Sedgwick County

525 North Main Street 3rd Floor Wichita, KS 67203



Meeting Minutes

Wednesday, February 19, 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

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

Email: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 9:03 a.m. on February 19, 2014 in the County Commission Room in the Courthouse in Wichita, Kansas, by Chairman David M. Unruh, with the following present: Chair Pro Tem Commissioner Tim R. Norton; Commissioner Karl Peterjohn; Commissioner Richard Ranzau; Commissioner James B. Skelton; Mr. William P. Buchanan, County Manager; Mr. Rich Euson, County Counselor; Mr. David Spears, Director, Bureau of Public Works; Mr. Scott Hadley, Director, EMS; Mr. Michael Borchard, County Appraiser; Mr. Joe Thomas, Director, Purchasing Department; Ms. Kristi Zukovich, Director, Communications; and Ms. Jill Bailey, Deputy County Clerk.

GUESTS

Ms. Sharon Fearey, Wichita Arts Council

INVOCATION: Reverend Jeff Gannon, Chapel Hill Fellowship Church.

FLAG SALUTE

ROLL CALL

The Clerk reported, after calling roll, that all Commissioners were present.

CONSIDERATION OF MINUTES

A 14-1098 REGULAR MEETING MINUTES OF JANUARY 8, 2014. All Commissioners were present.

Chairman Unruh said, "Thank you. Commissioners, you've had the opportunity to review the Minutes of the January 8th and the next two items are also meeting meetings, January 15th, January 22nd. All Commissioners were present at every meeting. I think we can take those together. So Commissioners are there any additions or corrections?"

MOTION

Commissioner Norton moved to approve the Regular Meeting Minutes of January 8, 2014, January 15, 2014 and January 22, 2014.

Commissioner Skelton seconded the motion.

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

VOTE

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

Chairman Unruh said, "Next item."

B 14-1099 REGULAR MEETING MINUTES OF JANUARY 15, 2014.

All Commissioners were present.

Action on Item B taken with Item A.

C 14-1088 REGULAR MEETING MINUTES OF JANUARY 22, 2014.

All Commissioners were present.

Action on Item C taken with Item A.

PROCLAMATIONS

D 14-1100 PROCLAMATION DECLARING WICHITA ART DAY OF GIVING. Read by: Chairman David M. Unruh.

RECOMMENDED ACTION: Adopt the proclamation.

Attachments: ArtDOG 021914

Chairman Unruh said, "Commissioners, I have a proclamation to read for your consideration:

PROCLAMATION

WHEREAS, on Friday, February 28, 2014, the Wichita Community Foundation, the Wichita Arts Council and the Knight Foundation of Miami, Florida, will partner in the launch of the first-ever Wichita Art Day of Giving or ArtDOG; and

WHEREAS, this event will work to transform philanthropy in Wichita by growing overall giving during a 24-hour online, media-driven campaign for 39 participating arts organizations; and

WHEREAS, online giving in our community increased by 50.1 percent in 2012 and generated \$3,358,597 with the average gift being \$113; and

WHEREAS, Art DOG will strive to attract new donors and build the capacity of arts groups for their fundraising efforts; and

WHEREAS, this event will encourage local arts nonprofits to learn how to use digital tools and social media in fundraising efforts; and

WHEREAS, ArtDOG will host Wichita's biggest Final Friday ever by sponsoring events in and around the Old Town area including a tent on the Old Town Plaza at City Arts that will showcase arts organizations throughout the day.

NOW, THEREFORE BE IT RESOLVED that I, David M. Unruh, Chairman of the Board of Sedgwick County Commissioners, do hereby recognize February 28, 2014 as

'WICHITA ART DAY OF GIVING'

And urge Sedgwick County citizens to participate and recognize the importance of the arts in our community.

"Commissioners, you've heard the proclamation. What's the will of the Board?"

MOTION

Commissioner Norton moved to adopt the proclamation.

Commissioner Skelton seconded the motion.

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

VOTE

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

Chairman Unruh said, "And receiving the proclamation this morning is former city council person Sharon Fearey."

Ms. Sharon Fearey, Wichita Arts Council, greeted the Commissioners and said, "Thank you. ArtDOG is wanting to take a nap here. I want to introduce you to the newest animal that is running around Wichita, and that is ArtDOG. He is our symbol for this 24 hour day of giving on February 28th. Anybody that wants to make an online donation can go to [www.]wichitaarts.com, and it will take you through the links on that. You can go ahead and make a donation at any time. Although, since it is a 24 hour giving process, nobody's credit card would be charged until the 28th because that's how the site works.

"This is a great opportunity for people in our community to support the arts. It is strictly a grassroots effort and can mean so much to every art organization from those who operate on the smallest budget to those who have the million dollar budget. So we really encourage everyone to give, and you know, all of you can get on there at any time. So thank you, again, for the proclamation and for allowing us to be here this morning."

