

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, MAY 15 2008
8:30 A.M.**

Commissioners Present: Bob Workman, Chair
Bernie Heier, Vice Chair
Larry Hudkins
Ray Stevens
Deb Schorr

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Dennis Meyer, Budget and Fiscal Officer
Dan Nolte, County Clerk
Cori Beattie, Deputy County Clerk
Ann Taylor, County Clerk's Office

The Chair opened the meeting at 8:30 a.m.

AGENDA ITEM

**1 APPROVAL OF THE STAFF MEETING MINUTES OF THURSDAY,
MAY 8, 2008**

MOTION: Stevens moved and Hudkins seconded approval of the Staff Meeting minutes of Thursday, May 8, 2008. Schorr, Hudkins, Workman, Stevens and Heier voted aye. Motion carried.

2 ADDITIONS TO AGENDA

- A. Jail Bond Issue
- B. Press Conference at the International Quilt Study Center and Museum (May 20, 2008)

MOTION: Stevens moved and Heier seconded approval of the additions to the agenda. Schorr, Hudkins, Workman, Stevens and Heier voted aye. Motion carried.

3 GREENBELT UPDATE - Norm Agena, County Assessor/Register of Deeds; Rob Ogden, Chief Field Deputy Assessor/Register of Deeds

Norm Agena, County Assessor/Register of Deeds, gave an overview of the 2007 greenbelt process, noting the following (Exhibit A):

- * The County Assessor's Office mailed 982 special value disqualification notices to acreage owners in 2007.
- * Approximately 500 of those were protested to the Board of Equalization (BOE).
- * The BOE reinstated greenbelt status to approximately 400 of that number.
- * The County Assessor's Office appealed 180 of the 400 to the Tax Equalization and Review Commission (TERC).
- * Property owners filed 25 appeals to TERC (cases where the BOE upheld disqualification of greenbelt status).
- * TERC has heard 21 of the 25 appeals and has agreed with the County Assessor on 20 of them. Agena said his office would have recommended approval of the case that TERC overturned if it had received all of the information the property owner presented to TERC.
- * TERC has heard 4 of the appeals filed by the County Assessor and has reversed the BOE decision in those cases. Those are being appealed to the Court of Appeals and/or Supreme Court.
- * \$28,000,000 would have been added to the tax base if the BOE had not reinstated greenbelt status for the 400 that protested (a tax loss of approximately \$77,000 for the County).
- * Attorneys representing the BOE and the County Assessor's Office have been paid \$29,000 and \$5,000, respectively.

Agena said his office will be mailing out 400 greenbelt disqualifications for 2008 to the property owners who had their greenbelt status reinstated by the BOE. If they are protested, their hearings will be in late July or early August. The same procedure will be followed as last year. Agena said it is unlikely there will be a ruling by the Court of Appeals and/or Supreme Court that soon and said TERC was asked to hold the remaining cases the County Assessor's Office appealed until there is the Court of Appeals and/or Supreme Court rules on the 4 cases.

Hudkins asked whether the BOE will have to hear all the appeals or can it expedite the process with a single motion approving the protests they reviewed last year.

Board consensus was to seek a legal opinion.

Rob Ogden, Chief Field Deputy Assessor/Register of Deeds, said notices for this year's valuation changes will go out May 30th. He said there are approximately 12,000 notices and half are for agricultural land.

ACTION ITEMS

- A. Authorize Highway Grant Application (\$2,500) for Substance Abuse Action Coalition (SAAC) Conference (Exhibit B)

MOTION: Stevens moved and Hudkins seconded to authorize signature by the Chair. Schorr, Hudkins, Workman, Stevens and Heier voted aye. Motion carried.

- B. Microcomputer Request C#47214, \$613.75 from County Engineer's Budget for Video Card and Two (2) 20" LCD Monitors (Exhibit C)

MOTION: Heier moved and Hudkins seconded approval. Heier, Stevens, Workman, Hudkins and Schorr voted aye. Motion carried.

ADDITIONS TO AGENDA

- A. Jail Bond Issue

MOTION: Hudkins moved and Heier seconded to schedule discussion of financing options with Lauren Wismer, Gilmore & Bell PC (Bond Counsel), and Scott Keene, Ameritas Investment Corporation, on the May 22, 2008 Staff Meeting agenda.

Schorr said she would like the discussion to include the option of financing with private lenders.

Dennis Meyer, Budget and Fiscal Officer, said Gilmore & Bell PC was involved in the discussions with private lenders. He said the lenders never got back to him with any figures and said he will follow up with David Lucas of Gilmore & Bell.

ROLL CALL: Stevens, Heier, Workman, Hudkins and Schorr voted aye. Motion carried.

- B. Press Conference at the International Quilt Study Center and Museum (May 20, 2008)

Schorr indicated plans to attend the press conference.

