

CITY-COUNTY COMMON

County-City Building • 555 S. 10th Street • Lincoln, NE 68508

County Commissioners
(402) 441-7447

Mayor
(402) 441-7511

City Council
(402) 441-7515

COMMON AGENDA TUESDAY, FEBRUARY 8TH, 2005 COUNTY/CITY BUILDING CONFERENCE ROOM 113 8:30 A.M.

I. MINUTES:

- A. Approving Minutes from the January 4, 2005 Common Meeting

II - PRESENTATIONS:

- A. Keno Funds Update - Kit Boesch (See Attached Draft Document) (20 Min)
- B. Update: Possible use of Keno funds, & Other Options for Raising State Fair Matching Funds - due in April, 2005 (M. Bowen/K. Eagan - requested at January Common Meeting)
- C. Annual Report on City/County Weed Control Program - Russ Shultz (20 Min)

III NEW BUSINESS

IV OLD BUSINESS

V ADJOURNMENT

Commonagenda020805

**INTERLOCAL AGREEMENT BETWEEN
THE CITY OF LINCOLN AND LANCASTER COUNTY
THE KENO HUMAN SERVICES PREVENTION FUND**

THIS AGREEMENT is made and entered into on this ____ day of _____, 2005, by and between the City of Lincoln, Nebraska, a municipal corporation, hereinafter referred to as "City," and the County of Lancaster, Nebraska, a political subdivision of the State of Nebraska, hereafter referred to as "County."

WHEREAS, the Interlocal Cooperation Act, Neb. Rev. Stat. § 13-801, et seq. (Reissue 1997) provides that units of local government of the State of Nebraska and Nebraska state agencies may enter into agreements for joint and cooperative exercise of powers, privileges, or authority capable of being exercised by either agency; and

WHEREAS, on January 26, 1993, pursuant to Neb. Rev. Stat. § 9-625 (Reissue 1997), the City and County entered into an interlocal agreement to establish a joint City-County keno lottery under County Contract No. C-6929; and

WHEREAS, on May 3, 1993, the City Council passed Resolution No. A-75378 wherein the City Council expressed their intent to appropriate keno lottery proceeds for certain community betterment purposes; and

WHEREAS, Resolution No. A-75378 provided that five percent (5%) of such gross proceeds shall be appropriated for such human services as recommended and approved by the Joint Budget Committee, City Council, and Lancaster County Board of Commissioners, but only if said funds are matched by a similar amount of keno proceeds by Lancaster County; and

WHEREAS, since the passage of Resolution No. A-75378, the City and County have contributed 5% of their respective share of proceeds to the Keno Human Services Prevention Fund ("Keno Prevention Fund"); and

WHEREAS, the City and County now wish to establish a policy for the use of the proceeds in the Keno Prevention Fund.

NOW THEREFORE, the parties mutually covenant and agree as follows:

1. Purpose. The purpose of this Interlocal Agreement is to establish a policy for the contribution and use of the proceeds in the Keno Prevention Fund.
2. Contributions. The City and the County agree to contribute 5% of their respective share of keno proceeds to the Keno Prevention Fund. Such proceeds shall be deposited with the City Treasurer.
3. Administration of the Keno Prevention Fund. The City and County agree that the Keno Prevention Fund shall be administered and maintained by the City Treasurer in the following manner:

- a. The City Treasurer shall establish an endowment fund.
 - b. The City Treasurer shall deposit 35% of the total Keno Prevention Fund monies in the endowment fund.
 - c. The endowment fund shall not be accessed until the fund reaches one million dollars (\$1,000,000), at which time the Keno Human Services Advisory Board will re-evaluate the fund and make recommendations to the Joint Budget Committee for potential procedural changes.
 - d. The remaining 65% of the total Keno Prevention Fund monies shall be utilized by the Joint Budget Committee for the annual allocation of keno awards.
 - e. The City shall provide financial reports detailing the Keno Prevention Fund and endowment fund to the County Board on an annual basis.
4. Keno Human Services Advisory Board. The City and County agree that a Keno Human Services Advisory Board has been established and shall consist of eight (8) persons, including one (1) person from by the City Council; one (1) person from by the County Board; and (6) other persons from the community at large appointed by the City Council and County Board. The members shall serve staggered terms. The Advisory Board shall be staffed by the Human Services Office.
5. Keno Award Allocation Process. The City and County agree that the allocation of keno awards shall be processed in the following manner:
- a. The Keno Human Services Advisory Board shall meet twice a year.
 - b. The Keno Human Services Advisory Board shall make recommendations to the Joint Budget Committee on the amount of keno funds to be allocated to specific agency programs. In making such recommendations, the Keno Human Services Advisory Board shall rely on the following guidelines:
 1. Have Kit draft guidelines
 - c. The Joint Budget Committee shall forward their recommendations on the allocation of funds to the City Council and the Lancaster County Board of Commissioners.
 - d. In the event that the City Council and County Board disagree on the allocation of funds, those awards shall come back to the Joint Budget Committee for discussion and resolution. The Joint Budget Committee shall then forward their recommendation back to the City County and County Board.
6. Amendment. This Agreement may be amended only by written amendment approved by the governing bodies of the City and the County.
7. Term. This Agreement shall become effective immediately upon execution by the City and the County and shall remain in full force and effect until such time as it is amended or terminated pursuant to the provision for termination set forth in Paragraph 6.

8. Termination. This Agreement may be terminated by mutual agreement of the City and the County or by one party giving the other party one year written notice that such party intends to terminate this Agreement. Such termination shall thereupon be effective and this Agreement shall be terminated one year after receipt of notice by the other party.

EXECUTED this _____ day of _____, 2005, by the City of Lincoln.

THE CITY OF LINCOLN, NEBRASKA
A Municipal Corporation

By: _____
Mayor Coleen Seng

EXECUTED this _____ day of _____, 2005, by Lancaster County, Nebraska.

THE BOARD OF COUNTY
COMMISSIONERS OF LANCASTER
COUNTY, NEBRASKA

By: _____
Larry Hudkins, Chair

Approved as to Form this
_____ day of _____, 2005.

Approved as to Form this
_____ day of _____, 2005.

Deputy County Attorney
For GARY E. LACEY
County Attorney

City Attorney

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COMMON MEETING MINUTES

Tuesday, February 8, 2005

8:30 a.m.

