

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING, ROOM 113
THURSDAY, MAY 3, 2012
8:30 A.M.**

Commissioners Present: Deb Schorr, Chair
Larry Hudkins, Vice Chair
Bernie Heier
Jane Raybould
Brent Smoyer

Others Present: Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Dan Nolte, Lancaster County Clerk
Cori Beattie, Deputy County Clerk

Advance public notice of the Board of Commissioners Staff Meeting was posted on the County-City Building bulletin board and the Lancaster County, Nebraska, web site and provided to the media on May 2, 2012.

The Chair noted the location of the Open Meetings Act and opened the meeting at 8:30 a.m.

AGENDA ITEM

**1 APPROVAL OF THE MINUTES OF THE THURSDAY, APRIL 26, 2012
STAFF MEETING**

MOTION: Heier moved and Smoyer seconded approval of the April 26, 2012 staff meeting minutes. Hudkins, Smoyer and Heier voted aye. Schorr abstained. Raybould was absent. Motion carried 3-0 with one abstention.

2 ADDITIONS TO THE AGENDA

None were stated.

**3 PROPERTY TAX EXEMPTION PROCESS - Scott Gaines, Chief Deputy
Assessor/Register of Deeds**

Scott Gaines, Chief Deputy Assessor/Register of Deeds, noted the hearing on permissive exemptions will be held on Tuesday, May 22, 2012. The County Clerk's office is responsible for notifying property owners of the hearing date, as well as the Board of Equalization's action following the meeting. Gaines said roughly 900 applications will be reviewed. He distributed a handout defining the criteria which must be met for educational, religious, charitable and cemetery organizations to qualify for the exemption and definitions for each organization (see

Exhibit A). He added the exemption applications will be broken down into four categories: approved, approved-partial, denied and late filings. Schorr questioned the appeal process. Gaines said the Board of Equalization's decision can be appealed to the State Tax Equalization and Review Commission (TERC). Hudkins questioned whether the applicant will be notified in advance if a change in exemption status is recommended by the Assessor's Office. Norm Agena, County Assessor/Register of Deeds, said the property owners are not notified of changes - just the hearing date. Gaines added the Board may want to visit with the County Attorney's office prior to the meeting regarding any conflicts of interest.

4 LANCASTER COUNTY ANNUAL REPORT PREVIEW - Diego Moreno, County Board Intern

Raybould arrived at 8:42 a.m.

Diego Moreno, County Board Intern, said the annual report is currently in draft form. He unveiled a pie chart showing the breakdown of County expenditures by various categories (general government, public safety, human services, etc.). He encouraged input from the County Board and department heads regarding the category names, text and breakdowns. Andy Stebbing, County Treasurer, said he would be happy to display the annual report on his department's web site. Gwen Thorpe, Deputy Chief Administrative Officer, said once the report is finalized, a press release will be issued. Schorr suggested it also be presented at a Tuesday meeting. Moreno indicated the report format will allow for easy updates and future modifications. The Board commended Moreno on his efforts with the annual report and thanked him for assisting their office this semester.

ACTION ITEMS

- a. Letter of Support for University of Nebraska at Omaha Grant Application to Office of Juvenile Justice and Delinquency Prevention

MOTION: Smoyer moved and Hudkins seconded to authorize the Chair to sign the letter of support. Hudkins, Smoyer, Heier, Raybould and Schorr voted aye. Motion carried 5-0. **(See Exhibit B.)**

ADMINISTRATIVE OFFICER REPORT

- a. Ecological Committee Appointment (Rachel Simpson)

The consensus was to forward the appointment to a Tuesday County Board meeting.

5 (B) CORRECTIONS QUARTERLY REPORT - Mike Thurber, Corrections Director

Separate minutes.

5 (A) NEW JAIL CONSTRUCTION UPDATE - Mike Thurber, Corrections Director; Chuck Richter, Sampson Construction; Greg Newport, Clark Enersen Partners

Progress photos were distributed (**see Exhibit C**). Chuck Richter, Sampson Construction, said there are roughly 80-90 workers onsite daily. PSA Dewberry will be checking the cells next week along with representatives from Clark Enersen Partners. It was noted the cell vendor will be responsible for any changes if warranted. Greg Newport, Clark Enersen Partners, said they did not anticipate many issues to arise as a thorough punch list was provided. Richter said machine testing will also be performed next week on all sliding doors. Kitchen equipment installation and landscaping are scheduled to begin this month. He noted data cables are still being pulled but should be completed by the May 15th deadline. Schorr questioned the completion percentage. Richter said the office and second levels are done with work currently underway on the ground floor.

With regard to training, Mike Thurber, Corrections Director, indicated the new staff will be trained in the current jail, allowing the more experienced staff to begin training at the new facility. Upon more substantial completion of the building, he estimated all staff would be trained within five months.

Smoyer questioned the time line for community tours. Thurber hoped the building would be ready for tours by late summer.

ADMINISTRATIVE OFFICER REPORT

b. Community Mental Health Center ITN Committee Members

Kerry Eagan, Chief Administrative Officer, distributed a list of proposed Committee members (**see Exhibit D**) and a letter from J Rock Johnson addressing the draft thank you letter to the Invitation to Negotiate (ITN) Committee members (**see Exhibit E**).

With regard to the Committee, Smoyer and Hudkins felt it was appropriate that the representatives from the Community Mental Health Center (CMHC) serve as ex-officio (non-voting) members. Raybould disagreed, noting that she would like to see them as full participants. Schorr questioned their names. Eagan said Dean Settle, former CMHC Executive Director, was going to forward this information to him but had not to date. Discussion followed regarding the possibility that different (or rotating) CMHC representatives may need to participate due to varying degrees of expertise. Raybould questioned the inclusion of the County Board representatives' names on the list. Eagan said Commissioners Raybould and Smoyer would be included as voting members. He added Ron Sorenson, CMHC Executive Director, will be in charge of facilitating the meetings.

MOTION: Heier moved and Hudkins seconded to include two representatives from the Community Mental Health Center as ex-officio committee members. Hudkins, Smoyer, Heier and Schorr voted aye. Raybould voted nay. Motion carried 4-1.

MOTION: Raybould moved and Hudkins seconded to approve the list of Community Mental Health Center ITN Committee Members as presented, with the inclusion of County Commissioners Jane Raybould and Brent Smoyer, and two CMHC representatives. Hudkins, Smoyer, Heier, Raybould and Schorr voted aye. Motion carried 5-0.

Schorr requested that copies of the HMA report be forwarded to Tony Messineo and Gary Lorenzen since they are somewhat new to the issue. Eagan said he will send related materials to all committee members.

With regard to J Rock Johnson's letter (Exhibit E) voicing concerns with the wording "peer supported programming", "competitive bidding process" and the Committee name "ITN Review Committee", the Board's consensus was to send out the thank you letter as drafted. Raybould added that J Rock Johnson's letter is a good reminder about the sensitivity surrounding this issue but felt the letter was general in nature and that some of the concerns will be addressed by the Committee. Eagan said he used the words "competitive bidding process" since that is what is included in State Statute. He added the Board could revise the Committee name if so desired. No alternate names were offered.

6 CONTRACT WITH LIZ NEELEY FOR IMPLEMENTATION OF APPOINTED COUNCIL RECOMMENDATIONS - Dennis Keefe, Public Defender; Randall Goyette, Lancaster County Indigent Defense Advisory Committee Chair

Dennis Keefe, Public Defender, appeared and voiced his support of moving forward with the implementation of the Indigent Defense Advisory Committee recommendations. He noted the contract amount proposed by Liz Neeley (\$23,400) is a maximum total spread over 18 months.

Randall Goyette, Lancaster County Indigent Defense Advisory Committee Chair, discussed the work which could be performed by the Committee and that which would be done by Neeley. He stressed Neeley's assistance would be necessary to accomplish the outlined goals.

Keefe said another issue would be to pursue a legislative proposal changing the definition of "custodian." He estimated doing so could save the County \$125,000 per year. Goyette added that not all recommendations would need to be addressed at this time. An option would be to take a look at those which are the most calculated to provide efficient services.

Raybould questioned projected cost savings and benchmarks. Keefe indicated the analysis of data will save money but it may be difficult to meet certain benchmarks. Schorr suggested Neeley provide updates to the County Board at 6, 12 and 18 months.

With regard to cost, Dennis Meyer, County Budget Director, said this expense has not been budgeted this year but could be added to the list for an upcoming discussion. He also pointed out the Board will have a lot of decisions to make with regard to funding priorities for fiscal year 2012-13. If approved, he recommended it come out of the Justice-Miscellaneous budget.

Raybould felt it would be helpful if Neeley could provide projected cost savings for each recommendation. Keefe indicated this could probably be done. Schorr said this information could be submitted with the budget. Keefe voiced his concern with waiting until August to start legislative proposals pertaining to changing the definition of "custodian." It was noted some of this legwork can begin now. Eagan said this issue is already included on the Board's legislative list for next year.

ADMINISTRATIVE OFFICER REPORT

- d. Letter to Supreme Court on Proposed Guidelines for Guardians ad Litem in Juvenile Court

Keefe said he will forward a draft to the County Board before the deadline. He indicated the proposed changes would significantly increase costs and caseloads and prevent Legal Aid of Nebraska's ability to provide services.

7 INFORMATION SERVICES UPDATE - Steve Henderson, Chief Information Officer

Steve Henderson, Chief Information Officer, distributed an Information Services (IS) Update (**see Exhibit F**) and a breakdown of FY2012-13 customer billing (**see Exhibit G**). He provided a brief overview of Exhibit F noting that his budget will be reduced by two full-time employees due to the mainframe transfer to the State. Additionally, a third position will be reclassified to a lower pay grade following an upcoming retirement.

With regard to the billing information, Henderson noted the increase to the County Commissioners' budget was due to the addition of GIS (Geographic Information System).

Raybould questioned the potential savings associated with VOIP (Voice Over Internet Protocol). Henderson said this savings would be realized by a reduction in costs payable to Windstream, not Information Services. He added after the initial investment to convert to VOIP, annual costs would decrease significantly. Meyer noted that currently the County has only approved VOIP for the new jail. Future discussions will need to occur regarding the inclusion of other County departments.

In response to Schorr's inquiry regarding the decrease to the County Treasurer's budget, Henderson said IS originally proposed a budget of \$326,000 based on normal projections. Due to budget concerns, this amount was negotiated to \$208,000 with the understanding that the Treasurer would repay the remaining balance over the next two years.

Raybould said she was floored with how expensive IS is compared to the private sector. Henderson respectfully disagreed and said he would be happy to review the rate structure with anyone interested in the billing details.

Heier questioned the relationship between the number of employees per department versus the cost. Henderson indicated that the larger budget figures typically mean more IS business is being used by that department.

Schorr said she would like the GIS amount removed from the County Commissioners' budget for better transparency.

Smoyer asked about the savings realized from moving the mainframe to the State. Henderson said it would be modest - perhaps around \$90,000.

8 AGRICULTURAL SOCIETY EVENTS CENTER PHASE III - Alan Wood, Lancaster County Agricultural Society Attorney; Ron Snover, Lancaster Event Center Managing Director; Joanne Kissel, Clark Enersen Partners; Dr. Ernie Goss, Goss & Associates; Tom Junge, Iowa-Nebraska Equipment Dealers Association Show Manager; Scott Keene, Ameritas Investment Corporation

The following handouts were distributed: Phase III Improvements (**see Exhibit H**); a study on the Economic Impact of the Lancaster Event Center Phase 3: 2012 and Beyond (**see Exhibit I**); and a letter and attachments from Andrew Goodman, President and CEO, Iowa-Nebraska Equipment Dealers Association (**see Exhibit J**).

Schorr declared a conflict of interest as her husband is a law partner of Alan Wood. She indicated she would be facilitating the discussion but not participating in it.

An overview of Exhibit H was provided. It was noted Phase III was part of the original master plan. It includes an ag coliseum with 2500+ permanent seats, a new pavilion (Pavilion 5), upgrades to existing buildings (lighting, power, concessions), site improvements (parking, campground, landscaping), city-road improvements, furnishings and equipment, and other associated costs. The total estimated cost of the project is \$43,837,218.

Dr. Ernie Goss, Goss & Associates, noted that agriculture is driving the local economy and, since interest rates are at or near record lows, now is a good time to issue bonds for the project. He provided examples related to the return on the investment, as well as the impact to the local taxpayer. Goss said if commercial development (hotel/retail) is included on the northwest corner of the site, the annual rate of return for Lincoln and Lancaster County would be approximately 5.6%. The cost to the Lancaster County taxpayer with a \$100,000 home would be roughly -\$4.20 if additional events were booked at the Event Center and the commercial development were included. Raybould questioned the reduction. Goss said it would be reflected through additional local tax collections (i.e., sales and lodging tax).

Hudkins said he would be willing to consider an investment if it will continue in the future. In response to Hudkins' inquiry, Tom Junge, Iowa-Nebraska Equipment Dealers Association (INEDA) Show Manager, said their show at the Event Center has seen dramatic growth since 2007. In fact, it is one of the top three indoor agricultural shows in the country. He noted a facility expansion would put the Event Center "on the map" with regard to attracting even more vendors and events as Nebraska is in the heart of agriculture. Raybould inquired if other states are looking to expand similar venues. Junge said Iowa recently renovated but the INEDA quickly outgrew that site. Snover added the Event Center has an advantage in that it is not land-locked, unlike other facilities in the Midwest.

Scott Keene, Ameritas Investment Corporation, said from a borrowing perspective, things are looking good as interest rates are still low. He noted buyers are a little hesitant when it comes to locking in 30-year rates, thus, long-term rates could increase slightly over time. He was comfortable with the initial financing (20, 25 or 30-year term). Additional options could also be considered as the process unfolds.

Heier questioned the current bond balance. Alan Wood, Agricultural Society Attorney, said the balance is \$8.1 million. Keene noted these bonds are not callable until December, 2014, therefore, it does not make economic sense to refinance them at this time. He added this could be an option down the road if refunding the bonds saves the County money.

Raybould questioned the promotional strategy and time line. Wood said they will be meeting with the Journal Star editorial board today to discuss the project. They also plan to have a community information process between now and July prior to asking the County Board for formal consideration of the proposal. Raybould asked if the issue would be on the November ballot. Wood noted the Lancaster County Fairgrounds Joint Public Agency (JPA) has the authority to issue bonds without a vote of the people. Keene added that unlike other political subdivisions, there is not a financial benefit to having a public vote. The only thing allowable to pledge is the 3.5¢ capital levy of the Agricultural Society which was lent to the JPA. Raybould asked if Phase III could be divided into additional phases due to the cost. Snover said the original master plan was designed in phases and now is the time for the final one.

Smoyer was generally supportive of the concept but had concerns related to the struggling economy and the impact the additional tax would have on property owners. He agreed that breaking Phase III into smaller pieces may be more palatable.

Heier indicated he and Commissioner Hudkins were on the County Board when the original plan was approved. He said they took a lot of heat for supporting the Event Center but, over the years, this had subsided.

Wood indicated they would be back before the County Board in July following the community information process.

