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Administrative Services Committee Meeting

Douglas County, Nebraska

Tuesday, June 28, 2016

The meeting convened at 8:02 A.M. in Room 903 of the Omaha-Douglas Civic Center, 1819 Farnam Street, Omaha, NE 68183. A copy of the Open Meetings Act is located on the wall near the entrance of the room. A notice of the meeting was published in the June 7, 2016, issue of *The Daily Record*. County Commissioners present at the meeting were P. J. Morgan, Jim Cavanaugh, Clare Duda, and Marc Kraft. Others present at the meeting were Kent Holm, Environmental Services; Bill Green, Engineer; Mike Dwornicki, Internal Audit; John Friend, Clerk of the District Court; Mark Conrey, 911; Patrick Bloomingdale, Catherine Hall and Marcos San Martin, County Administration; Tom Wheeler, Sheriff's Office; Paul Johnson, Emergency Management; Mark Foxall, John Hubbard, and Amber Michalski, Corrections; Tim Cavanaugh and John Ewing, Treasurer's Office; Jerry Leahy and Jeff McGill, Public Properties; Doug Kagan, Nebraska Taxpayers for Freedom; and Constance Mierendorf, Douglas County Clerk/Comptroller's Office. Jim Cavanaugh chairs the Committee.

A video recording of the meeting is available on the Douglas County Website:
<http://commissioners.douglascounty-ne.gov/board-meetings/videos>.

Commissioner Cavanaugh announced that the Treasurer's Office Strategic Plan report would be first on the agenda.

Treasurer's Office Strategic Plan Report

John Ewing said the goal of the Douglas County Treasurer's Office is to work cooperatively with the rest of the County. The Office wants to be good partners with the rest of government (See Attachment A).

Facilities

- Mr. Ewing said the Treasurer's Office sees a great opportunity in the move to the Fitzgerald Home. The location is much more desirable than the 108th and Maple Street Treasurer's Office. It will also have a drive-through; drive-throughs have been very successful in Millard and South Omaha.
- The Fitzgerald site also offers the potential for a State facility on the campus. The State is going to consolidate Drivers' Services locations into one Super Center in Douglas County serving all of the County and potentially portions of Washington County. The State will be issuing an RFP (Request for Proposal) for the Super Center. Having the Department of Motor Vehicles and the Treasurer's Office in one location would be a great service to Douglas County residents.
- The Fitzgerald Home location also offers the potential to extend hours of operation beyond 4 P.M.

- The move would free the County from lease payments for the 108th and Maple Street location. Those lease payments would increase in the future.
- As the Treasurer looks long term for the best plan for locating offices, the possibility of going to a 4 corners plan might be the best for the County.
- The Election Commission office might be able to go to the 84th and Cass Street location.
- If the Treasurer left the 84th and Cass Street location, the Sheriff's Department would also have to locate its inspection station at the Fitzgerald Home.

Systems

- Mr. Ewing said his office is currently looking at an RFP for electronic payments to get down to one provider for online fees. At minimum, the Treasurer would go from 3-4 vendors to 1. This would be much more efficient. The proposals are being tabulated now and a decision will be made on a vendor in the next week. The goal is to find the lowest fee the taxpayer will pay.
- Commissioner Cavanaugh asked if there is a way to get away from paying a fee and still do business electronically.
- Mr. Ewing said credit card companies always charge a fee when doing business online. He looked into the cost in 2007. It would cost \$800,000 to \$1.5 million for the County to subsidize the fee.
- Tim Cavanaugh said it is a pass-through fee to the user, but the RFP is designed to find the lowest fee the taxpayer would have to pay. When a purchase is made at a retail store, the cost of the fee is hidden in the cost of the goods. The County cannot do this because it is charging for taxes.
- Mr. Ewing said he is hopeful the cost to the taxpayer will be less.
- Working with DOT.Comim and Diane Wallace, the Treasurer's Office is replacing computers every 4 years, so that the latest technology is available to personnel and budgeting for equipment replacement is more precise and predictable.
- Security cameras are being checked regularly and are being replaced when necessary. Higher resolution cameras help identify potential mistakes and fraudulent documents.

Investments

- The Treasurer's Office is in the process of establishing the Treasurer's Investment Council that should increase annual investment returns by \$1 million per year.
- Previously, the Treasurer has been confined to very conservative investments like Certificates of Deposit and Treasury Bills, but working with Joe Lorenz, Michael Green of Evergreen Capital, and the County Clerk's Office, the Treasurer will be making more aggressive investments.
- The County Attorney's Office has offered an opinion that the County can mirror the State investing model.
- Tim Cavanaugh said the Office is working closely with the Clerk's office to make certain enough capital is on hand to pay the Treasurer's bills.
- The Office is in the process of selecting a firm to handle the Investment Council.

- Mr. Lorenz said the final 3 interviews will be conducted in July, and the Council should be up and running in August.