County/City Building - Room 113

COUNCIL MEMBERS IN ATTENDANCE: Jon Camp (arrived late); Annette McRoy (arrived late); Patte Newman, Ken Svoboda, Terry Werner; *COUNCIL MEMBERS ABSENT:* Jonathan Cook, Glenn Friendt

MAYOR SENG: In Attendance

COUNTY BOARD MEMBERS IN ATTENDANCE: Larry Hudkins, Deb Schorr, Bob Workman; *COUNTY BOARD MEMBERS ABSENT:* Bernie Heier, Ray Stevens

OTHERS IN ATTENDANCE: [List Garnered from Sign-in Sheet and noting of presentation participants - Others in attendance who did not sign in may not be listed] Jim Fram, Lincoln Chamber of Commerce, Coby Mach, Executive Director, LIBA; Kristine Gale, Nebraska State Fair; Wendy Birdsall, Convention Visitors Bureau; Mark Hunzeker, Attorney; Frank Delgado, Citizen; Kit Boesch, Human Services; Darl Naumann, Economic Development Department; Russ Schultz, Lincoln/Lancaster County Weed Control; Gwen Thorpe, Kerry Eagan, County Commissioners Office; Trish Owen, County Clerk; Mark Bowen, Corri Kielty, Mayor's Office; Beau Wolfe, CIC; Joan Ray, Council Staff; Deena White, Lincoln *Journal Star* representative

1. MINUTES

A. Approving Minutes from the January 4, 2005 Common Meeting

Ms. Patte Newman, Common Chair for 2005, called for a motion to approve the above-listed minutes after a quorum of City Council Members was present. Larry Hudkins moved to approve the minutes as presented. Ken Svoboda seconded the motion which carried by a unanimous voice vote.

THIS MEETING WAS SCHEDULED TO ADDRESS:

KENO FUNDS UPDATE

UPDATE: POSSIBLE USE OF KENO FUNDS, & OTHER OPTIONS FOR RAISING STATE FAIR MATCHING FUNDS

ANNUAL REPORT ON CITY/COUNTY WEED CONTROL PROGRAM

KENO FUNDS UPDATE Ms. Kit Boesch, Human Services Director, came forward and made the presentation. She reported that several Common meetings ago, she had presented a concept that has actually been initiated. The Keno Services Prevention Fund has been in operation now for about eleven years. There has never been anything in writing, but it has been operating quite well. We've decided that the program needed to be formalized with a resolution from the City Council and the County Board.

From the interlocal agreement that was handed out in the packet, Ms. Boesch reviewed several things for the Common Members. She explained that she had taken back to the Advisory Committee the Common's recommendation for the distribution of money, noting that they had been distributing on a 60%-40% ratio. They had been distributing 60% of revenues to requesting agencies and saving 40% in a savings account. Right now that "savings" account is at \$502,936.00. They do not touch that. We've been distributing about \$80,000 per year over the past eleven years.

Based on conversation with the Common Members at the last meeting, the Advisory Committee was purposing to change that distribution to 65% distribution while the actual money going into an endowment fund would be reduced to 35%. Some Common members had indicated that they would prefer that more money should be given out now than put into savings.

The endowment fund is reported upon in the packet materials. Ms. Boesch stated that the Advisory Board is strongly recommending that the endowment reach \$1,000,000 before it is touched. At that point, we would re-evaluate where we were in time and place in Lincoln/Lancaster County and come back to the Common at that time with some recommendations on how to access the fund.

Ms. Boesch noted that the report, in stating that she would draft guidelines, was outdated. She had already drafted those guidelines and she had distributed them to the Common Members today. She stated that the guidelines had been drafted some time ago...with revisions over the years about four different times. These guidelines are the operating guidelines which the Advisory Board uses in order to distribute the money. So, we're a step ahead - the guidelines have already been drafted and in use for several years.

Ms. Boesch pointed out the spot in the report that asked the question "What is to be done when the City Council and the County Board don't agree?". The consensus was that we would then go back to the Joint Budget Committee for discussion and resolution. They would then forward their final recommendation back to the City Council and the County Board for action.

She noted that, with only a couple of tweaks, this is basically how we've been operating. We're proposing changing the payout, based on your recommendation; we're proposing that the endowment fund reach one million dollars and come back to you with discussion before we do anything with it; we're proposing that the JBC become your final recommendation should there be any disagreement. Ms. Boesch noted, that with that, she would take questions from the Common Members.

Mayor Seng pointed out a typo in the printed material, which should be changed from "City/County" to "City Council". Mr. Hudkins commented on the endowment fund being taken to one million prior to use, noting that this was good for providing on-going support. He added that he knew it was a judgement call whether or not the 60% would be altered to 65% distribution. He just wanted everyone to be cognizant of what the original intent had been....and that was to get that endowment to one million as quickly as possible. He admitted that over the last couple of years, it hasn't generated much in interest, but if you get the fund up higher, it should generate that interest for new additional monies to spend without spending the principal. He felt we needed to keep in mind that original goal and try to reach that goal as quickly as possible. He did add that if there were strategic programs that absolutely need to be funded, and can't be funded other ways, then we can look at that 5%.

Ms. Boesch answered that the change in the percentage came from the discussion when this was last before the Common. There were some, particularly City Council members, who preferred to have the split at 70% distribution/30% endowment. The Advisory Board felt that would increase the endowment much too

slowly, so they came back with this 65%/35% split as a compromise. Ms. Boesch stated that the Advisory Board is fine with the current 60/40 split.

There was continued discussion on the 60%-40% vs. 65%-35% distribution split of the Keno funds. Some Common Members believed the need for larger distribution for current needs should take precedence over building up the endowment. Others felt the original intent, which was to provide support while building an endowment fund which could support future needs should be the determining factor. At the conclusion of the discussion a motion was made by Larry Hudkins and seconded by Bob Workman to continue the current distribution split of 60% for current needs and 40% to the endowment fund. The motion carried by the following vote: AYES: Mayor Seng, Jon Camp, Larry Hudkins, Annette McRoy, Patte Newman, Ken Svoboda, Bob Workman; NAYS: Deb Schorr, Terry Werner.

After this vote, Ms. Boesch stated that she would forward the Interlocal Agreement to the City Council and the County Board with the Guidelines attached for approval by the two bodies. She noted that she would forward the agreement with the distribution split indicated by the Common, which would continue at the 60%-40% level.

UPDATE: POSSIBLE USE OF KENO FUNDS, & OTHER OPTIONS FOR RAISING STATE FAIR MATCHING FUNDS - Kerry Eagan and Mark Bowen came forward to make the presentation. Mr. Bowen asked Mr. Don Herz, City Finance Director, to come forward and take part in the discussion.