9 PROPERTY TAX SYSTEM - Andy Stebbing, County Treasurer; Terry Adams, Chief Deputy County Treasurer; Steve Henderson, Chief Information Officer; Terry Lowe, Information Services Project Manager

Andy Stebbing, County Treasurer, said bond money in the amount of \$500,000 was set aside years ago for the purpose of upgrading the Treasurer's property tax system. He felt now is the time to pursue this upgrade which must also integrate with the Assessor's property database. Bids were received ranging anywhere from \$800,000 to \$1.3 million. Stebbing said he then discussed the project with Information Services (IS). They estimated they could build the system for roughly \$250,000. The system would not be on the mainframe. Stebbing said additional savings could be realized through a \$50,000 reduction in his department's annual IS budget, as well as a \$25,000 reduction in maintenance fees paid for the current system.

Raybould thought the \$800,000 bid seemed high. Stebbing said he did not think he could find a system for \$500,000. Terry Adams, Chief Deputy County Treasurer, felt this is the best solution as most counties are paying a lot more for similar systems.

In response to Schorr's inquiry, Dennis Meyer said the savings (approximately \$250,000) could be used to pay off the bonds.

When asked if he had any concerns, Norm Agena, County Assessor/Register of Deeds, said the project does not affect his office as property information will be exchanged through an interface.

Heier questioned if the system could eventually be sold to others. Terry Lowe, Information Services Project Manager, said yes. Eagan suggested a contract be written addressing the project specifics.

MOTION: Heier moved and Hudkins seconded to proceed with a contract between the County and the City for the development of a new property tax system for the County Treasurer.

With regard to a timeframe, Stebbing said he hoped to have it done by November. Henderson said IS resources will be immediately devoted to accomplish this deadline. Brittany Behrens, Deputy County Attorney, said once she receives the specific details from the Treasurer the contract should be finalized quickly.

ROLL CALL: Hudkins, Smoyer, Heier, Raybould and Schorr voted aye. Motion carried 5-0.

10 ACTION ITEMS

- a. Letter of Support for University of Nebraska at Omaha Grant Application to Office of Juvenile Justice and Delinquency Prevention

Item 10a was moved forward on the agenda.

11 CONSENT ITEMS

No items were listed.

12 ADMINISTRATIVE OFFICER REPORT

- a. Ecological Committee Appointment (Rachel Simpson)
- b. Community Mental Health Center ITN Committee Members

Items 12a and 12b were moved forward on the agenda.

- c. Management Team Agenda Items (May 10, 2012)

Due to a lack of agenda items, the consensus was to cancel the meeting.

- d. Letter to Supreme Court on Proposed Guidelines for Guardians ad Litem in Juvenile Court

Item 12d was moved forward on the agenda.

- e. Transfer of County Property to Malcolm Fire Department

Eagan said the item was referred to the County Attorney and County Engineer.

13 PENDING

No items were listed.

14 DISCUSSION OF BOARD MEMBER MEETINGS

- a. General Assistance Monitoring Committee - Raybould/Hudkins

Hudkins said it was noted that transferring the Community Mental Health Center could have an \$400,000-\$600,000 impact on the general assistance budget. Discussion took place regarding the 97% budget request. Raybould added rent for Health & Human Services space, the Lincoln-Lancaster County Health Department contract and burial rates will be reviewed. She said additional appropriations of \$175,000-\$200,000 will likely be needed this budget year.

- b. Chamber Coffee - Smoyer/Raybould

Smoyer said the group discussed the federal budget and taxation issues.

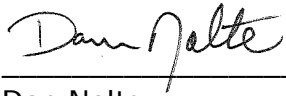
EMERGENCY ITEMS AND OTHER BUSINESS

Hudkins announced that Eagan was re-elected to the People's Choice Federal Credit Union Board of Directors at its annual meeting. It was noted other County representatives on that Board include Sheriff Terry Wagner and Mike Thurber, Corrections Director.

Raybould said the Grid Iron event will be held this week. A tribute is planned to outgoing County Commissioner, Bernie Heier.

ADJOURNMENT

MOTION: Smoyer moved and Hudkins seconded to adjourn the meeting at 11:45 a.m. Hudkins, Smoyer, Heier, Raybould and Schorr voted aye. Motion carried 5-0.



Dan Nolte
Lancaster County Clerk





What criteria must be met for educational, religious, charitable, and cemetery organizations to qualify for the exemption?

To qualify for a permissive exemption the property must **meet all five** of the following criteria:

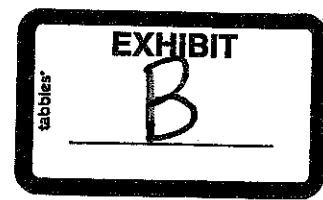
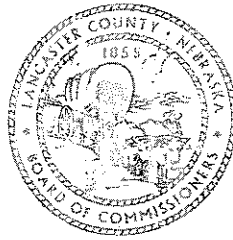
1. Be **owned** by educational, religious, charitable, or cemetery organizations, or any organization for the exclusive benefit of any such educational, religious, charitable, or cemetery organization;
2. Be **used exclusively** for educational, religious, charitable, or cemetery purposes;
3. **Not** be owned or used for **financial gain or profit** to either the owner or user;
4. **Not** be used for the sale of **alcoholic liquors** for more than 20 hours per week; and
5. **Not** be owned or used by an organization which **discriminates** in membership or employment based on race, color, or national origin.

Educational organization means an institution operated exclusively for the purpose of offering regular courses with systematic instruction in academic, vocational, or technical subjects, or an organization that assists students relating to the origination, processing, or guaranteeing of federally insured student loans for higher education. Educational organization shall also mean a museum or historical society operated exclusively for the benefit and education of the public.

Religious organization means an organization whose purpose is the dedication to or profession of a sectarian creed and belief in a divine or superhuman power or powers to be obeyed or worshipped, or the furtherance and enrichment of spiritual faith involving a code of ethics and a spiritual philosophy.

Charitable organization means an organization operated exclusively for the purpose of the mental, social, or physical benefit of the public or an indefinite number of persons.

Cemetery organization means an organization whose purpose is to maintain areas formally set apart for the interment of human dead.



LANCASTER COUNTY BOARD OF COMMISSIONERS

Bernie Heier Larry Hudkins Deb Schorr Brent Smoyer Jane Raybould
Kerry Eagan, *Chief Administrative Officer* Gwen Thorpe, *Deputy Administrative Officer*

May 3, 2012

The Office of Juvenile Justice and Delinquency Prevention
810 Seventh Street NW
Washington, DC 20531

RE: CFDA # 16.541 Field-Initiated Research and Evaluation Program

To Whom it May Concern:

The Lancaster County Board of Commissioners is in support of the Field Initiated Research and Evaluation Program. Funding through this would allow the University of Nebraska at Omaha to research the cause of the school to prison pipeline and help us in identifying evidence based programs and/or practices to deter some of these youth.

Lancaster County has a strong collaboration with Lincoln Public Schools. We understand that partnering with them benefits our children. We are aware of the school to prison pipeline and know children benefit from remaining out of the juvenile justice system and engaged and attached to their school. We are in support of any research and/or program that does this.

The Lancaster County Board of Commissioners fully supports the disbursement of grant funding to support this important research.

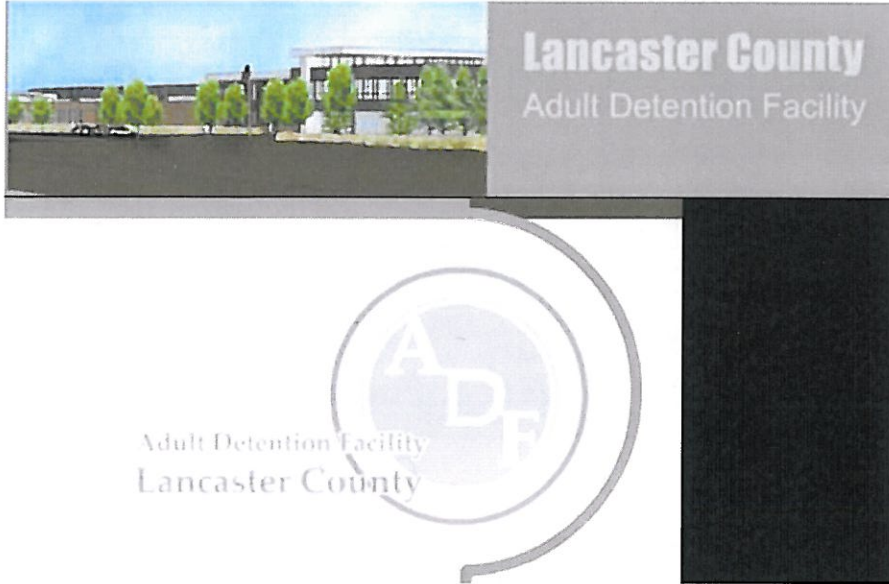
Sincerely,

Deb Schorr, Chair
Lancaster County Board of Commissioners

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**Lancaster County
Adult Detention Facility**

Lincoln, Nebraska

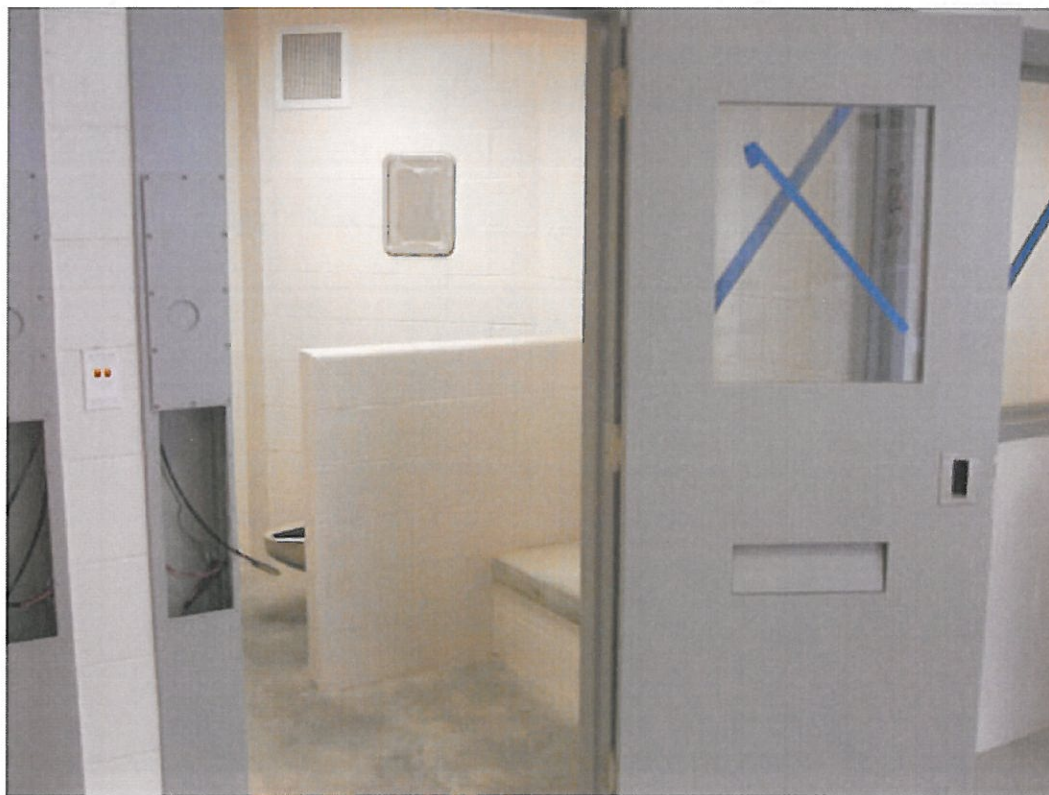


**Progress Photos
May 3, 2012**

Intake/Booking Area



Holding Cell at Intake/Booking Area



Dayroom on Ground Level



Rooftop Mechanical Rooms



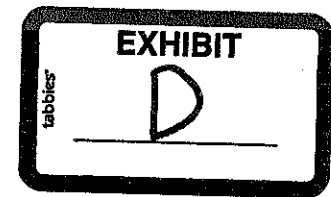
FIRST NAME	LAST NAME
Lori	Seibel
Ron	Sorenson
Pat	Talbott
CJ	Johnson
Gail	Anderson
J Rock	Johnson
Judy	Halstead
Captain Joe	Wright
Gary	Lorenzen

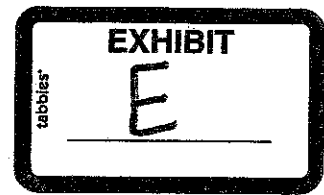
Anthony (Tony)	Messineo
Vince	Mejer *
Kerry P.	Eagan *

*Ex-officio: Kerry P. Eagan

Vince Mejer

Representatives from Community Mental Health Center





Mr. Eagan,

I write to call your attention to a misunderstanding in the May 3, 2012, draft Thank You letter prepared for the chair to send to members of the ITN (invitation to Negotiate) Committee to be addressed today.

You may recall the discussion at the time the report was finalized. It took a while to explain the nuances of "peer", "consumer operated" and "consumer run", which was understandable, but eventually you got it down. Our solution was to use the same language, "consumer run or consumer operated programs in the recommendations, but somehow, we ended up with "peer supported programming" which is not an equivalent.

I spoke with you about this after the Public Hearing on the report in February. You said you didn't think it would be a problem, but unfortunately that language made it into the draft Invitation to Negotiate thank you letter to committee members.

The concern is quickly addressed: replace "peer supported programming" with "peer support and consumer operated and consumer run services."

My second concern is labeling the Committee as the ITN "Review" Committee. The Committee draws its inspiration from the jointly funded Community Health Endowment and Lancaster County HMA report released January, 2012, pages 21-26, where it is conceived as much more than a "review" committee. At page 26 it is characterized as being "representative of the community stakeholders". Region 5, the designated behavioral health authority and major contractor, is recommended to take the lead in preparing and writing the ITN, "an application that would outline the ideal system for Lancaster (County)". The ITN will act as a guideline document that lays out major requirements and encourages innovation in the applications from the interested parties." The Invitation to Negotiate Committee represents the community and has a significant role to play. It is an active participant and should not be limited to the only a "review" role.

The ITN Committee should also be active in the development of its charge and operating rules; Participating as this level is part of its ITN community stakeholder function. Speaking to that function, the HMA report at page 22 notes "treatment and the approach to services have changed dramatically in the last ten to 15 years in the behavioral health field".

The third concern in the Thank You letter to the Invitation to Negotiate Committee has to do with the phrase "competitive bidding process", generally meaning the lowest price, as well as its relationship to the Invitation to Negotiate process and how they fit together. The HMA report at page 21 notes "while the county is no longer committed to providing direct services, they indicate they are committed to the provision of quality services for individuals with behavioral health issues in Lancaster County." Lowest cost and quality are not mutually exclusive, but community stakeholder involvement, i.e. ITN Committee, development of criteria and qualifications will be necessary to meet community expectations to ensure it is not the case here.

Perhaps this phrase better reads "competitive bidding process within price, quality and recovery parameters" to attempt to capture a the new approach to service provision that best fits the needs of the community in the HMA report.

Thank you for the opportunity to bring my concerns to your attention and that they could be relatively easily remedied. Thank you again for the many, many hours you have invested , and will invest, regarding CMHC.