Chairman Unruh said, "Well, Sharon, thank you for coming, and can you hold ArtDOG up a little higher so it gets full view on the television? There you go."

Ms. Fearey said, "And I look better, too."

Chairman Unruh said, "There we go. Now we can see it."

Ms. Fearey said, "Can you see him?"

Chairman Unruh said, "ArtDOG, there he is, right. Well, we appreciate you being here and appreciate the opportunity to work with you in trying to promote the arts in our community and also to encourage people to be philanthropic and to open their pocketbooks up a little bit and support the arts."

Ms. Fearey said, "Thank you."

Chairman Unruh said, "It takes people working hard to accomplish that, we appreciate your efforts."

Ms. Fearey said, "Thank you, and I would also like to thank Jim Skelton. He is your ex-officio representative on the arts council and does a great job for us, so thank you."

Chairman Unruh said, "Thank you."

Commissioner Skelton said, "Thank you, Sharon, and I just want to commend you for your continued public involvement. I just wanted to recognize you for that. Thank you."

Ms. Fearey said, "Thank you."

Commissioner Skelton said, "You're Welcome."

Chairman Unruh said, "Madam Clerk, next item, please."

DONATIONS

E 14-1089

DONATION TO SEDGWICK COUNTY EMS FROM WALMART. Presented by: Scott R. Hadley, EMS Director.

RECOMMENDED ACTION: Approve acceptance of the donation and acknowledge Wal-Mart for their community support.

<u>Attachments:</u> 021905 Donation Ltr - Walmart Nbrhood Mkt

Mr. Scott Hadley, Director, EMS, greeted the Commissioners and said, "Before you for consideration, you have a donation from the Walmart Neighborhood Market located at 3137 South Seneca in the amount of \$1,000. As Commissioners know, Walmart Incorporated as a long-standing history of public-private partnerships and donations, especially to our agency. Since 2010, local Walmart stores have donated \$8,150 just to EMS (Emergency Medical Services).

"That money has been used to support our EMS Bike Medic Team, and this \$1,000 will go toward that effort as well. As you know, our Bike Medic Team has many ventures they partner with every year, the Wichita River Festival, Prairie Fire Marathon, the McConnell Airforce Base Airshow. They have also partnered with Safe Kids to teach children bicycle safety and fit them with the proper safety equipment and teach them safe riding habits.

"That money will go to support the operating costs and some of the maintenance costs for that particular program. So I recommend that you accept the donation, establish budget authority and acknowledge Walmart for their ongoing support and generosity."

Chairman Unruh said, "Thank you, Scott. What's the will of the Board?"

MOTION

Commissioner Skelton moved to approve acceptance of the donation and acknowledge Walmart for their community support.

Commissioner Peterjohn seconded the motion.

Chairman Unruh said, "Thank you. We have a motion and a second. Is there any discussion? Well Scott, I just want to say we appreciate that your department, your division, EMS, does such an outstanding job and people in the community are willing to contribute in this way to support your activities. It's a valuable service, and I know your folks do a great job, work hard and take their job seriously. I appreciate your efforts."

Mr. Hadley said, "Thank you, sir."

Chairman Unruh said, "Madam Clerk, call the vote, please."

VOTE

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

Chairman Unruh said, "Thank you, Scott."

Mr. Hadley said, "Thank you."

Chairman Unruh said, "Next item, please."

APPOINTMENTS

F 14-1093

RESOLUTION REAPPOINTING MEMBERS (FIRST AND THIRD CLASS CITIES, GENERAL PUBLIC, CITIZENS ORGANIZATIONS, PRIVATE SOLID WASTE INDUSTRY, AND PRIVATE RECYCLING INDUSTRY POSITIONS APPOINTED BY THE BOARD OF COUNTY COMMISSION) TO THE SEDGWICK COUNTY SOLID WASTE MANAGEMENT COMMITTEE

Presented by: Richard Euson, County Counselor.

RECOMMENDED ACTION: Adopt the resolution.

<u>Attachments:</u> <u>Appointment</u>

Mr. Richard Euson, County Counselor, greeted the Commissioners and said, "Commissioners, we have a resolution making reappointments to the Solid Waste Management Committee. These are two-year appointments. Each year we appoint about half of this board, and so these appointments will expire in December of 2015. These are at-large appointments, and they represent certain positions which I will enumerate for you. One of those, one of the reappointments is Joseph Pajor. He is representing first class cities, which is City of Wichita, of course. The representative for third class cities is Randy Parker. A member representing the general public is Dean Frankenbery. The member representing the citizens group is Elizabeth Bishop. The member representing private solid waste management industry is Jim Spencer. And a member representing private recycling or scrap metal processing industry operating in Sedgwick County is Roger Lyon. In this resolution, I apologize for overlooking the misspelling of Dean Frankenbery's name, and I have made that correction, and I will submit that to the Clerk so that that is appropriate, but the resolution is in proper form as corrected, and I recommend that you adopt it."

Chairman Unruh said, "Thank you. Commissioner Peterjohn."