Mr. Bowen explained that the Common had given them several questions to investigate as to options for raising State Fair matching funds. One was 'Can an agency be created to collect sales tax chartered to the State Fair area'? We did look at that issue. Mr. Herz found the section of the State law dealing with the Public Agency Act at Section 13.250.01. There is a Section [13.250.07] which indicates that "a Joint Public Agency shall have only those powers of taxation as one or more of the participating public agency has; and only as specifically provided in the agreement, except that a joint public agency shall not levy a local option sales tax." So, the law carved that specific tax out of our option list. Mr. Eagan noted that it had been an easy legal answer, unfortunately.

Mr. Bowen went on, stating that the second option discussed had been Keno Funds and their availability, both on the City side and the County side. After looking at this issue, Mr. Bowen stated that Mr. Herz had the chart explaining the situation. He noted that the Keno funds are split between the City and County with the City taking one percent for administrative costs off the top. That is generally used to pay for things like the audits, the personnel involved, Finance Department costs, police review and enforcement costs and other costs associated with equipment, supplies and the Keno Committee. That activity eats up most of the one percent. It is all deposited into the General Fund. Anything left is allocated through the budget process, so there is no "reserve" of Keno funds set aside on the City side. It is all distributed and allocated and appropriated in some fashion.

Mr. Bowen noted that this year Keno revenues are down at this point. He did not know exactly what that amount might be. Mr. Herz explained that through the end of January, Keno revenue was down approximately 20%. Gross revenue for Keno is approximately in the \$20 million range. One percent of that is \$200,000 for our expenses. Our expenses are in the \$135,000-\$150,000 range. If the gross were to decrease, there would not be a lot of excess between what that one percent generates and what our expenses are.

Mr. Hudkins stated that he would be interested in knowing the portion of the game that is out at State Fair Park - what does that location generate for the City and the County? Is that about \$20,000 for the City and \$7,000 for the County? Mr. Herz stated that he hadn't looked at that location specifically. He could get that information for the Common Members and give an accurate accounting. Mr. Hudkins indicated that Dave Kroeker, County Budget Officer, had contacted the City Budget Office and those were the estimated figures he had received. Mr. Herz indicated, then, that those figures would be correct.

Ms. McRoy asked if the expenses were from \$135-\$150,000 out of the \$200,000 - would we have \$50,000 or so still in that one percent Keno funds that we take every year? Mr. Herz answered that, as Mark indicated, we have allocated that through our budget process. He just wanted to caution Common members that that gross revenue may come in less than what it has in the past, depending on how the revenues play out the rest of the year.

Ms. McRoy asked if the City does take exactly one percent every year. Mr. Herz indicated that that was correct. Ms. McRoy asked then, if \$200,000 is taken, could the \$50,000 matching fund be provided from that one percent of the City's Keno funding. She asked where the excess over expenses goes? Mr. Herz stated that it is simply included as our revenue source. It has been allocated for all General Fund expenditures.

Mr. Hudkins asked if, for the first half of the fiscal year, the Keno receipts were about normal, or were they down? Mr. Herz answered that they had leveled off a bit; they had not been going up as much as they had in the past. We had a year or so of fairly good growth, but this past six months, we've seen some leveling off.

Mr. Hudkins asked, if Mr. Herz were to make a projection at this time -with the usual level at \$200,000- what kind of monies would we be looking at through the second half of this fiscal year - on just that one percent. Mr. Herz answered that if we were to bring in \$200,000 per year, and we continue the trend, we would see only 80% of that, or somewhere in the \$160,000 range.

Ms. Seng commented that she thought the answer is confusing - regarding what happens to the remainder of funds after the \$135-150,000 of the \$200,000 to cover expenses. The portion that is left - that is a confusing answer. Where does that remainder go? Into our General Fund? And, then, through the budget process, it is allocated. So, that may be part of what Parks Department is getting - or not? Please explain that a little better.

Mr. Bowen commented that it could be [part of Parks funding] because once it hits the General Fund, it is hard to say which dollar went where....but it was allocated through the budget process in July and August and all those amounts were appropriated. It's hard to say if it actually went into Parks equipment or Parks personnel, or Library personnel - it's hard to say which way it ended up actually being used. But, it is allocated completely through the budget process.

Mr. Camp commented that, as you report this to us, this isn't going to be a source of revenue. It's declining and though County may pick up a little, we have this \$200,000 that the City has to come up with to retain the State Fair and get the \$2,000,000 State funds. What other ideas do you have?

Mr. Bowen answered that on the City side, the only remaining option would be the Contingency Fund - it's a reserve account. This, of course, would be the short-term basis solution. Ms. McRoy asked again, of the one percent the City takes off the top, how much are we annually allocating to the Library, Human Services and Parks & Recreation? Mr. Herz presented a chart which showed that 86% of the money is retained by the operator which breaks down to Prizes - 73% and the operator's share - 13%. The State gets 2%, the City gets 1%. Eleven percent is divided 70/30 between the City and County. The City then splits our remaining portion 65% to Parks, 30% to Libraries and 5% to Human Services.

Mr. Hudkins noted that it is important for all of us to realize that while we talk about revenues being up in the County or down in the City or vice versa, regardless of where the games are located, the City gets 70% and the County gets 30% of that. While State Fair Park is officially in the County, City gets 70% of that, plus the one percent Administration fee. On the County side, we have not budgeted for this matching fund request for the State Fair Park. It is not in our budget, but the County Board has discussed this a little in our budget retreats. The County Board agrees that if we were to participate and help with this on a first time only basis, the only place we would have to draw from would be our Keno Contingency Fund. We didn't allocate all of our dollars under Keno. In visiting with David Kroeker, the County Budget Director, the County does have uncommitted Keno Funds to cover half of the first installment. We would have \$25,000 to match the City - in order to provide the initial April matching fund requirement of \$50,000.00.

Mayor Seng commented that that was a very generous offer. She noted that originally, they had hoped that the contributions of Antelope Valley and the new entrances could be counted as in-kind match funding. But, that is not going to be able to happen and we cannot count that. The City's side would probably have to come out of the Contingency fund. We have to figure out how to afford this on the short term. Then, we'll have to figure it out for the long-term, because the State Fair needs to have these matching funds so they can access the bigger [State] dollars. We just must get this figured out, even though it isn't easy for any of us. She commented that the County's was a very generous offer and greatly appreciated by the City.

Mr. Werner commented then, that the bottom line is that "it has to be cash". Mr. Bowen answered that the State Fair's preference is always the cash. The one thing that the State Fair talks about in addition to cash is if they have services that they now buy, they would prefer to buy it from the City - we're still working on that. Mr. Werner commented that at one time we had talked about in-kind services, but now that discussion is done, and it's cash only - is that what is being said? Mr. Bowen agreed that we're down to cash.

