

March 14, 2017
Reno County Courthouse
Hutchinson, Kansas

The Board of Reno County Commissioners met in agenda session with, Chairman Dan Deming, Commissioner Ron Hirst and Commissioner Bob Bush, County Administrator Gary Meagher, County Counselor Joe O'Sullivan, and Minutes Clerk Cindy Martin, present.

The meeting began with the Pledge of Allegiance and a short sectarian prayer led by Pastor David Dubovich, Park Place Christian Church.

There were no additions to the agenda.

Mr. Bush moved, seconded by Mr. Hirst, to approve the Consent Agenda consisting of the Accounts Payable Ledger for claims payable on March 17, 2017 of \$292,989.91 and also consisting of pending Added, Abated and Escaped Taxation Change Orders numbered 2017-431 through 433, and 435 as submitted. Then on the consent agenda is a resolution 2017-09; **A RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR THE CONSTRUCTION OF AN EIGHT BEDROOM LODGING UNIT ON TWO PARCELS LOCATED IN THE SOUTHEAST QUARTER OF SECTION 34, AND THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 22 SOUTH, RANGE 5 WEST OF THE 6TH P.M. IN RENO COUNTY, KANSAS.** Next, appointment of Ray Hemman, Shannon Hauschild, Lacy Stauffacher, Erica Rivera and Dennis Ford to serve on the Community Corrections Advisory Board for a two-year term beginning March 14, 2017. The motion was approved by a roll call vote of 3-0.

Mr. Hirst moved, seconded by Mr. Bush, to open the public hearing to determine the advisability of issuing taxable Industrial Revenue Bonds (IRB) for the purpose of financing the acquisition, construction, furnishing and equipping of a commercial facility (Agri Center, 920 Wilbeck Drive, South Hutchinson); and authorizing execution of related documents. The motion was approved by a roll call vote of 3-0.

Agri Center's General Manager and Partner Lee File gave a presentation on the plans for his company to the Board. He stated Agri Center was requesting IRB financing at 100 percent ten-year tax property abatement with no request for cash incentives in order to expand their business in Reno County. He continued with this being a common practice and his company qualifies for the tax abatement. They would be doubling the size of the existing building and the property would grow from

three acres to twenty acres with the new store being state of the art as far as safety, comfort and productivity. Service department will have heated floors, air conditioning and overhead cranes that will allow us to attract additional 20 employees over the next 10 years. These employees would be highly skilled with high paying jobs. We have excellent health care with BCBS and matching 401K at 6 percent.

The Board thanked Mr. File for the information given to them on this project and also thanking all involved. They all agreed this would benefit Reno County.

Mr. File gave a brief history of his partner who was in the audience and founder of Agri Center, W. J. Wilbeck, who has been a native of Hutchinson and longtime resident of Reno County. Mr. File further stated Agri Center has been in business for 65 years.

Mr. Deming did not know if the Board would be interested in discussing any type of in lieu of tax payment to partially cover the approximate \$120,000 in annual taxes that would not happen through this project.

Mr. Bush did not want to discuss the in lieu of tax at this time however; he would like to come up with a policy in the future. Mr. Bush did not believe at this time it would be appropriate with the information already given to the applicant for any discussions.

Mr. Hirst did not want to discuss the issue today since they still have a facility in South Hutchinson that would be paying taxes. Mr. Hirst was open to discuss the issue in future developing policies, if that was something the Board would like to pursue.

Mr. Deming would also like to address in lieu of taxes in the future. He believed that we owe it to our property tax payers to at least consider that possibility in a future policy because when we lose commercial taxes the cost of services falls back on homeowners. We would like to retain a long time business in our county instead of the potential of it moving out. We need to grow our tax base; however this is not doing that today but will bring in other forms of taxes.

Mr. Meagher mentioned on the tax abatement according to our policy on economic development, the tax abatement which applies to the constitution tax abatement, not IRB's. Mr. Meagher stated that typically we do **not** offer tax abatements for the land just the structures. We don't have a policy for IRB's so **not** sure if the Board would like to follow the same policy or not. Mr.

Meagher reiterated our current policy states the tax abatement applies to the structure not the land.

The Board had a brief discussion on the taxation on the land and structure.

Mr. Bush suggested following the current policy and the IRB's, then between the Board members tax abating the land for 10 years.

Mr. Hirst did not have a problem with the abated land. He would like to discuss it more in the May meeting for future policies. He mentioned NRP (Neighborhood Revitalization Program) having the land taxed but the improvements are tax abated.

Mr. Bush moved, seconded by Mr. Hirst, to close the public meeting. The motion was approved by roll call by 3-0 vote.