Commissioner Peterjohn said, "One question I had was I was interested in terms of citizen's organization. What citizen organizations were available to choose from? And I was interested in how big a list we had of citizens organizations that participate in this selection process."

Mr. Euson said, "Commissioner, I don't know the answer to that. I believe Ms. Bishop has been a long-standing member of this board, and so I don't know what other organizations were considered."

Commissioner Peterjohn said, "I was just interested, in terms of as an organization appointment, how that process worked and how we got there, in terms of whether it's an appointment, or reappointment. Since these are two-year appointments."

Mr. Euson said, "Yes."

Commissioner Peterjohn said, "I just wanted to get some more information, in terms of what organizations were available to choose from and how they got to this point in the selection process."

Mr. Euson said, "Okay. Can I supply that to you at a later time?"

Commissioner Peterjohn said, "Sure."

Mr. Euson said, "Or would you like to defer this?"

Commissioner Peterjohn said, "No, that's fine."

Mr. Euson said, "Okay."

Chairman Unruh said, "Thank you. Any other comments? What's the will of the Board?"

Commissioner Skelton said, "Mr. Chairman, I do have a question."

Chairman Unruh said,"Commissioner Skelton."

Commissioner Skelton said, "Yes. I do apologize. Mr. Euson, these certainly aren't all the appointments that the county is entitled to, is it?"

Mr. Euson said, "They are not. This is actually a 16 member board, and each year we appoint about half of it to two-year terms so that the terms are staggered for the board. In the next agenda item, you're going to get one other appointment, and then next year you will have about eight appointments to the board. "

Commissioner Skelton said, "Okay. That answers my question. Thank you. Appreciate that."

Chairman Unruh said, "Are there any other questions?"

MOTION

Commissioner Norton moved to adopt the resolution.

Commissioner Skelton seconded the motion.

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

VOTE

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

Chairman Unruh said, "Next item, please."

G <u>14-1094</u>

RESOLUTION APPOINTING MIKE ALUMBAUGH (SECOND CLASS CITIES MEMBER APPOINTED BY THE BOARD OF COUNTY COMMISSION) TO THE SEDGWICK COUNTY SOLID WASTE MANAGEMENT COMMITTEE.

Presented by: Richard Euson, County Counsleor.

RECOMMENDED ACTION: Adopt the resolution.

Attachments: Appointment

Mr. Euson said, "Commissioners, this fills a vacancy that was created. This is also for a term to end in December 2015, and I recommend you adopt this resolution."

Chairman Unruh said, "All right, Commissioners, Commissioner Peterjohn."

Commissioner Peterjohn said, "Just a quick question, Mr. Euson. Why couldn't Mr. Alumbaugh just have been rolled in with the other five that we previously did?"

Mr. Euson said, "He could have. This is just the way the resolutions were prepared. That certainly could have been handled that way."

Commissioner Peterjohn said, "I'm just trying to understand the process, in terms of running them together, running them separately."

Mr. Euson said, "I think they just came in at different times, and so the resolutions were prepared accordingly, but it could have been handled that way."

Commissioner Peterjohn said, "Well, I just wanted to understand. Aren't I correct each Commissioner also has an appointment on this panel, too?"

Mr. Euson said, "Yes. And those are part of the group that will be appointed next year."

Commissioner Peterjohn said, "Okay. I just wanted to bring that out for the record, too, as well as these appointments from specific entities, whether it's a second class city, first class city or anything else. Thank you, Mr. Chairman."

Chairman Unruh said, "Thank you, Commissioner. Well actually, the County Counselor asked me if I wanted to take these all in one motion this morning, and I said, no, I preferred to take the reappointments in one motion and new appointment in a separate motion. So that was my preference, and Mr. Alumbaugh is a new appointment so we kept him different from the reappointments. Mr. Alumbaugh, along with the other six appointments, I think, I just want to express the County Commission's appreciation for their continued service. The Solid Waste Management Committee does deal with technical issues and sometimes controversial issues, and they've all been faithful participants in that process, so we'd like to publicly thank them for their service. Commissioners, what's the will of the Board on Item G?"

MOTION

Commissioner Norton moved to adopt the resolution.

Commissioner Skelton seconded the motion.

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

VOTE

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

Chairman Unruh said, "Next item, please."

NEW BUSINESS

H 14-1048

PRESENTATION OF THE APPRAISER'S ANNUAL REPORT OF REAL PROPERTY VALUE TRENDS IN SEDGWICK COUNTY.

Presented by: Michael S. Borchard, CAE, RMA, County Appraiser.

RECOMMENDED ACTION: Receive and file.

VIDEO PRESENTATION

Mr. Michael Borchard, County Appraiser, greeted the Commissioners and said, "Each year about this time of year, we release this mass appraisal report. It's really the kickoff of the 2014 property tax calendar. This report will be for real estate only. It won't include any public utility or personal property.