J. Rock



County Board of Commissioners Staff Meeting
Information Services Update
May 3, 2012

- FY12-13 Request of \$6,208,561 is a 0.16% (\$9,643) increase over FY11-12 Council Approved Budget of \$6,198,918

- Due in large measure to the upcoming change in mainframe service delivery, Information Services is voluntarily surrendering 2.0 FTE in the FY12-13 Request

- Another senior management position will be repurposed sometime within next year

- Issues and projects of enterprise importance – examples include VOIP, Automated Vehicle Location (AVL), “dashboard” software (LogiXML), Accela implementation, ad hoc reporting software (Crystal Reports) and Geographic Information Systems (GIS) – are increasingly the focus of efforts within Information Services

- Among these enterprise activities, one is of specific note – GIS services are now being billing to a broader, more generalized portfolio of city and county customers

- During the past year, two groups – the Technical Discussion Forum and the Information Services Advisory Group – have been formed to foster improved communication between Information Services, its customers and the broader community

- As a modest contribution to a “greener” operation, Information Services provided billing information for budget planning to customers using online services instead of paper-based delivery

- Review of billing projections

Information Services FY12-13 Customer Billing



Customer	Entity	FY11-12	FY12-13	Difference	Percentage
Adult Probation	County	29,322.00	32,028.10	2,706.10	9.23%
Adult Probation - Intensive Supr.	County	2,213.00	2,624.53	411.53	18.60%
Aging	City	66,148.00	72,069.87	5,921.87	8.95%
Building & Safety	City	132,234.00	124,058.32	(8,175.68)	-6.18%
City Attorney	City	19,651.00	30,409.67	10,758.67	54.75%
City Council	City	804.00	868.77	64.77	8.06%
Clerk of District Court	County	30,416.00	30,734.60	318.60	1.05%
Community Corrections	County	16,524.00	19,894.12	3,370.12	20.40%
Corrections	County	140,320.00	164,945.07	24,625.07	17.55%
County Assessor	County	160,991.00	131,104.87	(29,886.13)	-18.56%
County Attorney	County	94,956.00	96,946.68	1,990.68	2.10%
County Clerk	County	84,549.00	69,951.19	(14,597.81)	-17.27%
County Commissioners	County	738,529.00	884,675.14	146,146.14	19.79%
County Court	County	5,342.00	5,615.11	273.11	5.11%
County Engineer	County	31,807.00	29,729.38	(2,077.62)	-6.53%
County Extension	County		0.48	0.48	--
County Records	County	12,489.00	17,564.42	5,075.42	40.64%
County Sheriff	County	135,766.00	123,912.23	(11,853.77)	-8.73%
County Treasurer	County	326,854.00	235,364.36	(91,489.64)	-27.99%
County Weed	County	11,841.00	14,370.26	2,529.26	21.36%
Development Services	City	45,410.00	59,451.05	14,041.05	30.92%
District Court	County	29,955.00	29,819.25	(135.75)	-0.45%
Election Commission	County	23,609.00	34,485.57	10,876.57	46.07%
Emergency Management	County	8,068.00	6,911.20	(1,156.81)	-14.34%
Finance - 911 Center	City	26,970.00	29,009.68	2,039.68	7.56%
Finance - Accounting	City	97,737.00	87,184.97	(10,552.03)	-10.80%
Finance - Administration	City	1,604.00	3,044.50	1,440.50	89.81%
Finance - Budget	City	3,536.00	11,352.17	7,816.17	221.05%
Finance - City Clerk	City	732.00	2,441.28	1,709.28	233.51%
Finance - City Treasurer	City	55,369.00	3,472.35	(51,896.65)	-93.73%
Finance - Pershing	City	2,723.00	3,953.25	1,230.25	45.18%
Finance - Purchasing	City	3,541.00	3,506.60	(34.40)	-0.97%
Fire and Rescue	City	231,897.00	252,065.51	20,168.51	8.70%
General Expense	City	1,411,482.00	1,550,196.51	138,714.51	9.83%
GIS		52,074.00	0.00	(52,074.00)	-100.00%
Health	City	332,533.00	367,586.27	35,053.27	10.54%
Human Services	County	4,981.00	4,086.25	(894.75)	-17.96%
Juvenile Court	County	9,386.00	8,616.75	(769.25)	-8.20%
Juvenile Drug Court	County	431.00	425.00	(6.00)	-1.39%
Juvenile Probation	County	12,553.00	13,398.14	845.14	6.73%
LES	City	144,957.00	142,101.08	(2,855.92)	-1.97%
Library	City	9,502.00	9,514.76	12.76	0.13%
Mayor	City	4,263.00	4,378.69	115.69	2.71%
Mayor - CIC	City	1,421.00	1,881.11	460.11	32.38%
Mayor - Human Rights	City		536.50	536.50	--
Mental Health	County	51,454.00	53,482.43	2,028.43	3.94%
Parks & Recreation	City	51,930.00	53,117.28	1,187.28	2.29%
Personnel	City	51,029.00	47,024.77	(4,004.23)	-7.85%
Personnel - Police/Fire Pension	City	13,119.00	22,474.54	9,355.54	71.31%

Information Services FY12-13 Customer Billing

Personnel - Risk Mgmt	City	16,250.00	21,131.39	4,881.39	30.04%
Planning	City	34,212.00	35,141.37	929.37	2.72%
Police	City	337,416.00	285,298.30	(52,117.70)	-15.45%
Public Building Commission	County	9,704.00	10,890.57	1,186.57	12.23%
Public Defender	County	51,140.00	51,308.17	168.17	0.33%
Public Works	City	639,597.00	655,173.46	15,576.46	2.44%
Public Works - Transportation	City	46,660.00	48,696.24	2,036.24	4.36%
Risk Management	County	8,414.00	5,515.92	(2,898.08)	-34.44%
Urban Development	City	48,309.00	124,396.21	76,087.21	157.50%
Veterans Administration	County	12,846.00	12,872.93	26.93	0.21%
Youth Services	County	42,659.00	37,394.79	(5,264.21)	-12.34%
TOTAL		5,970,229.00	6,180,203.97	209,974.97	3.52%
County		2,087,119.00	2,128,667.51	41,548.51	1.99%
City		3,831,036.00	4,051,536.46	220,500.46	5.76%

In the FY12-13 totals, GIS Services of \$535,029.99 are billed 70% to City General Expense and 30% to County Commissioners, per ISPC agreement.

What follows is additional detail about those GIS Services:

GIS - Administrative Base Costs	182,772.44
GIS - Services Purchased from IS	206,534.55
GIS - Aerial Data	117,952.00
GIS - LIDAR Data	27,771.00

GIS Administrative Base Costs, Aerial Data and LIDAR Data expenses were not included in IS billings in prior years. Those expenses were previously addressed by other means and should be excluded for comparisons between IS billings for FY11-12 and FY12-13.

ADJUSTED TOTAL	5,970,229.00	5,851,708.53	(118,520.47)	-1.99%
County	2,087,119.00	2,030,118.88	(57,000.12)	-2.73%
City	3,831,036.00	3,821,589.65	(9,446.35)	-0.25%



LANCASTER EVENT CENTER

PHASE III

IMPROVEMENTS



ERICKSON | SEDERSTROM
Founded 1968

HAMPTON CONSTRUCTION

The Clark Enersen Partners

REGA ENGINEERING GROUP, INC.

AMERITAS INVESTMENT CORP.
Member: FINRA and SIPC

Goss & Associates

LANCASTER EVENT CENTER

Lancaster County Super Fair: 10 days in August



LANCASTER COUNTY FAIR ATTENDANCE

Average attendance growth of 36% annually since 2008.

2008		2009		2010		2011	
Wednesday, August 6:	12,120	Wednesday, August 5:	13,961	Thursday, August 5:	14,237	Thursday, August 5:	14,767
Thursday, August 7:	13,125	Thursday, August 6:	22,954	Friday, August 6:	21,906	Friday, August 6:	23,163
Friday, August 8:	20,100	Friday, August 7:	29,615	Saturday, August 7:	23,740	Saturday, August 7:	25,804
Saturday, August 9:	16,010	Saturday, August 8:	27,319	Sunday, August 8:	10,198	Sunday, August 8:	15,639
Sunday, August 10:	13,015	Sunday, August 9:	14,050	Monday, August 9:	4,522	Monday, August 9:	13,441
TOTAL:	74,370	TOTAL:	107,899	Tuesday, August 10:	4,806	Tuesday, August 10:	12,598
				Wednesday, August 11:	4,794	Wednesday, August 11:	13,910
				Thursday, August 12:	5,680	Thursday, August 12:	12,124
				Friday, August 13:	21,530	Friday, August 13:	24,091
				Saturday, August 14:	28,833	Saturday, August 14:	32,705
				TOTAL:	140,246	TOTAL:	188,242



YEAR-ROUND EVENT BOOKINGS

Cutting Horse Craft Shows **Horse Shows**
Small Animal Activities Community Activities Dog Shows Cattle Shows
Gun Shows Llama Shows Fundraisers/Benefits

Dressage Shows **Livestock Sales** Reining
Plant/Nursery Sales Birthday Parties **Ag Events**
Livestock Shows Anniversary Parties Trade Shows

WEDDING RECEPTIONS **State 4-H Competitions** **Car Shows**
Electronics/Tool Shows **Flea Markets** Garage Sales
Boxing/Wrestling Martial Arts FOOD SHOWS
Poultry Shows School Activities Antique Shows

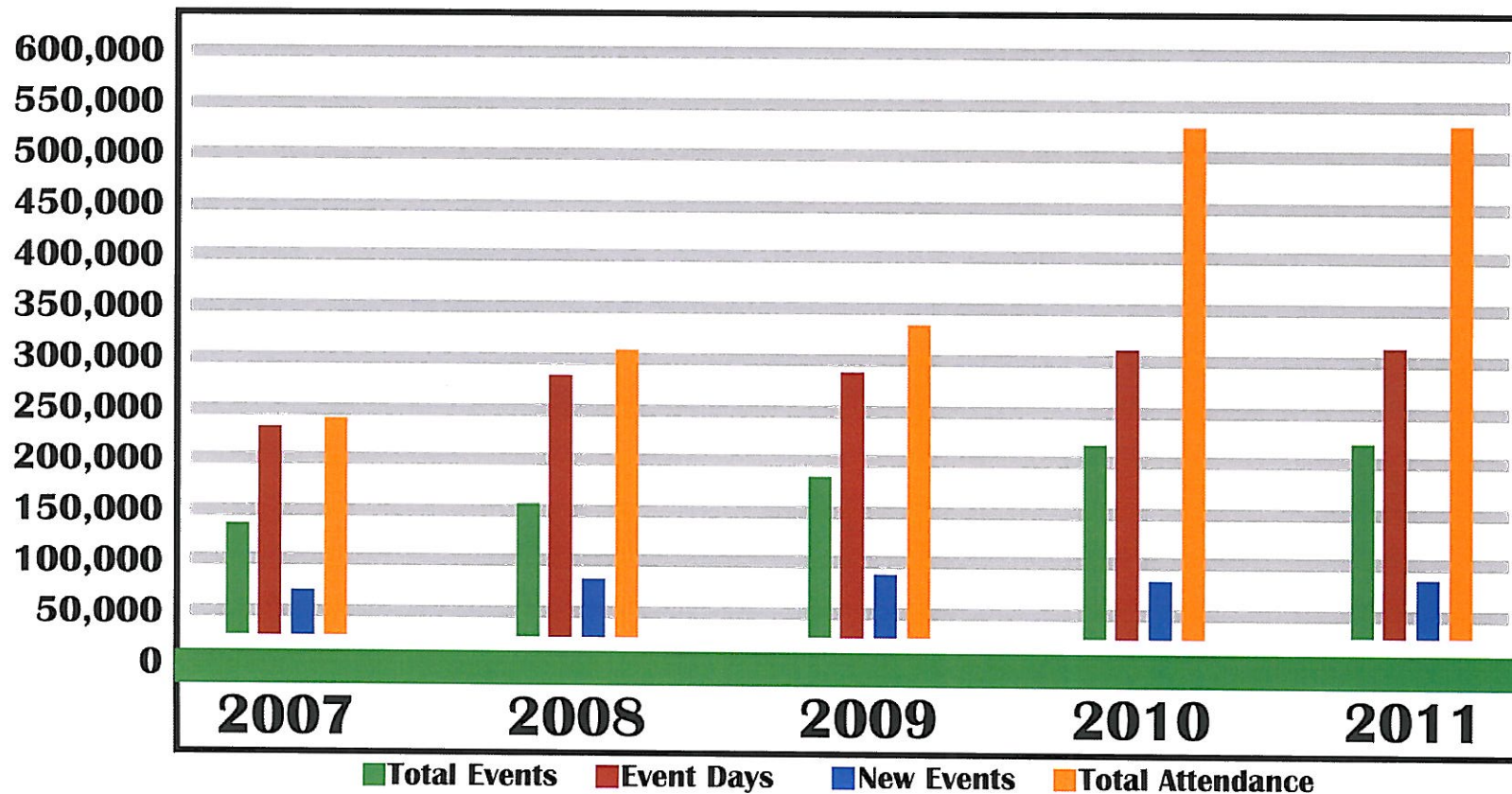
Team Sorting Pool Tournaments **Equipment Auctions**
Outdoor Sporting Events Barrel Racing
SUPER FAIR Farm Shows Car Auctions
Breed Shows/Sales **4H/FFA Events** Cat Shows

Team Roping SWAP MEETS **UNL Rodeo**

LANCASTER EVENT CENTER EVENT TOTALS

2007	2008	2009	2010	2011
Events: 120	Events: 162	Events: 199	Events: 205	Events: 209
Event Days: 230	Event Days: 278	Event Days: 280	Event Days: 309	Event Days: 424
New Events: 60	New Events: 78	New Events: 95	New Events: 73	New Events: 60
Attendance: 245,670	Attendance: 301,479	Attendance: 343,849	Attendance: 538,165	Attendance: 558,765

Amounts reflected in chart below displayed in thousands.