Mr. Werner commented that we have no agreement with the County for on-going support of the \$25,000 - is that something that we're working on - an interlocal agreement with the County on how we would split this? Mr. Bowen answered that that would go to the long-term options. As we look to different options, the most viable long-term option seems to be annexation by the City. Mr. Werner stated that he sees this as a City/County contribution because we all benefit from the State Fair - and this should include the private sector as well. He noted that last month we had discussed trying to build partnerships. Has there been any progress on building partnerships? Mr. Bowen answered that the CVB and the Chamber of Commerce are both here today. We've had a number of discussions about how that could be done. A couple of things that were mentioned were:

- A) Could the CVB in some fashion play a role?
- B) The business sponsorship money that is currently being given by businesses in this County to the State Fair - Could they be identified and at least counted in the future toward the match?
- C) Are there ways to generate additional funds beyond business contributions now to the State Fair?

Mr. Werner noted that the first payment, which is the urgent issue at the moment, is covered. We will have the money ready for the April payment with the \$25,000 from the County's Contingency Fund and \$25,000 from the City's Contingency Fund. He asked when the rest of the funding would be formalized. Mr. Bowen answered that the schedule that they are working with is: April - Distribution; July - Distribution; September - Distribution; October - Distribution. Mr. Werner asked when the inter-locals and partnerships would be formalized, so we know what to expect when going forward in our budget cycle. It seems we need to figure this out pretty soon. Mr. Werner thought that a key to that is:

- 1) An Interlocal with the County; and
- 2) Create whatever partnerships we can cultivate.

Mr. Werner asked when those two things would be accomplished? Mr. Bowen stated that that is what they're trying to do now.

Ms. Schorr commented that the long-term option of annexation had been mentioned. What is the time-line on that - how long would that take? What dollars, regarding the sales tax, are we looking at? Mr. Bowen answered that, time-wise, we look at it as an annexation of a business property instead of a development, so he did not think the discussions would take all that long. But it would have to go through the City Process before the City Council with three readings. As to the dollar amounts, last month a \$100,000 figure was mentioned. That would be the minimum estimate collected off of City sale tax collected at the State Fair property. This assumed two things:

- 1) Assuming that it could work;
- 2) Assuming that the State Fair becomes more prosperous than it is currently by adhering to more of a year-round venue than it presently operates under.

That sales tax should then grow both for the State and for the City. At that point, long-term, we could expect that it could become a self-sustaining fund. The sales tax would be collected at the State Fair and then returned, right back into the State Fair as their local match.

Mr. Herz commented that approximately 6 to 6.5 million dollars of taxable sales would be an accurate estimate; and that, at times 1.5%, is roughly \$100,000. There may, potentially, be some other additional taxable sales, but these are the ones that we felt fairly comfortable tabulating. Mr. Bowen added that the point is to make the fund self-sustaining so the issue doesn't become a property tax burden.

Mr. Svoboda commented that the State Fair Park currently pays for water and sewer and LES - electricity. Mr. Bowen agreed, adding though that they pay not directly, but through the University. Mr. Svoboda asked if there was a possibility of forgiving that cost as a direct out-flow/in-flow for the water & sewer that they currently pay for. Is that a possibility since the payment goes through the University? Mr. Herz commented that utilities are closed funds. The utilities would have to be paid for through some type of tax support. Utility agencies could not just donate that amount without violating some bond covenants.

Mr. Camp asked - if the property were annexed and the \$100,000 was collected on sales tax which would eventually self-fund that \$100,000 per year - would that be looked upon in this whole scenario by the voters as some circuitous way that Lincoln is fulfilling its obligation...or is this something that is going to create a negative perception toward the City of Lincoln? Mr. Bowen answered that it would not be considered circuitous because it's generating from funds being spent at the State Fair and going directly back to the State Fair. He did not believe that would be viewed as negative by the voters of Lincoln. Mr. Camp commented that he was thinking state-wide. Mr. Bowen answered that they already collect the State sales tax. Mr. Camp noted that he understood that; but was just trying to understand the intent of this amendment which came about through the voters [of the State] to expect the First Class City to come up with the \$200,000. He wanted to be operating in good faith, and just wanted to make sure this would be a good-faith measure.

Mr. Camp stated that he thought this was a good answer [to the matching funds question] so that we do have something of a self-funding mechanism. It also works with the potential generation of future revenues out at the State Fair. It would be nice to get a year-round level of funds. He wasn't sure that it would be doable with the State Fair in September which will be the big kicker.

Mr. Bowen stated that he was thinking more in the long-term. He noted that if you went this route and begin the annexation and begin this collection, it's going to take a little while for that fund to build up. But, once it's there and sustaining, and as the State Fair Board's plans develop, it would become a more year-round operation. It should be at that point, self-sustaining.

Mr. Camp asked, if we did the annexation approach, are we creating liabilities on the part of the City? Mr. Bowen commented that the Departments have looked at that and it doesn't appear that we would create a lot of new liabilities for us. There are two issues that do need to be looked at. And the departments are doing that now - especially Public Works and Building & Safety. But, it doesn't appear to hold any hidden costs for the City at this point.

Mr. Workman commented that the legislature, in their wisdom, did not, for some reason, mention the County in this \$200,000. He noted that Commissioner Hudkins had stated that there is a consensus on the County Board to support the \$200,000 matching fund requirement. He noted that the Commissioners had not had an official vote on that and that would have to be done. He was not convinced at this point in time that the County should be involved long-term. Theoretically, this will provide revenue for the City through sales tax. It is not going to provide revenue for the County. It will be a drain on the County unless it's annexed, because we provide sheriff's services. He wasn't saying he was not willing to look at long-term, but at this point in time, he would have to be sold on the idea. He added that the Commissioners are responsible for County funds and from a legal standpoint, there is nothing that says the County has to "step up to the plate" on this. Maybe there is a possibility of County sales tax there; if that were the case, then he would feel obliged to participate.

Mr. Bowen answered that first, they don't expect this to be generating revenue for the City. The only reason to do this would be to generate the revenue so we could then give it right back to the State Fair. It would be revenue-neutral for the City. The other thing is that the County, by its own authority, does have charge of Visitor Promotion and attractions within the County. He felt the State Fair would be considered an attraction within the County. Mr. Workman noted that that is a good point.