4 VISITORS PROMOTION COMMITTEE (VPC) RECOMMENDATION TO AWARD \$750,000 TO CITY OF LINCOLN FOR WEST HAYMARKET PROJECT - Scott Miller, Visitors Promotion Committee (VPC) Chair; Kent Morgan, West Haymarket Redevelopment Project Manager

Scott Miller, Visitors Promotion Committee (VPC) Chair, presented a recommendation from the VPC that the County Board allocate \$750,000 from the County Visitors Improvement Fund to the City to use for the West Haymarket Development Project (Exhibit D). Letters of support from Country Inn & Suites and the Lincoln Lodging Association were also presented (see Exhibit D).

Heier asked how the funds will be used.

Kent Morgan, West Haymarket Redevelopment Project Manager, said the funds will be used for studies that will need to be done to properly develop the area and to meet all the federal requirements.

Hudkins suggested consideration be given to phasing the funding.

Workman asked how much the City is contributing.

Morgan said the preliminary work is expected to cost \$3 million. The City will contribute \$600,000 and the private sector has committed \$1.65 million.

MOTION: Schorr moved and Stevens seconded to allocate \$750,000 from the County Visitors Improvement Fund to the City to use for the West Haymarket Development Project.

Stevens asked how the Board can be certain the funds will be allocated for visitor promotion purposes.

Morgan said that accounting can be provided.

Dennis Meyer, Budget and Fiscal Officer, said there is approximately \$1.5 million in the Visitors Improvement Fund (0.5% is for bid fees, 0.5% is for grants and 1.0 percent is for improvements to facilities). The 1.0 percent set aside for improvements to facilities equates to approximately \$750,000.

Hudkins said he is reluctant to commit all of the funds set aside for improvements to facilities. He said he would prefer to match the City's commitment and would like to have a specific project identified.

Schorr noted the fund is reimbursed approximately \$1 million every year.

Don Herz, City Finance Director, appeared and said a large portion of the funds committed by the private sector will be used for the arena preliminary architectural design. He noted there are few restrictions on how the City's funds can be spent and said they will make sure the County's money is spent for specific purposes that are capitalized, regardless of the vote on the arena project.

Stevens said he would prefer County funds not be used for the arena, private hotel, conference center or road infrastructure.

Heier suggested the County pledge the funds but keep them in the existing account and draw on them as necessary.

Morgan said that is acceptable.

ROLL CALL: Hudkins, Schorr, Workman, Stevens and Heier voted aye. Motion carried.

5 BOARD OF CORRECTIONS - Mike Thurber, Corrections Director

Separate minutes.

6 PENDING LITIGATION - Kristy Bauer, Deputy County Attorney

MOTION: Heier moved and Stevens seconded to enter Executive Session at 9:53 a.m. for discussion of pending litigation. Schorr, Hudkins, Workman, Stevens and Heier voted aye. Motion carried.

Hudkins and Schorr exited the meeting.

MOTION: Heier moved and Stevens seconded to exit Executive Session at 10:07 a.m. Workman, Stevens and Heier voted aye. Hudkins and Schorr were absent from voting. Motion carried.

7 HIRING FREEZE DISCUSSION

- A. Requests for Exemptions from the Hiring Freeze (See Information in the Agenda Packet)

Hudkins and Schorr returned to the meeting at 10:10 a.m.

It was noted the Board received a list of County requisitions and their status from the Personnel Department (see agenda packet). The Board also received correspondence related to the hiring freeze from the following departments - Clerk of the District Court, Community Corrections, Community Mental Health Center, Corrections, County Engineer, County Extension, County Sheriff, County Treasurer, Lancaster Manor, Noxious Weed Control and Youth Services Center (see agenda packet).

Ron Fetters, Lancaster Manor Administrator, appeared and presented a list of positions open at the Manor that are deemed critical to operation of the facility (Exhibit E). He asked that the direct hires be exempt from the hiring freeze.

MOTION: Schorr moved and Stevens seconded to reconsider action taken at the May 8, 2008 Staff Meeting to institute a hiring freeze.

Hudkins said he believes the Board just needs to set parameters.

Schorr stated it was her intent last week to prevent the hiring of new full-time equivalents (FTE's), not replacement of existing positions.

ROLL CALL: Schorr, Workman, Stevens and Heier voted aye. Hudkins voted no. Motion carried.

Heier said the County is facing a \$3 million to \$4 million deficit and asked the elected officials and directors in attendance for suggestions on how to reduce the budget.

Dean Settle, Community Mental Health Center Director, appeared and said his revenues are up and he has new money this year that will offset any cuts to his department.

Bill Jarrett, Chief Deputy Sheriff, appeared and said he understands there will be cuts but said he would prefer the Board not stipulate the amount.

Heier suggested the Board keep the hiring freeze on the table for one week and have the department heads bring back ways to cut the budget.

Kim Etherton, Community Corrections Director, appeared and said the most critical opening in her department is the Drug Court Supervision Officer and said that position is reimbursed by the State.

Heier said he doesn't have a problem with positions that don't cost the County money.

