

**WEST HAYMARKET JOINT PUBLIC AGENCY (JPA)**  
**Board Meeting**  
**April 25, 2024**

Meeting Began At: 1:01 P.M.

Meeting Ended At: 1:59 P.M.

Members Present: Leirion Gaylor Baird, Tim Clare, and Tom Beckius

**Item 1 - Introductions and Notice of Open Meetings Law Posted by Door.**

Gaylor Baird advised that this is a public meeting subject to the open meetings act posted at the back of the room.

**Item 2 - Public Comment and Time Limit Notification.**

Gaylor Baird advised members of the public are given five minutes for public comment on specific items listed on today's agenda and those testifying should identify themselves for the record.

**Item 3 – Approval of the minutes from the JPA special meeting held April 4, 2024.**

Clare moved approval of the minutes as presented. Beckius seconded the motion. Motion carried 3-0.

**Item 4 – Approval of the Payment Register for December 2023 through March 2024 and review of the Expenditure Report as of March 31, 2024.**

Lyn Heaton, Finance Director and JPA Treasurer, stated in reviewing the December 2023 through March 2024 payment register the major payments consisted of the following:

- \$16,795,800.43 to Union Bank & Trust Company for semiannual JPA bond principal and interest.
- \$1,048,112.95 to District Energy Corporation for the December 2023 through March 2024 West Haymarket billings. \$794,184.97 was billed back to customers (75.8%).
- \$799,128.49 to City of Lincoln-Parking Services for October 2023 through February 2024 JPA parking garage management. During the same period, the JPA collected \$1,570,532.39 in parking revenue.
- \$216,200.00 to ASM Global/Legends for FY 2022-23 operator incentive fees.
- \$205,819.00 to City of Lincoln for first and second quarter Fiscal Year 2023-24 City staff costs as adopted in the 2023-24 JPA Operating Budget.
- \$58,871.00 to City of Lincoln for annual maintenance of the Festival Lot and Arena Drive. This maintenance is performed by the Parks and Recreation department through an agreement with the Downtown Lincoln Association.
- \$60,176.08 to First Wireless Inc. for 2-way radios at Pinnacle Bank Arena as approved by the Board.
- \$36,170.00 to Mitsubishi Electric for LED corner scoreboards at Pinnacle Bank Arena. This represents a partial payment as approved by the Board.
- \$42,303.33 to REB Storage Systems for storage loft at Pinnacle Bank Arena.
- \$1,048,897.50 to Pinnacle Bank Arena for the following:

1. \$160,915.77 for arena repair, routine maintenance, and purchase of minor equipment for October 2023 through January 2024.
2. \$62,981.73 for food and beverage equipment pursuant to the budget.
3. \$525,000.00 for second and third quarter Fiscal Year 2023-24 sponsorships. This is paid from the Learfield Marketing and promotional revenue.
4. \$300,000.00 for second and third quarter Fiscal Year 2023-24 operating increment.

Heaton explained through the end of March, Occupation tax revenues are up 4% over last year at this time or \$482,093. As a comparison to the original projections when the arena was first opened, the JPA has collected occupation taxes equivalent to the estimate for the year 2042. Heaton presented a bar graph showing the actual revenues compared to the original projections of the occupation tax revenues and stated the JPA is performing much better than the original projections. Gaylor Baird took a moment to remind everyone that part of the reason a cautious approach is taken with the JPA funds is due to the anticipation of additional maintenance and repair needs over time to increase. Heaton further explained these forecasts take into account a long term forecast of necessary capital improvements and other things of that nature.

Jane Kinsey, Watchdogs of Lincoln Government, asked what the balance is. Heaton explained that as of the end of March the fund balance was \$44.8 million. Kinsey asked if this includes all the payments that were made over the last two months. He confirmed this total represents everything reported through the end of March. Kinsey commented that the public is paying taxes to several entities. The federal government has provided the bond money so our tax money is taking care of that, the state has a turnback tax which also comes from tax payments, and the local occupation tax. Kinsey stated another issue is that the balance for the bonds was in the red and further commented that the arena has a subsidy of \$600,000 a year.

