

MINUTES OF
BOARD OF HARVEY COUNTY COMMISSIONERS

May 17, 2010

The Board of Harvey County Commissioners met in regular session on May 17, 2010 with all three commissioners present. Chairman Westfall called the meeting to order at 9:00 a.m.

ITEMS ADDED TO AGENDA:

1. Commissioner Krehbiel asked about the signage on Halstead Road off of Highway 50. Phil Adams reported that the Kansas Department of Transportation placed the signage there.
2. Commissioner Roberson requested that trash receptacles be placed near the boat ramp across the road west of East Lake. Hopefully that would encourage users to keep the Park areas clean.
3. Commissioner Roberson reported on the Council of Governments meeting that was held last week. The group declined entering into an agreement with Troy Carlson for lobbying services. The group felt that they already receive those services from the League of Kansas Municipalities or from REAP. At the next COG meeting, discussion will be held with regard to the EDC funding package.
4. Commissioner Westfall reminded the Commission that an appointment has not yet been made for the MidCap Board.
5. Commissioner Westfall gave a report on items that were discussed in the Partnership meeting last week.
6. Joyce Truskett received a citizen complaint about SW 48th Street which is an unmaintained dirt road. The Commissioners said that Darlington Township would need to handle the complaint.

CALENDAR ITEMS:

1. Commissioner Westfall will not be able to attend the Solid Waste Regional meeting to be held in Hutchinson on June 3.

Minutes of the May 10, 2010 Commission meeting were approved upon a motion by Commissioner Roberson, seconded by Commissioner Krehbiel. Motion passed unanimously.

Minutes of the May 11, 2010 joint City of Newton, Harvey County Commission meeting were approved upon a motion by Commissioner Roberson, seconded by Commissioner Krehbiel. Motion passed unanimously.

ADMINISTRATIVE ITEMS:

1. Scott Davies, Director of Planning and Zoning, reported that in addition to publications in all three county newspapers, 270 letters have been sent to involved landowners informing them of the changes in the FEMA flood maps. The letter also included an invitation to an open house to be held on May 27 from 4:00 p.m.

- to 8:00 p.m. in the Courthouse Community Room. This will provide an opportunity to provide information and answer questions about the new maps. A public hearing regarding the flood maps will be held by the Planning and Zoning Commission in August.
2. Scott Davies also reported that a construction and demolition disposal area has been located on property owned by Daryl Toothman. There was no permit issued for the landfill area, which is in a flood plain near a creek. KDHE has checked the site and is concerned that drainage channels may have been compromised. The Planning and Zoning office has sent Mr. Toothman a letter informing him that he is in violation.
 3. The Employee Wellness Committee issued an invitation to the Commissioners to attend a picnic in Athletic Park on Wednesday, June 2 at noon.
 4. Information was received regarding the incentive package for the sale of the warehouse building in Walton. Road and Bridge has looked at the access road to the building and has agreed to make repairs on the road. The purchaser has requested a 50% tax exemption for a term of 5 years.
 5. Phil Adams, Superintendent of Road and Bridge, reported that the bridge on Kansas Avenue near Centennial Park and the bridge at Halstead are now under construction.
 6. Sheriff T. Walton reported that the roof replacement on the Detention Center is nearly complete and there were no leaks during the recent rains. The jail population is currently 112.

CITIZEN'S FORUM:

There were no citizens present for Citizen's Forum

Warrant checks were approved upon a motion by Commissioner Krehbiel, seconded by Commissioner Roberson. Motion passed unanimously.

At 9:50 a.m. Commissioner Krehbiel made a motion to go into executive session for a period of 30 minutes to discuss economic development, personnel issues, and attorney/client privilege. Commissioner Roberson seconded the motion and it was passed unanimously. Counselor Greg Nye and Charlie Summers were also in attendance for the session. At 10:20 a.m. Commissioner Krehbiel made a motion to extend the executive session for a period of 10 minutes to discuss non-elected personnel issues. Commissioner Roberson seconded the motion and it was passed unanimously. Executive session ended at 10:25 a.m. with no action being taken.