HIGHEST CURRENT DEMAND

- 51 Banquets, Meeting, Weddings, Special Dances, Fundraisers
- 28 Equestrian Events/Horse Shows
- 26 Auctions, Craft, Flea Markets, Antique & Garage Sales
- 25 Bull Rides/Rodeos/Barrel Racing/Team Penning, Roping & Reining
- 23 4H Shows & Activities
- 19 Trade Shows
- 11 Sporting Events, Mud Run, Roller Derby, Cage Fights
- 7 Car, Truck, Tractor & Motorcycle Shows
- 4 Livestock Shows
- 4 Dog Shows

UNMET DEMAND

Common requests that Lancaster Event Center cannot meet:

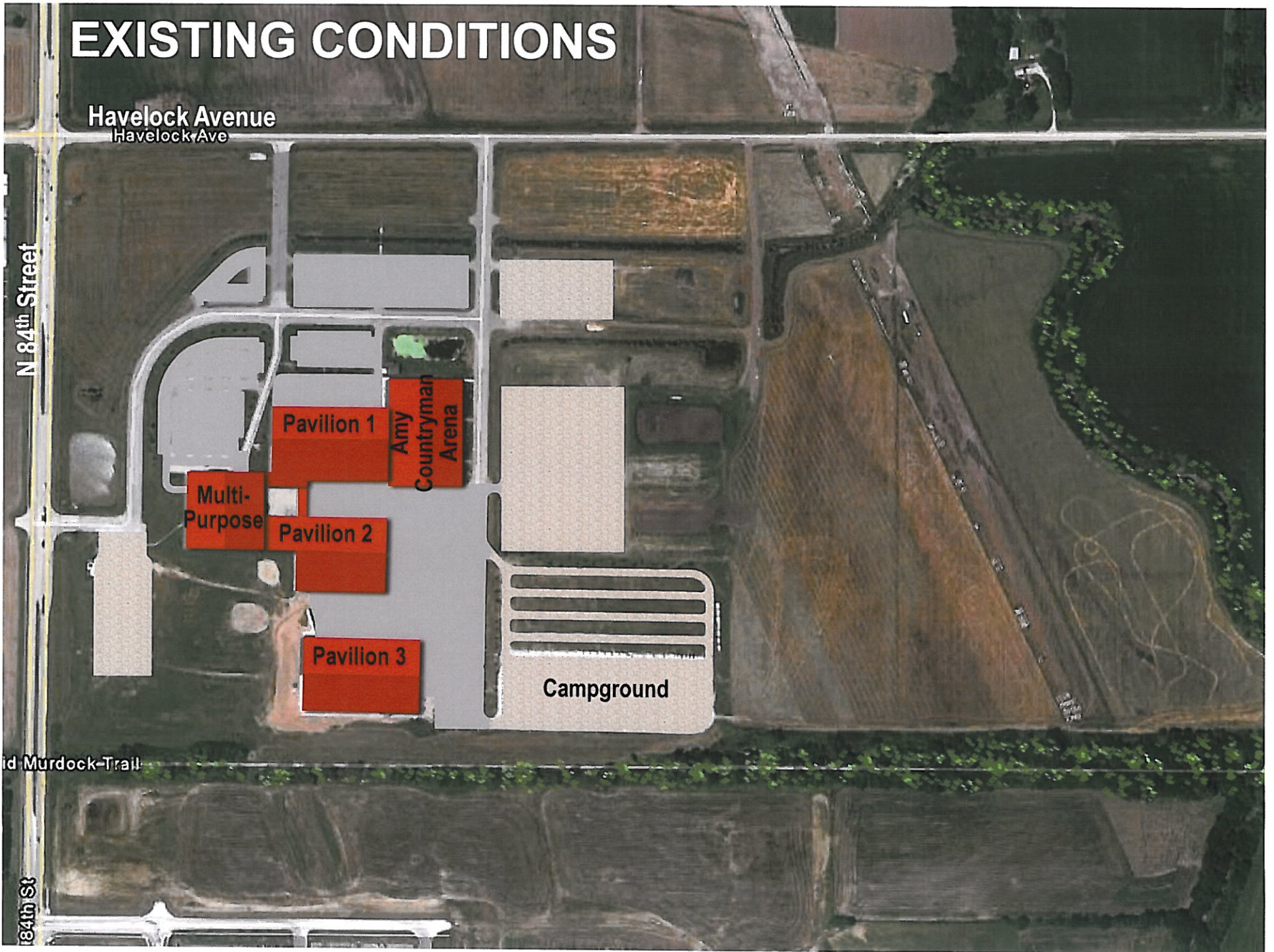
- Horse arena too small
- Lack of air-conditioned facilities
- Not enough horse stalls (800 capacity/1,200 demand)
- Permanent seating
- Lack of booking dates (multi-year contracts)
- No hotel on grounds
- Inadequate number of paved parking stalls
- No concrete floor in arena

BOOKINGS LOST

More than **25 Events** had to be turned away, including:

American Dairy Goat Association	National High School Rodeo
American Quarter Horse Association (Regional)	National Final Team Sorting
Antique Road Show	National Alpaca & Llama Show
ASPC-ASPR Congress Miniature Horse Show	National Tennessee Walking Horse
Collie Club of America	National Extreme Motorcycle
Cornhusker Pony Club	National Horse Shoe Pitching
Heartland NBHA Barrel Race	National Barrel Horse Association
Indoor Monster Trucks	National High School Rodeo
Indoor National Tractor Pulls	Nebraska Safari Club
International Professional Rodeo Association (IPRA)	Ponies of America Finals
	Ram Prairie Circuit Finals Rodeo
	Reichert Horse Celebration
	U.S. Dressage Federation
	U.S. Team Penning Association

EXISTING CONDITIONS



Havelock Avenue
Havelock Ave

N 84th Street

Pavilion 1

Amy
Countryman
Arena

Multi-
Purpose

Pavilion 2

Pavilion 3

Campground

Old Murdock Trail

184th St

PHASE III IMPROVEMENTS

Havelock Improvements

Havelock Avenue

N 84th Street

Commercial Development

New Lot

New Lot

Entry Upgrades and Landscape Improvements

Detention Upgrades

Pavillion 1

Amy Countryman Arena

New Lot

Multi-Purpose

Pavillion 2

New Lot

New Showers/Restrooms

New Ag Coliseum

New Pavillion 5

Pavillion 3

New Lot

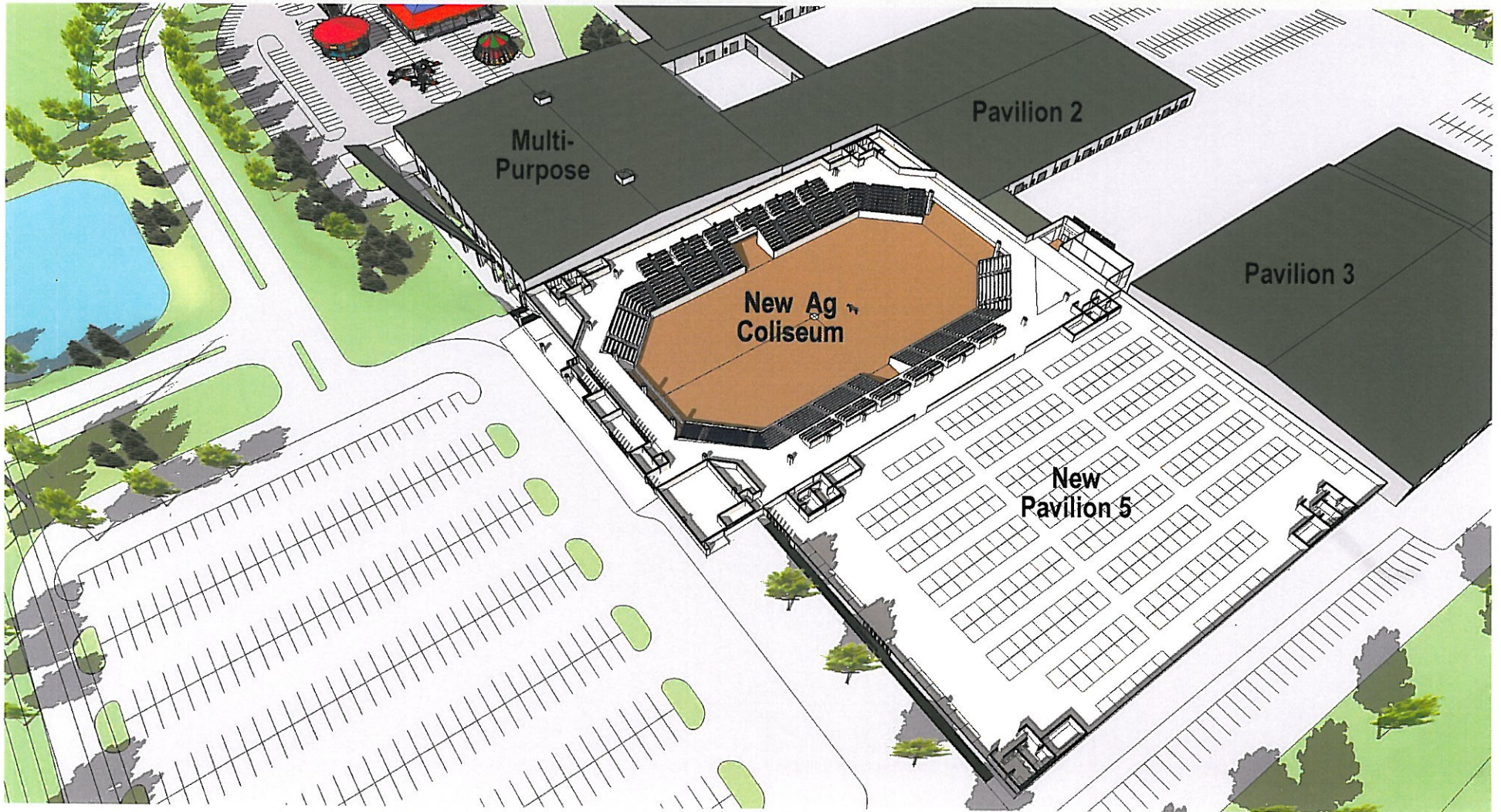
Relocated Campground

New Lot

84th St











BUDGET SUMMARY

BUDGET SUMMARY	Est. Cost*
New Building Construction (Pavilion & Coliseum)	\$25,075,300
Existing Building Upgrades (Lighting, Power, Concession)	\$889,342
Site Improvements (Parking, Campground, Landscape)	\$10,318,451
City-Required Road Improvements (Turn-lanes)	\$745,262
Utilities (Sanitary, Storm, Water, LES)	\$565,110
Contingency (8%)	\$3,007,477
Furnishings & Equipment	\$3,000,000
Other Non-Construction Costs (Geotech, Fiber, Phone)	\$236,276
TOTAL ESTIMATED PROJECT COSTS - PHASE III	\$43,837,218

* includes design, engineering, construction fees

The Economic Impact of Phase 3 of the Lancaster Event Center

Ernie Goss Ph.D. Professor of Economics,
Creighton University, MacAllister
Chairholder

