



**JOINT ANTELOPE VALLEY AUTHORITY
Board Meeting
September 9, 2010**

Meeting Began at: 10:30 a.m.
Meeting Ended at: 10:42 a.m.

Members Present: Glenn Johnson, Christine Jackson, Greg MacLean
Others Present: Roger Figard, Kris Humphrey, Fran Mejer, Kurt Micek,
Amy Cornelius-Jones, Ted Weidner, Clark DeVries,
Jane Jordan, Doug Samuelson, Edward Price, James Mastera

Order No. 01-10 - Call Meeting to Order

Glenn Johnson called the JAVA Board meeting to order at 10:30 a.m.

Order No. 02-10 - Approval of Minutes of August 12, 2010 JAVA Board Meeting

MacLean moved to approve the minutes of the August 12, 2010 meeting.
Jackson seconded.

AYE: Johnson, Jackson, MacLean
NAY

Order No. 03-10 - Election of Officers

Current Officers are Glenn Johnson - Chair, Christine Jackson - Vice Chair, and Greg MacLean - Treasurer.

MacLean moved to keep the officers in the current position for the next fiscal year, 2010 - 2011.
Jackson seconded.

AYE: Johnson, Jackson, MacLean
NAY

Order No. 04-10 - Resolution authorizing the JAVA Chair to sign a construction contract and bid concurrence letter for the A.V. South Street Bridge Project.

Kris Humphrey presented JAVA Resolution # 10-0909-04 [attached].

Fran Mejer indicated that the financial resources are in place for the budgeted amount of this resolution. This is a bridge replacement project for the bridge on South Street between 37th - 38th Streets. It also involves some utility work and relocation in addition to the permanent removal of the bridge on 38th Street just south of South Street. This is in the NDOR for the September 30th letting. This will give us a little extra time for construction.

Jackson moved to adopt Resolution # 10-0909-04.
MacLean seconded.

AYE: Johnson, Jackson, MacLean
NAY

Order No. 05-10 - Approval of JAVA Budget 2010-2011 FY

Fran Mejer presented the JAVA Operating Budget & CIP for 2010-2011 FY [attached]. It is also an updated report through August 31, 2010 for the 2009-2010 FY. There are some additional expenses expected resulting from the audit this year. Mejer will provide the JAVA Board with an updated report once those costs are known.

The 2010-2011 FY JAVA Budget is similar to what was presented at the August 2010 Board meeting except there is a line item for \$50,000 under Management and Support Staff for city staff to assist FHWA review of the Federal Aid eligibility for the Antelope Valley projects. Figard explained, that work of a 3 member team from FHWA, NDOR and the City of Lincoln will review change orders and other contractor pay requests, as suggested in the APA report appendix. FHWA has not yet committed to the extent of this course of action. Kris Humphrey and Roger Figard's time spent on this task would be charged to this \$50,000, Figard hoped it would not take that much time and money. If it is not needed, it won't be used.

Christine Jackson asked about the replatting costs. Humphrey responded that we are working with the consultants to come up with the last scope of services and any additional fees. The replatting is in the final stage at Planning.

MacLean moved to adopt the JAVA Budget for 2010-2011 FY.

Jackson seconded.