Mayor Seng commented that this is really a good discussion and one that she has heard in a number of different settings. She, directing her comments to Jon Camp, said that it does not help us any when suggest that the City is doing something "wrong". She told Mr. Camp that she really objected to him talking like that. We have a commitment that was voted on; we need to own up to it and find a way to fulfill that commitment. Yes, we're having trouble figuring it out, but we can do it. That's what this discussion needs to be about. We cannot go around suggesting that we're trying to do something "wrong" in figuring this out. There are a lot of good minds that are working on this and have been meeting to try to figure out the best way. The County which has been providing a lot of service into the State Fair, and the City need to just keep working on this. She added that she had a lot of faith in the group that has been working on this. They've kept narrowing down the options. We will be at a resolution soon. Yes, we have an April dead-line, so we have to find the money for this short-term solution; then we have to find the long-term solution....which is what the voters instructed us to do.

Mr. Werner commented that he agreed completely with what she had just stated. Mr. Werner added that the City and County are appreciative of the economic benefits they enjoy by having the State Fair located here - and we all acknowledge that. He was thrilled to have this problem, because he wanted to have the State Fair in Lincoln, because we do benefit. As we discuss this, if there are some negative overtones, it is only because we're trying to figure it out, not because we don't want the "problem". He was grateful for having the State Fair in Lincoln.

Mr. Camp, in responding to the Mayor's comments, stated that he did not appreciate her remarks. He thought that we need to understand what the voters said. Part of the dialogue and discussion has to include looking at the situation and making sure that we're responding in an appropriate way. If we don't look at the "tone" of what was voted upon, he felt we would be abdicating our responsibility. He felt if we did not ask the questions of upholding our integrity in responding to voters, it would be an over-sight on our part. He was sorry if the Mayor didn't see it that way, but we have to do that so we approach it affirmatively rather than letting the community come back and say [inaudible].

Ms. Seng commented that that is exactly what she wants - everyone to speak affirmatively.

Ms. Newman commented, in summary, that what she hearing from this discussion was that short-term we have a commitment from the County for \$25,000. Mr. Hudkins answered, yes, to state it clearly, we have discussed it; we have identified a place that we can get it and he would support taking to the Board a resolution asking for \$25,000 to match the City's \$25,000 for the State Fair's April payment. He noted that if the City can do that, the Board could meet them half-way this first time. There is no commitment for on-going funding. But, the one-time, we think we can do.

Ms. Newman continued, noting then, on the City side, we're okay with \$25,000 out of the Contingency Fund. Mr. Bowen answered that it would take an action of the Council to adopt that as a resolution. Ms. Newman asked if that was where we stood, noting that this would put us at a point where, short-term, the April payment is covered, as far as the two bodies go.

She noted then, that, down the road, we're talking annexation for a long-term solution. We'll get more information on that. 'Long-term, long-term', what she heard people proposing were partnerships and private sector input. Mr. Hudkins agreed, noting that everywhere that we can access these funds should be explored. This is important to all of Lincoln and Lancaster County. We're the host City and the host County. The residents of the State have asked us to bear an additional burden and we'll just try to do the best we can to meet that expectation.

Mr. Camp added that he hadn't heard any thing in today's discussion about the lodging tax, which he thought had been one option that had also been put forward. He would like to keep that on the table as an option, also. Ms. Newman responded that that is what Terry had mentioned at the last meeting as well. Everything is on the table. Mr. Hudkins agreed, because the City's portion of the sales tax isn't going to meet the full \$200,000 anyway, so we still have our work cut out for us.

Ms. Newman asked if Mr. Bowen and Mr. Eagan were comfortable with these proposals, wondering if it gives them a starting point? She thanked them both for the presentation.

ANNUAL REPORT ON CITY/COUNTY WEED CONTROL PROGRAM: Russ Schultz of the Lancaster County Weed Control Program made the presentation. Mr. Schultz reported that this program came about because of an interlocal agreement between the City and the County. The County assumes the greatest responsibility of carrying out the weed abatement program for the City and taking care of the noxious weed portion of the inspections in the City.

Mr. Schultz reviewed the statistical data that he had distributed to the Common Members. [See Attachment A].

After reviewing the statistical data, Mr. Schultz went on to explain a serious concern facing the County that needs to be addressed. This is the wild Purple Loosestrife weed invading the County's streams and tributaries. Mr. Schultz explained that each Loosestrife plant can produce over 2,000,000 seeds. The seeds are so small they can be carried by water and only germinate in a saturated soil condition; so what is happening is we're starting to have wild plants show up down stream from where they were originally planted as ground cover in residential areas.

Mr. Schultz explained that the weed will crowd everything else out of an area. He noted that this could happen in the Salt Creek System, if we don't stop this spread. We've gotten a great response from County residents who have been removing this plant from their planting beds. His office has notified over a 1,000 landowners about residential planted Loosestrife and they've removed it. Those plants, however, have been planted there for more than 10 years in a lot of cases, so the seed bank is built up down-stream - the seeds are already down there, so we'll be seeing effects down-stream for quite some time. We need to find them and take care of them before they create more seed.

Mr. Schultz explained that the only way to find and eradicate these weeds is to walk the streams and remove the plants before they go to seed. He reported that he would be meeting with the Lower Platte South NRD this afternoon to discuss this with them also. They've been very responsive to this issue. He stated that he would try to get them involved in the inspection process on those streams. When we have notified them of those locations, they have taken care of them. Mr. Schultz was unsure about how the discussion will go, but emphasized that we need one individual -a seasonal employee- for July and August to marker those streams to make sure that we're getting the weeds controlled. That is what he would like to put forth in his budget request for this coming year. This would be about a \$3,000 cost to have a seasonal employee through July and August to scout those streams and then report the Purple Loosestrife locations to the Lower Platte South NRD in order to have them taken care of before they get into the major Salt Creek System.

We have a program in a 10-County area that we're working on to take care of this weed on the Platte River from Columbus on down-stream. We're having the weed coming down from the Central Platte area. But if we allow this to continue in the Salt Creek System, we could be contributing to the problems on the lower Platte River. Last year we treated over 1500 acres of Purple Loosestrife on the Platte River. We got a grant of \$54,000 to help with that and we're asking for another grant this year. From the City's standpoint, he thought we needed to monitor all the streams down-stream from where these weeds have been planted.

Mr. Svoboda asked why it wouldn't be the responsibility of the NRD to inspect those stream ways as opposed to the City and County doing it? Mr. Svoboda asked if Mr. Schultz could propose that to them this afternoon? Mr. Schultz said that he would. Mr. Svoboda added that the NRD has taxing authority and it is the land that they're responsible for. He would prefer that they do it as part of their inspection process.