Motor Vehicles-Plate Year

- Every 6 years all new and renewed license plates are replaced. This puts a strain on the staff to process over 450,000 vehicles in Douglas County. Full staffing is needed. There will be a significant increase in postage, but there will also be an increase in revenue, so the Treasurer is not asking for more money in the FY 2017 budget.
- Plates are stored in the downtown space, but the Fitzgerald Home will offer more, convenient storage space.
- Mr. Ewing said the best news from the State is the new Vehicle Titling and Registration System it is implementing to replace a 30-year-old system. This will provide better customer service (kiosks may be used to provide more convenient access for taxpayers).
- The new system will also make it easier to determine whether drivers have registered their vehicles in this State. The inability to track vehicles that are not registered causes a loss of millions of dollars each year to the State. The system will be able to track a new vehicle from purchase to registration and ensures that people pay their fair share.

Property Tax Division

- The Property Tax Division has been doing tax certificate sales on-line for the past 5-6 years. This keeps the staff from having to work 200-300 hours of overtime and also eliminates the need for having to lease out additional space.

Training

- Mr. Ewing said one of the goals of the Treasurer's Office has been to be one of the best trained staffs in government.
- Ethics training is a top priority. Recently employees went through the Business Alliance Toolkit Training. They have also gone through training with Gallup. The cost of that training is \$10,000, but Mr. Ewing was able to get it for free.
- All assistant managers and higher also went through the Elevate Training Program. Normally, the cost of this training would be \$4,500, but Mr. Ewing was able to obtain this training for no cost. The Treasurer's Office is the first government agency to do Elevate Training.
- Last week (week of June 20) the Office submitted an application to the Better Business Bureau for a business integrity award. No government office has ever participated in this competition.
- Commissioner Cavanaugh asked about succession planning policies in the Treasurer's Office. He hopes each department and elected official will give some thought to succession planning as a part of their strategic plan.
- Mr. Ewing said that part of the reason the Office does so much training and investing in staff is to prepare people within the organization to advance and to have people in place who can replace people who leave.

- Tim Cavanaugh said the Treasurer's Office tries to identify leadership qualities whenever there is a testing process for promotion within the office and also when they hire people off the street. The Treasurer's Office is always looking for leadership potential.
- The hiring process involves several different interview scenarios in order to have a fair process and to be able to identify talent.

Auditing and Accounting

- The Treasurer has a senior director of auditing and accounting to continue to review accountability in the office.
- The Office has hired the Oracle expert who will assist in the conversion from Quickbooks to Oracle. The Treasurer's Office collects \$1.5 billion per year. Oracle allows for greater transparency and communication with other departments in the County

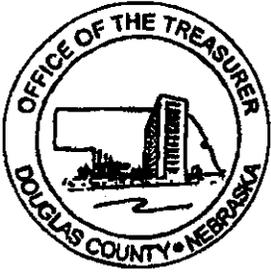
Space Needs and the Bond Issue

- Commissioner Cavanaugh said the Bond numbers are basically what has been discussed over the past weeks. The total is \$45 million. The need is being met to provide services to citizens who live in the western part of the County. The Fitzgerald Home at 156th and Maple Street is a prime location.
- A summary of the projected costs is:
 - \$20.3 million for construction
 - \$15 million for 911 equipment and radios
 - \$2.7 million for radio replacements for the Sheriff and Corrections (this amount has been included in the \$15 million figure immediately above)
 - \$7 million for Corrections renovation
- Jerry Leahy said nothing major has changed in the plans for the Bond. The consolidation of services (members include 911, Emergency Management, Environmental Services, and the Treasurer's Office with a new drive-through and better branch office) will benefit tax payers. The elements have remained the same as they have been over the past several weeks.
- Corrections is also included and a report on the final costs based on the detailed inspection of Corrections will be presented later in the day at the Finance Committee meeting. The Corrections needs go beyond plumbing and exceeds \$7 million.
- Commissioner Cavanaugh summarized the square footage of the Fitzgerald renovation:

○ 911	11,754 sq. ft.
○ Treasurer and DMV	8,989 sq. ft.
○ Environmental Services	2,498 sq. ft.
○ Emergency Management	2,400 sq. ft.
- With shared space, mechanical storage, and circulation the renovation is 45,308 sq. ft. with future expansion potential of 18,000 sq. ft. split between 2 levels. The total square footage is 58,881 sq. ft.

- Mr. Leahy said he tried to work to fit the Assessor/Register of Deeds office into the Fitzgerald building, but Jeff McGill said that office needed 16,000 sq. ft. of contiguous space plus vaults and could not be split up.
- Commissioner Cavanaugh asked what the disposition of the properties the County would be vacating is.
- Mr. Leahy said the Environmental Services Building would be sold. The lease on the Treasurer's facility at 108th and Maple will expire in 2018; however, Mr. Ewing said the landlord would possibly allow the County to stay on a month-to-month basis.
- Looking at calculations for savings at the 108th and Maple Street location, the estimate comes in at \$2 million over 20 years that would not go to rent. This is approximately \$8500/month and does not include any increase in rent over those 20 years. This money could be used to pay down the Bond.
- Mr. Ewing added that the State DMV could generate revenue by paying rent at the Fitzgerald Home.
- Dr. Foxall said that the count at the Corrections Center on June 28 is 1,306, the highest it has been in 8 years. The count would normally be approximately 1,100. The need for safe, secure space is critical. The female population is at 190. Another 50-60 inmates will force some releases or transfers.
- Patrick Bloomingdale said the original estimate for Corrections of \$7 million will be more. The figures will be discussed in the Finance Committee Meeting later in the day.
- Commissioner Cavanaugh asked about the status of the bus station and Mr. Leahy replied that the status of the rental agreement has not changed.
- Mark Conrey said the City Fire Department did not receive the total amount of the grant for radios it had applied for.
- Commissioner Cavanaugh said a meeting with First Responders is being scheduled for July 7. This will be the first of a series of meetings with community groups. He asked that all offices affected by the Bond be prepared to address the meeting and have specific information available for the First Responders.
- Commissioner Duda said he is meeting with Melanie Bates at the Omaha Fire Department regarding the radio grant and is also reaching out to the 7 rural fire departments.