Gilmore & Bell Bond Council Sarah Steel met with the Board to recommend approval of a resolution #2017-10; **A RESOLUTION OF THE GOVERNING BODY OF RENO COUNTY, KANSAS DETERMINING THE ADVISABILITY OF ISSUING TAXABLE INDUSTRIAL REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF A COMMERCIAL FACILITY TO BE LOCATED IN SAID COUNTY; AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS.** She explained this resolution was the intent to issue bonds not the final action. It has a not to exceed amount of \$4,000,000 for the purpose of financing the acquisition, construction, furnishing and equipping of a commercial facility at AgriCenter, 920 Wilbeck Drive, South Hutchinson. She stated there is intent to issue property tax abatement in the resolution subject to negotiation agreement in lieu of taxes if necessary. She commented that the Board would need to determine an agreement at this time for the in lieu of taxes because this resolution does commit the Commission to move forward in the issuance of the bonds.

Mr. Bush moved, seconded by Mr. Hirst, to approve resolution #2017-10 as presented by staff to include IRB's and our intent for that property tax abatement for ten years. The motion was approved by roll call by a 3-0 vote.

Public Works Director David McComb met with the Board to recommend approval for a standard annual agreement with the Kansas Department of Transportation (KDOT) for treatment of noxious weeds in KDOT right-of-way. He stated that they paid Reno County last year \$7,667.50 for services provided. The state pays a portion toward the supervisor salary. The cost is

the same as last year's amount and is in line with other counties.

Mr. Bush wanted to know how many miles were treated. Mr. McComb stated that 250 miles of highway right-of-way was treated. Mr. Bush asked how often they treat for noxious weeds? Mr. McComb stated they map where the trouble spots are to know where to spray several times in a season or when the calls come in. **Mr. Hirst moved, seconded by Mr. Bush,** to approve the agreement with KDOT as outlined. The motion was approved by roll call by a 3-0 vote.

Solid Waste Supervisor Justin Bland met with the Board to recommend approval to purchase a new D8T Dozer Waste Handler Package from Foley Equipment, Wichita, at a total cost of 814,948.55; of which \$700,000 will be paid out of Solid Waste's budget and the remaining \$114,948.55 funded through temporary notes, Series 2017-2, that were previously approved by the commission (Solid Waste Equipment and Voting Machines.) Mr. Bland stated they will be trading in a 1994 that was purchased new for \$258,000 in 1994. He said it had two rebuilds on the unit and would receive \$30,000 for the trade in value. When this new unit is rebuilt at 15,000 hours the cost will be \$250,000. He stated that delivery of the new machine is about 6 months out and we run approximately 2,200 hours a year. Mr. Deming inquired about a used unit. Mr. Bland said there are no used units. They do not exist because they are built to order only. **Mr. Bush moved, seconded by Mr. Hirst,** to approve the purchase as outlined by Mr. Bland. The motion was approved by roll call by a 3-0 vote.

Quest Center Director David Dukart gave the Commission the 2016 Quest Center report. He introduced Daniel Friesen a Quest Board member who thanked the Commission then discussed the continued support from Reno County for the Quest Center. Hutchinson Community College President Dr. Carter File also spoke with the Commission as a large supporter of the Quest Center speaking about investing in the future of small businesses and entrepreneurial programs by moving Reno County forward.

Mr. Bush asked about the annual commitment from Reno County. Mr. Dukart replied that they receive \$60,000 in 2017 paid out monthly. Mr. Bush questioned when their board meets. More discussions went on briefly about criteria for loans and new business plans.

Horizons Mental Health quarterly report was given by Michael Garrett. He gave history and explained numbers from a

hand out for the last quarter. Uninsured, self-pay, insured and Medicare/Medicaid patients were a large part of the discussion.

Community Corrections Director Randy Regehr met with the Board for his regularly scheduled meeting. He discussed various current issues not requiring action by the Board.

Mr. Bush asked Mr. Meagher for the follow up after the fires or when an action report would take place. Mr. Meagher commented that Emergency Management Director Adam Weishaar would be giving an overview next Tuesday. There will be an opportunity to meet with the other agencies involved to go over lessons learned from the wild fires in the near future. They are still evaluating costs but were estimating in excess of \$700,000. It is unknown at this time how much Reno County will receive in disaster assistance from the state. The coordinators were our emergency management team Adam and Todd; they do not run the command center. Mr. Deming summed up by stating the impact on Reno County will be minimal, because most will fall on Fire District #2 and #3 and about 75 percent of the equipment and personnel would be covered by the Federal and State government.

Mr. Hirst complimented Larry, Matt, John and Heath who provided a fire break to save homes. He believes there is a need to talk to the public about being involved with a Prescribed Burn Association (PBA) to help or prevent fires. There is an upcoming Farmers Market meeting and a REAP board meeting in Wichita on April 20th.

Mr. Deming asked the Board if they wanted to be involved with the after action report meeting. By consensus they would all like to attend. He complimented Renee Harris for heading up the coordination of county employees to assist with a Treasurer Department employee who lost their home and belongings. Other departments assisted with appliances, bedroom, kitchen, bathroom, living room and miscellaneous items. Mr. Deming wanted to **send** personal thank you letters to all fire fighters and personnel of other agencies involved with the fires.

At 10:40 the meeting adjourned until 9:00 a.m. Tuesday, March 21, 2017.

Approved:

Chair, Board of Reno County Commissioners

(ATTEST)

Reno County Clerk
cm

Date