

# Sedgwick County

525 North Main Street 3rd Floor  
Wichita, KS 67203



*Sedgwick County...  
working for you*

## Meeting Minutes

**Wednesday, February 5, 2014**

**9:00 AM**

**BOCC Meeting Room**

### **Board of Sedgwick County Commissioners**

*Pursuant to Resolution #131-2010, adopted by the Board of County Commissioners on August 11, 2010, members of the public are allowed to address the County Commission for a period of time limited to not more than five minutes.*

*Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of Sedgwick County, should contact the office of Roberta Berry, Sedgwick County Interim ADA Coordinator, 510 N. Main, Suite 306, Wichita, Kansas 67203*

*Phone: (316) 660-7058, TDD: Kansas Relay at 711 or 800-766-3777*

*Email: [rberry@sedgwick.gov](mailto:rberry@sedgwick.gov), as soon as possible but no later than 48 hours before the scheduled event. Please include the name, location, date and time of the service or program, your contact information and the type of aid, service, or policy modification needed.*

## **ORDER OF BUSINESS**

### **CALL MEETING TO ORDER**

*The Regular Meeting of the Board of the County Commissioners of Sedgwick County, Kansas, was called to order at 9:10 a.m. on February 5, 2014 in the County Commission Meeting Room in the Courthouse in Wichita, Kansas, by Chairman David M. Unruh, with the following present: Chair Pro Tem Commissioner Tim R. Norton; Commissioner James B. Skelton; Commissioner Karl Peterjohn; Commissioner Richard Ranzau; Mr. William P. Buchanan, County Manager; Mr. Rich Euson, County Counselor; Mr. David Spears, Director, Bureau of Public Works; Mr. Robert Parnacott, Assistant County Counselor; Ms. Annette Graham, Executive Director, Department on Aging; Mr. Chris Chronis, Chief Financial Officer; Mr. Joe Thomas, Director, Purchasing Department; Ms. Kristi Zukovich, Director, Communications; and Ms. Amanda Lee, Deputy County Clerk.*

### **INVOCATION**

*Observed by a Moment of Silence*

### **FLAG SALUTE**

### **ROLL CALL**

*The Clerk reported, after calling roll, that Commissioner Skelton was absent.*

*Chairman Unruh said, "And I might announce, it's perhaps obvious, but Commissioner Skelton has been ill and absent the last couple of days, but he wanted us, wanted me to announce the fact that other than his illness, he would be here. Madam Clerk, next item."*

### **PROCLAMATIONS**

- A**      [14-1054](#)      PROCLAMATION DECLARING AMERICAN HEART MONTH.  
Read by: Chairman David M. Unruh.

RECOMMENDED ACTION: Adopt the proclamation.

**Attachments:**      [American Heart Month](#)

*Chairman Unruh said, "Commissioners, I think that we need to defer Item A and B and also Item U, and if it's appropriate, perhaps we should just have a motion to defer those three items. Items A and B are proclamations, and I think the recipients of the proclamations, the weather has kept them away. Item U is on the Consent Agenda item, and that has to do with the ability for an attorney to review that information."*

MOTION

*Commissioner Norton moved to defer Items A, B and U.*

*Commissioner Peterjohn seconded the motion.*

*There was no discussion on the motion, the vote was called.*

VOTE

Commissioner Peterjohn	Aye
Commissioner Ranzau	Aye
Commissioner Skelton	Absent
Commissioner Norton	Aye
Chairman Unruh	Aye

*Chairman Unruh said, "Next item."*

**Deferred**

**B**      [14-1055](#)

PROCLAMATION DECLARING GIRL SCOUT COOKIE MONTH.

Read by: Chairman David M. Unruh.

RECOMMENDED ACTION: Adopt the proclamation.

**Attachments:**      [Girl Scout Cookie Month](#)

*Action on Item B was taken with Item A.*

**C**      [14-1053](#)

PROCLAMATION DECLARING RONALD REAGAN'S 103RD BIRTHDAY ANNIVERSARY.

Read by: Chairman David M. Unruh.

RECOMMENDED ACTION: Adopt the proclamation.

**Attachments:**      [Ronald Reagan's 103rd Birthday Anniversary 020514](#)

*Chairman Unruh said, "Commissioner Peterjohn, would you like to read that proclamation for us."*

*Commissioner Peterjohn said, "Well, thank you, Mr. Chairman. It's a privilege and honor to do so today, and I preface it with these remarks. Eleven years ago today, I was, my wife and I were on the other side of the world, literally, in Siberia, an area called Krasnoyarsk. And frankly, just looking outside, it brought back memories. In fact, driving on the streets, I couldn't really tell the difference between what I felt when I stepped outside my vehicle and what I saw. And I mention this because for the people who are under the age of 30 and don't remember what the cold war was like or the Cuban Missile Crisis in 1962 or any of those times, we, as a nation, went through a number of challenges during that period, and whether it was President Kennedy with his Ich bin ein Berliner speech in the early [19]60s or Ronald Reagan saying 'Tear down this wall.' a couple of decades later, we've got a, this world has been changed, changed, and even though there is a lot of danger and risk that remains, the risk of nuclear annihilation between what had been the Soviet Union and United States is not one of the challenges at the forefront we face. So it is a privilege today to be able to read this proclamation honoring former President Reagan, which begins;*

PROCLAMATION

*WHEREAS, former President Reagan's vision of 'peace through strength' led to the end of the Cold War and the eventual demise of the Soviet Union, guaranteeing basic human rights for millions of people as well as ushering in an era of peace and diplomacy between the United States and Russia; and*

*WHEREAS, Ronald Reagan's policies created the groundwork that ultimately resulted in the removal of the Berlin Wall and the Iron Curtain that had divided Europe since the end of World War II; and*

*WHEREAS, Ronald Reagan's stirring speech calling for '...Mr. Gorbachev, tear down this wall.' outside the Brandenburg Gate created the environment that led to the peaceful reunification of Germany; and*

*WHEREAS, Ronald Reagan provided the framework for the Strategic Arms Reduction Treaty that lead to a significant reduction in nuclear weapons in the world and helped prevent the spread of nuclear weapons to additional nations creating a safer world for future generations; and*

*WHEREAS, Ronald Reagan's diligent and thoughtful efforts working with members of both political parties helped bring the country out of recession and lead to an era of economic expansion and opportunity; and*

*WHEREAS, Ronald Reagan's commitment to fighting illegal drug use in the United States lead to a decline in drug use and a campaign that educated the nation's youth about the effects of drugs.*

*NOW, THEREFORE BE IT RESOLVED that I, David M. Unruh, Chairman of the Board of Sedgwick County Commissioners, do hereby recognize February 6, 2014 as*

*'RONALD REAGAN'S 103rd BIRTHDAY ANNIVERSARY'*

*and urge Sedgwick County citizens to honor and commemorate his legacy.*

**MOTION**

*Commissioner Peterjohn moved to adopt the proclamation.*

*Commissioner Ranzau seconded the motion.*

*There was no discussion on the motion, the vote was called.*

**VOTE**

<i>Commissioner Peterjohn</i>	<i>Aye</i>
<i>Commissioner Ranzau</i>	<i>Aye</i>
<i>Commissioner Skelton</i>	<i>Absent</i>
<i>Commissioner Norton</i>	<i>Aye</i>
<i>Chairman Unruh</i>	<i>Aye</i>

*Chairman Unruh said, "Well Commissioner, I'd say thank you for preparing the proclamation. I know this is an important issue for you and that you're passionate about the content of that, so thank you for preparing it."*

*Commissioner Peterjohn said, "Thank you, Mr. Chairman. Just as a personal note, the trip we made, if it wasn't for former President Gorbachev and former President Reagan, I don't think I would be a parent today. So it is very important to me, and I appreciate the opportunity and the opportunity to present this this morning. Thank you."*

*Chairman Unruh said, "Thank you."*

**Adopted**

## **APPOINTMENTS**

- D**      [14-1069](#)      RESOLUTION REAPPOINTING JAMES "MIKE" DRAPER  
(COMMISSIONER PETERJOHN'S REAPPOINTMENT) TO THE  
SHERIFF'S CIVIL SERVICE BOARD.  
Presented by: Richard Euson, County Counselor.