Web: www.ernestgoss.com

Twitter.com/erniegoss

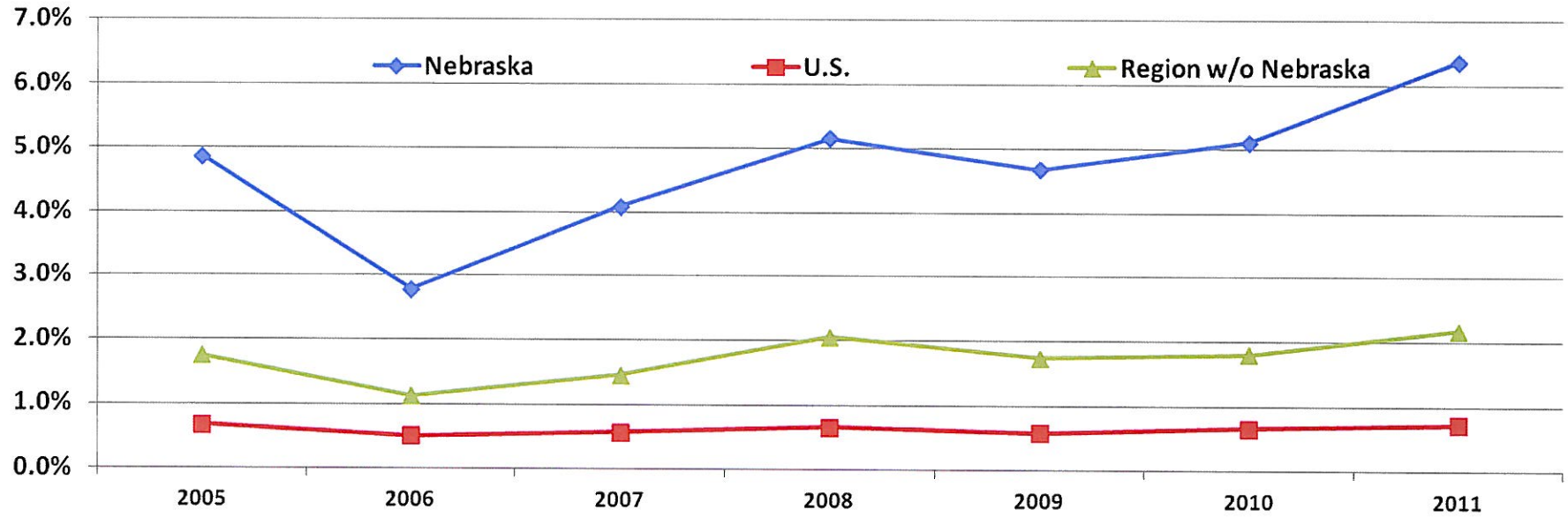
Web: www.outlook-economic.com



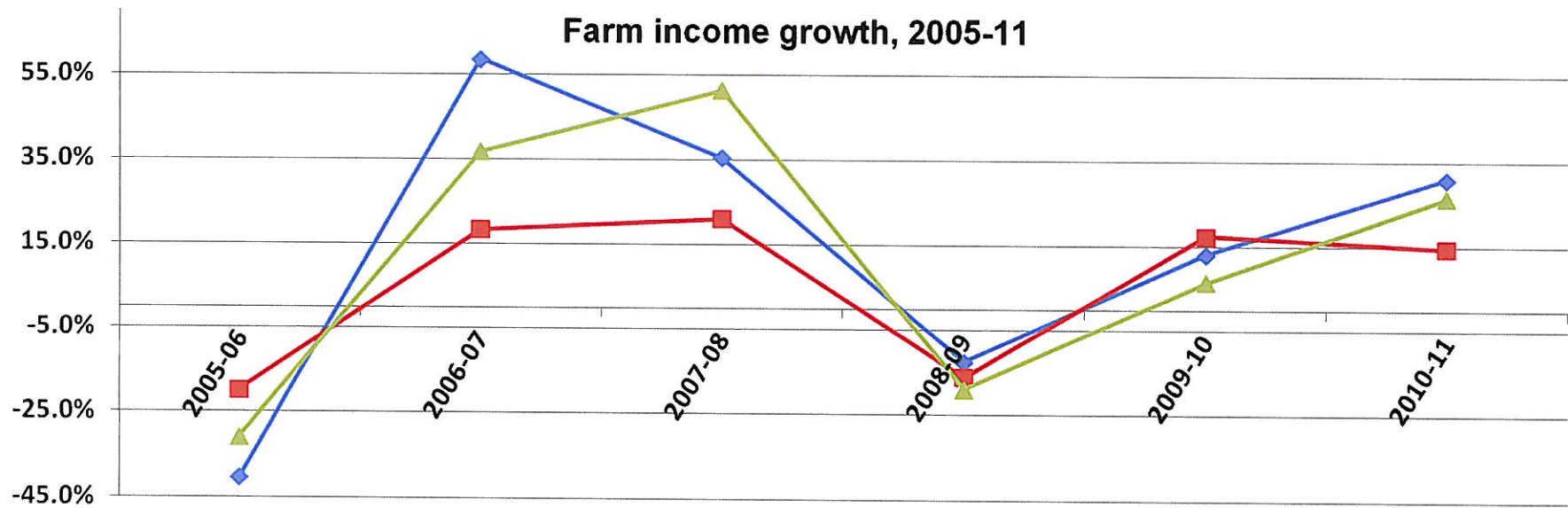


Opportune Time

Farm income as % of total income, 2005-11

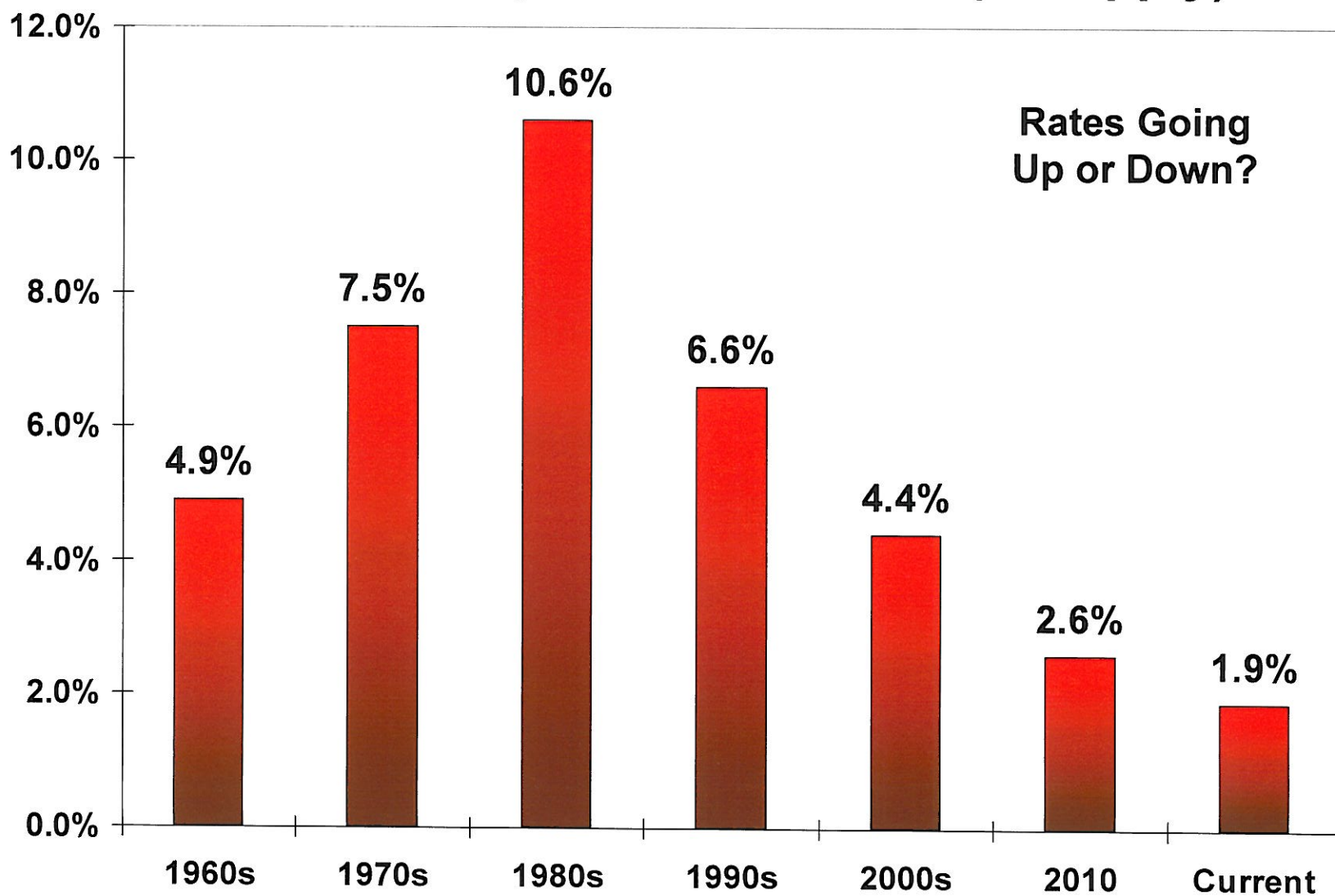


Farm income growth, 2005-11



U.S. Interest Rates on 10-Year Treasury Bond, 1960 – 2012

Fear/uncertainty Versus Inflation (& Supply)





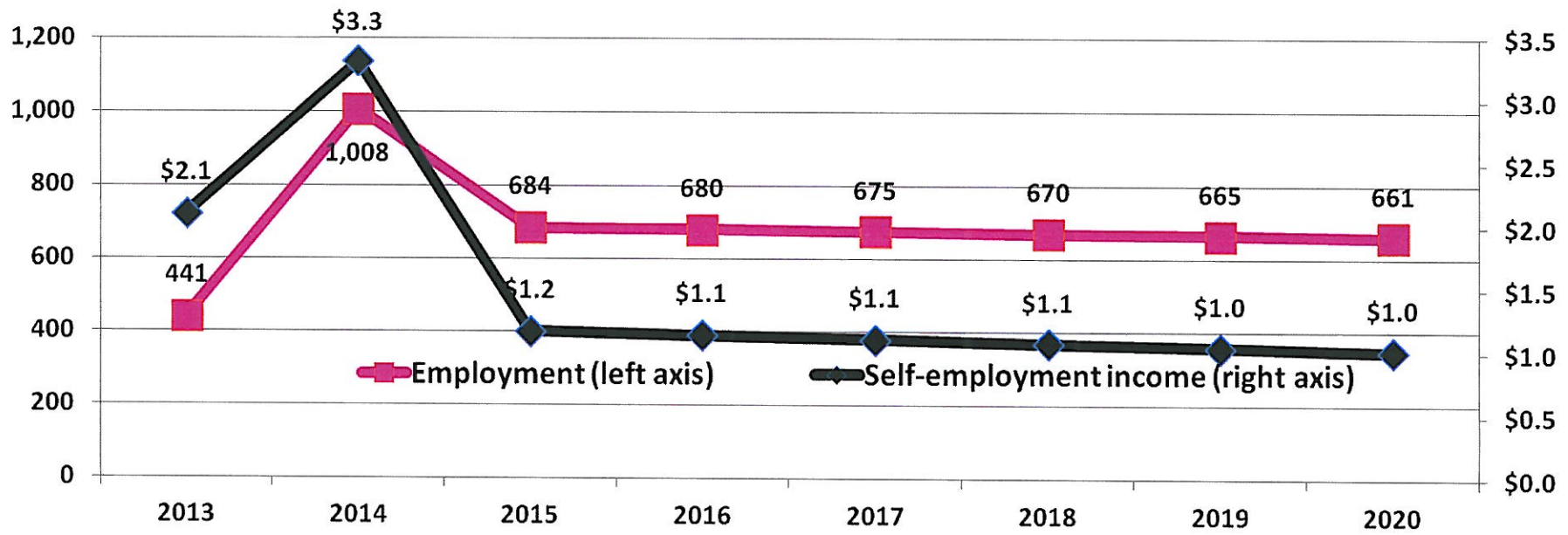
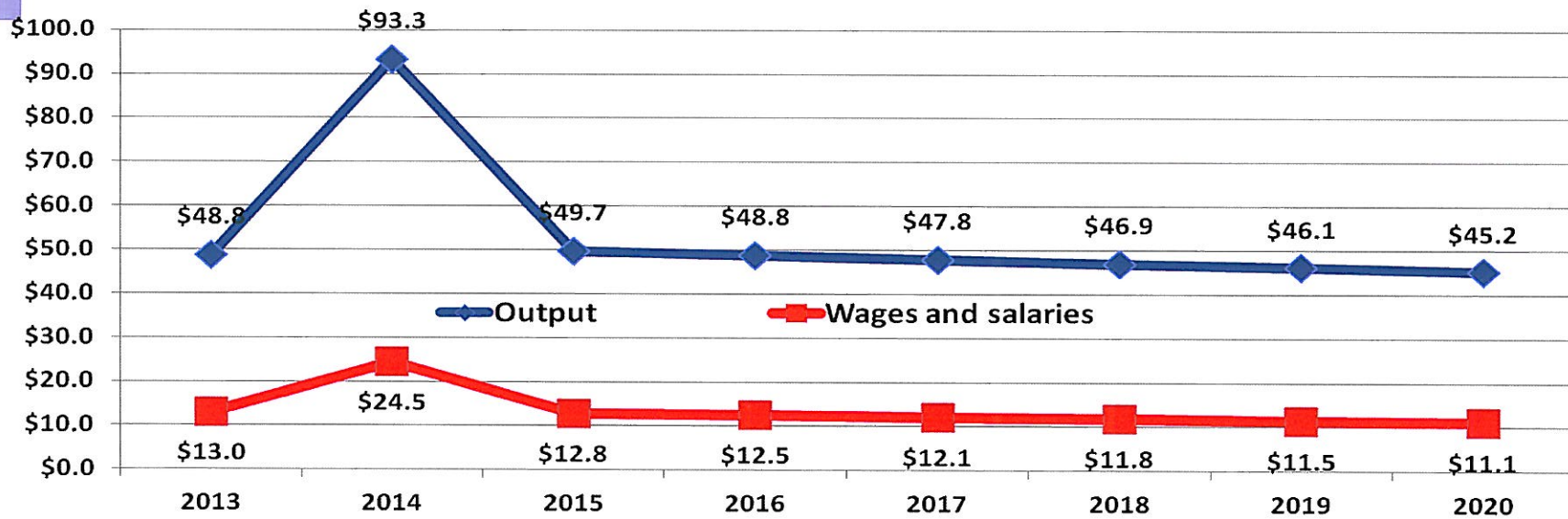
Estimated borrowing costs and savings on bonds if issued in 2012

	Yearly bond rate	Yearly borrowing costs	Yearly savings
Current (2012)	4.26%	\$2,615,745	-
50-year average	5.95%	\$3,167,752	\$552,007

