



## Dueling audit ideas for impact fees, engineering

By NANCY HICKS / Lincoln Journal Star | Posted: Sunday, March 13, 2011 8:00 am

For several years, the city's volunteer audit advisory board had nothing to do.

Now it looks like they could have two jobs at the same time.

Several weeks ago, the city council and mayor told the group of appointed lay people to look at the operations of StarTran, the city's bus service.

Now, some council members are suggesting the committee look into some areas of the Public Works Department.

But just how big the second job will be is up for debate.

Councilman Adam Hornung wants the committee to study the use of the city's impact fee and the operations of the city's engineering services, a part of the Public Works Department.

Councilman Gene Carroll thinks the audit should deal only with use of the city's controversial impact fee on new developments.

The city began charging impact fees on new developments in 2003 to offset the financial strain of building new streets, water and sewer extensions and parks for new areas of town.

Impact fees are earmarked by city quadrant to be used for new city infrastructure.

Hornung said he is disappointed with the slimmed-down proposal.

Hornung said he has been working on his idea for several months, with both the city law department and with other council members.

He decided to narrow the original scope -- an audit of Public Works -- to make it more manageable.

But Carroll's proposal, limiting the scope only to impact fees as they relate to engineering, reduces the audit to nothing, Hornung said.

"The effect is that nothing is done," he said in a telephone interview Friday afternoon.

Hornung said a number of people in the community have questions that could be answered by a performance audit of engineering services, including whether the division has too many engineers or not enough engineers and whether they are using staff efficiently.

Engineering services designs and oversees the construction and maintenance of storm sewers, water mains, sanitary sewers and street improvement projects. The division is responsible for snow removal and other maintenance functions.

Carroll said his proposal addresses specific concerns of homebuilders, Realtors and developers who say the cost of design work by the engineering division and funded by impact fees is too high, much higher than private companies would charge for the same work.

Carroll said he doesn't believe this is true but did agree the city should take a look at the question.

Hornung's proposal is too broad, Carroll said.

Hornung wants to look at every project built in the past 10 years, Carroll said. "We don't have money in the budget for that kind of audit."

If the study of impact fees shows any irregularities, then the audit could expand, Carroll said.

A hearing on both audit ideas is scheduled for the council's 3 p.m. Monday meeting. And the council could vote on the proposals Monday.