RECOMMENDED ACTION: Adopt the resolution.

**Attachments:**      [Resolution](#)

*Mr. Richard Euson, County Counselor, greeted the Commissioners and said, "Commissioners, we prepared this for a three year reappointment to the Board and I recommend you adopt the resolution."*

*Chairman Unruh said, "Thank you."*

### **MOTION**

*Commissioner Peterjohn moved to adopt the resolution*

*Commissioner Norton seconded the motion.*

*There was no discussion on the motion, the vote was called.*

### **VOTE**

<i>Commissioner Peterjohn</i>	<i>Aye</i>
<i>Commissioner Ranzau</i>	<i>Aye</i>
<i>Commissioner Skelton</i>	<i>Absent</i>
<i>Commissioner Norton</i>	<i>Aye</i>
<i>Chairman Unruh</i>	<i>Aye</i>

*Chairman Unruh said, "And I think Mr. Draper has called in this morning to say he is snowed in. He intended to be here for swearing in, so he will be sworn in at the appropriate time. Madam Clerk, next item."*

## **NEW BUSINESS**

- E**      [14-1067](#)      ISLAND ANNEXATION REQUEST CITY OF MULVANE.  
Presented by: Robert W. Parnacott, Assistant County Counselor.

RECOMMENDED ACTION: Approve the resolution and authorize the

Chairman to sign.

**Attachments:**     [City of Mulvane Letter and Resolution](#)  
                              [MAPD - Report Mulvane Island Annexation 2014](#)  
                              [Mulvane Resolution Annexation Finding 2014](#)  
                              [Map Resolution 2013-10](#)

VISUAL PRESENTATION

*Mr. Robert W. Parnacott, Assistant County Counselor, greeted the Commissioners and said, "This is one of our island annexations we do provided for by state statute. It's a situation where a landowner whose property does not adjoin city limits is requesting to be annexed to obtain city services generally. The city then has to adopt a resolution and then send you a certified copy of that resolution. You are required within 30 days of receipt of that resolution to make a finding whether or not the proposed annexation will hinder or prevent the proper growth and development of the area or of any other city within Sedgwick County. The other requirement of the statute is that the property has to be wholly located in Sedgwick County. This particular annexation, we will talk about in more detail in a couple minutes, but it meets all those requirements.*

*"We did have a little hiccup with the resolution. It was actually adopted in the middle of December by the City of Mulvane. It must have got lost in the mail or there was some interruption in delivery to the Clerk's Office, so we actually did not receive the annexation resolution until the middle of January, so you're well within your 30 daytime line for making a decision on this matter. I'll bring up a quick map that shows the current city limits of the City of Mulvane. This is the portion of Mulvane that is in Sedgwick County. It obviously extends southerly into Sumner County as well. We're going to be looking at this notch area here, that little box in the red that you can see is an island annexation in this area that you did in 2010 that you approved.*

*"But let's take a look at the parcel involved, and I'll talk a little bit more about that. We're looking at 111th Street South which is, and then midway between Rock Road and Webb [Road]. Again, you can see the larger blue box and outlined in black is the island annexation from 2010. The slightly smaller parcel to the west that is in red is the proposed island annexation. It is a single family residential property, 1.5 acres. They are currently on well water, and they would like to have city water. They have asked to be annexed by the City of Mulvane. Like I say, the City of Mulvane has adopted a resolution requesting you make the necessary finding, and that resolution has been received, and we are here to consider that today.*

*"We've had the planning staff review this matter and prepare a report as part of your backup. They're recommending you do make the finding that this will not hinder or prevent the proper growth and development of the area or of any other city in Sedgwick County. They had based that conclusion on the fact that this property is within the Mulvane growth area as defined both by the Mulvane comprehensive plan and the Wichita Sedgwick County comprehensive plan. It is also not in a growth area of any other city. Mulvane has waterlines that run along 111th Street, so they are very well situated to serve this property, and unless you have any other questions, at this point I would recommend you adopt the resolution and authorize the Chairman to sign."*

*Chairman Unruh said, "Thank you, Bob. Commissioners, are there any comment or question? If not, what's the will of the Board?"*

*MOTION*

*Commissioner Norton moved to approve the resolution and authorize the Chairman to sign.*

*Commissioner Peterjohn seconded the motion.*

*Chairman Unruh said, "Thank you. We have a motion and a second, and there is a comment. Commissioner Peterjohn."*

*Commissioner Peterjohn said, "Thank you. I was on this Commission in 2010, and while I'm not a, I have a lot of concerns about annexation and the annexation law in Kansas, I supported the annexation we, island annexation we approved at that time, which is on the map before us and plan to vote in support of the resolution today since it's been requested by the landowner."*

*Chairman Unruh said, "Thank you. Are there any other comments? Seeing none, Madam Clerk, call the vote."*

*VOTE*

<i>Commissioner Peterjohn</i>	<i>Aye</i>
<i>Commissioner Ranzau</i>	<i>Aye</i>
<i>Commissioner Skelton</i>	<i>Absent</i>
<i>Commissioner Norton</i>	<i>Aye</i>
<i>Chairman Unruh</i>	<i>Aye</i>

*Chairman Unruh said, "Thank you, Bob."*

*Mr. Parnacott said, "Thank you."*

*Chairman Unruh said, "Next item."*

**Approved**

**F**      [14-1024](#)

CONSIDERATION OF AN AGREEMENT WITH WICHITA HOUSING AUTHORITY FOR THE ADMINISTRATION OF RESIDENT SERVICE COORDINATION PROGRAM AT MCLEAN, GREENWAY MANOR, ROSA GRAGG AND BERNICE HUTCHERSON APARTMENTS IN THE AMOUNT OF \$243,000.

Presented by: Annette Graham, LSCSW, Executive Director, Central Plains Area Agency on Aging / Sedgwick County Department on Aging.

RECOMMENDED ACTION: Authorize the Chairman to approve and sign the Resident Service Coordination Agreement and grant the necessary budget authority.

**Attachments:**      [SAP Budget Ross Grant 2014.xls](#)  
                                 [ROSS Agreement 2014.pdf](#)

*Ms. Annette Graham, Executive Director, Sedgwick County Department on Aging, greeted the Commissioners and said, "The City of Wichita has provided a Resident Service Coordinator Program in partnership with our agency to provide resident services coordination for the Wichita Housing Authority, which is funding through the U.S. (United State) Department of Housing and Urban Development (HUD) since 2002. This program is managed by the Wichita Housing Authority, and it's funded by the U.S. Department of Housing and Urban Development through their resident opportunity and self-sufficiency, also known as the ROSS (Residential Opportunity and Self-Sufficiency) grant.*

*"Central Plains Area Agency on Aging (CPAAA) will utilize a qualified employee to provide service coordination at the four locations for a total of 40 hours a week. This contract is for a one year time frame beginning January 1, 2014 through December 31, 2014, and may be extended for an additional two years for one year terms each. The resident housing locations for the services are the Rosa Gragg, Greenway Manor, Bernice Hutcherson and McLean Apartments. These are all apartments that are senior focused and for individuals with disabilities. So there is a mixed population at these facilities. The resident service coordinator's function is to assist residents to identify services to assist them to remain independent and age in place. The individual staff person would coordinate the delivery of services in these four public housing facilities.*

*"Services include but are not limited to the coordination of delivery of the following services: the coordination of transportation for the tenants, attendant and homemaker care, health and wellness services, legal and financial services, assistance with filling out forms and making applications for services or funding they might be eligible for, medical and in-home therapy and prescription drug services, assistance with tenant organization and grant applications, counseling, assistance during times of crisis, support of the tenant association's promotions of recreational education and social service activities and gatherings.*

*"The agreement is for a total of \$243,000 for the 3 year time period. That is \$73,000 a year from the ROSS grant and the City of Wichita contributes \$8,000 a year for a total of \$24,000 over the 3 year time period out of public housing operation funds. There is no match required for this. That is a total amount of the grant. The target is to serve 200 individuals a year, but those are multiple contacts throughout the year, so it's 200 individual residents that is the target. Last year, this is a slight reduction of the funding that we have received during the last 3 year cycle. So I would be happy to answer any questions. I would request that you authorize the Chairman to approve and sign the Resident Service Coordination Agreement and grant the necessary budget authority."*

*Chairman Unruh said, "All right. Thank you. Commissioners, do you have any questions for Annette about this agenda item? I think that you have thoroughly briefed us, and I don't see any questions, so what's the will of the Board?"*

**MOTION**

*Commissioner Norton moved to authorize the Chairman to approve and sign the Resident Service Coordination Agreement and grant the necessary budget authority.*

*Commissioner Peterjohn seconded the motion.*

*There was no discussion on the motion, the vote was called.*



VOTE

Commissioner Peterjohn	Aye
Commissioner Ranzau	Aye
Commissioner Skelton	Absent
Commissioner Norton	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Thank you, Annette. Next item, please."