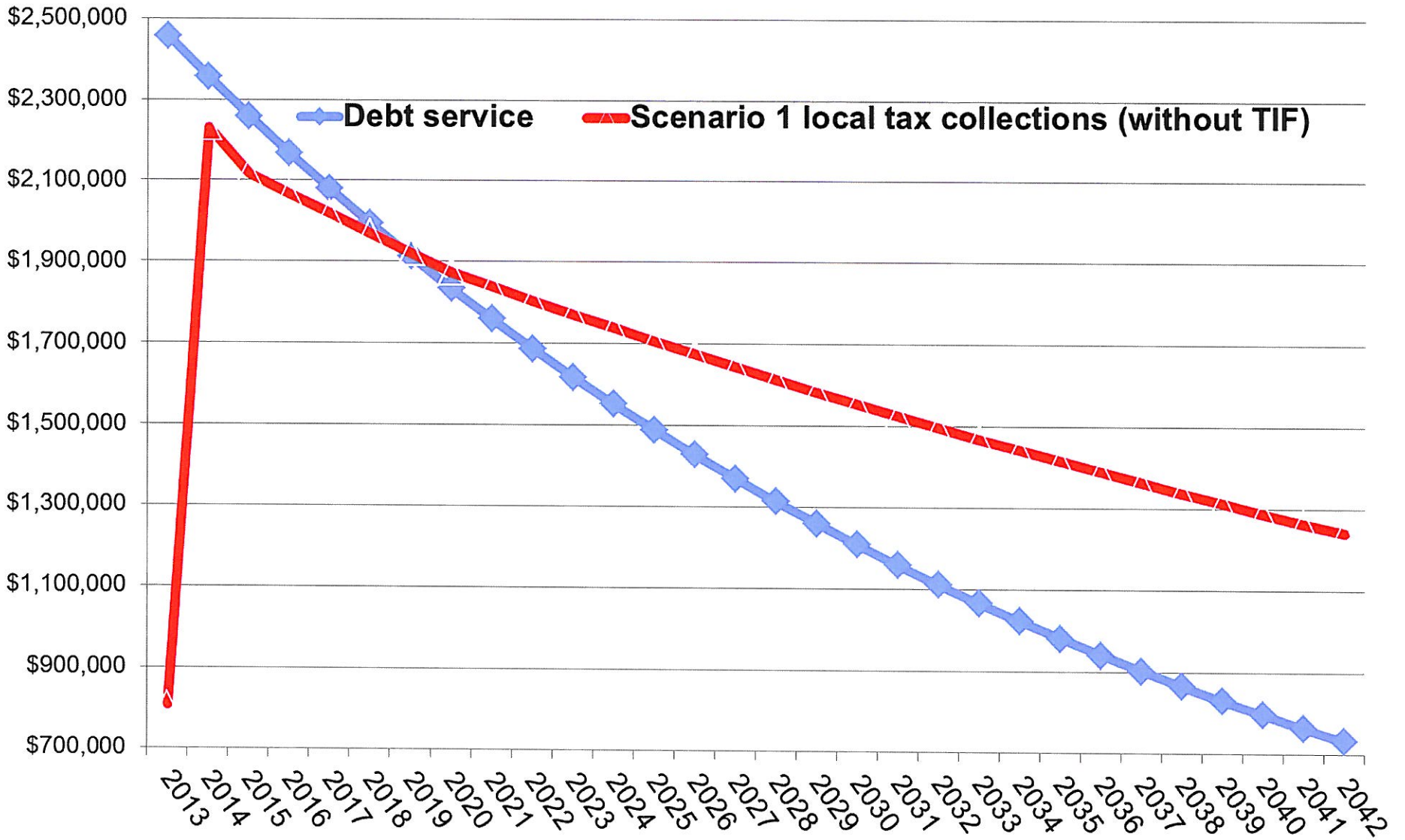
Source: Goss & Associates



Scenario 1

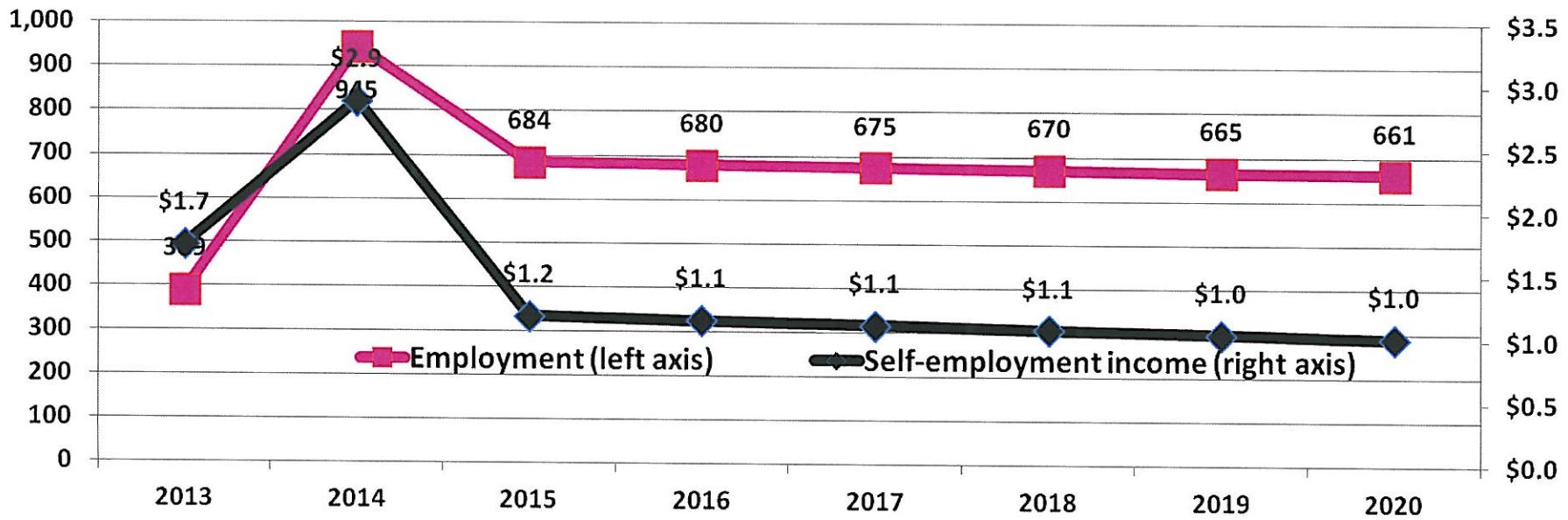
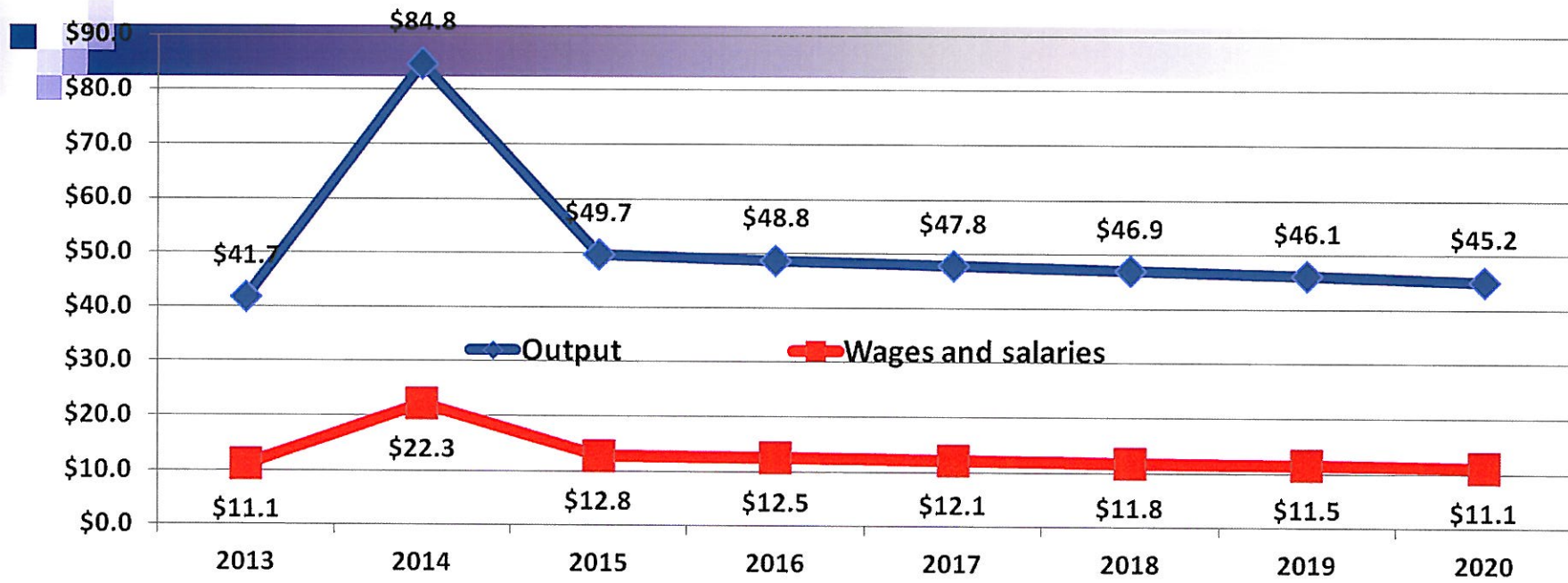


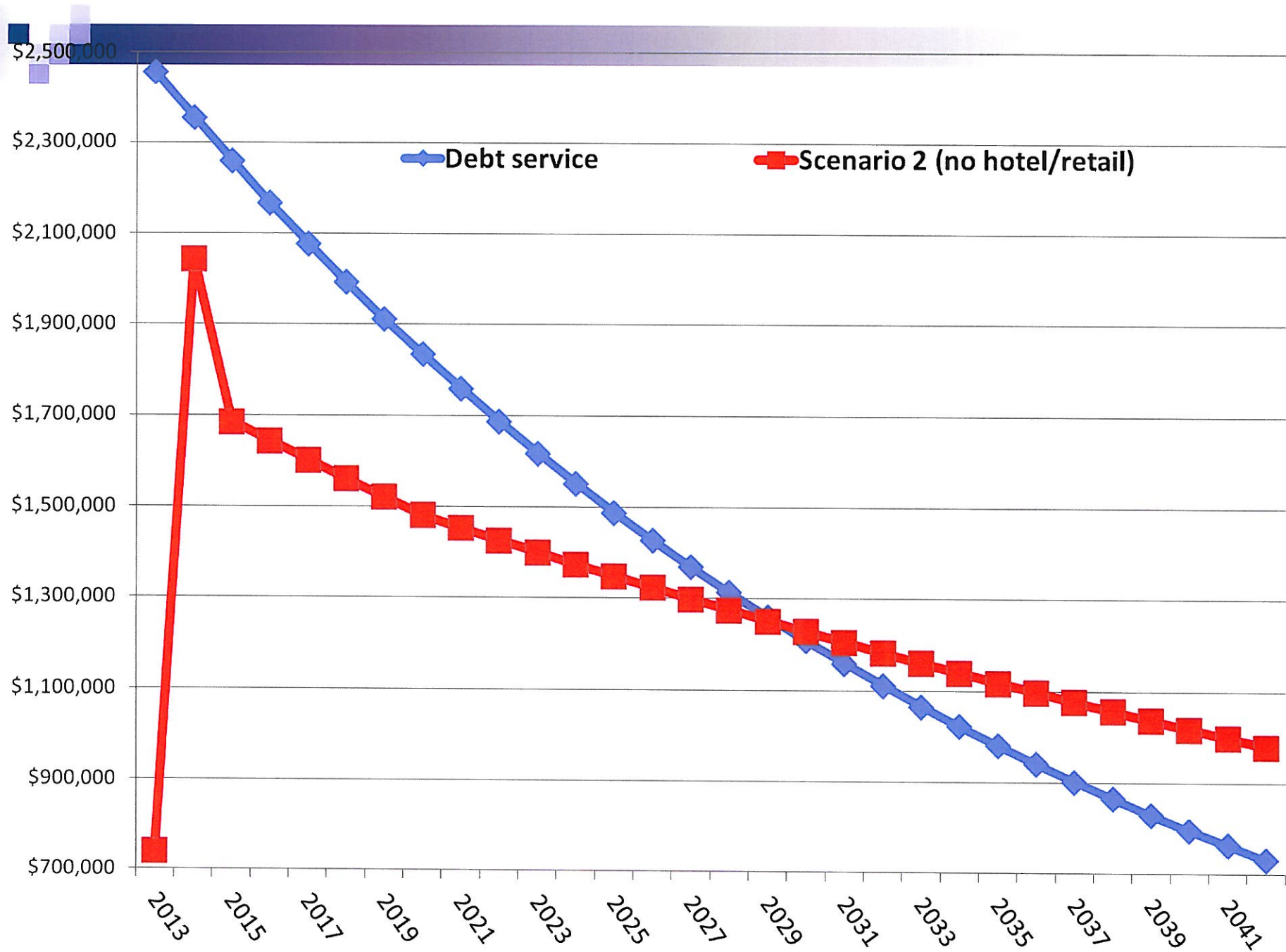
Net cost & benefits of Phase 3, 2013-42, discounted to present value (Scenario 1)





Scenario 2







Return on investment for Lincoln & Lancaster County (discounted to present value)

Bond payments (principal + interest) 2013-42	-\$42,918,165
Local tax collections, Scenario 1 (with hotel/retail space)	+\$43,848,552
Local tax collections, Scenario 2 (no hotel/retail space)	+\$37,256,115
Profits (cash flow) from Phase 3 operations	+\$1,477,913
Tax increment financing payments (2014- 29)	-\$3,481,303
Annual rate of return Scenario 1 (hotel/retail, no TIF)	5.6%
Annual rate of return Scenario 2 (no hotel/retail)	-9.9%

Source: Goss & Associates, 2012

Costs for the Lancaster taxpayer per year

	Assumption	Hotel	Yearly cost	Additional levy	Cost for \$100K Home
Ameritas	No new LEC events	No hotel/retail	+\$2,670,000	+1.403 cents	+\$14.03
Goss	120 new events	Hotel/retail	-\$80,277	-0.042 cents	-\$4.20
Goss	120 new events	No hotel/retail	+\$139,471	+0.073 cents	+\$7.30

Source: Goss & Associates

PHASE III IMPROVEMENTS

Havelock Avenue

Commercial
Development

N 84th Street

Pavilion 1

Amy
Countryman
Arena

Multi-
Purpose

Pavilion 2

New Ag
Coliseum

New
Pavilion 5

Pavilion 3

84th St





LANCASTER EVENT CENTER

Q&A

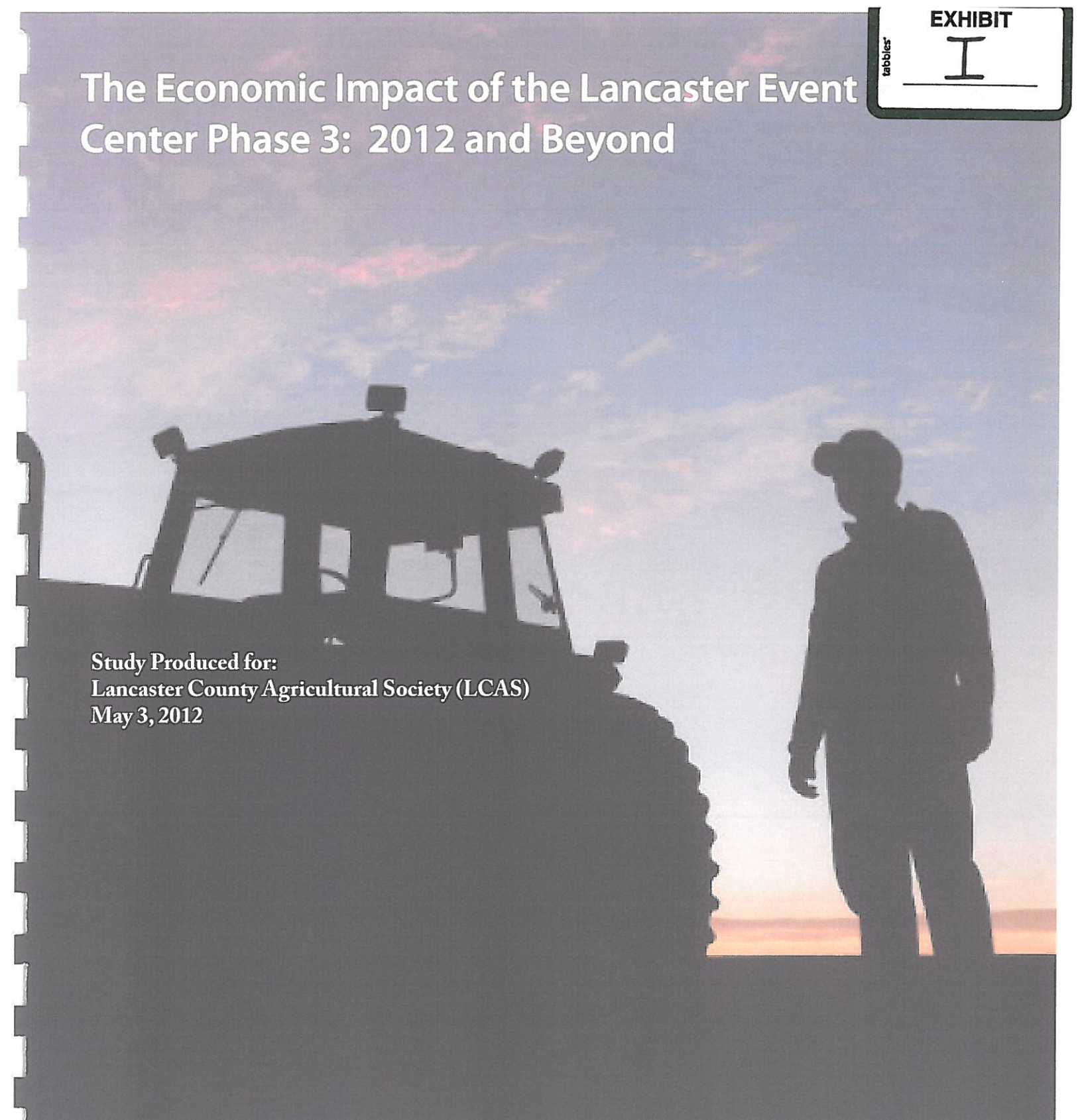
ERICKSON | SEDERSTROM
Founded 1968



REGA
ENGINEERING
GROUP, INC.



The Economic Impact of the Lancaster Event Center Phase 3: 2012 and Beyond

The background of the top half of the page is a photograph showing the silhouettes of a tractor on the left and a person standing on the right, both set against a sky with soft, colorful clouds from a sunset or sunrise. The tractor is a large, modern model with a prominent cab and large rear wheels. The person is wearing a cap and a jacket, looking towards the tractor.

Study Produced for:
Lancaster County Agricultural Society (LCAS)
May 3, 2012



Principal Investigator: Ernest Goss, Ph.D
Phone: 402.280.4757
eMail: ernieg@creighton.edu

Executive Summary

The Lancaster Event Center (LEC), as it currently exists, along with the proposed Phase 3 expansion, makes important additions to the convention, conference and event capacity of the state of Nebraska, Lancaster County and the city of Lincoln.

The LEC is an important contributor to Nebraska's engine of growth, agriculture, which is one of the fastest growing sectors of the national, regional and Nebraska economies.

- ◆ Only Iowa, among Nebraska's neighbors exceeded Nebraska's farm income growth between 2005 and 2011.¹ Moreover, Nebraska farm income growth was more than double that of the U.S.
- ◆ Rapid farm income growth will underpin the success of the LEC, including Phase 3, contributing to the state and local economy.
- ◆ Data indicate that among Nebraska's neighbors, only South Dakota's economy is more dependent on agriculture than Nebraska.
- ◆ Nebraska's farm sector, relative to total state income, is almost seven times that of the U.S. and triple that of its neighbors.
- ◆ From 2005 to 2011, agriculture's share of income for Nebraska grew by 1.5 percentage points compared to only 0.5 percentage points for Nebraska's neighbors and to no change for the U.S.
- ◆ Food production's share of activity in Nebraska advanced from 8.6 percent in 2005 to 9.9 percent in 2009. Importantly, this data does not include other industries such as transportation that are tightly linked to agriculture.
- ◆ None of Nebraska's neighbors gains as much in overall output from the production of processed and unprocessed food than Nebraska.
- ◆ Agriculture's growth prospects in the years ahead will underpin the economic vitality of the LEC, including Phase 3.