Terry Wagner, Lancaster County Sheriff, appeared and said it was disconcerting the Board instituted the hiring freeze last week without any prior notice. He also noted a legal opinion that states the Board cannot impose a hiring freeze on elected officials.

Workman noted the Board sent a letter to the elected officials and directors asking them to bring the Board a plan for a 5% budget reduction.

Don Thomas, County Engineer, said he won't be presenting that option.

Hudkins pointed out the County Engineer is down to paving one mile a year.

Wagner said a reduction in expenditures could result in a reduction in revenues.

MOTION: Stevens moved and Workman seconded to rescind a motion passed at the May 8, 2008 Staff Meeting to institute a hiring freeze.

Jarrett said offers of employment have been made to several individuals. In one instance, the individual has quit his job and sold his house to move to Lincoln.

ROLL CALL: Heier, Stevens, Workman, Hudkins and Schorr voted aye. Motion carried.

Schorr asked how a hiring freeze on new hires would affect county departments.

Settle said the Board has already approved grants that will require new employees but are fully funded.

MOTION: Schorr moved to institute a hiring freeze on all new full-time equivalent (FTE) employees.

Schorr clarified the freeze would only apply to new positions.

Terry Adams, Deputy County Treasurer, appeared and said requests for new positions come to the Board through the budget process.

Schorr withdrew her motion.

Additional discussion took place.

MOTION: Schorr moved to institute a hiring freeze on newly created positions.

The motion died for the lack of a second.

NOTE: Norm Agena, County Assessor/Register of Deeds; Pat Kant, Personnel Coordinator; Sue Kirkland, Clerk of the District Court; Gary Lacey, County Attorney; Brian Pillard, Records & Information Manager; Michelle Schindler, Youth Services Center Director; and Mike Thurber, Corrections Director, were also in attendance.

8 ACTION ITEMS

- A. Authorize Highway Grant Application (\$2,500) for Substance Abuse Action Coalition (SAAC) Conference
- B. Microcomputer Request C#47214, \$613.75 from County Engineer's Budget for Video Card and Two (2) 20" LCD Monitors

Items A and B were moved forward on the agenda.

9 ADMINISTRATIVE OFFICER REPORT

- A. Cornhusker Girls State (June 5, 2008)

Workman agreed to address the participants.

10 DISCUSSION OF BOARD MEMBER MEETINGS

- A. Metropolitan Planning Organization (MPO) Technical Committee Meetings - Workman, Heier

The meeting report was given at the May 8, 2008 Staff Meeting.

- B. Information Services Policy Committee (ISPC) - Stevens

Stevens said Information Services has not implemented Microsoft's Windows Vista (operating system) because users have reported numerous problems with the system. He said the transfer to Microsoft Exchange, which will replace Lotus Notes, will begin in late June. Users will have access to their old emails but they will not be transferred to the new system.

- C. Parks and Recreation Advisory Board - Stevens

Stevens said discussion focused on the PRIORITY LINCOLN survey (a survey to determine necessary and needed services). He said citizens responding to the survey did not rate Parks and Recreation a top priority and said the members of the advisory board are concerned there may be a substantial budget reduction. Stevens said many believe the department's budget cannot withstand further cuts and an increase in property tax to support the parks system may be necessary.

Stevens also reported the City is considering pulling out of the after-school care and summer programs offered at Community Learning Centers due to a substantial increase in the cost to be fully licensed.

D. Region V Governing Board - Schorr

Schorr said the Nebraska Department of Health and Human Services (HHS) is taking back management of payments to the Integrated Care Coordination Unit (ICCU) clients which will have an \$11.5 million impact to Region V's budget. She said the waiting list for beds in the forensic unit at the Lincoln Regional Center (LRC) was also discussed.

E. Meeting of Public Building Commission (PBC) Chair, Vice Chair, Administrator and Mayor - Hudkins

Hudkins said Mayor Beutler has decided to move the City Attorney's Office to the third floor of the County-City Building and develop a One-Stop Building Services Center on the second floor. He said the Public Building Commission (PBC) will move forward with infrastructure to service the third floor.

F. Public Building Commission (PBC) - Workman, Hudkins

Workman noted the Mayor is planning to relocate other city offices. Those plans have not been made public.

Hudkins reported the Courthouse Plaza project is complete and came in under budget.

G. Board of Health - Schorr

Schorr said the Health Department will no longer operate the Access Medicaid Program in Lancaster County due to funding cuts by the State. She expressed concern how this change will impact local hospitals, providers and the County's General Assistance (GA) Program.

H. Lancaster County Fairgrounds Joint Public Agency (JPA) - Workman, Heier

No report.

11 ADJOURNMENT

MOTION: Stevens moved and Heier seconded to adjourn the meeting at 11:14 a.m. Schorr, Hudkins, Workman, Stevens and Heier voted aye. Motion carried.

Dan Nolte
Lancaster County Clerk