**Approved**

**G**      [14-1068](#)

PRESENTATION OF QUARTERLY FINANCIAL REPORT.

Presented by: Chris Chronis, Chief Financial Officer (CFO).

RECOMMENDED ACTION: Receive and file.

VISUAL PRESENTATION

*Mr. Chris Chronis, Chief Financial Officer, greeted the Commissioners and said, "Before I begin the formal presentation, there are some caveats that I need to give you about the financial report that I'm going to deliver today. First, the report is for the fourth quarter of 2013, and so it is a year-end report, but it is unaudited data, and so you will be receiving the county's audit and our Comprehensive Annual Financial Report at the end of March and we'll present it to you at your first meeting in April. And the numbers that are presented in that report after audit may be somewhat different than what I'm presenting to you today, although we don't know of any reason why they would be different, but it's not uncommon as we go through the audit to find adjustments that are required. And so there may be some changes. Secondly, as I do generally when I give these reports, I need to point out that I'm just the CFO (Chief Financial Officer). I don't do any real work. The real work in the Finance division is done by about 32 other people who make me look good every day.*

*"In this instance, the quarterly financial report is largely the work of Accounting Director Sara Jantz and her staff in Accounting. They produced the financial statements that appear in your report. The analysis and budgetary statements were produced under the direction of Lindsay Poe Rousseau, by the budget analysts, and all of them did an excellent job. The actual presentation that I'm going to deliver to you was largely prepared by Troy Bruun, our Deputy CFO, and I am deeply appreciative of all of their efforts. The quarterly finance report looks like this. It was delivered to you earlier this week, I believe. It will be posted on the county's website after this meeting assuming you accept this report for any citizen to review. The information that I want to give you today is, as always, is going to focus on the property tax funds in the county's financial system, because those are the ones that we have the greatest impact over, and those are the ones that most directly affect county citizens.*

*"As we go through this report, I want to first talk a little bit about budget status, how we ended the year, and because we ended the year in that way, what does that mean for the county's financial condition. And then I want to spend a little bit of time looking forward, what are the economic indicators that we're seeing and what do those mean for our financial future, and secondly what other threats do we see, what things keep up awake at night as we try and figure out how to provide a sustainable financial future for this government. And then finally I'll wrap up by trying to give you my take on what all of that means.*

*Mr. Chronis continued, "Looking just at the property tax supported funds, we ended the year with \$222.3 million of revenue. This excludes interfund transfers, I should note. And so it is net revenues. And that \$221.3 million, as you can see from this chart, is about \$1 million more than we ended the prior year. It is, on the other hand, about \$10 million less than the county received in this group of funds in 2008. And so over the past number of years, through the economic downturn, the county has suffered fairly dramatic reductions of its net revenues available to fund operations, and since 2010, those revenues have been slowly being restored, but they are still not to the level that we were at before the downturn.*

*"Our expenditures for the year ended at \$201.7 million. That is \$1.2 million less than we spent in the prior year. It is also about \$3 million less than we spent in 2009. So again, the county in the face of the economic downturn has responded to the reductions of revenue by making appropriate reductions of expenditures, and even though our revenues are starting to recover slowly, we are continuing to reduce our expenses to the extent that we're able. Now, when you put the two together, you get this picture. Revenues for the year, \$222.3 [million], expenditures, 201.7 [million]. The difference between those two represents the operating income to the county for the year for this group of funds, again, for the tax funds. For the total county financial system, we spent \$320.4 million. We took in \$306.6 million.*

*"So you can see here that we're looking right now at about 2/3 of the total county financial system. The rest of it, the other third, is represented principally by grant funds that are funded solely by intergovernmental revenues and program income and not at all by county property taxes. So looking at net revenues and net expenditures, we ended the year with operating income of about \$21 million. That's net of transfers. Revenues were up 4/10 of 1 percent. Expenditures were down 6/10 of 1 percent. When we put in transfers, interfund transfers, where we're moving money from one area of the county government to another, we get this picture. And we get much greater balance between revenues and expenditures.*

*"For the year, we ended up with \$225.8 million of expenditures versus \$226.4 million of revenues, a net operating income of a little bit less than \$1 million. If you'll recall from our past presentations to you, that is entirely consistent with what we had been forecasting throughout the year as the point where we'd end the year. Now, here are some of the key revenues that we collect in our property tax funds. It is not solely property tax, but it is primarily property tax. That single revenue source, ad valorem taxes, excuse me, for the year were \$120.97 million, almost \$121 million. That is 1/10 of 1 percent more than we collected from that source in the prior year, in 2012.*

*"We received a good bit more back-taxes in 2013 than we did in 2012. We received a good bit more sales tax in 2013 than we did in 2012. Those were healthy increases. We had large percentage increases in some other revenues, but not a lot of money attached to any of them. Mortgage Registration Fees, we've talked about repeatedly for the year. they ended up at \$6.3 million, \$1.1 million less than the prior year, and that decrease is largely attributable to a single corporate refinancing that took place in 2012 and provided an extraordinary boost in revenue in that single year. Looking at expenditures, far and away, the largest single source of expenditure we have is salaries and wages for the county's workforce for the year. In the tax supported funds, we ended up spending just under \$79.2 million. That is 1/2 of 1 percent more than we spent on the county workforce for salaries and wages in the prior year.*

*"Health premiums, associated health benefits for county employees increased 1.6 percent year-over-year in this group of funds. We hear a lot about rapid rises and large increases in the cost of health benefits, but, in fact, through a variety of actions that Sedgwick County has taken, we've been able to mitigate those increases in the county's expenditures. Pension contributions for KPERS (Kansas Public Employees Retirement System) and KP&F (Kansas Police and Fireman's Retirement System) were a substantial increase in 2013, 6.7 percent, a total of just over \$9 million in this group of funds, and as you know, those contributions are dictated by the state legislature. And you see the other lesser sources of expenditure for the county for the year. Again, total expenditures for the year, including transfers, up 1.3 percent.*

*"This slide shows you some of the more significant capital projects that were on the books and undertaken during 2013. All of them were complete, the fire station in Derby, the 800 megahertz radio system conversion, the roof and HVAC (Heating, Ventilation and Air Conditioning Systems) units at the Extension [Center] service, the parking lot and sewer line extension at the Sedgwick County Park sports field, and one of a number of bridge replacements throughout the county. Significant projects underway at year end included the 135th Street widening project, a variety of other road projects that will carry forward into 2014, and the Haysville fire station.*

*"The fund balance for the general fund here ended the year at \$67 million. That is \$2 million less than at the end of 2012, and you can see on this slide the cash flow cycle of the county. Our fourth quarter always is a low point in the county's cash cycle, and so our fund balance always is at a low point as of December 31st, because we haven't yet received the first half of property taxes that were paid to the County Treasurer on December 20th. We receive those in the month of January. But you can see here over the past five years that the county's general fund fund balance has remained essentially constant over that entire five year period despite the troubles we've had with the economic downturn and the reductions in revenue that we've suffered as a result of that downturn. Our investment portfolio ended the year right at \$500 million, a half a billion dollars. That is a high point in our investment cycle, because we have received those property tax payments, as of December 20th, they have not yet been distributed to all of the 100 or so governments in Sedgwick County that will receive them in January, and for that intervening month, the county invests that money, and so our investment portfolio, as you can see looking back across time, peaks at December 31st each year.*