Agriculture's growth prospects in the years ahead will underpin the economic vitality of the LEC, including Phase 3.

Record low borrowing costs make this an optimal time to issue bonds to support Phase 3.

- ◆ Ameritas estimated that 30-year bonds to support Phase 3 development would carry an interest charge of 4.26 percent which is significantly below the average of 5.95 percent over the past 50 years.
 - The yearly payments are \$552,000 less than they would be if rates rose to their 50-year average.
 - Total savings over the life of the loan (not discounted to present value) would be \$16.6 million assuming bonds are issued in 2012 rather than a period with average municipal bond rates.
 - If bonds are issued in 2012, Ameritas estimates that the cost to the Lancaster taxpayer with no additional attendees or events resulting from the financing of Phase 3 would add \$14.03 per year for the owner of a \$100,000 house.²
 - If bond issuance is delayed and rates rise to their 50-year average, the cost to the owner of a \$100,000 home would rise from \$14.03 per year to \$16.65.

¹ Throughout this study, Nebraska's neighbors are defined to include states that share its borders. These states are: Colorado, Iowa, Kansas, Missouri, South Dakota and Wyoming.

² Ameritas' additional property tax burden is based on the worst case scenario that the addition of Phase 3 will not increase the profitability of the LEC nor will it boost the attendance or the number of events hosted at the LEC.

Goss & Associates concludes that the LEC, due to its focus on agriculture and livestock conferences, does not, and will not, compete with the Pershing Auditorium or with the new downtown Lincoln arena.

- ◆ Other Lincoln and Lancaster County facilities cannot accommodate shows and conferences of the nature and magnitude proposed for Phase 3.
- ◆ Without the Phase 3 expansion, a share of conferences, particularly the rapidly expanding ones connected to agriculture that currently use the LEC will go elsewhere with the loss of state and local tax collections.
- ◆ The proposed commercial expansion will draw little economic activity from other areas of the county.
 - The development will be focused on events, individuals, and families that are linked to activities at Phase 3.
 - The proposed hotel will be focused on serving families attending events at the LEC. For example, the hotel will have “bunk houses” whereby children can share facilities
 - The Western Store will not pull customers from other current Lincoln and Lancaster retail outlets since it will focus on rodeo and agriculture oriented clientele.
 - Commercial development as a part of Phase 3 is an important component contributing to the ultimate success of the LEC. Without a large anchor hotel, the LEC will be less able to attract regional events.
 - Dining and retail establishments within walking distance of the LEC will contribute to the success of the facility to draw regional and national events. These establishments (especially restaurants) will need to be able to seat at least as many people as there are hotel rooms and be prepared to stay open until 9 pm or 10 pm on weeknights.

The Phase 3-enhanced LEC will be more successful in attracting large regional events:

- ◆ Due to its capability of handling large trucks and equipment that require jumbo entrances and loading bays.
- ◆ Floors possess the load capacity for large semi-trucks and other equipment to drive onto the floor during set-up and teardown.

Scenario 1³ - Economic Impacts

Between 2013 and 2020, Phase 3 of the LEC will have significant positive impacts on the area economy. Phase 3 (Scenario 1) will:⁴

- ◆ Generate \$93.3 million in overall impacts for 2014 (the first year of operations).
- ◆ Produce \$426.6 million in overall impacts between 2013 and 2020.
- ◆ Provide \$3.3 million in self-employment income for 2014.
- ◆ Generate \$12.0 million in self-employment income between 2013 and 2020.

Between 2013 and 2020, Phase 3 of the LEC will continue to have significant positive impacts on the area job market. Phase 3 (Scenario 1) will:

- ◆ Support 1,008 jobs for 2014.
- ◆ Support an average of 685 jobs per year between 2013 and 2020.
- ◆ Result in \$24.5 million in wages and salaries for 2014.
- ◆ Create \$109.4 million in wages and salaries between 2013 and 2020.

³ Scenario 1 assumes that the commercial development moves forward with a hotel and retail store adjacent to the LEC

⁴ Through this study, all future financial values are discounted to present value using a discount rate equal to the borrowing costs of LCAS.

Over the period of the bond repayment, Phase 3 is expected to generate the following net benefits and/or costs to the Lancaster County⁵ taxpayer:

- ◆ Bond repayments, interest and principal, of \$42,918,165.
- ◆ Local tax collections (does not include state taxes) of \$43,848,553.
- ◆ Phase 3 profits from operations of \$1,477,913.⁶
- ◆ Cost of tax increment financing (TIF), if granted, of \$3,481,303.
- ◆ Annual rate-of-return, if no-TIF of 5.6%.
- ◆ Annual rate-of-return, if TIF granted of -2.5%.
- ◆ If hotel/retail space developed without TIF, a net reduction in Lancaster County property taxes on \$100,000 house of \$4.20.
- ◆ If hotel/retail space developed with TIF, a net increase in Lancaster County property taxes on \$100,000 house of \$1.90.⁷

Scenario 2⁸ - Economic Impacts

Between 2013 and 2020, Phase 3 of the LEC will have significant positive impacts on the area economy. Phase 3 (Scenario 2) will:⁹

- ◆ Generate \$84.8 million in overall impacts for 2014 (the first year of operations).
- ◆ Produce \$411.0 million in overall impacts between 2013 and 2020.
- ◆ Provide \$2.9 million in self-employment income for 2014.
- ◆ Generate \$11.1 million in self-employment income between 2013 and 2020.

Between 2013 and 2020, Phase 3 of the LEC will continue to have significant positive impacts on the area job market. Phase 3 (Scenario 2) will:

- ◆ Support 945 jobs for 2014.
- ◆ Support an average of 671 jobs per year between 2013 and 2020.
- ◆ Result in \$22.3 million in wages and salaries for 2014.
- ◆ Create \$105.3 million in wages and salaries between 2013 and 2020.

Between 2013 and 2020, Phase 3 of the LEC will have significant positive impacts on state and local tax collections. Phase 3 (Scenario 2) will:

- ◆ Generate \$2.6 million in state taxes and \$2.0 million in local taxes in 2014.
- ◆ Produce \$14.3 million in state taxes and \$11.9 million in local taxes between 2013 and 2020.

⁵ In this study, it is assumed that all local tax collections accrue to the residents of Lancaster County. However, local option sales taxes are levied and collected by the City of Lincoln.

⁶ It is assumed that profits of Phase 3 are either distributed, directly or indirectly, to the taxpayer or used to support the Lancaster County Fair.

⁷ This compares to \$14.03 estimated increase on a \$100,000 home according to Ameritas. However, Ameritas assumes no new events or attendees due to Phase 3 expansion.

⁸ Scenario 2 assumed that the proposed commercial space remains undeveloped for the full period of bond liquidation.

⁹ Through this study, all future financial values are discounted to present value. Scenario 1 assumes that the commercial development moves forward with a hotel and retail store adjacent to the LEC.

Phase 3 construction and operations will have a significant and positive impact on the Lancaster County taxpayer depending on scenario.¹⁰

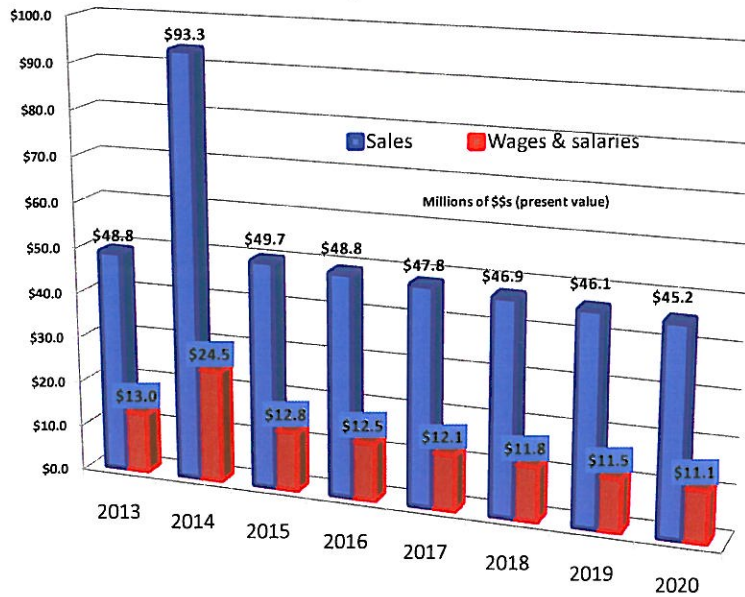
- ◆ Assuming no new events and no increase in LEC revenues (the Ameritas assumption) would result in an annual cost for a \$100,000 house of \$14.03.
- ◆ Scenario 1 whereby the hotel/retail space is build without TIF funding, results in an annual rate-of-return of 5.6% and a reduction in the annual property tax payments on a \$100,000 house of \$4.20.
- ◆ Scenario 1 whereby the hotel/retail space is development with TIF generates an annual rate-of-return is -2.5 percent with the annual cost for a house valued at \$100,000 would be \$1.90.
- ◆ In the case of Scenario 2 whereby there is no hotel/retail development results in an annual rate-of-return of -9.9 percent with the annual property tax cost for a
- ◆ \$100,000 house equal to \$7.30.

Figures EX1, EX2 and EX3 profile the impact of Phase 3 on Lancaster County between 2013 and 2020.



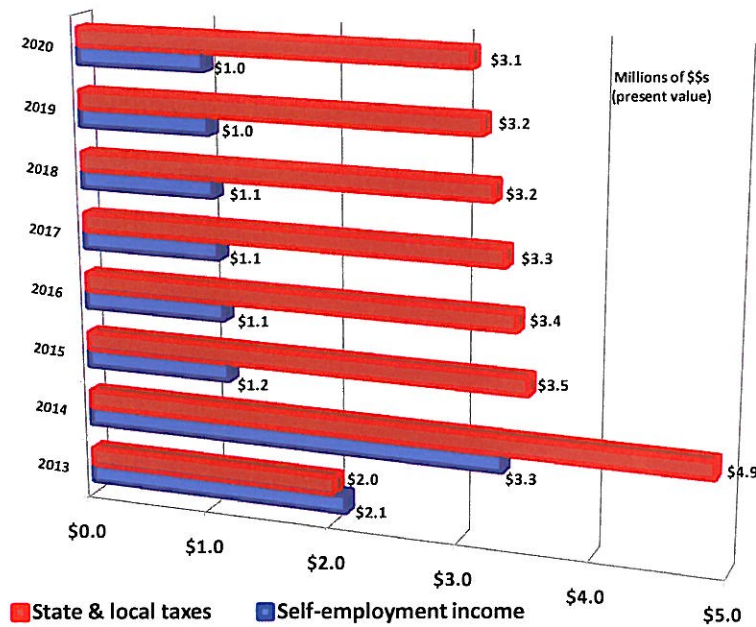
¹⁰ State tax collections while significant and larger than local tax collections are not included in these calculations.

Figure EX1: Phase 3 impacts (Scenario 1), 2013-20



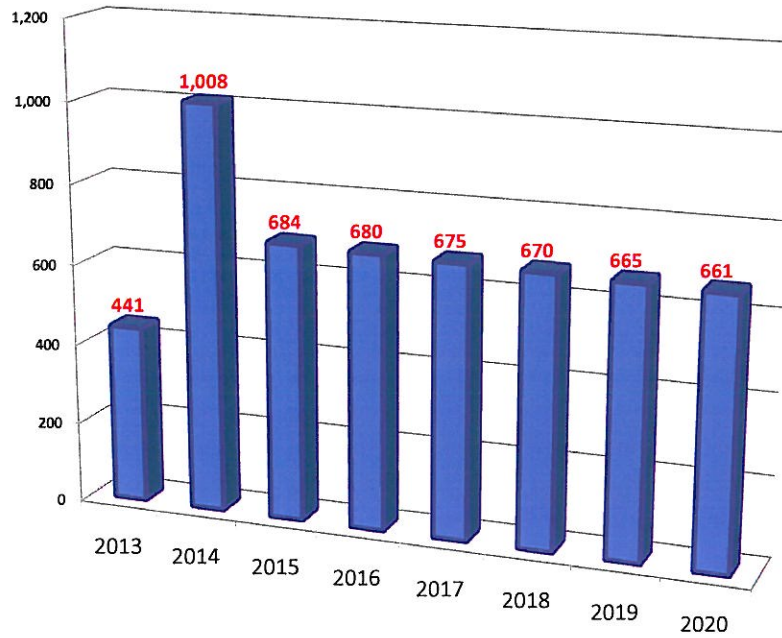
Source: Goss & Associates from IMPLAN models.

Figure EX2: Phase 3 impacts (Scenario 1), 2013-20



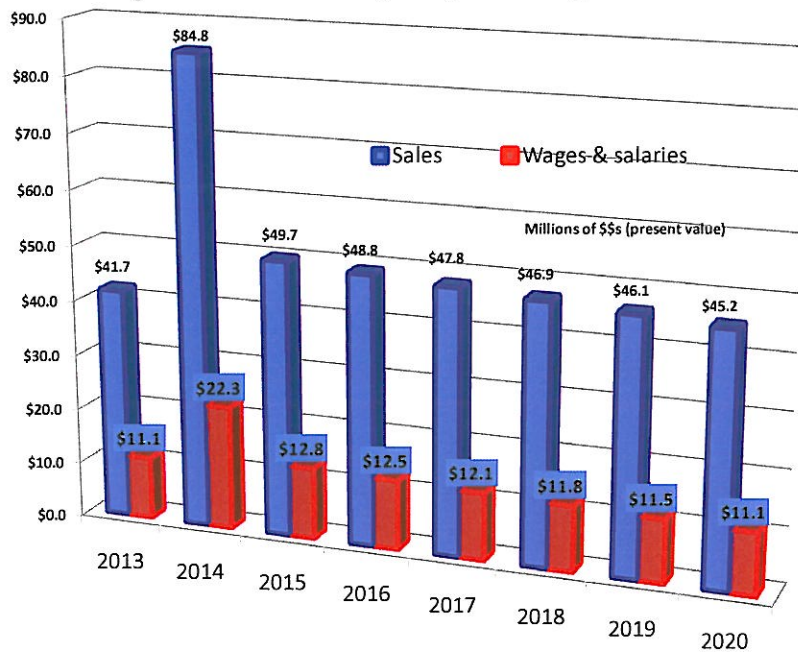
Source: Goss & Associates from IMPLAN models.