"Real estate makes up about 90 percent of the assessed value in the county. So we'll get the utility values and personal property values done by June. I guess I wanted to also start off the report by saying that this process takes a lot of effort and timing by a lot of folks in the Appraisers office, and I appreciate their efforts to get it done timely. As far as real estate, some of the Appraisers' office primary duties are to physically inspect each property within Sedgwick County every six years. To discover, list and value all property that had significant changes and to update appraisals each year to assure that all properties are valued at fair market value. And our appraisal date is January 1st of each year.

"This chart here shows growth in assessed value over time, and you can see the results of the annual valuation changed significantly over the last 10, 12 years. 2014, I have to tell you, is our preliminary numbers. We still have the appeals process to go through. But it's the first time in five years that there has been growth in existing property values. The dark blue bars are new construction value added and the lighter blue are the values of existing property. Parcels built in Sedgwick County remained modest in 2013. January 1, 2014, our parcel count was 219,957. Sales activity of all classes of property showed the second year of increase. 2013 was 15 percent higher than 2012.

"The constitution lays out the classification rates for different classes of property. The valuation approaches for each of those classifications of property are listed there as well. Residential is market value at 11.5 percent of its appraised value. Commercial is market value, 25 percent of its appraised value. Vacant is market value at 12 percent of its appraised value, and agricultural properties are valued on use value, which is a modified income approach and assessed at 30 percent. Residential property represents about 55 percent of the total assessed value in Sedgwick County. New dwelling construction, 2013 showed an increase of about 78 units. The first time we'd seen an increase for a long time in the number of new dwellings. Median sale price in 2013 was \$138,400, up from 2012.

"This chart was courtesy of WSU (Wichita State University) Center for Real Estate, and it shows an annual change in home price index for Wichita and the United States. The zero axis there is anything above that line would indicate home price depreciation. Anything below that would be value decline. You can see for 2013, that index was above 1, or above 0. I guess it's interesting to point out just the magnitude of the change in the U.S. (United States) between 2006 and 2009 where we were seeing an annual appreciation rate of around 10 percent and then down to below 6 percent, roughly 20 percent change over a three-year period. Wichita showed more stable changes on price appreciation and decline. I guess the magnitude there would be from above four to down to about negative two. So over a four or five year period, only a five percent change.

"This chart is a box plot comparing the year built of properties in Sedgwick County and their appraised value. Just kind of ignore the red lines for a minute. The blue bars that go through the graph represents the inner 50 percent range of values for that year built. And from 1860 to 2011 there's a little black dot in the middle of each bar.

"That's going to represent the median appraised value for that year built. The horizontal line, red line, it's 105. 400 is the median value for all properties in Sedgwick County. These are just residential properties. You can see that under the vertical red lines, they represent 10 percent of the population of homes. So you can see up to about 1930, that's where 10 percent of the housing stock came in to about 1948, another 10 percent of the housing stock.

"Between 1948 and 1956, you can see there's 20 percent of the homes in Sedgwick County were built in that time period. And it's been pretty steady growth since then. I guess part of the importance of this slide is that there's really been two dynamics in the market this year, and the older stock of housing is still struggling to show home price appreciation, and the newer stock of housing is where we did see some growth.

"Preliminary ratio study of appraised value to sale price. This is using the 2013 appraised value compared to 2013 sales, indicated a median ratio of 93 percent. So the results of our 2014 valuation showed that most properties did not change. Fifty-four percent of the properties in Sedgwick County will not see a change in value. Twenty-three percent will see an increase in value, and 23 percent will see a decrease in value. Commercial property represents about 30 percent of the total assessed value in the county. The number of commercial property transactions increased in 2013. It was the fourth year of increase. Building permit activity on commercial property was down a little bit from 2012.

"Permits by property type, this shows the amount of square footage added to the county based on property type. Looking at retail, office and industrial from 2009 to 2013. I guess the most significant change in 2013 would be the \$81,000, roughly 800 square feet of office space added. There were also a couple of new apartment complexes added, total of 409 units. One large complex on the east side, and one large complex on the west side of the county. Preliminary ratio study of commercial property values to sales, this again is a 2013 appraised value. 2013 sales indicated a median ratio of 92 percent. So valuation results for commercial property, majority did not change in value, 55 percent did not change in value. Twenty-seven percent increased in value, and 18 percent decreased in value.

"There's 435,664 acres of ag (agriculture) use in Sedgwick County. That represents about 68 percent of the land area. And it represents about one percent of the total assessed value in the county. And again, the Department of Revenue is responsible for setting the ag use rates for the entire state. The majority of agricultural evaluations saw an increase this year. Fifty-four percent of the properties will see an increase in value. Thirty percent had no change in value. And 16 percent will see a decrease in value.

"This is just a summary of all of those pie charts that we showed you by property type. So once again for 2014 valuation, the property valuation division has given us a variance on how we notify property owners of their values. Our request is that we didn't have to mail value notices to properties that did not change in value or classification, and that request was accepted. Since most of the property has not changed in value, we're going to be mailing 102,800 real property value notices for 2014, which represents about 47 percent of all properties in the county. This alternative method does result in a savings of about \$44,000 worth.