*"Our investment return, as indicated by the blue line, always plummets in December, because those investments that we're making with taxes that are collected around December 20th are invested in very short-term CDs (certificate of deposit) and other forms of time deposits, because we know that those securities, those monies are going to have to be remitted to the appropriate governments in early January. And so for the year, we ended with a return on our investment of just under 2/10 of 1 percent, just under 20 basis points. The red line is the benchmark that our investment policy says that we should try and exceed. You can see, looking across this entire four year period, we have successfully exceeded that benchmark. It is the one year T (treasury) bill rate, and as of December of 2013, that rate was about 13 basis points, 13/100 of 1 percent. So there is not a lot of interest income to be earned out there and the kind of investments that Sedgwick County can take advantage of, but to the extent that we are able to increase our yield over the benchmark, we've been successful in doing that over the past number of years.*

*Mr. Chronis continued, "Now turning to some indicators of financial condition. At the last quarterly report, I showed you a variety of benchmarks that had recently been published in the Wall Street Journal and compared Sedgwick County with a number of cities that had been reported in that article in the Wall Street Journal. Since then, we have received the financial information on all of the governments that have successfully received the governmental finance officers award for excellence in financial reporting. So these are governments that all report their financial information in a manner that's consistent with generally accepted accounting principles and consistent with the rules promulgated by the governmental accounting standards board. And so we know that we are comparing apples and apples.*

*"To provide an appropriate base of comparison, what we have done is extracted from all of that information for literally thousands of governments. The, excuse me, the county governments that have a population of between 250,000 and 750,000, and we have computed for each of these indicators the average for that set of counties. That's about 134 counties, I believe. And we are comparing Sedgwick County's performance against that average for all of those counties nationwide. And you can see that as we look at liquidity, we are right on par with the average for those governments. We ended the year in 2011, and that is the year of the data that we have, with 155 days of cash on hand in our general fund. We had improved that slightly at the end of 2013 to 156 days.*

*"In terms of flexibility, which is measured by the unreserved, undesignated balance in the general fund, that is the money that we can use quickly if we need to in an emergency. The average for those 120 or so counties is 25 percent. In 2011, Sedgwick County was at 31 percent. We were slightly better than those counties. We have improved our position since then and ended the year 2013 with our unreserved unrestricted general fund balance at 44 percent of expenditures, and so looking at flexibility, we are in a very good position as compared to our benchmark counties. What I told you in the last quarterly report comparing us to cities is consistent with what I'm telling you today with regard to benchmark counties. Our property value, our tax base, is a weakness for Sedgwick County. The average property value, taxable value per capita for those counties throughout the country is almost \$94,000. In Sedgwick County, in 2011, our taxable value per capita was under \$62,000, roughly 2/3 of that average for the benchmark counties. We don't have that statistic yet for 2013, but we always, in every comparison of this that I've ever seen, Sedgwick County always comes up short on this benchmark.*

*"Looking at debt, our outstanding debt per capita was less than the benchmark counties, slightly less in 2011, and in the years since then, we have repaid debt at a higher rate than we've issued debt. So our debt per capita in 2013 is down to \$310 compared to that benchmark average of \$350. Our debt burden, the share of general fund revenue that goes to pay debt service, has held constant at 13 or 14 percent, which is the benchmark average. Our effective property tax rate, property taxes are the primary funding source for virtually every county government in the country, our property tax effective rate in 2011 was 59/100 of 1 percent, a little bit higher than the benchmark average of 55/100 of 1 percent.*

*"We have reduced that effective tax rate in the 2 years since then, and in 2013, the effective tax rate was 1/2 of 1 percent, 50 basis points. Our reliance on those property taxes is consistent with the average for those benchmarks. Those benchmark counties rely on property taxes to provide 49 percent of their total government at fund expenditures to support 49 percent of those expenditures.*

*"In Sedgwick County, we typically are 47 or 48 percent. So we're right in line with the benchmarks. So looking at these metrics, Sedgwick County is in good shape as compared to our peers throughout the country.*

*"Looking at economic indicators, what you see here is the leading indicators index that is produced by the Center for Economic Development and Business Research at WSU (Wichita State University), and you've seen this picture before. From December of [20]03, when we were in boom times, through the start of 2008, we had a rapid increase in our leading indicators index. Times were good. Growth was happening very quickly. But then the crash hit. And for about a year or 18 months, we had a precipitous decline in the leading indicators index, but since 2009, you can see that we have had a steady but slow growth in that index. We have been recovering, but our recovery has been very slow."*

*Chairman Unruh said, "Chris, Commissioner Ranzau."*

*Commissioner Ranzau said, "So that is local, that's a local index, not a nationwide?"*

*Mr. Chronis said, "That's right. This index, I can get into the..."*

*Commissioner Ranzau said, "No. That's all I needed. Thank you."*

*Mr. Chronis said, "And again, these are local measures. What we're showing here are the trends in some of the key economic indicators locally. Tax base growth, before the downturn, was extremely healthy, typically five to seven percent, but then the crash hit, and since then, we have had less than one percent growth each and every year, and in fact, in 2012, we had a decline, small decline in the tax base, but that decline has been reversed, and for 2013, our tax base increased 6/10 of 1 percent. Home sales, similarly, you can see 2008, the last good year of the growth period home sales exceeded \$12,000. They dropped as low as, I'm sorry, 12,000 units, they dropped as low as 9,000 units, but have increased over the past two years, and in 2013, almost 11,000 homes were sold in the Wichita MSA (Metropolitan Statistical Area).*

*"New home permits, new construction, again, plummeted in 2009 and 2010, and into 2011 and [20]12, but now has reversed, and we had growth in home permits in 2013. Mortgages registered, the number of mortgages registered has been relatively constant. We had a decline in 2011 followed by an increase in 2012, followed by a very modest decline in 2013. Frankly, we don't know what is driving that. We know that the revenue that we've already talked about was less in 2013 principally because of a single corporate action, not because of a whole lot of mortgages being registered. Nevertheless, the number of mortgages registered, despite the fact that there were more home sales and more new home permits, the number of mortgages registered decreased slightly for 2013 as compared to 2012.*

*"Our sales taxes, an indicator of local economic activity, increased about 4 percent from 2012 to 2013, healthy growth. Our unemployment rate has dropped from a peak of 8.8 percent in 2010, has dropped consistently. Our average unemployment rate for 2013 was 6.3 percent. We ended the year actually lower than that in the month of December. And so we think that we are moving in the right direction, but again, the growth, the return, the recovery, is fairly slow as compared to past downturns.*

Mr. Chronis continued, "Looking at external threats, largely, they are located in Topeka. These are the things that we think are going to cause us some heartburn, in terms of our ability to effectively manage the county's finances without having adverse impacts on our citizenry. First, because of the budget problems that the state has been going through and is expected to continue going through, we have seen and we expect that we will see more instances of the state trying to transfer funding responsibility for programs from the state government to local governments. JRBR (Judge Riddel Boys Ranch) is the most noteworthy examples that we're currently involved in.

"The state budget contains a number of areas where impacts on our county and more generally on local governments are likely to be felt because the state is facing fairly dramatic reductions in revenues, and the easiest way politically for them to address those reductions in revenues is by taking money away from local governments, by impacting local government services. The school finance issue is still unresolved. The conventional wisdom is that the [United States] Supreme Court will issue a ruling that in some fashion indicates that the state should substantially increase the funding that it provides to public education. To the extent that the state responds to that affirmatively, their only choices will be to increase taxes, which seems extremely unlikely, or to make substantial reductions in other areas of the budget. And again, local government is likely to be one of those areas taking a hit.