Clare commented that there is \$44 million in the account and that we are 18 years ahead of where we anticipated the occupation tax.

There being no further discussion or public comment, Beckius moved approval of the payment register. Clare seconded the motion. Motion carried 3-0.

**Item 5 – WH 24-20 Resolution to accept the financial audit and management letter and report from Forvis, LLP for the period ending August 31, 2023.**

Heaton stated Chris Lindner with Forvis is here today. The team at Forvis completed the independent audit of the West Haymarket JPA's financial statements. The audit was performed under governmental auditing standards and he is happy to report the audit resulted in a clean audit or otherwise known as an unmodified opinion.

Chris Lindner, Audit Partner with Forvis, stated he is pleased to be here today to give a high level overview of the financial statements and answer any questions. He thanked the staff at the City for all their help throughout the process. He explained that within the packet there are two items: 1) the financial statements that include the opinions and audit reports themselves, and 2) the communication letter that explains the financial statements and auditing standards. Within the audit report there are two opinions. The first opinion is the financial statement opinion, and it is a clean or unmodified opinion. The second opinion is that it is in accordance with the government auditing standards and this was a clean or unmodified opinion as well.

Clare commented that we are in good financial standing and that our processes and procedures are good. Lindner stated that they have been tested and believe they are in accordance with correct accounting standards and from an internal control standpoint there were no issues to report.

Kinsey commented that the Build America Bonds and other gifts from the federal government could be called back and the public needs to know that is a possibility. Heaton stated the Build America Bonds and the Recovery Zone Economic Development Bonds each come with an interest subsidy and those range from 35 to 45% so this is supplemental to the debt service payment on the bonds. He further explained we make the debt service payments and then there is a check issued by the U.S. Treasury. This was an incentive provided by the federal government for investment at the time the arena was being built.

Gaylor Baird thanked the team at Forvis and stated she appreciated the report and good news.

There being no further discussion or public comment, Clare moved approval of the resolution. Beckius seconded the motion. Motion carried 3-0.

**Item 6 - WH 24-21 Resolution to approve a Unit Price Contract with American Fence Company to repair damaged decorative fencing at the north end of the Lincoln pedestrian bridge for an amount not to exceed \$3,931.44, to be paid out of the endowment fund.**

Chris Connolly, City Law Department, stated this is a contract to repair a portion of the fence that has been damaged due to some settling that has taken place on the north end as indicated. This is a small contract that will be paid for out of the endowment.

Kinsey asked what caused the damage? Connolly explained there was some settlement of the land where the fence was put in and it caused it to pull the fence down and damage the post.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

**Item 7 - WH 24-22 Resolution to approve an Agreement for Engineering Services between the West Haymarket JPA and Olsson, Inc. for semi-annual inspections in accordance with the West Haymarket Redevelopment Site North and South O & M Plans and limited on-call soil sampling, for an amount not to exceed \$13,000.00.**

Connolly stated this is something we have been doing for the last few years at the recommendation of our environmental specialist to do semi-annual inspections of the soil and to be available to do other soil sampling if necessary. The contract is for \$13,000, but stated he does not know that we would spend that much. In any event, it is something we need to do to maintain our standing with the environmental work that was done down there.

Kinsey asked if this is done on land presently owned by the JPA. Connolly confirmed yes, and further stated it is on land that the JPA has responsibility for the environmental issues. Kinsey asked if this is the land that could become the park. Connolly stated it could include that land.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

**Item 8 - WH 24-23 Resolution to approve an Agreement between the West Haymarket JPA and Fives Nines Technology Group for network hardware replacements for the Pinnacle Bank Arena for an amount not to exceed \$32,602.61.**

Connolly stated the JPA has worked with Five Nines for years. Technology is something that changes very quickly and this is needed for replacement of hardware.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

**Item 9 - WH 24-24 Resolution to approve Amendment No. 1 to the Real Property Agreement for transfers in West Haymarket 4<sup>th</sup> Addition with the City of Lincoln.**

Connolly explained that going back a year there was a project that was being proposed for Block 5 that was owned by the JPA. The JPA conveyed the property to the City for purposes of allowing a project to finish out and allowing the City to negotiate terms with the developer. The project did not come to fruition and since that time there have been further discussions on what to do with this land. It has been determined that the land should be used as an expansion of South Haymarket Park. The best way to do this is through an amendment to the agreement conveying the property to the City in its entirety to be dedicated for park purposes. The JPA believes the enhancement of the park is in the best interest of the citizens of the City.