"Those property owners who would still like to have their value notice, we want to make them as accessible as possible. We're going to have them online beginning March 1, where you can go to the county website, pull up your property, and your valuation notice can be printed from that location. Also a phone call request at our office, we can either e-mail it to you or print it off for you and mail it to you.

"And obviously this alternative method of noticing in no way changes a property owner's right to appeal. If owners do not think their values reflect fair market value, they can fill out the back of the value notice and return it to our office within 30 days and we will set up an informal hearing, and those hearings will begin March 19th. Here's our address and phone number for any questions people may have, and the website there will give you directions as to how you print your value notice, how the appeal process works and then you can search other property values and property sales. So that concludes the report. I'll be happy to answer any questions you may have."

Chairman Unruh said, "All right. Thank you, Mike. I'm sure we'll have comments or questions. First of all, I believe its Commissioner Norton."

Commissioner Norton said, "Mike, what are the acceptable ratios for commercial and residential. That's set by the state. You have to stay in a range. One of them was 92. The other one was 93, I believe. What is the acceptable range, and what happens if you're out of that range?"

Mr. Borchard said, "The International Association of Assessing Officers has set the standards for those ratios. For commercial property it's 90 [percent] to 110 percent for the median ratio. For residential property, depending on how homogeneous it is, it could be 90 [percent] to 105 [percent]."

Commissioner Norton said, "So a 92 [percent] and a 93 [percent] are in the lower range of what's acceptable. So if anything, we're closer to undervaluing than overvaluing property. Would that be the case?"

Mr. Borchard said, "That would be correct, yes."

Commissioner Norton said, "Ag values are up, but we don't set any of that. That's set by the state."

Mr. Borchard said, "Correct."

Commissioner Norton said, "Now, any appeals on ag values, does that still come through your office or does that go to the state?"

Mr. Borchard said, "It will start at our office. If it is on the value of ag land, then [Kansas] PVD (Property Valuation Division) will eventually have to get involved in the hearing."

Commissioner Norton said, "So even though that will be sent out from your office, is it sent out from your office?"

Mr. Borchard said. "Yes."

Commissioner Norton said, "It is sent out from your office, but it is calculated, the values, by PVD, which is the state?"

Mr. Borchard said, "Correct."

Commissioner Norton said, "Property Value Division. What were the reasons, if you can come up with any, for the properties that went up on residential? Why did they go up? And the properties that went down, why do you suspect they went down?"

Mr. Borchard said, "Well, we're looking at ratios throughout the years, and those ratios were indicating that buyers were paying more for properties recently than they had in the past. So our ratios were going down. On the other end, our ratios were creeping up, so we had to make adjustments downward."

Commissioner Norton said, "Those that went down probably were in neighborhoods that had prior sales or sales throughout the year that were maybe a little less. Those that went up were in areas that are growing, maybe there's some new construction, and the values of properties sold in that area went up. Isn't that one of the things that guides property values?"

Mr. Borchard said, "Correct."

Commissioner Norton said, "The sales, like sales in a certain geographic area?"

Mr. Borchard said. "That's correct."

Commissioner Norton said, "What about commercial? Same kind of thought process?"

Mr. Borchard said, "Commercial is a little bit more challenging to measure with ratios, but overall there were indications that some property types, in order to keep our ratios in compliance, we're going to have to see a slight increase."

Commissioner Norton said, "Not sending an appraisal bill, or not bill, but notice to properties with no increase is a new method. It saves money. You don't have to print it. You don't have to use postage to get it to them. Do you anticipate that that's going to cause any hardship for folks that are used to getting it and wonder why not? And what are you doing to market that idea out to the public?"

Mr. Borchard said, "Well, we did this process last year, and we received real good results. Certainly we're going to make it available to anybody who requests it, and I'm sure it will be in the press release, the process for doing that."

Commissioner Norton said, "Most of the guidelines, procedures, programs that you run are guided by the state PVD; is that correct?"

Mr. Borchard said, "Yes."

Commissioner Norton said, "That's not set by County Commissioners. It is set by the state to make sure there's fair and equitable property values throughout the state on like properties; is that that a fair statement?"

Mr. Borchard said, "We get our maintenance specifications from PVD, and we follow those annually."

Commissioner Norton said, "Okay, and much of that information is input into a computer system that is designed by the state, is authorized by the state, that spits out values based on the input that you put in, so much of it is not done by human kind; it's done by a computer with values that are placed in the computer; is that correct?"

Mr. Borchard said, "Well, there's a lot of human interaction to make those valuation models accurate. But the State of Kansas uses Orion as its canvas system and contains all the property characteristic data for every property in the county, all the market data, and then those property characteristics are calibrated against the market to come up with the appraised values."

Commissioner Norton said, "And I guess finally, because it ties together, you don't set the mill levy?"