"State legislation is affecting Sedgwick County in a number of ways. The most noteworthy example currently being talked about is the Mortgage Registration Fee, which is, as you know, a revenue source that has been available to reduce property taxes for about 90 years, and this year, the legislature is considering eliminating that funding stream for local governments, for county governments. In the case of Sedgwick County, that elimination would result in about a \$7 million reduction in general fund revenue, which would be more than a 5 percent reduction in general fund funding support. And finally, the local economy continues to cause...yes, sir."

Chairman Unruh said, "Excuse me. We have another question from Commissioner Ranzau."

Mr. Chronis said, "Okay."

Commissioner Ranzau said, "I was just going to make a comment. The first example I have to take exception of. State programs looking to local funds to fill the gap...and you said JRBR?"

Mr. Chronis said, "Yes."

Commissioner Ranzau said, "How is that?"

Mr. Chronis said, "JRBR is a program that is provided by Sedgwick County as a vendor for the state in the same way that other private facilities, privately operated facilities, are providing a similar service to the state government. The fees that the state is paying its vendors for that service are, in Sedgwick County's instance, insufficient to cover the costs, and so Sedgwick County has in the past been forced to subsidize that state program with local tax revenues. We have suggested to the state for more than a year now that they need to increase the funding to fully pay for that program if they expect Sedgwick County to continue to provide it, and that discussion is going on."

*Commissioner Ranzau said, "Well, your characterization of this is incorrect. We've not been forced to subsidize anything. They have not reduced their payments for JRBR. We chose to subsidize this for decades. And to say now that all of a sudden they're forcing us to do something is not true, particularly since they gave us \$750,000, which they hadn't given in the past. I don't like JRBR trying to be used to make the state look bad or make it seem like they're doing something at JRBR which they're not, so this is not a good example for that and I reject your characterization. I think it's flawed. Thank you."*

*Mr. Chronis said, "Any other questions? The final instance indicated on this slide that is causing us some heartburn is the continued uncertainty about the local economy. We are recovering. We are recovering slowly, but we continue to have the major employer in our MSA, aircraft companies, suffer sluggish sales. We've gone through the Hawker Beechcraft [Corporation] bankruptcy and sale to Cessna [Aircraft Company]. We continue to experience layoffs in [Bombardier] Learjet, and I believe at Cessna recently, and so that uncertainty does not bode well for us.*

*"So to wrap this up, through the fourth quarter of 2013, the county's financial performance was entirely consistent with the projections that we had given you previously throughout the year. We ended the year in the tax funds with an operating income of about \$1 million. Our year-end surplus in the general fund was mitigated by cumulative deficits in other property tax funds, and so when we look at the total revenue versus the total expenditures, including transfers, for the property tax funds, we experienced an operating deficit, a net deficit for all of those group of funds.*

*"Our 2013 performance enhanced the strong performance that we had exhibited for the prior years, and so we continue to be in very good condition despite the fact that our local economy continues to recover very slowly and be somewhat vulnerable to reversal of the growth that has been experienced. And finally, and once again, and Commissioner Ranzau, you may dislike this one, but it seems to me that the greatest risk to the county's fiscal health right now is posed by the State of Kansas, because of the various actions that I've outlined. That concludes this quarterly report. I'd be happy to answer any questions that you might have about it, and if you have none, then I would recommend that you receive and file."*

*Chairman Unruh said, "Thank you, excuse me, thank you, Chris. We do have a question. Commissioner Peterjohn."*

*Commissioner Peterjohn said, "Thank you, Mr. Chairman. Chris, I'd like to commend both you and your staff, who is here. This is an excellent document. I had a chance to review it extensively yesterday, because it was kind of a quiet day, especially with the weather coming from it."*

*Mr. Chronis said, "I doubt that David's staff would agree with that assessment."*

*Commissioner Peterjohn said, "Well, it was a quiet day for this Commissioner to review it. I'll say that. I would agree with the conclusion. In terms of potential threats, I think you're missing a couple, and I'll get into that. I've got some detailed questions here, but let me, since I just got this, just before the meeting, on page eight on your key revenues here, Chris, this is kind of historic, but going back on the sales and use tax. When we had the 1 cent sales tax for 2.5 years that funded the Intrust Bank Arena construction, it was generating a little bit over \$80 million a year.*

*Commissioner Peterjohn continued, "In this figure here, we've got that same county wide sales tax, it's generating for 2013 a little bit less than \$27 million. Could you kind of walk through why the county gets so much less in the one cent sales tax."*

*Mr. Chronis said, "You're correct in that both of those taxes were at the rate of one percent. The arena tax, the specially voted limited term tax to fund the Intrust Bank Arena was received entirely by the county government and used for that project, and so the entire roughly \$80 million a year was collected and retained by Sedgwick County. The county local option sales tax, which is used to fund county operations and defray property taxes, is by state law shared proportionally by the county government and all of the cities that are located within that county. And so the formula that that the state is using to distribute that revenue provides currently about 29 percent of the total take from that county tax to the county government, and that is the \$26.7 million that you see represented here. The balance of that revenue, that 1 percent, collects, again, roughly \$80 million a year county wide. The difference between our \$26 or \$27 million and the \$80 million total is county sales tax that is distributed to the cities that are located within Sedgwick County."*

*Commissioner Peterjohn said, "I think that's important information to get on the record and have an explanation for people who are interested in county government and how we're funded and how the money comes out. Can I skip over to page 13? You talked a little bit about the fact that Sedgwick County property value, taxable value per capita is significantly less than the benchmark counties, but there are a lot of benchmark counties in here that are outside the State of Kansas, correct?"*

*Mr. Chronis said, "Oh, yes. Absolutely, these are nationwide."*

*Commissioner Peterjohn said, "Okay, and since we don't have the 2013 figures, do you have the 2012, by any chance, Chris?"*

*Mr. Chronis said, "I haven't computed it. We have the data. I haven't computed it."*

*Commissioner Peterjohn said, "I was curious, in terms of whether our trend, is the trend our friend or our enemy in this case in the sense that, is the property value per capita growing on a percentage basis as fast as our benchmark county peers? Is it growing slower or is it growing about the same rate? If we went back to like, let's say, instead of looking at 2011 to 2013, if we looked at 2012 versus, say, 2010, Chris?"*

*Mr. Chronis said, "Well, I have two responses. First, we don't know how those benchmark counties, what the trend is in those counties. This is a point in time measure, and so I don't know if nationwide that statistic is growing, decreasing or what. Within Sedgwick County, over time, we know that this statistic has been fairly constant, and although I don't have the data to do the calculation, we know that the county's tax base decreased in 2012 slightly, less than 1 percent, increased less than 1 percent in 2013. We know that the county's population has been growing at something less than 1 percent a year, and so I would expect that for each of those years the calculation would produce a number that's very similar to what you see here."*

*Commissioner Peterjohn said, "Well, I think that's significant, in terms of trying to make that number, make it meaningful going forward, and while the point in time number is interesting and useful, I think that having some trend information would be more so."*



*"In terms of potential threats going forward, I would agree with Commissioner Ranzau in the case that there was a lot of heavy lifting by the entire south central delegation, and I know the leadership of the delegation worked very hard to get the \$750,000 for Judge Riddel Boys Ranch last year, and I would like to publicly commend them.*

*I don't know what's going to happen this year in the future for the funding in the state's 2015 budget that will begin July 1 concerning the corrections area in total, which would, of course, include any funding that would come in for juvenile state funding and Judge Riddel Boys Ranch in particular. The biggest potential threat, though, that I think this county faces, and it's not listed here, and I'm going to put it on the record, and my source for this is yesterday's released congressional budget office report, and that is our friends in Washington, but the report from the CBO (Congressional Budget Office) yesterday indicating that we're going to be losing \$2-\$2.5 million jobs nationally over an extended period of time, but it's tied into ObamaCare.*

*"I think it's the war on the private sector. I think it's the war on savors that the Federal Reserve's is pursuing. If we're looking at \$2-\$2.5 million job loss, the rule of thumb for Kansas that I've learned, Kansas roughly, this is very rough, we're just a shade under 1 percent of the national population. So if you take that \$2-\$2.5 million over the same period of time and apply a 1 percent figure to it, you get a ballpark idea of what it's going to do to us here in Kansas.*