Karen Nalow with Parks and Recreation presented plans for South Haymarket Park. She explained the South Haymarket Park will be our new high amenity urban park which will serve as a catalyst for development in the Haymarket districts. This park represents years of planning and community feedback which led to the recommendation of this new park in the downtown area. This park will drive economic activity in the West Haymarket area and across our community by improving the quality of life for downtown residents and businesses and it will also serve as an attraction to the area. It will create the ability to host events in this space. There will be a skate park so we will be able to have skate tournaments and other community events can be hosted here. This will further drive the economic benefit of the park for the area. Block 5 is a 1.6 acre lot that we've been gifted increasing the size of the park to have additional green space allowing for the creation of an iconic entrance to the park at Canopy and N Streets. Additionally, the inclusion of Block 5 will improve the overall layout of the park. It allows them to bring the skate park front and center so that it is close to the main entrances of the park and it also improves circulation and connections to the park from the surrounding districts. This gift of Block 5 will also allow the money from the anonymous donor to go towards the development of the park rather than acquisition of the land which will help offset the costs. Nalow displayed a power point presentation showing the layout of the park, explaining the new features of the park, and the different locations of the park.

Connolly added that the JPA Board has supported this park in the past and continues to give their support for this wonderful park. After Board approval, this item will move to City Council for approval and then the conveyance will take place after that.

Beckius thanked Karen for presenting the park layout as this gives a proper vision as to what this park will actually do to this area of the City.

Gaylor Baird stated in the past there was some concern about whether people could identify the park from a distance and by opening it up in this area it is no longer a concern.

Kinsey stated she would like to remind the public that they did not vote for any of this expansion with the idea of the arena. She read the ballot question that was voted for. She further stated this vote has gone way beyond what the people expected. She commented that small children will be playing on soil that has been contaminated for 150 years. She has received information from a former employee of the City, including material, that shows there is grave concern with having an open area here. This can be investigated further when we know about the soil report. This is something that City leadership might say is all well and good expansion, but there are downsides to it that need to be watched and investigated.

Connolly stated the allegation about children playing on the ground that is somehow unsafe is not accurate. All of this land was fully rehabilitated years ago and has a four foot cap of clean soil on top of it. Both the EPA and NDEE have given us no further action letters which means there is nothing else you need to do and that this is safe for this particular use. This cap will protect everyone when they are walking, running, etc.

Clare commented the JPA footprint goes out and covers this area. Connolly confirmed.

Gaylor Baird commented that the vote reference was not about the Joint Public Agency but on the bonds to build the arena. Connolly confirmed that is correct. Gaylor Baird reiterated that this park as been contemplated for a number of years through the downtown master plan within the JPA boundaries. Through community engagement, we are pleased to be moving forward on something that is going to help us create a dynamic downtown, further catalyze economic development, and increase quality of life in our community.

There being no further discussion or public comment, Clare moved approval of the resolution. Beckius seconded the motion. Motion carried 3-0.

**Item 10 - WH 24-25 Resolution to approve a Contract between the West Haymarket JPA and Vasa Construction for the West Haymarket Streetscape Expansion, for a total amount not to exceed \$219,725.00, pursuant to Bid No. 24-084.**

Connolly stated this is for work under the O Street viaduct. With the completion of projects like the Olsson building on the north and Canopy Park on the south, a small area in between never got fully developed and was used for parking areas, etc. They have been working with Urban Development to come up with a plan to finish the streetscape and make it a better looking area. A substantial portion of these costs will be coming back to the JPA from Urban Development as their share of the costs of doing the improvements. This is not a reconstruction or a repair, it's new development in the Haymarket area that had not been finished.