The meeting adjourned at 8:53 A.M.



Douglas County Treasurer

John W. Ewing, Jr.

Douglas County Treasurer

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DATE: June 22, 2016
TO: John W. Ewing, Jr.
FROM: Tim Cavanaugh
Chief Deputy Douglas County Treasurer
RE: STRATEGIC PLAN

2016-2021

Facilities

The Treasurer's Office plans to relocate the Maple Customer Service Center to the Thomas Fitzgerald Home following a successful passage of the Douglas County Public Safety-Facilities Bond Issuance by the voters in November, 2016. The office should become operational at the end of 2017 or the beginning of 2018. It is hopeful that the build out can be started immediately following a successful vote.

- The new CSC will have a drive-through service window
- The potential for a re-location to a free-standing DMV testing station may present itself. This would result in a new revenue source for the county.

Benefits of the re-location would be:

- No rent for the facility because the property is owned by the county.
- Plenty of parking exists for staff and customers.
- The premises would present a much more desirable appeal than the run down and trash-cluttered current location at 108th and Maple.

Consideration should be given to closing the Midtown CSC, thereby freeing space for other county offices. It would then be desirable for the Sheriff's Inspection Services be moved to 153rd and Maple, on the grounds of the Fitzgerald property.

The Treasurer's Dealer Center would either remain at the Midtown location or also re-locate to the Fitzgerald property.

By design, nearly all of the Treasurer's Office's leases expire in 2021 so that the county is not obligated beyond that time, in case conditions change to the point where offices need to be reduced or re-located as opportunities present themselves for efficiency or cost-savings.

Systems

Currently, the bids resulting from an RFP for electronic payments are being tabulated. This initiative will bring all payments to the Treasurer's Office (minus online registration renewals on the state website) under one umbrella utilizing only one vendor. Operationally, this greatly enhances efficiency and should offer taxpayers the least expensive options for alternative payments.

Each year, one-fourth of the Treasurer's computers and monitors will be replaced so that the office has a consistent replacement program. This will make budgeting more precise and predictable.

The Treasurer's Office is poised to take advantage of any applicable advances in state-of-the-art technology.

Security cameras shall continue to be checked regularly for reliability and replaced with state-of-the-art systems as they become due for replacement. The increased resolution helps to identify potential mistakes in counting by staff and fraudulent documents that may be presented by customers.

Investments

The Treasurer's Investment Council was implemented in 2016. It consists of representatives from the Treasurer's Office, the Clerk's Office, the County's Fiscal Administrator, and a representative from the private investment sector.

The Council is projecting over a \$1 million increase in annual investments in the years moving forward because of a change in focus and expanded investment opportunities.

Motor Vehicles

2017 is a new license plate year. Because of such, each and every renewal for 2017 will require a new license plate. This places strain on our customer service mail staff that fulfills online and telephone renewals. Our postage budget will increase significantly; however, will be off-set through increases in customer handling fees. Storage and deliveries will face challenges for 2017, also.

In 2019, a new Nebraska Vehicle, Titling, and Registration System will be implemented by the DMV. This will also impact the Treasurer's staff and will require some re-programming and trial and error implementation. The current system is 30 years old and no longer serves the changing needs of county treasurer's in the state.

The Treasurer's Office will continue to aggressively work with the public to help identify vehicle owners who license their vehicles in other states to avoid their lawful duty to pay Nebraska and local taxes.

Property Tax Division

The Treasurer's Tax Certificate Sale is projected to continue to grow. Recently, the sale has been conducted online, as the former in-person sale had outgrown the space it had occupied. It is now available to world-wide bidders and is much more efficient for office staff. Since the tax sale is conducted online, staff overtime needed to conduct the sale has been greatly reduced.

Training

The Treasurer's Office elevated the Manager of Training to senior level status to reflect the priority the Treasurer places on training. The Training Manager will continue to stay abreast of the current issues surrounding all relative topics and will continue to offer a professional approach to preparing staff for 2016 and beyond.

Audit

The Treasurer's Senior Director of Auditing and Accounting will continue to review cash handling and accountability in the office and will be conducting regular, unannounced audits of processes.

Accounting

A staff member was recently added to lead the conversion from Quick Books accounting software to Oracle software so that all county offices are using the same accountability program.