Mr. Schultz stated that our grant request included costs for that inspection, but we won't know until later in March whether or not we get those funds. In the meantime, he was looking for other funding avenues. He will be asking the NRD also to contribute to the funding for eradication of this weed. That will affect how the budget comes out. If we can't get the money from those places, or fully fund it, he would like to include the expense in his budget to take care of what is needed. Mr. Svoboda thanked Mr. Schultz for his report.

Mr. Workman commented that he supported Mr. Schultz in his concerns and did feel that the NRD should 'cough up' some money on this. He added that he had been up to Knox County when that stuff is in bloom and it is scary -beautiful- but it's everywhere. He didn't know what they would do to get rid of it.

Mr. Schultz explained that the situation on the Platte River is very difficult because probably 50% of the area where the Purple Loosestrife grows is on sandbars and even in the streambed when it's dry enough - and no one claims ownership or responsibility for it. So, we don't have any landowners to go to and tell them that they have to take care of it. The State has not assumed responsibility to take care of those areas, so, after having a series of five meetings with the NRDs trying to get them to jump on the bandwagon, he will also talk to the Game and Parks Commission. If we're going to control this...who will take care of it?.

Ms. McRoy asked how much this initiative would impact his budget. Mr. Schultz explained that the cost on the marking of the streams by a seasonal employee in a two month period would be about \$3,000.00.

Ms. Schorr asked about the Salt Cedar plant. She knew that it had been added to the [noxious weed] list in the past year and asked Mr. Schultz if he had seen any significant increase in that? Mr. Schultz reported that they had not found much Salt Cedar in Lancaster County. He knew of only two areas where there were wild plants. There are some planted in yards, however. He indicated that the Netline website insert was going to have a big deal on how to find it and how to take care of it. There will also be discussion on the Purple Loosestrife problem and that will be coming out in March.

Ms. Newman requested that Mr. Schultz let the Common Members know how the discussions with the NRD go this afternoon. Mr. Schultz indicated that he would keep the Common Members informed. Ms. Newman thanked Mr. Schultz for his presentation.

OLD BUSINESS - None

NEW BUSINESS - Ms. Newman noted that the next Commons Meeting had been scheduled for March the 1st. There has been a change in the Joint LPS/City/County meeting, which had been scheduled on the 1st as well. However, LPS has a conflict and would not be able to attend on that date. We have three options: Postpone the next LPS meeting to April to coincide with the April Common Meeting; Leave the Common meeting date set for March 1st and have two separate meeting dates for the Common and the Joint LPS meetings; or move the Common date to the re-scheduled March 7th LPS/City/County date.

The Common members, upon consideration, determined that they would prefer to continue the practice of holding the two meetings on the same date - for the convenience of all involved. In order to accommodate the LPS Board, they agreed to move the Common from it's originally scheduled March 1st date to March 7th at 8:30 a.m., immediately following the Joint LPS/City/County Meeting scheduled for 7:30 a.m. on that date. Consequently, the next Common Meeting is scheduled for Monday, March 7th, 2005 - 8:30 a.m. - Conference Room 113

ADJOURNMENT - Bob Workman moved adjournment. The motion was seconded by Deb Schorr and carried by unanimous consensus of the Common Members present. The Common adjourned at approximately 9:30 a.m.

Submitted by
Joan V. Ray
Council Secretary

Commonminutes020805



2004 ANNUAL REPORT AND RECOMMENDATIONS COMBINED WEED PROGRAM CITY OF LINCOLN Lancaster County Weed Control Authority

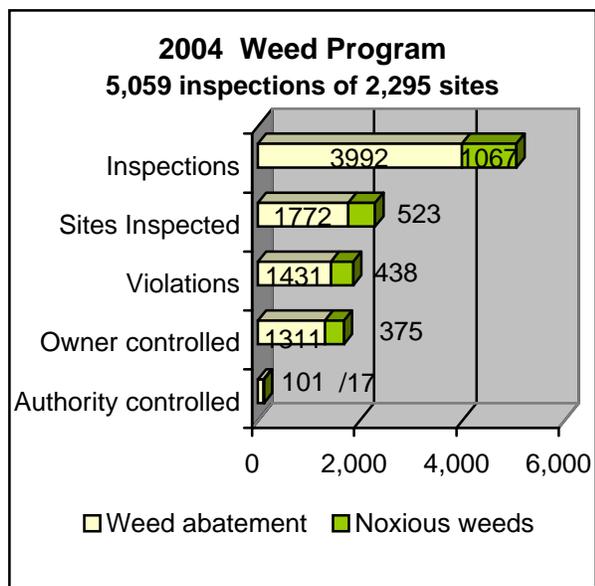
Year in Review

The number of complaints on weed abatement dropped by 239 and the number of violations decreased by 161. Violations by multiple violators were 129 less.

Inspection Activity

5,059 inspections were made of 2,295 sites on 3,593 acres during the year. 1,869 violations were found on 1,343 acres. Violations dropped 438 from last year, and acres of violations

- 279 sites received multiple complaints.
- Sent 501 notices, 991 letters, published 122 notifications and made 65 personal contacts.
- 1,311 sites cut by landowners.
- 150 sites were contracted.
- 36 cut by landowners before contractor arrived.
- 109 sites force cut at the cost \$11,817.
- 88 properties were assessed for non-payment.



decreased by 207.

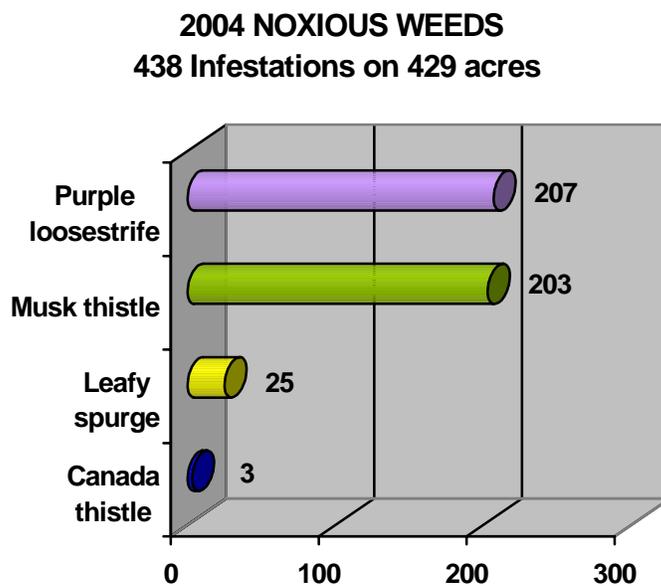
Weed Abatement Program

There was a continuing emphasis on obtaining voluntary compliance of landowners. 92% of owners cut their overgrowth after notification. This was accomplished with 35% legal notifications.