AYE: Johnson, Jackson, MacLean

NAY

Order No. 06-10 - Presentation of Financial Statements

Kurt Micek, from Micek and Crouch CPAs, presented the financial report from the JAVA 2008-2009 FY. Micek summarized the year's events ending August 31, 2009 and the affect it had on the financial statements for JAVA. There is additional supplemental information which is in accordance with the APA special report. It includes information pointing out that the lack of centralized accounting was a material weakness and JAVA needed to do prior period adjustments for additional costs basically from Urban Development and Parks and Recreation of the City of Lincoln. Those amounted to approximately 7 million dollars. There is an additional re-statement made as of the start of the year. Basically in the year of the creation of JAVA, in 2001, there was a reduction of what the estimated values were of lands that were contributed to the project. Those reductions were approximately 3.3 million dollars. The net affect of these prior period adjustments was an increase in costs of 2.8 million dollars. That being said, to help inform what has happened with JAVA, referring to the three entities that make up JAVA, the APA report indicated what the total Antelope Valley Project costs were, so it incorporated additional costs. This was an issue of scope. Where JAVA (the three member entities) contribute capital to pay costs for JAVA construction through the JAVA entity, the Antelope Valley Project expands beyond that. There were related costs of the three members in addition to that included in JAVA. Costs, such as planning and design incurred prior to the creation of JAVA. An in addition to that, the U.S. Corps of Engineers costs related to the Antelope Valley Project. This is what the report is now updating as of August 31, 2009. The supplemental information incorporates this information. So the basic JAVA financial statements, since the creation of JAVA, is a total cost of equity interest by the members of \$175 million. It is reported through unaudited supplementary information that there are related costs of the Antelope Valley Project costs of \$42,876,000. Also, it reports the total operating expenses that are within the JAVA entity that have been expensed. What it does (through supplemental information) is show the total Antelope Valley Project costs. As of August 31, 2009, the Antelope Valley Project has accumulated costs of \$218,428,782. The APA report was around \$214 million at the time. The reason for the difference was due to the timing of

some of the costs. In the APA report, the accumulated total, did not include the appraisal costs of the property that were contributed to the Joint Antelope Valley Authority. Now there is a disclosure to show what the Antelope Valley Project costs were in total. The costs within the JAVA entity that we (Micek and Crouch) are giving our opinion on is \$175 million. Additional costs of approximately \$43 million outside of JAVA are being included in the supplementary information. This is, in a nutshell, what has happened. That is how things have changed as far as reporting costs for prior periods and where they are at as of August 31, 2009. Glenn Johnson stated that this was his understanding and what we were tasked to do by the State Auditors in their report. Micek stated that the financial statement explains what was presented at the Board meeting and discloses the total costs for the Antelope Valley Project, including JAVA. One more thing for clarification, the JAVA entity does not show revenue. The funding comes from the members putting in capital contributions as far as their costs in the projects. Where they derive their revenue from to pay for the costs, is not reported through the JAVA entity. Micek stated that revenue is not a JAVA issue, the JAVA issue is costs.

Order No. 07-10 - Citizen's Committee Appointments

Three committee members terms are expiring; Edward Price, James Mastera and James Cook. All three requested reappointment. In addition, there are two vacancies. A public notice for the vacancies was published in the paper with an August 31, 2010 deadline. No applications were received by the Engineering Services office.

Jackson moved to reappoint Price, Mastera and Cook to an additional three year term. MacLean seconded.

AYE: Johnson, Jackson, MacLean
NAY

Order No. 08-10 - Staff Reports

Kris Humphrey updated the Board on the Antelope Valley Projects.

South Street -	At NDOR for the September 30 letting.
K - Q Street -	Comments received from NDOR. Currently under FHWA review. November bid letting. Construction starting Spring 2011.
P - Q -	Southbound segment of Antelope Valley Parkway is open to traffic.
K Street -	Substantial completion in early October. Some work in the area with seeding and sodding, sidewalk work and other work behind the curb.
Flood Plain Map -	By the next JAVA Board meeting, the Flood Plain map will be officially revised. The effective date is October 8 th . The letter that we received from FEMA is on the City's website (www.lincoln.ne.gov) if anyone needs it for their insurance.
P - Vine -	Landscaping has been bid along the Antelope Valley Parkway, with plantings beginning this Fall.
K - Q -	Landscaping will bid late 2012 - 2013 depending on the construction schedule for the K - P Street project.

Order No. 09-10 - Citizen's Committee Reports

None

Order No. 10-10 - Non-Agenda Items

None

**The next JAVA Board meeting is scheduled for October 14, 2010 at 10:30a.m.
in the City Council Chambers.**

Meeting adjourned at 10:51 a.m.