Mr. Borchard said, "No, sir. Our job is to make sure the burden of taxes is distributed equitably."

Commissioner Norton said, "Well, so many people complain that you've raised my taxes. And we will do that through mill levy and through applying it to the appraised value, but your only responsibility is to make sure there is fair and equitable property values on properties throughout Sedgwick County; is that correct?"

Mr. Borchard said, "That's correct."

Commissioner Norton said, "That's all I have, Mr. Chair."

Chairman Unruh said, "Thank you, Commissioner. Commissioner Peterjohn."

Commissioner Peterjohn said, "Thank you, Mr. Chairman. Let me begin by kind of walking through some of the, as I view, some of the basic items. You mentioned, if people are unhappy with the valuation notices that are going to go out the beginning of March if they're on schedule, I believe."

Mr. Borchard said, "March 1, yes."

Commissioner Peterjohn said, "Okay, how long do they have to do that appeal, and if they don't appeal within those 30 days, do they have any other options, Mr. Appraiser?"

Mr. Borchard said, "They have 30 days from the time they receive the value notice to appeal to our office. If they choose not to appeal at the informal level, there is another opportunity to appeal when you pay your taxes in December. You can file a protest with the Treasurer's office. That will be routed to our office to set up a hearing."

Commissioner Peterjohn said, "Okay, if people are unhappy with their valuation notices, where can they get information on how to go through the appeal process, particularly if they haven't done so in the past?"

Mr. Borchard said, "Our website will walk property owners through that process. We have a site that explains the appeals process. Property Valuation Division also has the appeals process on their website. You can come down to our office. We can give you documentation and show you the process, as well."

Commissioner Peterjohn said, "Well, your office is located?"

Mr. Borchard said, "4035 East Harry."

Commissioner Peterjohn said, "In the Harry Street Mall on the north side, if I remember correctly."

Mr. Borchard said. "Correct."

Commissioner Peterjohn said, "Well, I think that's important. Let me ask you this question, because it's not in your data. If you want to get with me later, that's fine, too. I'm curious, in terms of the number of appeals during 2013, during the 2013 year versus 2012. Do you have any ballpark idea, in terms of the amount of valuations appealed or the number of parcels involved or any information in that regard?"

Mr. Borchard said, "I don't have the exact number with me. I can tell you that there were fewer appeals in 2013 than there were in 2012."

Commissioner Peterjohn said, "Because I think that's an important indicator, and I know there's challenges at the state level, because the process has changed, and there's more charges involved in terms of conducting the appeals. If I can jump back to your third slide, towards the beginning. That's the one on the new construction, revaluation results. In looking at that chart, the new construction and the revaluation would be looking like we're a little bit over \$100 million in increased assessed valuation for 2014 based on that chart; is that correct?"

Mr. Borchard said, "Yes."

Commissioner Peterjohn said, "And our total assessed valuation county wide roughly, we're right around \$3 billion, aren't we?"

Mr. Borchard said, "I think its \$4.3 billion."

Commissioner Peterjohn said, "\$4.3 billion."

Mr. Borchard said, "Yes."

Commissioner Peterjohn said, "So if I take that \$100 million and divide it by \$4.3 billion, if those values all hold, we're looking at about between 2 and 2.5 percent increase in the valuations county wide for 2014, which is a pretty significant change from the last 5 years, isn't it?"

Mr. Borchard said, "Yes, it is."

Commissioner Peterjohn said, "Let me jump to slide 6, because there's one thing on slide 6 that comes up, and there's confusion over market value or use value. The assessment rate here seems to indicate that ag values are assessed at 30 percent which is almost as high as utility values. I think utility, which is also market value, is assessed at 33 percent; am I correct in that regard?"

Mr. Borchard said, "That's correct."

Commissioner Peterjohn said, "If I converted use value to market value, do you have any idea what that percentage would be, and do you have an opinion on what that would roughly translate to?"

Mr. Borchard said, "As an example, I've give you two units of comparison. One would be for dry crop land, the median value per acre on dry crop land, or excuse me, the mean is right around \$185 an acre."

Commissioner Peterjohn said, "So on a percentage basis, how would that translate if that was considered under the approach that most of the taxable property is measured? Do you have a ballpark idea?"

Mr. Borchard said, "I guess if you considered \$2,000 an acre is typical."

Commissioner Peterjohn said, "So \$185 versus \$2,000 an acre. Okay. Let me jump to slide 8, if I could. You have new dwelling construction on slide 8. Is that strictly single family units, or does that include the apartments?"

Mr. Borchard said, "That's strictly single family."

Commissioner Peterjohn said, "Okay. Slide 9, move on to the next one, you use median sale price. I was curious. Do you have a figure at all for the average sale price?"

Mr. Borchard said, "I don't have that with me."

Commissioner Peterjohn said, "Is that close to the median at all, do you know?"

Mr. Borchard said, "It's going to be fairly close. Probably a little bit higher."