Figure EX3: Phase 3 job impacts (Scenario 1), 2013-20



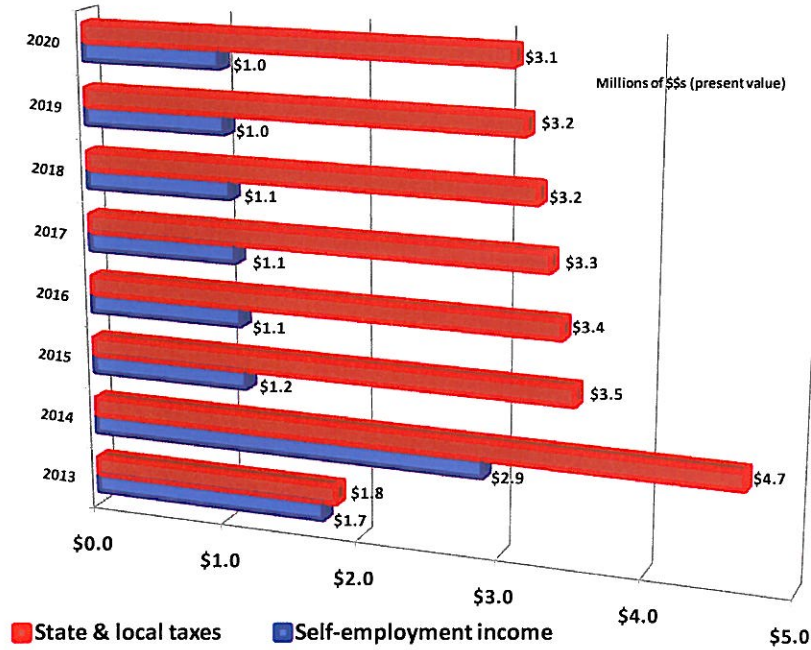
Source: Goss & Associates from IMPLAN models.

Figure EX4: Phase 3 impacts (Scenario 2), 2013-20



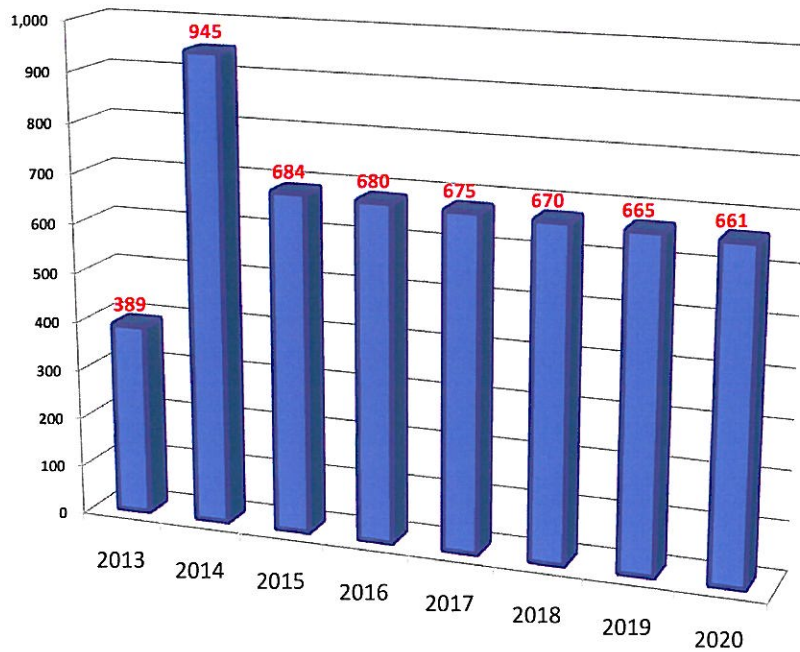
Source: Goss & Associates from IMPLAN models.

Figure EX5: Phase 3 impacts (Scenario 2), 2013-20

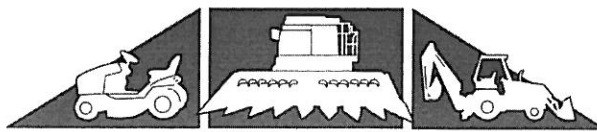


Source: Goss & Associates from IMPLAN models.

Figure EX6: : Phase 3 jobs impacts (Scenario 2), 2013-20

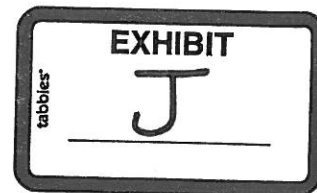


Source: Goss & Associates from IMPLAN models.



IOWA-NEBRASKA EQUIPMENT DEALERS ASSOCIATION

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March 9, 2012

Dear Lancaster County Commissioners,

We would first like to take this opportunity to thank you for your past and continued support of the Lancaster Event Center and the commitment you have made to ensure that it continues to develop into one of the premiere event venues in the country.

As you may already be aware, the Iowa-Nebraska Equipment Dealers Association produces the Nebraska Power Farming Show, the largest indoor farm show west of the Missouri River and 3rd largest in the country. In just five years, we have seen unprecedented growth in our event. Here are a few examples to illustrate how dramatic the growth has been since 2007:

- 320 participating companies to 740 participating companies (more than Husker Harvest Days).
- 139,000 square feet of exhibits to 305,000 – including all of Amy Countryman Arena, Lincoln Room, Multi-Purpose Arena, Pavilion 1, and Pavilion 2.
- 5,000 farmers in attendance to over 15,000 from across the Midwest.
- 500 exhibiting personnel to over 1200 – many of whom stay in local hotels and dine in local restaurants.

Currently we are in the development process for the 2012 show and we have already started to discuss the possibility of expanding into Pavilion 3 due to the demand from our exhibitors for additional exhibit space.

At this time, we would like to offer our support for the currently proposed Phase 3 expansion of the Lancaster Event Center. The proposed improvements will create an updated and continuous layout of exhibit space. In addition, the expanded facilities will allow us to become the premiere indoor farm show in the country.

On behalf of the Iowa-Nebraska Equipment Dealers Association and Nebraska Power Farming Show, we would ask that the Lancaster County Commissioners fully support the proposed Phase 3 expansion of the Lancaster Event Center.

Please contact me if you have any questions regarding the Nebraska Power Farming Show or would like to discuss our support in further detail, and we look forward to working with Lancaster County and the Lancaster Event Center in the future.

Sincerely,

Andrew E. Goodman
President and CEO



NEBRASKA POWER FARMING SHOW OVERVIEW

NEBRASKA POWER FARMING SHOW





**Who is the Iowa-Nebraska
Equipment Dealers Association?**



- **Founded in 1893 – one of the oldest in North America**
- **Represent over 450 equipment dealers in NE & IA**
- **Assist with government & manufacturer relations**
- **Education of members**
- **Marketing of ag equipment through the operation and ownership of the Nebraska Power Farming Show**
- **Experience in managing farm shows – Iowa Power Farming Show is 57 years old**

NEBRASKA POWER FARMING SHOW

Nebraska Power Farming Show's Vision is to become the epicenter for agriculture in America's Heartland and the second largest indoor farm show next to the National Farm Show.

Currently it is the largest indoor farm show west of the Missouri River and 3rd largest in the United States. This year it will likely become the 2nd largest.

NEBRASKA POWER FARMING SHOW

The show started in 2007 and has grown along with the Lancaster Event Center expansion and improvements.

The show will use all existing buildings in 2012.

NEBRASKA POWER FARMING SHOW

Show Size Comparisons (as of April 2012):

National Farm Show - 1,200,000 sq. ft.; 850 Exhibitors

Western Farm Show – 360,000 sq. ft.; 390 Exhibitors

Nebraska Power Farming Show – 313,000 sq. ft.; 485 Exhibitors

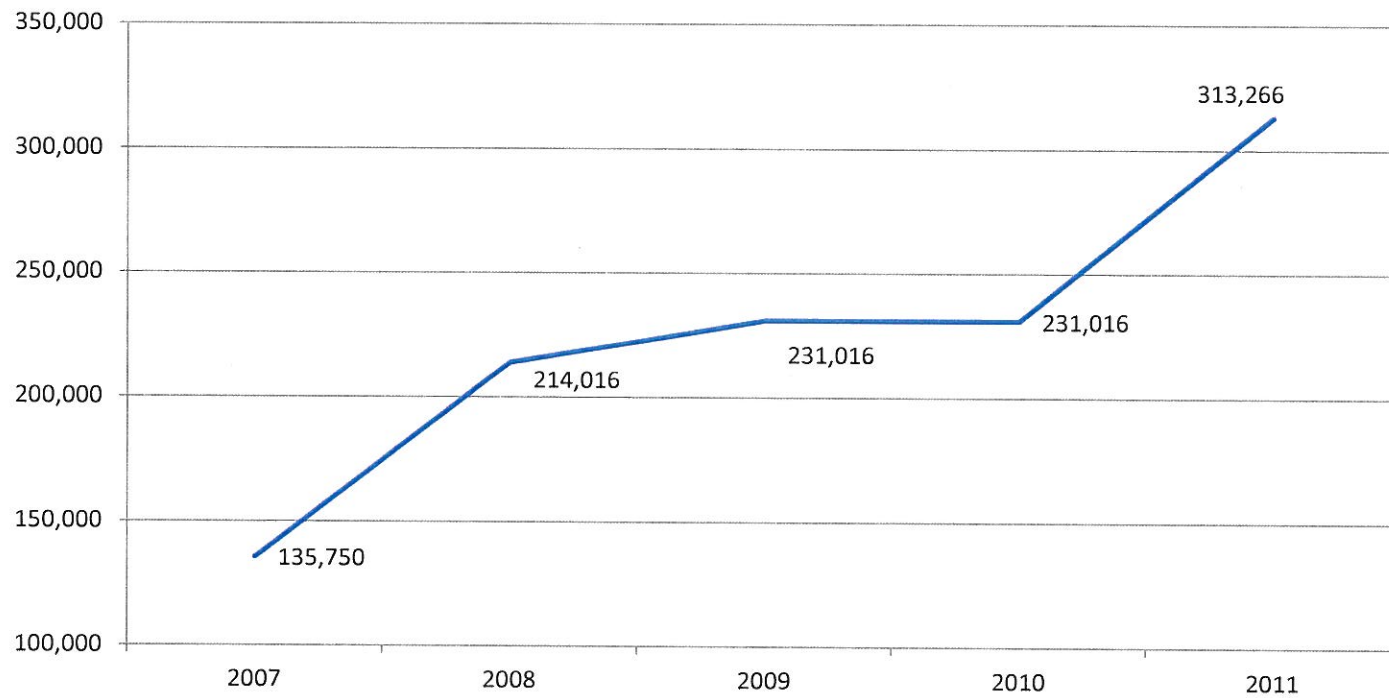
Iowa Power Farming Show – 300,000 sq. ft.; 508 Exhibitors

Husker Harvest Days – 344 Exhibitors (Outdoor Show)

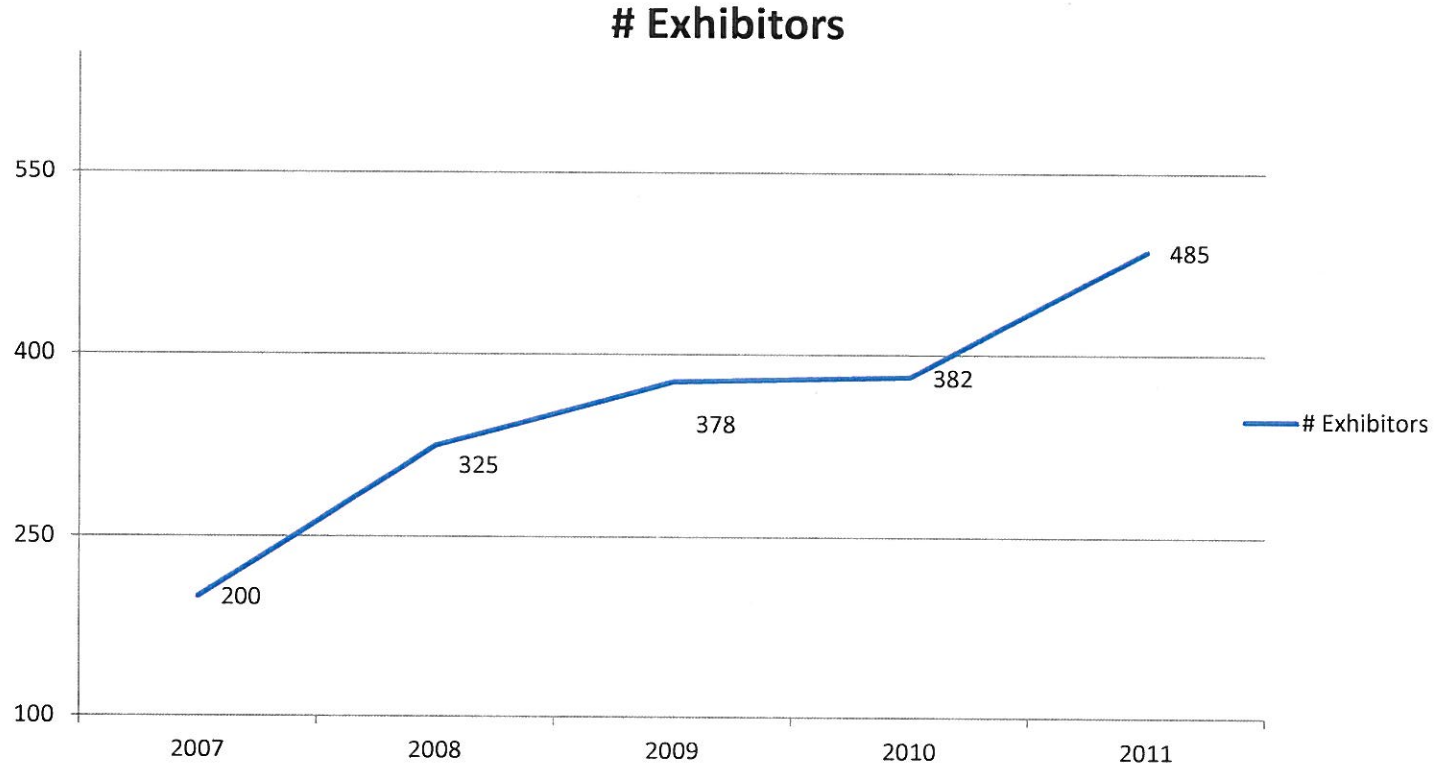
NEBRASKA POWER FARMING SHOW

Exhibit Space

Sq. Ft. of Exhibit Space



NEBRASKA POWER FARMING SHOW Exhibitors



NEBRASKA POWER FARMING SHOW

<u>YEAR</u>	<u>Exhibitors</u>	<u>Sqft.</u>	<u>#Booths</u>
2007	200	135,750	655
2008	325	214,016	1114
2009	378	231,016	1349
2010	382	231,016	1387
2011	485	313,266	1727

NEBRASKA POWER FARMING SHOW

In 2011:

- **Used all of Lincoln Room, MPA, AMY Countryman Arena, Pavilion 1 & 2**
- **Over 15,000 farmers attended the event**
- **60 % of exhibitors came from out of state**
- **Will use Pavilion 3 in 2012**

NEBRASKA POWER FARMING SHOW

Phase 3 of the Lancaster Event Center will:

- **Provide additional floor space to allow the event to rival the National Farm Show.**
- **Provide facilities that are better suited for the farm show (concrete floors, better lighting, higher ceilings, internet and Public Address access throughout facilities, etc.) and that will be comparable to other venues in Nebraska and surrounding states.**

NEBRASKA POWER FARMING SHOW

Phase 3 of Lancaster Event Center will:

- **Increase the number of parking spaces which is needed due to the growth in the number of exhibitors and attendees.**
- **Bring national attention and increased revenue to Lincoln and Lancaster County.**



THANK YOU

Andy Goodman, CEO

800-622-0016

andyg@ineda.com

www.nebraskapowershow.com