*"I think the federal government, in terms of a potential threat of the fiscal health of this county is by far the largest example. Now, I would agree with your point that you've got listed here. I don't know what edicts are going to come down from the Kansas Supreme Court, and I don't know how the elected officials in the state are going to respond to this judicial edict if and when it comes. So, in terms of an issue there, that is certainly a big risk and I agree Mortgage Registration Fees are a problem. And I think the fact that this CBO report is creating, what you're seeing here, sluggish aircraft sales is an effect. It's not the root cause. The root cause is the war on the private sector, on the people of Kansas coming out of Washington. So when we look at potential threats going forward, I very strongly believe that that needs to be factored in, Mr. Chairman. And at the appropriate time, I'd be happy to make a motion to receive and file this report. Thank you."*

*Chairman Unruh said, "Thank you, Commissioner. Is there any other comment? Commissioner Norton."*

*Commissioner Norton said, "On page 13, Chris, when it talks about the property value, that's the taxable value. That's not the total value of property?"*

*Mr. Chronis said, "No, that's the market value. That's estimated market value of taxable property."*

*Commissioner Norton said, "Okay. It's not the taxable value, it's the value of the taxable property."*

*Mr. Chronis said, "Correct."*

*Commissioner Norton said, "The taxable value is 11.5 [percent] or whatever, isn't it? Isn't that what the taxes are provided on, and 25 percent of commercial property?"*

*Mr. Chronis said, "I'm sorry the..."*

*Commissioner Norton said, "That's the assessed value."*

*Mr. Chronis said, "...the assessed value, total assessed value for the property tax is about \$4.3 billion."*

*Commissioner Norton said, "So it's a different nomenclature here than I was looking for."*

*Mr. Chronis said, "Yes."*

*Commissioner Norton said, "Okay. Does that mean we're undervalued in our commercial and residential properties, or does it just mean that those other jurisdictions may be on the east and west coast and have higher property values?"*

*Mr. Chronis said, "Yes."*

*Commissioner Norton said, "Okay. Most people would say my property values are too high, my taxes are too high, which is the mill levy against the value, and this looks significantly lower than our benchmark counties."*

*Mr. Chronis said, "Yes. It is significantly lower, and there are an awful lot of reasons for that. But certainly one significant reason is the one that you said about the fact that we're in the middle of the country, not on the coast. The growth, the high rates of growth for more than a century have been on the east and west coasts of this country and not in the middle of the country. The property values here in Sedgwick County are solid for Sedgwick County's standard of living. They are low in comparison to much of the rest of the country. That has good points and it has bad points."*

*"It means that for a given level of income, it's easier to buy a house or a piece of property in Sedgwick County than it is, than it might be someplace else. But looked at as an indicator of the fiscal health of the government that's relying on taxes on that property, this is considered to be a negative factor. It means that in order to generate a given amount of revenue to fund county services, all things being equal, Sedgwick County would have to impose a higher property tax rate than those other counties that have higher tax bases."*

*Commissioner Norton said, "We're pretty well guided by the state as far as what property values will become based on ratios. We're well within our..."*

*Mr. Chronis said, "Yes, absolutely."*

*Commissioner Norton said, "...our ratio, so we're not too low or too high, either one, based on the equal and fair valuations across the state."*

*Mr. Chronis said, "That's correct."*

*Commissioner Norton said, "Okay. That's all I have, Mr. Chairman."*

*Chairman Unruh said, "Commissioner Peterjohn."*

*Commissioner Peterjohn said, "I'm going to jump into the deep fiscal weeds. Page 32 of this document, Chris, is the stimulus grants, going back to 2009. Washington adopted what they called a stimulus package, shovel ready, although it was later admitted that the shovel ready wasn't shovel ready. But my reading of this, we're running a negative balance of a little over \$200,000 on these stimulus grants, Chris. In other words, Washington still owes us a little over \$200,000 that they haven't paid back going back to this program that's roughly four years ago? Am I reading that correctly?"*

*Mr. Chronis said, "Yes, you are, but my guess is that the reason they owe us is that we haven't yet billed them for that money."*

*Commissioner Peterjohn said, "We haven't?"*

*Mr. Chronis said, "I'll have to do some investigation about this particular fund. We're talking here about a total of \$800,000 out of the \$200 million or more or less that we've been talking about today, and so I don't know a lot about this particular fund right after the top of my head. But the practice that was in place didn't allow us to bill for some activity until certain points of time, and it's entirely possible that for some of that activity, we've not yet reached the point in time where we've been able to bill for it."*

*Commissioner Peterjohn said, "Well I just thought seeing that Washington still, if we haven't billed them, that's our fault, but if Washington owes us \$200,000 and they haven't paid us and this goes back years, it's another sign in my opinion that we've got a Washington problem, but I appreciate the additional information. Thank you, Mr. Chairman."*

*Chairman Unruh said, "Thank you, Mr. Chairman [sic]. Chris, I just want to make a comment, first of all, I want to thank you and your staff for presenting a report that is readable and very informative. I think they've done a good job in doing that. And then also express appreciation for the way that you've managed county business to keep it consistent and predictable and well within our guidelines so that we can continue to provide the services that are expected of us and do it in a fiscally responsible way. So all of your budget and accounting people, I think, deserve credit for helping us manage this system in such a way that our constituents and taxpayers can rely on county government to be stable and consistent. I did have one question on the report where the question was brought up about the local option sales tax, and you indicated Sedgwick County, out of our 'county tax', it's about 29 percent."*

*Mr. Chronis said, "That's correct."*

*Chairman Unruh said, "As opposed to community's. The City of Wichita receives the lion's share of that."*

*Mr. Chronis said, "They do."*

*Chairman Unruh said, "And do you know off the top of your head approximately what percentage of the county tax the city takes advantage of?"*

*Mr. Chronis said, "I believe it's about 60 percent, a little under 60 percent."*

*Chairman Unruh said, "Sixty percent. Well, sometimes that comes up in conversation, and I'll try to remember that number so that I can respond."*

*Chairman Unruh continued, "And then I'd like to just comment on our challenges going forward and what the risk to, some of the risks that we face. These risks sometimes are not necessarily adversarial, but they're real, and I do know that in our understanding and investigation about the issue with the Mortgage Registration Fee that we work in partnership with and in conjunction with the State of Kansas in providing services to our citizens. And the state demands that we, mandates that we provide a whole variety of services from legal and public safety and human services to land transactions.*

*"And it's been calculated that the total amount of those services that we offer that we spend \$150 million a year on providing those services, and yet the state funds at about 15 percent of that total amount. In the last five years, they've reduced funding for those mandated services about \$5 million. When you add to that the fact that since I've become a Commissioner state action has eliminated most of the demand transfers, local ad valorem tax, reduction fund in the city/county revenue sharing fund, they have reduced our revenue stream by providing exemption for machinery and equipment, property taxation, and that amounts to, my information is about \$11 million per year reduction in our revenue.*

*"In response to that and in response to the general challenges of the economy, we've taken extraordinary measures and the number of people that we employ and changes in our operating procedures to try to respond to those challenges, and we are at the point where it's going to be difficult for us to absorb any more reductions from the state to provide state mandated services. So something like the Mortgage Registration Fee, should that go away, and for Sedgwick County, it represents anywhere from \$6-\$9 million a year. That's a significant challenge for us in our budgeting.*

*"So all of that is just simply to say that, although the states our partner and we work with them in providing services, through funding streams, if they decide not to provide them, it does provide a significant challenge either to the level of services that we provide or to our mill levy. But we're at the point where it's going to be difficult for us to just absorb these financial challenges. So, not a question, a little editorial. Chris."*

*Mr. Chronis said, "I agree with that entirely. Thank you for making those comments. And I would like to say on the record that I am not at all ungrateful for the \$750,000 that the state provided last year for JRBR, but I tend to look at it as any businessman would look at debts that are owed by customers. If the customer has paid you a fraction of what he owes you, you're happy to get that fraction, but you want him to pay the whole bill. And that \$750,000 was roughly half of the total amount of local funding that Sedgwick County was putting into that state program. And so our position is, has been and is, that the state needs to pay for its program."*

*Chairman Unruh said, "Okay. Thank you. We do have another comment from Commissioner Peterjohn."*

**MOTION**

*Commissioner Peterjohn moved to receive and file.*

*Commissioner Norton seconded the motion.*

*There was no discussion on the motion, the vote was called.*

VOTE

Commissioner Peterjohn	Aye
Commissioner Ranzau	Aye
Commissioner Skelton	Absent
Commissioner Norton	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Thank you, Chris, and thank you to all our accounting and budget staff. Next item, please."