- * Made 3,992 inspections on 1,772 sites on 1,343 acres.
- Found 1,431 violations on 914 acres.
- Found no violations on 328 sites.
- 1,681 complaints received on 1,402 sites.

Noxious Weeds

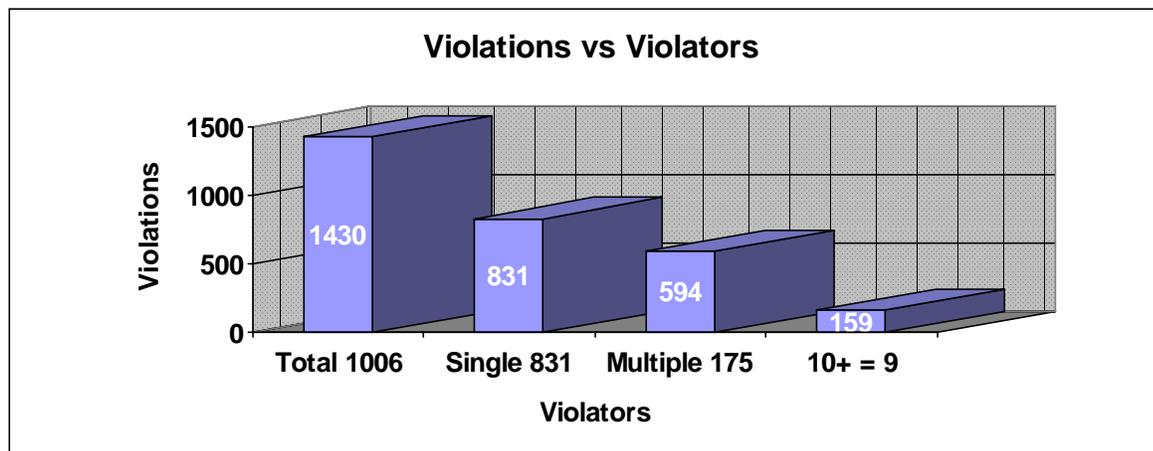
438 infestations were found on 429 acres. The number of infestations found increased by 48. The number of infestations found by noxious



weed is shown below. 375 of these sites were controlled by landowners. The Authority controlled 12 sites.

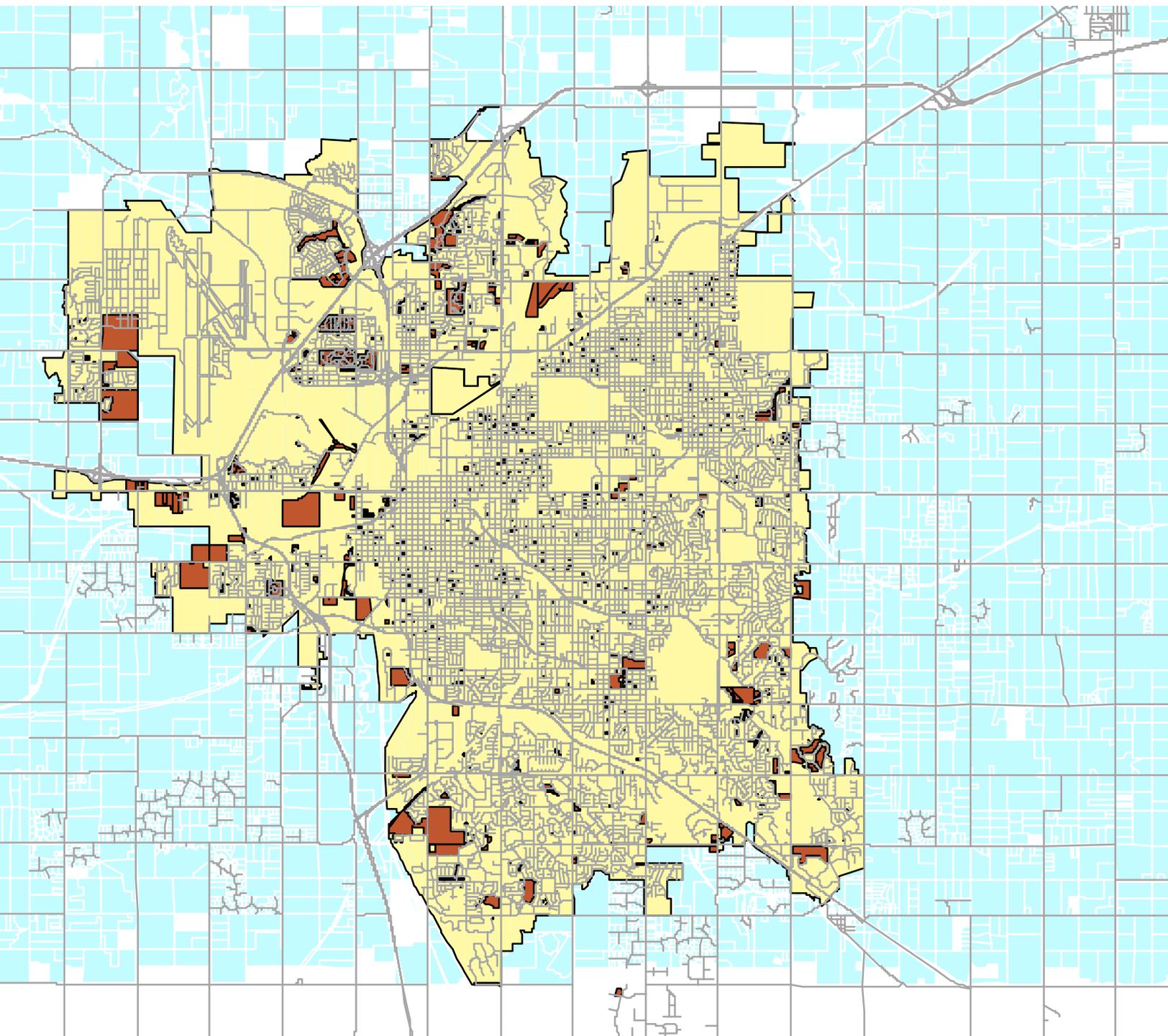
WEED ABATEMENT MULTIPLE VIOLATIONS 2004

Owner	Violators	Violations	Owner cut	Force cut
Champoux (2003)	1	28 (37)	24 (35)	4 (2)
Garry Christensen	1	26	26	0
Hartland Homes (2003)	1	23 (14)	23 (14)	0 (0)
Ridge Development Co (2003)	1	19 (53)	19 (52)	0 (1)
City of Lincoln (2003)	1	17 (13)	17 (13)	0 (0)
Hampton (2003)	1	13 (45)	13 (45)	0 (0)
Barclay Bauman Properties	1	12	12	0
Paul Hunt (2003)	1	11 (14)	11 (14)	0 (0)
Villas at Lakeside	1	10	10	0
10 + Violations	9	159	155	4
2-10 Violations	166	435	392	41
Total multiple violators	175	594	547	45
Single violators	831	831	764	64
Total all Violators	1006	1430	1311(93.7%)	109(6.3%)