Commissioner Peterjohn said, "Has the range changed much?"

Mr. Borchard said, "Well, since 2009, it looks like \$122,000, and now we're at \$135,400, \$138,400 actually."

Commissioner Peterjohn said, "Let me jump on and go to slide 16. You mentioned the fact that commercial building permit activity declined despite the fact the previous slide showed a small increase in terms of sales. I'm kind of curious why we have the variance. Do you have any explanation or any thoughts, in terms of why the permit activity is suddenly diminishing as opposed to what the previous slide, slide 15, showed, in terms of the numbers there Mike?"

Mr. Borchard said, "As far as building permit activity, there's going to be, there probably is going to be more variation in commercial building activity than there is in commercial sales. I would say, though, that in 2013 the 1,742 permits is a pretty solid number for that year."

Commissioner Peterjohn said, "It just had me scratching my head. I would assume they would run together as opposed to vary at all."

Mr. Borchard said, "Well, sales are for existing property, as well. So the permits are just for new construction."

Commissioner Peterjohn said, "Slide 18, you list it as commercial, but it says building permit summary for apartment units. Are apartment units assessed at the commercial rate or at the residential rate?"

Mr. Borchard said, "Apartments are classified as residential."

Commissioner Peterjohn said, "So they would be at like 11.5 percent assessment rate, not the 25 percent?"

Mr. Borchard said, "Right."

Commissioner Peterjohn said, "Because when you had that listed as commercial, I wanted to get a better idea. Would you consider the change in average valuation for apartments similar to like residential property changes or more like commercial property changes? You've got this chart listed here at commercial, and it's got me scratching my head a little bit. And I'm trying to understand, since you're talking about [inaudible] as opposed to values."

Mr. Borchard said, "Apartments are generally investment-type properties, which is generally considered in the commercial valuation process, but they are classed at the 11.5 percent, and as far as trends, I would say that the trend for apartments would be similar to that of the residential single family, more of a positive trend."

Commissioner Peterjohn said, "Let me jump off to slide 21, which is on agriculture, and you mentioned property valuation is involved as use value. You said we've got 68 percent of the land in Sedgwick County. Now, that's 68 percent of all of the entire, roughly, 1,000 square miles in Sedgwick County, or is that the taxable property? Because we've got a fair amount of taxable, I'm sorry, we've got a fair amount of nontaxable, whether it's tax exempt, like for instance government property."

Mr. Borchard said, "That would be 68 percent of the entire area of the county."

Commissioner Peterjohn said, "Entire area of the county. Do you have any idea how that's broken down between, my understanding is ag properties are valued whether they're pasture land, irrigated crop land or unirrigated crop land. Do you have any idea how Sedgwick County ag land is broken down? Looking at 436,000 acres, that's, that strikes me at about what, 250 square miles?"

Mr. Borchard said, "Most of it is going to be dry crop followed by native grass and then tame grass, and a smaller portion of it as irrigated land."

Commissioner Peterjohn said, "Let me ask, when will we get the utility values from the state? When is that information going to be made available, do you expect?"

Mr. Borchard said, "They're generally right around the first or second week of June."

Commissioner Peterjohn said, "And the utility property is roughly what percentage of the taxable property here in Sedgwick County?"

Mr. Borchard said, "Utility is about seven percent of the total. No, excuse me, personal property is seven percent. Utility is about four percent."

Commissioner Peterjohn said, "I'm sorry?"

Mr. Borchard said, "Four percent."

Commissioner Peterjohn said, "Four percent."

Mr. Borchard said. "Yes."

Commissioner Peterjohn said, "I very much appreciate this report and the information that it has in it. It's obviously critical for all the governmental bodies going forward. Obviously we're looking at it county wide, and a lot of the other taxing jurisdictions that are smaller than the county, in terms of their square miles, these numbers are going to vary for them. I would just add that I know that the appeals process is a lot more difficult today for property owners. There's charges in place to basically appeal their valuation if they think it's wrong if that comes forward as a factor.

"There's a lot of useful information here, and I certainly, oh, yeah, one other question I want to ask. If people go online and they want to get their valuation on their property, do they, can they just type in their street address to get that information or do they need some of the other more esoteric numbers that are part of the tracking process that the county has for land parcels?"

Mr. Borchard said, "The ideal search method is to have your pin number, but you can also search by name or address to find the property."

Commissioner Peterjohn said, "On the county site?"

Mr. Borchard said, "Yes."

Commissioner Peterjohn said, "Thank you, Mr. Chairman."

Chairman Unruh said, "Thank you, Commissioner. Are there any other comments or questions for Mike? I don't see any. What's the will...."

MOTION

Commissioner Peterjohn moved to receive and file.

Commissioner Skelton seconded the motion.

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

VOTE

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

Chairman Unruh said, "Michael, thank you."

Mr. Borchard said, "Thank you."

Chairman Unruh said, "Next item, please."