**Received and Filed**

**H**      [14-1050](#)

RESOLUTION RECLASSIFYING CERTAIN ROADS FROM THE ATTICA, PAYNE, ROCKFORD, SALEM AND VALLEY CENTER TOWNSHIP ROAD SYSTEMS TO THE SEDGWICK COUNTY HIGHWAY SYSTEM. VARIOUS DISTRICTS.

Presented by: David C. Spears, P.E., Director of Public Works/County Engineer.

RECOMMENDED ACTION: Adopt the resolution.

**Attachments:**      [Resolution](#)

Mr. David C. Spears, Director, Public Works, greeted the Commissioners and said, "Item H is a resolution reclassifying five miles of township roads to the Sedgwick County highway system. Each of these miles will be reconstructed this year with a new process called super seal. The locations of those miles are as follows: Central between 167th Street West and 183rd Street West, reclassified from the Attica Township road systems. The second one, 37th Street North between Greenwich Road and 127th Street East, reclassified from the Payne Township road system. The third, Webb Road between 111th Street South and 119th Street South reclassified from the Rockford Township system. The fourth, Hillside [Road] between 95th Street South and 103rd Street South reclassified from the Salem Township road system. The fifth, 81st Street North between Hoover Road and the west city limits of Valley Center, reclassified from the Valley Center Township road system. I recommend that you adopt the resolution."

Chairman Unruh said, "Okay. Thank you, David. Commissioner Ranzau."

Commissioner Ranzau said, "Thank you, Mr. Chairman. Dave, could you just give us a rough timeline estimate of when these projects will be done and completed?"

Mr. Spears said, "Okay. We're going to start on them toward the end of spring, beginning of summer, and, of course, they won't all be done at the same time. We haven't selected where we're going to start first. And then, of course, on top of the super seal, that Andale Concrete puts down, we put down a seal, a chip seal. And we're going to put on two chip seals. The first will be put on immediately after Andale does their work. The second chip seal, we will put on toward the end of August, but traffic will be able to be on it. We have to do that to fit our schedule of what we do. So it will start at the end of spring and all the roads will be constructed, I'm going to say, no later than the end of June, and then the second chip seal will be put on in August."

Commissioner Ranzau said, "Thank you."

MOTION

*Commissioner Ranzau moved to adopt the resolution.*

*Commissioner Peterjohn seconded the motion.*

*Chairman Unruh said, "We have a motion and a second, and more discussion, Commissioner Peterjohn."*

*Commissioner Peterjohn said, "Thank you. I appreciate the information, in terms of how we're going to do this. Dave, would you take a minute and kind of walk me through, in terms of how this contracts with what we've been doing with cold mix and the cost and durability differences you expect between these two processes, what we had been doing with the cold mix, and what we will be doing with this new concrete and seal on top of it?"*

*Mr. Spears said, "Okay. I'll try to do it as fast as possible, because that can get very involved. Basically, cold mix was more of a maintenance type item. We could cold mix a road and it might last five to seven years, four to seven years, some longer, depends on the traffic on it. That is not in our budget anymore. That is something we did with our own forces and due to cuts in the budget, we don't do that now. So what we came up with was this new process which Andale Concrete does, they call it a super slurry. We put our seal on top of it, so we have named it now super seal, because it's a process that we share with them, but we can pay, we don't do their process, of course. Andale Concrete does that. So we can pay them with sales tax funding instead of out of our operating budget, and that's the difference of financially between the cold mix and super seal. The super seal, we feel in the long run will last longer. We can keep putting additional types of maintenance on top of that.*

*"I say maintenance, you can put more chip seals on it. We think you could put a nova chip on, we think you could put a hot mix overlay on it. Out at the Sedgwick County Park, you put six inches of concrete on top of it. So there's many applications, but the key thing is, the difference between cold mix and this is, cold mix did not have as good a base. Basically this is a great base for this new road system, and that's why you can continue to stack on top of it, and really, you build a road from the bottom up, not the top down. If you start from the top down and don't improve the base, you'll always have problems. So we're looking forward to this. We're excited about it, and the cost-wise, this is going to be a little bit more expensive, but we think it's going to be a better product."*

*Commissioner Peterjohn said, "Better value over the long-term?"*

*Mr. Spears said, "Yes, sir."*

*Commissioner Peterjohn said, "Well, let me ask you, because I noticed in the 2014 to 2018 Capital Improvement Program document that we received last week, we've been, a lot of the items contained in here is trying to work over some of the cold mixed roads. We've already put down a mile using this new process. I believe it's on 183rd Street West out in Commissioner Norton's district. Could you kind of walk through how that piece of road is doing and how it stands at this point, in terms of, because we're not, this isn't completely a deep leap off a short pier, in terms of what we're planning to do with these five miles of roads."*

*Mr. Spears said, "Yes. That was our experimental road to see if this was actually going to work like we thought it would, and so far, it is. Now, we will continue to look at that after winter. We have looked at it before the snows came here, and it is still in great shape, and we're very optimistic that it's going to work."*

*Commissioner Peterjohn said, "Well, Mr. Chairman, I plan to support this resolution."*

*Chairman Unruh said, "Thank you. Commissioners, any other comment? Seeing none, Madam Clerk, call the vote."*

VOTE

<i>Commissioner Peterjohn</i>	<i>Aye</i>
<i>Commissioner Ranzau</i>	<i>Aye</i>
<i>Commissioner Skelton</i>	<i>Absent</i>
<i>Commissioner Norton</i>	<i>Aye</i>
<i>Chairman Unruh</i>	<i>Aye</i>

*Chairman Unruh said, "Next item, please."*

I      [14-1052](#)

RESOLUTION ESTABLISHING A SPEED LIMIT ON MERIDIAN FROM 150 FEET SOUTH OF 93RD STREET NORTH TO 2025 FEET NORTH OF 93RD STREET NORTH (817-D,E), AND PROVIDING FOR THE ENFORCEMENT THEREOF.

Presented by: David C. Spears, P.E., Director of Public Works/County Engineer.

RECOMMENDED ACTION: Adopt the resolution.

Attachments:      [Speed Limit Resolution](#)

*Mr. Spears said, "For the last eight weeks or so, Public Works has been working with Valley Center High School regarding traffic control and safety on Meridian in front of the new high school. Our staff, along with Commissioner Ranzau, has met with the high school site council, as they call it, and answered their question. Flashing school zone beacons exist today, and we propose moving the south beacon to a point 150 feet south of 93rd Street South. The resolution before you today will reduce the speed limit to 45 miles per hour between the beacons when they are flashing. All of the improvements will be made in accordance with the manual and uniform traffic control devices and I recommend that you adopt the resolution."*

*Chairman Unruh said, "Commissioner Ranzau."*

*Commissioner Ranzau said, "Mr. Chairman, I'll move we adopt the resolution. I want to publicly thank Dave and Mark Morris for all the work that went into this. I know they spent a lot of time on it and had a lot of public input and talks about this, and I appreciate everything they've done."*

*Mr. Spears said, "Thank you."*

MOTION

*Commissioner Ranzau moved to adopt the resolution.*

*Commissioner Peterjohn seconded the motion.*

*There was no discussion on the motion, the vote was called.*

VOTE

<i>Commissioner Peterjohn</i>	<i>Aye</i>
<i>Commissioner Ranzau</i>	<i>Aye</i>
<i>Commissioner Skelton</i>	<i>Absent</i>
<i>Commissioner Norton</i>	<i>Aye</i>
<i>Chairman Unruh</i>	<i>Aye</i>

*Chairman Unruh said, "Thank you. Thank you, David. Next item, please."*

J      [14-1077](#)

REPORT OF THE BOARD OF BIDS AND CONTRACTS' REGULAR  
MEETING ON JANUARY 30, 2014.