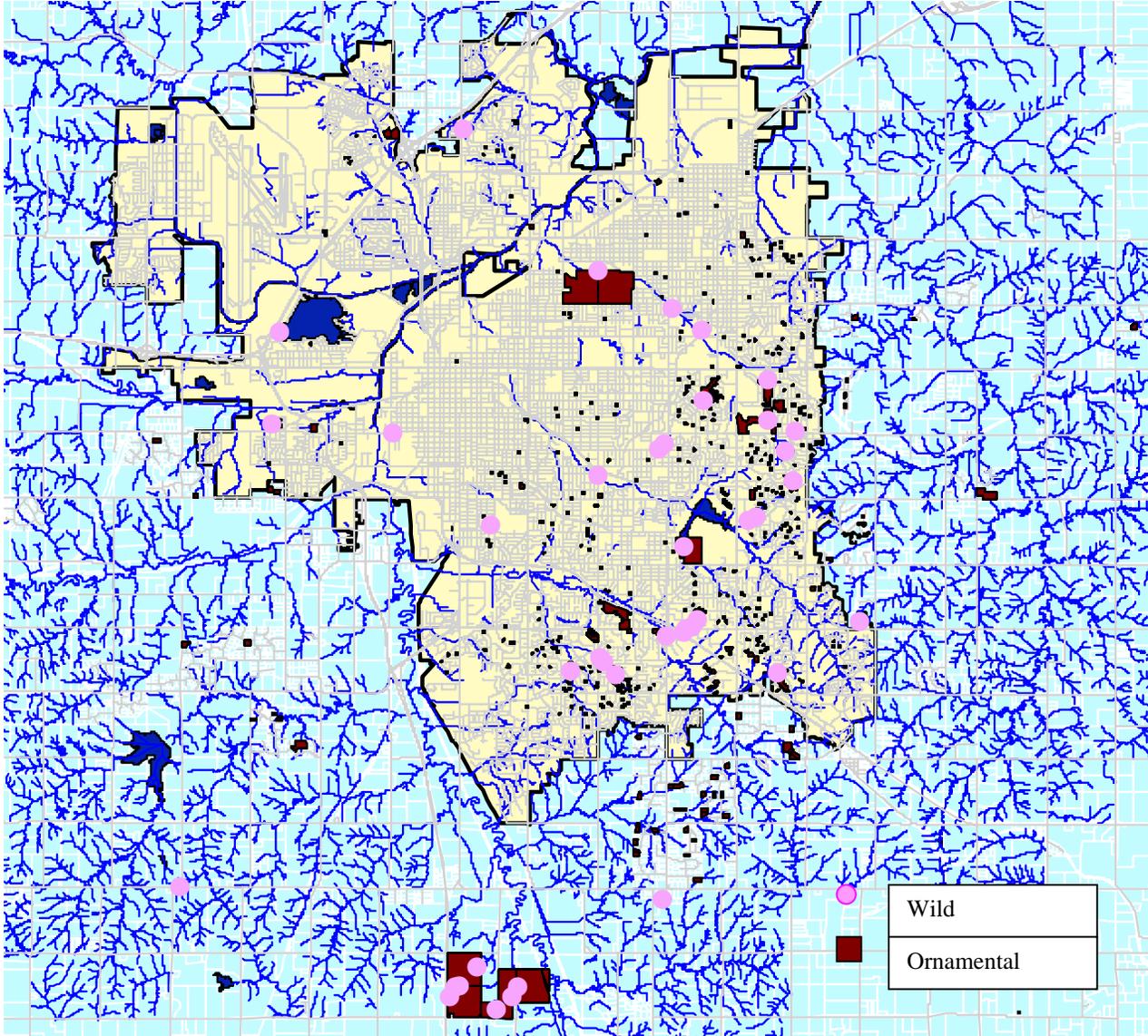


- The 9 landowners with 10 or more violations had 11.1% of the violations.
 - Had 159 violations, 153 less than last year
 - Four forced cutting compared to 6 last year
- The 175 multiple violators
 - Are 17.4% of all violators
 - Had 41.5% of the total violations
 - Had 41.3% of the forced cuttings

2004 City Weed Abatement



Purple Loosestrife is Invading the Streams



Purple loosestrife or lythrum has been planted in many yards as an ornamental in the past ten years. Since purple loosestrife was designated a noxious weed in Nebraska in 2001, many homeowners have removed these plants from their yards. The Weed Control Authority has notified almost 1000 homeowners that they need to remove their ornamental purple loosestrife plantings. These homeowners and many others have voluntarily done so. Recent studies prove that ornamental Lythrum cultivars, which were once, thought to be sterile, CAN and DO produce viable seed. When seed from domestic plants find its way into natural and agricultural areas, new stands of wild purple loosestrife sprout. A mature purple loosestrife plant can produce over 2 million seeds. The seeds are so small they are readily transported by rain runoff to drainages and streams where they will germinate in a saturated soil condition. The seeds will not probably germinate in a yard unless there are areas that are excessively wet such as around a pond on an acreage. Even though we feel that most of the ornamental plants have been removed, a plentiful supply of seeds have been transported to low lying areas and will remain in the soil until conditions are right for them to germinate. Wild purple loosestrife plants have been found in many of the Lincoln streams down stream from ornamental plantings. This includes Dead Man's Run, Antelope Creek, Beal Slough and their tributaries. Wild plants have not been found in Salt Creek to date. These wild plants need to be found and controlled before their populations explode and they form solid dense stands of purple loosestrife in the Salt Creek System. This would severely reduce the wildlife habitat and other uses. Purple loosestrife is not desirable wildlife habitat and inhibits recreational uses.

Recommendation

That a seasonal employee be funded for July and August to make inspections of the drainages in the City of Lincoln for wild purple loosestrife plants.