Todd Hanchett, Undersheriff, and Counselor Greg Nye presented an agreement between Harvey County and the Caring Hands Humane Society for housing and services for animals apprehended by the Sheriff's Office. The only change to be made to the presented agreement shall be that dogs and cats shall be held at the facility for 12 days after apprehension. Commissioner Krehbiel made a motion to enter into the agreement with Caring Hands Humane Society, with the

correction as noted, for the care and housing of dogs and cats. Commissioner Roberson seconded the motion and it was passed unanimously.

Financing options for the development of the new Fairgrounds, known as the “Plex” project, were discussed. Kevin Cowan, Bond Counsel from Gilmore and Bell, explained the different options. Richard Boyles and Tom Finger, representatives from the USDA, presented information for financing the project through a Rural Development loan from the United States Department of Agriculture. This is a program that currently provides stimulus dollars for community facility projects. The program would work through the public building commission using general obligation bonds. The interest rate for this type of loan is 4 1/8 percent at the current time, and the intended usages of the planned facilities meet the qualifications to be eligible for this type of financing. Representatives have met with Priefert Design, the architects for the Plex project, to make sure that the plans fall in line with USDA guidelines. The architect would not be allowed to bid on the construction of any part of the Plex project. Mr. Boyles said that if the Plex plan included a farmer’s market with an emphasis on “Know your farmer, know your food,” the chances of receiving the funding are greatly increased. However, the stimulus dollars are being used more rapidly than was anticipated, so the application process for these bonds needs to be made within the next few days. Mr. Finger said that it would also be helpful to have a projected calendar for the project. Wichita State University is working on a market analysis now and it should be ready in approximately three weeks.

Kevin Cowan explained two of the options that could possibly be used for the project. One is using Recovery Zone Economic Development Bonds or Facility Bonds. The interest payments on these bonds could be subsidized by the U. S. Treasury by 45%. There are prevailing wage requirements and the project must comply with the Rural Development Plan. The allocation would come through the Department of Commerce, and would be awarded in July, 2010. These bonds are very competitive and they could be awarded for only a part of the project. These bonds will not be available after 12/31/10. The other option is to apply for Build America Bonds. These bonds work in much the same way; however the subsidy would be 35%. The bonds also expire at the end of the year, so there is good reason to put all the pieces for funding together this year. If awarded this year, 15% of the awarded amount would be required to be committed to specific pieces of the project within six months. There are also yield and arbitrage restrictions, which prohibit investing the money to earn more before the money is actually spent. Chairman Westfall said that the initial estimated cost of the project when the land was purchased in 2008 was 6.7 to 6.8 million. The Public Building Commission which had been set up to construct the Detention Center was authorized to undertake the construction of all the facilities at the time the land was purchased. The project is now estimated at approximately 10 to 11 million. If the County is able to take advantage of the USDA bonds paired with either a Recovery Zone Economic Development bond or a Build America Bond, it will have the ability to buy the larger bond amount for the same price as buying bonds for 6.7 to 6.8 million. Although the debt limit for the county cannot exceed 3% of the county valuation, this limitation is not applicable to the Public Building Commission.

The consensus of the Commission was to issue a directive to staff to work diligently and closely with the USDA to provide all necessary information and paperwork to make application for the bonds as soon as possible. The bonds need to be issued by the end of this year. Those in

attendance for the discussion were Sharon Arellano, Virgil Penner, Robert Fraser, Sandy Fraser, Carmen Reimer, Charlie Summers, Byron Warta, Morrie Unruh, Richard Denno, Gary Lanier, and Ann Religa.

The Commission recessed at 12:12 p.m. for lunch.

The meeting was adjourned at 1:30 p.m.

THE BOARD OF HARVEY COUNTY COMMISSIONERS

George A. "Chip" Westfall, Chairman

ATTEST:

Ron Krehbiel, Member

Joyce Truskett, County Clerk

Marge Roberson, Member