City criteria that would determine charging a fee to use some assets while not assessing a fee on others.

Sarah Bauman, 2035 B St., came forward to state she was inspired by Pioneers Nature Center and requested that it be kept free.

Dave Titterington, 1340 N. 38th, owner of Wild Bird Habitat Stores and 13-year staff member at the Pioneer Park Nature Center, came forward in opposition to implementing a fee to the use of Pioneers Park fearing that schools will not be able to pay \$3 per child. He said lack of park use will lead to a sterile community; conversely, healthy families play outdoors.

Rosina Paolini, 1850 Dakota St., came forward requesting the City to keep parks free and presented 1,357 signatures of others who agree. She suggested the City broadening the tax base as a solution.

Tom McFarland, 1910 Sumner St., came forward in favor of keeping public libraries open. He stated one portion of the City's mission statement says "maintain its uniqueness" which he feels describes a safe community library in a small building.

Adam Hintz, 1611 Van Dorn, came forward in opposition to charging a fee to enter Pioneers Park.

Joanne Elliot, 7632 Phares Dr., came forward to thank Council for their service and to comment on taxation.

Dan Schlitt, 2600 C St., came forward in opposition to the park fee and an increase to telecommunication tax. He suggested broadening the tax base.

TOOK BREAK 4:47 P.M.

RECONVENED 6:33 P.M.

Council Member Spatz did not return after break.

Danny Walker, 427 E St., came forward questioning cell tower revenue as it feeds into the General Fund.

Mr. Hubka came forward to answer Mr. Walker's question. He said cell tower rental revenue located in park land feeds into the Parks & Recreation Maintenance Fund; the remainder of cell tower revenue goes to the General Fund which supports basic governmental services including police, fire and many other services. If cell towers are located on enterprise fund land (water & wastewater), 10% of the revenue goes to that fund for maintenance of the site, 90% to the General Fund. He said in response to other monetary questions, Mr. Hubka said he would get back to Mr. Walker with answers.

Bob Reeves, 3236 Dudley St., came forward to comment on taxes. He said when values drop, property owners have an obligation to pay more to bring those tax dollars up. He also suggested that Lincoln & Omaha go to the Legislature to see about a small local earnings tax being withdrawn from the paychecks of people who work in the City.

Ken Reitan, 2310 S. Canterbury Ln., came forward representing the Wachiska Audubon Society in opposition to implementing a fee to access the Pioneers Park Nature Center. He reinforced that people need free access to natural areas. Mr. Reitan responded to Council agreeing that an alternative funding source must be found.

This matter was taken under advisement.

MISCELLANEOUS

PENDING -

COOK Moved to extend the remainder of the Pending List to August 17, 2009.
Seconded by Snyder & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder; NAYS: None; ABSENT: Camp, Spatz.

UPCOMING RESOLUTIONS

COOK Moved to approve the resolutions to have Public Hearing on August 17, 2009.
Seconded by Snyder & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder; NAYS: None; ABSENT: Camp, Spatz.

ADJOURNMENT 6:48 P.M.

COOK Moved to adjourn the City Council meeting of August 10, 2009.
Seconded by Snyder & carried by the following vote: AYES: Carroll, Cook, Emery, Hornung, Snyder; NAYS: None; ABSENT: Camp, Spatz.

Joan E. Ross, City Clerk

Sandy L. Dubas, Senior Office Assistant