Presented by: Joe Thomas, Director, Purchasing Department.

RECOMMENDED ACTION: Approve the recommendations of the Board  
of Bids and Contracts.

**Attachments:**      [Bid Board Minutes](#)

*Mr. Joe Thomas, Director, Purchasing Department, greeted the Commissioners and said, "The meeting of the Board of Bids and Contracts of January 30th results in one item for you to consider this morning, and that item is;*

1.    *MERCHANT SERVICES -- DIVISION OF FINANCE  
FUNDING --VARIOUS COUNTY DEPARTMENTS*

*"Our recommendation is to accept the best proposal from Bank of America Merchant Services, LLC, dba Bank of America Merchant Services (BOA), establish contract pricing as listed on the sheet and execute a three year contract, with two one year options to renew.*

*"I'll be happy to answer questions and I recommend approval of this item."*

*Chairman Unruh said, "Commissioners, you heard the recommendation. Are there any questions?"*

MOTION

*Commissioner Norton moved to approve the recommendations of the Board of Bids and Contracts.*

*Chairman Unruh seconded the motion.*

*There was no discussion on the motion, the vote was called.*

VOTE



Commissioner Peterjohn	Aye
Commissioner Ranzau	Aye
Commissioner Skelton	Absent
Commissioner Norton	Aye
Chairman Unruh	Aye

Mr. Thomas said, "Thank you."

Chairman Unruh said, "Thank you, Joe. Next item."

### **CONSENT**

- K**      [14-1039](#)      Signature authority to sign applications, reports, plans and other documents for submission to the Kansas Department for Aging and Disability Services (KDADS).
- Attachments:**      [Affidavit of David M Unruh - January 15 2014.pdf](#)
- L**      [14-1047](#)      One (1) Temporary Construction Easement and One (1) Right of Way Easement for Sedgwick County Project 807-Y-3005; Bridge Replacement Project on 103rd Street West between 71st and 79th Streets South. District 5.
- Attachments:**      [Temporary Construction Easement](#)
- M**      [14-1049](#)      Force Account Construction Engineering Inspection Services Agreement with Kansas Department of Transportation (KDOT) for KDOT Guardrail project on select roads. Various Districts.
- Attachments:**      [Agreement with KDOT](#)
- N**      [14-1051](#)      An agreement between Sedgwick County and the Secretary of Transportation, Kansas Department of Transportation (KDOT) for Sedgwick County Project 640-22-1418; Bridge project on 87th Street South between Hoover and Ridge Road. CIP# B-465. District 2.
- Attachments:**      [Agreement with KDOT](#)
- O**      [14-1056](#)      Approval of the "Nomination for County Weed Supervisor".
- Attachments:**      [Nomination](#)
- P**      [14-1059](#)      Renewal agreement with the City of Derby to administer Special Liquor Tax Funds.
- Attachments:**      [Derby Special Liquor Tax Agreement 2014 to BOCC.pdf](#)
- Q**      [14-1060](#)      Addendum to an agreement between COMCARE and the Kansas Department of Corrections.

**Attachments:**     [KDOC Corrections Liaison FY14 Addendum to BOCC.pdf](#)

R     [14-1061](#)     Amendment to 800 MHz Frequency Reconfiguration Agreement.

**Attachments:**     [Agreement](#)

S     [14-1062](#)     AC2013-00044 - Request to vacate a platted easement; generally located north of 47th Street South, west of Kansas Highway K-15 and Clifton Avenue on the west side of Cumberland Street (County District 5).

**Attachments:**     [VAC2013-44 COUNTY VACATION ORDER approved and signed by legal.doc](#)  
                              [VAC2013-00044 Map.doc](#)

T     [14-1063](#)     Set hearing date as required by K.S.A. 40-3903 and K.S.A 12-1752 for nuisance abatement of property located at 5006 S. Elmhurst St. Wichita, Kansas.

**Attachments:**     [Stolz Letter to BOCC](#)  
                              [Resolution to Set Hearing for 5006 S Elmhurst](#)  
                              [Public Health Assessment - 5006 S Elmhurst](#)

U     [14-1066](#)     Order annexing certain land by Eagle Drainage District.

**Attachments:**     [Order Annexing Property](#)

V     14-1058     Order dated 1/17/2014 to correct tax roll for change of assessment.

W     14-1065     Order dated 1/24/2014 to correct tax roll for change of assessment.

X     [13-0991](#)     General Bill Check Register from January 22, 2014-January 28, 2014.

Y     [13-0992](#)     General Bill Check Register from January 29, 2014-February 4, 2014.

Z     [14-1073](#)     Payroll Check Register.

*Mr. William P. Buchanan, County Manager, greeted the Commissioners and said, "Commissioners, you have the Consent Agenda before you, and I would remind you that Item U has been deferred, but I recommend that the Consent Agenda be approved with Item U deferred."*

MOTION

*Commissioner Norton moved to approve the Consent Agenda with Item U deferred.*

*Commissioner Peterjohn seconded the motion.*

*There was no discussion on the motion, the vote was called.*

VOTE

Commissioner Peterjohn	Aye
Commissioner Ranzau	Aye
Commissioner Skelton	Absent
Commissioner Norton	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Commissioners, I don't think that we have a Fire District [No. 1] meeting or an Executive Session, so we are at 'Other'. Is that correct, Madam Clerk? Is there any other comments Commissioners would like to make today? Commissioner Peterjohn."

**OTHER**

Commissioner Peterjohn said, "Thank you, Mr. Chairman. I wanted to segue off a comment you were making earlier when you were showing the car license plate tags from our three largest regions institution universities. I thought it was important to add that that is not the only license tags that are available through the County Treasurer's offices. There are tags for a whole host of other institutions, including other colleges in this state and there's quite a selection actually. If citizens are interested out there, I would urge them to go and check out what's available. I believe that information is available on the County Treasurer's website.

"The second item I wanted to bring up. Monday I had the honor and privilege of participating in a court proceeding, kind of unusual court proceeding, because it was held at the Intrust Bank Arena, which is not the usual site for a federal district court, presided over by Judge Eric Melgren. But at that time, close to 100 people took the oath of citizenship and became citizens and it was a real pleasure to be able to participate, and I wanted to commend our election office for participating and helping those folks, because they made available the opportunity for these new citizens to get registered to vote. That's been a controversial, there's been a lot of controversy and discussion about this, but none of that was apparent Monday night. And there were a lot of folks down there at the Intrust Bank Arena who were able to participate. Fortunately, the weather was accommodating at that time. That's all I have this morning, Mr. Chairman."

Chairman Unruh said, "Thank you, Commissioner. Well, I just want to report that yesterday at the staff meeting, our Director of Public Works gave a short recap of his preparedness for this big snowstorm that we have, and we've got crews out working on pretty much around the clock shifts. Isn't that correct, David?"

Mr. Spears said, "That is correct, Mr. Chairman."

Chairman Unruh said, "And we have plenty of supplies to put on to control the ice and those sort of things? Good. I just wanted to reassure the folks that we're trying to do our part through Public Works to make their driving as safe as possible on the county road system, and we would want to remind everybody to be safe out there in this type of weather. So with that, if there's nothing else, we are adjourned."

**EXECUTIVE SESSION**

**ADJOURNMENT**

*There being no other business to come before the Board, the Meeting was adjourned at 10:27 a.m.*

BOARD OF COUNTY COMMISSIONERS OF  
SEDGWICK COUNTY, KANSAS

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DAVID M. UNRUH, Chairman  
First District

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TIM R. NORTON, Chair Pro Tem  
Second District

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KARL PETERJOHN, Commissioner  
Third District

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RICHARD RANZAU, Commissioner  
Fourth District

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JAMES B. SKELTON, Commissioner  
Fifth District

ATTEST:

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Kelly B. Arnold, County Clerk

APPROVED:

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