Clare asked if the endowment could be used to help pay for the streetscape. Connolly stated the endowment is meant for repairs and this is not really a repair. He explained this was never finished so that is what we are doing now.

Gaylor Baird asked for the location. Connolly explained this is underneath the O Street viaduct west of P Street between the Olsson building on the north and Canopy Park on the south on the west side of 8<sup>th</sup> Street.

Kinsey asked if this is the bridge that spells out Lincoln? Connolly stated no this is the viaduct that is actually O Street. Kinsey asked if this was a repair. Connolly stated this is not a repair and explained it is new development where they are going to put in some curbing, street trees, etc. to finish it out and make it look nice. Kinsey asked if it's being used already. Connolly stated it has been used as staging area for construction equipment while the Olsson building and Canopy Park were being built.

There being no further discussion or public comment, Beckius moved approval of the resolution. Clare seconded the motion. Motion carried 3-0.

**Item 11 - WH 24-26 Resolution to approve a Contract between the West Haymarket JPA and Western Specialty Contractors for repairs to the Pinnacle Bank Arena ramp, elevated plaza, and pedestrian bridge, for a total amount not to exceed \$189,454.44, pursuant to Bid No. 24-085.**

Connolly stated this is another project of deteriorating infrastructure. This is a matter of making repairs and sealing the decking to the pedestrian bridge that goes over the railroad tracks. They will use a coating that is used to seal the cement surfaces in parking garages for a long life.

Beckius asked if this is the result of the study that was approved a couple meetings back that identified the totality of the work that the study identified needs to be done? Caleb Swanson, Project Control, confirmed this is related to the study that DLR conducted of the ramp, elevated plaza concrete and infrastructure. This scope of work will include all of the recommended repairs. The sealant of the surface is the largest element of this, but there are a number of things included in here. The sealant will be one of the last things to be done. This will need to be coordinated around events at the arena so that they are not interfering with pedestrian traffic. The objective is to be completed with this project later this year. Beckius commented that this dollar amount is less than the place holder amount approved in the last budget. He asked, will there still be a few items coming forward? Swanson confirmed that they have had very good results for this project. They bid for good, better, and best options to see what was out there and what the market was doing. The bids were very competitive and so they were able to go with the best product here and it is still within the budget for this project.

There being no further discussion or public comment, Clare moved approval of the resolution. Beckius seconded the motion. Motion carried 3-0.

**Item 12 - WH 24-27 Resolution to approve an Agreement for Engineering Services between the West Haymarket JPA and Olsson, Inc. for field inspections and structural conditions analysis of the Lincoln pedestrian bridge, for an amount not to exceed \$45,000.00.**

Connolly stated this contract is for work that is necessary for an eleven year old pedestrian bridge. They believe it is necessary to complete a full structural inspection of the bridge to make sure no components of the bridge are failing anywhere. This kind of pedestrian bridge does not fall under the same category as vehicle bridges and there are no standards or requirements for when inspections are needed. As a practice, we are going to adopt a model that will be similar to those kinds of bridges and will allow us knowledge of what the condition of the bridge is.

Clare commented that this is extraordinarily important. When the cable broke when this bridge was first set up, we were so lucky that there wasn't a train, it didn't disrupt use of the track, and

that there were no injuries. He is glad we are looking at it again as this is something you don't hedge on. We need to make sure.

There being no further discussion or public comment, Clare moved approval of the resolution. Beckius seconded the motion. Motion carried 3-0.

**Item 13 - Next Meeting Date.**

The next meeting will be Thursday, August 29, 2024 at 2:30 p.m. in Council Chambers, First Floor of the County-City Building.

**Item 14 – Motion to Adjourn**

Beckius moved to adjourn. Motion seconded by Clare. The meeting adjourned at 1:59 p.m.