I 14-1102

REPORT OF THE BOARD OF BIDS AND CONTRACTS' REGULAR MEETING ON FEBRUARY 13, 2014.

Presented by: Joe Thomas, Director, Purchasing Department.

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

<u>Attachments:</u> <u>Bid Board Minutes</u>

Mr. Joe Thomas, Director, Purchasing Department, greeted the Commissioners and said. "

The meeting of the Board of Bids and Contracts for February 13th resulted in one item, and that item is:

1. PUBLICATION OF LEGAL NOTICES FOR THE DIVISION OF FINANCE AND VARIOUS COUNTY DEPARTMENTS.

FUNDING - PURCHASING

"The recommendation from that meeting is to accept the proposal from the Wichita Eagle and establish contract pricing for 3 years with 2 one-year options to renew.

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

Chairman Unruh said, "All right. Thank you. Commissioners, do you have any questions?"

MOTION

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

Commissioner Skelton seconded the motion.

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

VOTE

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

Mr. Thomas said, "Thank you."

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

CONSENT

J 14-1101

Authority to Award Contract, Commitment of County Funds with the Kansas Department of Transportation (KDOT) regarding the purchase of

	of Sedgwick County		Meeting Minutes	February 19, 2014
		•	hphalt paving edging device, a safety edge sho own machines on Sedgwick County projects.	pe, for use on
		Attachments:	Authority to Award	
K	<u>14-1071</u>		tion Agreements with Qualified Providers of Interal Disability Services.	ellectual and
		Attachments:	CDDO AgreementsWichita Trans4mation.pdf	
L	<u>14-1079</u>		to Resolution 96-1993; Establishing a Police Founty Courthouse.	orce for the
		Attachments:	Resolution	
M	<u>14-1086</u>	CUP2006-38 (DP-301 Associated with ZON2006-39) - Extension of time to complete the platting requirement for a zone change from SF-20 Single-family Residential to LC Limited Commercial generally located east of Ridge Road between K-96 and 45th Street North. (District #4).		
		Attachments:	MAP FOR CUP2006-38 and ZON2006-39 DP-301.doc	<u>2</u>
			CUP2006-38 and ZON2006-39 Plat Extension Ltr.pdf	
N	<u>14-1087</u>	Addition of a new temporary position to the Sedgwick County Zoo's Staffing Table.		y Zoo's
		Attachments:	Zoo Position	
0	<u>14-1090</u>	One (1) Right of Way Easement and One (1) Temporary Construction Easement for Sedgwick County Project 787-U-2640; Bridge on 263rd Street West between 39th & 47th Streets South. CIP# B-453. District 3.		on 263rd
		Attachments:	Right of Way Easement	
Р	<u>14-1091</u>		to the Capital Improvement Program (CIP) for the Sound Program (CIP) for the Sound Program (CIP) for the the Capital Improvement Program (CIP) for the the Capital Improvement Program (CIP) for the C	he Project to
		Attachments:	CIP Amendment EMS Post 9.docx	
Q	<u>14-1092</u>	Approval of a sponsor agreement between the Board of County Commissioners and Wichita Festivals, Inc for participation in the 2014 Wichita River Festival.		•
		Attachments:	Agreement with Wichita Festivals for Riverfest 2014	
R	<u>14-1096</u>		n of Agreement (MOA) between McConnell Airf Sedgwick County Emergency Medical Services	
		Attachments:	Memorandum of Agreement	

S 13-0994 General Bill Check Register from February 12, 2014-February 18, 2014.

T 14-1103 Payroll Check Register.

Mr. William P. Buchanan, County Manager, greeted the Commissioners and said, "Commissioners, you have the Consent Agenda before you, and I recommend you approve it."

MOTION

Commissioner Norton moved to approve the Consent Agenda.

Commissioner Skelton seconded the motion.

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

VOTE

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

Chairman Unruh said, "Commissioners, we are at the end of our agenda, but we have a Fire District [No.1] Meeting, so I will recess the regular meeting of the Board of County Commissioners."

The Board of County Commissioners recessed at 9:54 and returned at 9:57.

Chairman Unruh said, "I think we just have the item that we call 'Other'. Are there any other comments this morning? We are silent on that issue, I guess, so that's fine. Commissioner Norton."

OTHER

Commissioner Norton said, "Go Shocks!"

Chairman Unruh said, "That's good. Appropriate. Okay, seeing nothing else, Commissioners, we'll adjourn the meeting."

ADJOURNMENT

There being no other business to come before the Board, the Meeting was adjourned at 9:57 a.m.

BOARD OF COUNTY COMMISSIONERS OF SEDGWICK COUNTY, KANSAS
DAVID M. UNRUH, Chairman First District
TIM R. NORTON, Chair Pro Tem Second District
KARL PETERJOHN, Commissioner Third District
RICHARD RANZAU, Commissioner Fourth District
JAMES B. SKELTON, Commissioner Fifth District
ATTEST:
Kelly B. Arnold, County Clerk
APPROVED: