

MEETING OF THE BOARD OF COUNTY COMMISSIONERS

REGULAR MEETING

May 2, 2007

The Regular Meeting of the Board of the County Commissioners of Sedgwick County, Kansas, was called to order at 9:00 A.M., on Wednesday, May 2, 2007 in the County Commission Meeting Room in the Courthouse in Wichita, Kansas, by Chairman David M. Unruh, with the following present: Chair Pro Tem Thomas G. Winters; Commissioner Tim R. Norton; Commissioner Kelly Parks; Commissioner Gwen Welshimer; Mr. William P. Buchanan, County Manager; Mr. Rich Euson, County Counselor; Mr. Brent Shelton, Chief Deputy County Clerk; Mr. John Schlegel, Director, MAPD; Mr. Chris Chronis, Chief Financial Officer; Mr. Marty Hughes, Revenue Manager, Division of Finance; Mr. Robert Lamkey, Director, Division of Public Safety; Mr. Michael Pepoon, Assistant County Counselor; Mr. Ray Vail, Finance Director, Department on Aging; Ms. Marilyn Cook, Director, Comprehensive Community Care (COMCARE); Mr. Pete Giroux, Senior Management Analyst, Division of Finance; Mr. Mark Borst, P.E., Traffic Engineer, Public Works; Deputy Brenda Dietzman, Sheriff's Department; Ms. Anne Smarsh, Accounting Manager, Finance Department; Mr. David Spears, Director, Bureau of Public Works; Ms. Kristi Zukovich, Director, Communications; and, Ms. Evelyn Good, Deputy County Clerk.

GUESTS

Mr. Charles Wiggins, Trustee, Minneha Township.
Mr. Davis, Liquor Store Owner.

INVOCATION

The Invocation was led by Pastor Phil Thengvall of the First Evangelical Free Church.

FLAG SALUTE

ROLL CALL

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

Chairman Unruh said, "Next item."

Regular Meeting, May 2, 2007

APPOINTMENT

A. APPOINTMENTS.

1. RESIGNATION OF DON STEPHAN AS MINNEHA TOWNSHIP TRUSTEE.

Mr. Rich Euson, County Counselor, greeted the Commissioners and said, "Mr. Stephan has submitted his written resignation and I would ask that you accept it."

MOTION

Commissioner Norton moved to accept the resignation.

Commissioner Winters seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Next item."

2. RESOLUTION APPOINTING CHARLES WIGGINS (AT-LARGE APPOINTMENT) AS MINNEHA TOWNSHIP TRUSTEE.

Mr. Euson said, "Commissioners, this resolution will fill the vacancy just created by your acceptance of the resignation and this is for a term to end in January of 2009 and I recommend you adopt the resolution."

Chairman Unruh said, "Okay commissioners, before we have a vote, Commissioner Welshimer would like to make a comment."

Regular Meeting, May 2, 2007

Commissioner Welshimer said, “Minneha Township is divided into two parts, it’s two district. The south part of this Minneha Township is in my district number five. The north part is in the Chairman’s district, number one. There’s been some contact by people who live in Minneha Township, particularly from the southern district, which the southern half of it which is my district.

The thing that they have not been able to get their roads fixed or have their share of repairs made in accordance with the taxes that they pay. We’ve had several meetings with this neighborhood and trying to decide how it is we could help them. It seems that most of the money has been spent by the township officials in the north half or in commission district number one. The south half that is feeling they have not been served by the township has a candidate for this office, and my understanding is they were not notified to be able to come to this meeting today. The candidate for the north half, I understand . . . is he here? Okay.

I think that there should have been more of a hearing on this before a decision was made and so I’m going to be voting no on the appointment of Mr. Wiggins, based on the fact that we have not had a hearing and that the other candidate was not given proper notice to be here.”

Chairman Unruh said, “Thank you commissioner. Commissioner Parks.”

Commissioner Parks said, “I did interview both candidates for this position. The candidate from the north did assure me that he would faithfully look into those things that were in that . . . problems in the south part of the township and in fact showed him quite a few pictures and other things and he assured me at that time that he would be favorable for all the township, not just the certain sections.”

Chairman Unruh said, “Thank you commissioner. And I would just say for the record that I’ve also spoken with both candidates and heard their positions on various issues relative to the township governance and actually Mr. Wiggins comes from an area that has two-thirds of the area in district one and he’s part of that area. And the area in district five does have a representative from that area, so it seems somewhat balanced to me, but I’m ready to proceed with this. This is a commission appointment and I think the individuals involved have had an opportunity to be in contact with commissioners, so I’m ready to move forward with it.”

MOTION

Chairman Unruh moved to Adopt the Resolution.

Commissioner Winters seconded the motion.

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

Regular Meeting, May 2, 2007

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	No
Chairman Unruh	Aye

Chairman Unruh said, "And Mr. Wiggins is here and Assistant County Clerk Brent Shelton is here to administer the oath of office."

Mr. Brent Shelton, Chief Deputy County Clerk, said, "Please raise your right hand."

I do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Kansas and faithfully discharge the duties of the office of Minneha Township Trustee, so help me God."

Mr. Charles Wiggins, Minneha Township Trustee, said, "I do."

Mr. Shelton said, "Congratulations."

Chairman Unruh said, "Mr. Wiggins, if you want to make any comment, you certainly have the right to do that if you'd like to say anything. You don't have to."

Mr. Wiggins said, "Well, until now I've had no authority and no standing and I'm five seconds into the job. I've obviously done some preliminary work, but I'm reminded of what my dad said. He said it's better to be thought a fool, than to open your mouth and remove all doubt, so I'll defer my remarks until later. Thank you."

Chairman Unruh said, "All right, thank you Charles. Madam Clerk, call the next item please."

Regular Meeting, May 2, 2007

PLANNING DEPARTMENT

B. PLANNING DEPARTMENT.

1. AGREEMENT WITH CITY OF WICHITA AND KANSAS DEPARTMENT OF TRANSPORTATION FOR REDESIGNATION OF THE WICHITA AREA METROPOLITAN PLANNING ORGANIZATION (WAMPO).

Mr. John Schlegel, Director, Metropolitan Area Planning Department, greeted the Commissioners and said, “This first item is an agreement to re-designate the policy body of the Wichita Area Metropolitan Planning Organization. As I think I’ve briefed you in the past, Metropolitan Planning Organization is required in any metropolitan area 50,000 or more in population. And the purpose of an MPO is to fulfill all of the planning requirements that make jurisdictions within the planning area of the MPO eligible for federal funding for transportation projects and then also to make decisions about how to allocate funding that’s made available through the state to our local jurisdictions for transportation projects.

This requirement to have an MPO was first passed into federal law back in the 1970s and historically, from the 1970s, the governor of the state appointed the Metropolitan Area Planning Commission to serve as the MPO for this metropolitan area and that served in that capacity until 2005, when we amended the . . . we created a new re-designation agreement at that time to expand the planning area of the MPO to include portions of Butler and Sumner Counties. And at that time, we created a 19-member board, which consisted of the MAPC members, plus five other members. Representatives then appointed by SCAC, or representing small cities within Sedgwick County, additional representative from Butler and Sumner Counties.

There have been recent changes in federal legislation, which now mandates that elected officials serve on that policy body. Previously the legislation merely stated that there would be representation by local elected officials. That language has been changed in the 2005 **safety ?**, which was the latest transportation bill passed by the congress. To now require that representation of the policy body making these decisions about allocations of federal funds for transportation projects shall consist of local elected officials.

Concurrent with that change in federal legislation, we’ve also had more local interest by elected officials in serving on the policy body and helping to make those decisions about how to allocate the ten to eleven million dollars a year that are allocated to our metropolitan area.

So considering all the confluence of all the changes in federal law and the interest by local parties

Regular Meeting, May 2, 2007

and the continuing encouragement by KDOT and the Federal Highway Administration. We've worked with those two agencies to come up with the agreement that is before you today for your review.

Staff believes that this agreement represents an equitable distribution amongst the various regional transportation stakeholders to serve on this new policy body. The initial draft that we came up with, with KDOT and FHWA has been reviewed by both those agencies and they've pretty much concluded the same thing. In addition, we've taken this agreement out to a variety of regional stakeholders and allowed them to review it and provide comment.

The Kansas Department of Transportation does consider this re-designation agreement to be an inner-local agreement, so ultimately it will have to be reviewed and approved by the Wichita City Council yesterday. If you approve this agreement today, then we will send it on to the Secretary of Transportation for her signature and then final review will be the State Attorney General.

As I mentioned early, under the current existing agreement the policy body consists of 19 members. Seven of those are elected officials and the remaining . . . I'm sorry, five of those are elected officials and the remaining are all appointed officials. Under this agreement it will take the new policy body down to nine members, seven of which will be elected officials and two of which will be appointed public officials. If you do adopt this agreement today, what you would be helping to create is a new MPO policy body that will consist of three members that will be appointed by the Wichita City Council, that is three elected officials, two elected officials appointed by this board, one elected officials appointed by the Sedgwick County Association of Cities, one elected officials that will represent Butler and Sumner Counties and then one representative appointed by the Secretary of Transportation and the finally the Chair of the Metropolitan Area Planning Commission or a designee from that board.

The recommendation of staff is for you to approve this re-designation agreement and to correct the recommended action on your agenda sheet. It would be to authorize the Chair to sign."

Chairman Unruh said, "All right, thank you John. I had one question. When you say that you talked to various area partners and presented this, is there a general agreement from those . . . from our neighbors or is there a lot of pushback?"

Mr. Schlegel said, "There has been some pushback when the Sedgwick County Association of Cities currently has two representatives that they appoint to the current policy body and they didn't

Regular Meeting, May 2, 2007

like the idea of that being going down to just one. And then we also heard objections from both Butler and Sumner Counties objecting to only having one representative for the two counties. They would each like to have their own representative appointed to this board.

We felt though that in both those cases that the representation that was being provided was fair. In the case of Butler and Sumner Counties, the portion of Sumner County that's included in this is only the portion of the City of Mulvane that goes into Sumner County, so to have a single representative from Sumner County, representing that small geographic area and that small population didn't seem equitable to us. And having one representative appointed by the Sedgwick County Association of Cities seemed fair, given that the total size of the board had shrunk from 19 down to 9."

Chairman Unruh said, "Okay, thank you. But this does satisfy the requirements of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act?"

Mr. Schlegel said, "It does, at least according to the Federal Highway Administration and the Kansas Department of Transportation."

Chairman Unruh said, "All right, and the process would be if we approve it today, it goes to the governor, he signs off. What's the timetable for us naming our designees to this?"

Mr. Schlegel said, "Well, we're hoping that that will happen pretty quickly. Like I said, this has already been reviewed by KDOT. They are in support of this agreement. It's already been reviewed by the Attorney General's Office and I think they're all ready to sign off on this, so that could happen very quickly. As soon as we have a signed agreement, then I will be back to you and let you know that it's ready for you to appoint two representatives."

Chairman Unruh said, "Okay, thank you. Commissioner Winters."

Commissioner Winters said, "John, just two quick questions. You say the City of Wichita approved this yesterday, is that correct?"

Mr. Schlegel said, "Correct."

Commissioner Winters said, "So they're ready to move forward."

Mr. Schlegel said, "They are ready to move forward."

Commissioner Winters said, "On the one person, elected official from the Sedgwick County

Regular Meeting, May 2, 2007

Association of Cities, again that is an elected official. Is there any part of this that indicates where that city should be located, and I'm thinking within the urban boundaries or outside the urban boundaries or can that be an elected officials from any city in Sedgwick County?"

Mr. Schlegel said, "It can be any elected official from that organization, so it doesn't have to be just within the urbanized boundary area."

Commissioner Winters said, "All right, thank you."

Chairman Unruh said, "All right, well commissioners, are there any other questions for John or any comment? What's the will of the board?"

Commissioner Winters said, "John, you said our recommended action was not correct. What recommended action are you asking for?"

Mr. Schlegel said, "Well the second part of it should read 'Authorize the Chair to sign the agreement'. It says 'County executive'."

Commissioner Winters said, "Oh, okay. Mine says Chairman."

Mr. Schlegel said, "Oh okay, then it was already corrected. I'm sorry."

MOTION

Commissioner Winters moved to approve the WAMPO Redesignation Agreement and authorize the Chairman to sign.

Commissioner Welshimer seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Next item."

Regular Meeting, May 2, 2007

- 2. MAPD CASE NUMBER CON2007-05 – CONDITIONAL USE TO ALLOW RECREATION AND ENTERTAINMENT, INDOOR AND OUTDOOR (CORN MAZE AND HAUNTED HOUSE), IN ‘RR’ RURAL RESIDENTIAL ZONING; GENERALLY LOCATED WEST OF MERIDIAN AND SOUTH OF 79TH STREET SOUTH; WITHIN THE HAYSVILLE ZONING AREA OF INFLUENCE. DISTRICT #2.**

POWERPOINT PRESENTATION

Mr. Schlegel said, “You can see the location of the application property on the graphic before you now. It’s about midway between 79th Street South and 87th Street South, on the west side of Meridian. The applicant is, as the clerk indicated, seeking this conditional use in order to allow a corn maze and haunted house.

It’s an unplatted property that’s currently used for agricultural purposes and that shows up pretty clearly on the aerial photo that’s in front of you now. And they’ve held corn mazes on this property for a number of years. They’re now proposing to add a haunted house and hence they need the conditional use for that. Site plan that they’ve submitted indicates an unpaved parking area for about 250 vehicles on the southern portion of the property, fronting Meridian. You can see on the site plan there’s some existing outbuildings that currently exist and they are proposing then to build, as part of the haunted house exhibit, a number of temporary outbuildings within the orchard. This is the peach orchard on the northeast portion of the property. These smaller buildings would all be temporary in nature and the applicant will supply portable toilets during this event.

Going back to the zoning map, you can see that the surrounding area is all zoned Rural Residential and that the land uses surrounding this property are all agricultural in nature, except for this one single-family farmstead just to the north of this property. Since this is within the Haysville zoning area of influence, it went to their planning commission on March 8th and they voted unanimously to approve the request, subject to staff comments and recommendations. It was heard by the Metropolitan Area Planning Commission at its meeting on March 15th. They also voted unanimously, subject to the staff recommendations that are listed in your agenda backup report and also the additional condition of dedicating 20 feet of right-of-way along Meridian.

With that, the recommendation of the Planning Commission is to approve the conditional use, subject to the conditions recommended by the MAPC, adopting the findings of the MAPC and authorize the Chair to sign the resolution.”

Chairman Unruh said, “And this conditional use is for three months? I think it says September,

Regular Meeting, May 2, 2007

October, November. Number eight I think, John.”

Mr. Schlegel said, “Yes, that is correct.”

Chairman Unruh said, “And they can’t go past one in the morning.”

Mr. Schlegel said, “Just three months.”

Chairman Unruh said, “Okay.”

Mr. Schlegel said, “And those times, yes.”

Chairman Unruh said, “And I notice those conditions also say they can’t erect outdoor lighting.”

Mr. Schlegel said, “Correct.”

Chairman Unruh said, “Evidently, that’s not a hinderance.”

Mr. Schlegel said, “No.”

Chairman Unruh said, “It seems to me the parking lot would be awfully dark, but I think everybody has considered that, so. Okay, we have another question or comment from Commissioner Norton.”

Commissioner Norton said, “Well I’m going to be supportive of this. It is in a relatively rural area. There may be, in five or ten years, a revisit of this as Haysville starts encroaching but right now it’s very agriculture and rural. They’ve had a corn maze down there that’s been very popular for several years. I think this is a nice extension to that. I’ve had no complaints from neighbors, one way or another, based on traffic or number of people so I’ll be very supportive. It will be something maybe in out-years that will have to come back and be reconsidered as, you know, Haysville starts to encroach and build that way, but that’s going to be a number of years from now and I don’t think it’s going to be anything that we’ll have to deal with right away. I’m going to be supportive of it. The family has been down there for many, many years and are pretty well respected in the community and are well known, so it shouldn’t be problematic at all.”

Chairman Unruh said, “Well Commissioner Norton, I don’t see anyone else asking to speak. Do you want to make a motion?”

MOTION

Regular Meeting, May 2, 2007

Commissioner Norton moved to approve the conditional use, subject to the conditions recommended by the Metropolitan Area Planning Commission (MAPC); adopt the findings and authorize the Chairman to sign the Resolution.

Commissioner Parks seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Thank you, John. Madam Clerk, call the next item."

NEW BUSINESS

C. DIVISION OF FINANCE.

1. PRESENTATION OF QUARTERLY FINANCIAL REPORT FOR THE PERIOD ENDING MARCH 31, 2007.

POWERPOINT PRESENTATION

Mr. Chris Chronis, Chief Financial Officer, greeted the Commissioners and said, "We have previously delivered to your offices a copy of this quarterly financial report for the period ending March the 31st. You'll recall that just a few weeks ago we presented you with the results of our audit for the 2006 fiscal year. What we are trying to do with this report and with similar quarterly reports is present similar information about the state of the county finances at the end of each calendar quarter, every three months, we want to produce a full set of financial statements. These are unaudited and so I need to give you that qualifier.

They have been prepared by county staff without review by the county's external monitors. They

Regular Meeting, May 2, 2007

only look at our year-end statements, but there is nothing in these statements that we believe to be misleading or incorrect and in fact we aren't aware of any adjustments that the auditors would make to these statements when they conduct their annual audit.

These quarterly reports are prepared by a number of people within the finance division, within the county department Ginger Radley, Rich Smith, Sarah Jantz and our accounting director Ann Smarsh are responsible for preparing our actual statements that appear in the document. In the budget office, Chris Duncan and David Miller are responsible for preparing the budgetary statements and the analysis, the narrative that appears at the front end of the document and I greatly appreciate all of their efforts. I am also assisted in preparing this presentation by our deputy CFO Troy Bruun and as always, those folks do all the heavy lifting and I just get to take credit for their work.

The first slide that I want to show you is one that compares revenues and expenditures for the first quarter, first three months of 2007 and contrast those results with the first three months of each of the prior two years, 2006 and 2005. On this slide, the green bars represent revenues, the blue bars represent expenditures. There are a couple of key points that I'm sure you've already picked up on.

First, revenues greatly exceed expenditures and in fact what you will see as we move through these quarterly reports is a pretty clear indication of the county's cash flow cycle. We collect a significant portion of our annual revenues at the first part of the year, when we receive our first property tax distribution in January. We spend that money as we move through the year, and so you will see very large excesses, what appear to be excesses of revenue over expenditures in the first quarter, the second quarter and those differences will diminish as we move through the year.

The second major point that I think you will pick up from this is the fairly substantial increases in both revenues and expenditures that have occurred from 2006 to 2007. In fact, expenditures represented by the blue bars, were \$99,000,000 through the first three months of 2007, compared to \$78,000,000 through the first three months of 2006. Revenues were \$154,000,000 through the first three months of 2007, compared to \$137,000,000 through the first three months of 2006. So we're looking at dramatic increases of both revenues and expenditures and as we move through the successive slides I think that I'll be able to explain to you what's driving those adjustments.

This slide identifies by category our major revenues and we're looking here at all county activity, all funds of the county. Our investment income is up. It is not a significant amount of revenue for the county ever, but it is growing pretty dramatically and that's a function of two things. First, we're in a rising interest rate environment and so the rates that we get on county investments is increasing, but secondly and perhaps more importantly, our portfolio size is increasing dramatically because of the arena sales tax.

We are collecting that revenue in a very compressed period of time and we will spend that revenue

Regular Meeting, May 2, 2007

to pay for the project over the next two years, until we open the doors in 2009. In the interim period, we are investing that cash and that's driving substantial increases in investment income.

Charges for services are fairly constant over the years, as are inter-governmental revenues. You see the arena tax revenue listed here. There is no blue bar representing 2005 revenue, because in fact we weren't collecting that revenue until the third quarter of 2005. The sales tax for both the arena and the next row down, sales and use, which is the general county sales tax, have increased about 5% from last year to this year for the comparable period.

And finally, at the bottom of the slide ad valorem taxes drive our budget. They are the primary funding source, as you know, for county activity and we receive those revenues, as I've already indicated, in substantial amounts at the very front of the year, so for the first quarter of this year we received just under \$75,000,000 of ad valorem tax revenue, which is more than half of our annual total, compared to \$65,000,000 a year ago.

Now we're looking at individual revenue sources that are included in those categories that we just described and these are the largest single sources of revenue that the county received in the first three months of the year. Ad valorem taxes again were almost \$75,000,000 and we collected right at 59% of our annual total of property taxes already this year. We'll receive most of the rest of it in a single distribution from the county treasurer in June of this year, in the second quarter and so by the time I give you this next report, at the conclusion of the second quarter, we receive essentially all of the property tax revenues that we expect to collect for the year.

You see the arena sales tax and a couple of rows below that the local sales tax, which are right on target with budget expectations. The reason the arena tax is substantially larger than the local sales tax, each of which is levied at a 1% rate is that for the arena tax the county is receiving 100% of the proceeds of that levy for the local option sales tax the county is receiving a portion of the total, approximately 29 or 30% of the total. The rest of that revenue is distributed to the cities in Sedgwick County pursuant to a formula that is contained in state statutes.

Medicaid fees are a major funding source for our human service programs and they have been coming in at somewhat lower rate than we would have expected through the first quarter of this year. At this point, that's not too much of a cause for concern. We expect it merely has to do with the timing of bill processing by the state. We are not aware of any changes in service delivery that we've provided that would cause a reduction in revenue, nor a change in the rate at which we are to be reimbursed by Medicaid, and so before the year passes, we expect that number to come back up to normal expectations. We also receive, as you see, significant amounts of revenue from SRS and the investment income that we've already talked about.

Now turning to expenditures, a similar kind of a presentation. We're looking here at expenditures by category. Our debt service, interest on our debt decreased in 2007, which is the light bar,

Regular Meeting, May 2, 2007

compared to 2006, the darker blue bar. Capital expenditures increased pretty dramatically. These are capital projects and in 2007 we spent about \$15,000,000 in the first quarter of the year compared to six and a half million dollars in the first quarter of 2006. What is going on there is the arena, where we have incurred significant expenses for land acquisition and some for design of the facility and the juvenile justice complex, where we are continuing with the second phase of that complex and now we're in the process of constructing a new juvenile court building and following that we will be constructing or we'll be renovating the existing juvenile court building for future use as office space for the district attorney.

Contractual services are one of the two largest categories of expenditures in the county and that is consistent with our expectations. We spent \$36,000,000 in the first quarter of this year, compared to about \$31,000,000 in the first quarter of last year. The increase in that is driven in large measure by the lease payment that we made to the Jabara . . . for the Jabara land that will be used for the Jabara Technical Training Complex. We made that lease payment to the city for its airport authority. We also have, going on in contractual expenditures, conversion of the county health plan from the old providers to the new provider, and as a result we have some runoff from old claims that we are paying in 2007, as we close out that old piece of business.

Personnel costs have increased pretty dramatically, as you see here. In fact, they're up about 22% in the first quarter of this year. That seems unusual. I'm sure you're wondering when you approved a 22% increase in compensation for employees and in fact you didn't and there isn't a 22% increase in compensation reflected here. What there is instead is one extra pay period in 2007 that occurred in the first quarter as compared to the first quarter of 2006. In fact, on a pay cycle basis, the actual change in employee compensation for pay of existing employees, plus pay of new employees, has increased approximately 5% on a year to year basis, which is in line with your budget expectations.

Turning now to the individual expenditures, and again we're looking here at the largest single sources of expenditures in the first quarter of the year, salaries and wages were and typically are the largest single expenditure for the county, they are up about 21% on a year to year basis, but again that is because there is one extra pay period in the first quarter of this year as compared to last year.

Land purchases for the arena project I've already mentioned, we spent eight and a half million

Regular Meeting, May 2, 2007

dollars in the first quarter of this year on arena land. Grant awards are contractual payments that we make to a variety of agencies in the community to provide services on our behalf, and those are fairly consistent with last year. You see two payments, the two entries here for health insurance. The first one is the payments that we make to vendors, and that is somewhat higher than the second one, which is payments that are made by operating departments for employee premiums to the health fund, that pays the vendors. The premiums are increasing at the rate of about 14%, and that is intended to pay for current benefits. The 6.2 million dollars of vendor payments includes the runoff of payments to those old vendors for claims that are carried over from last year.

We've already talked about interest and the rest of these expenditures are tied to the payroll system, with the exception of Fleet Management charges at the very bottom, and they are increasing fairly dramatically, especially in Public Works, we are working with an aging fleet and we have defer some replacements and in the next year or two, as I've shown you in the financial plan, we expect to increase the level of replacements, as compared to what we've incurred in the past year or two. Right now, we're paying the tab, the maintenance tab on that older equipment and so our maintenance costs are somewhat higher, because our replacement costs have been somewhat lower.

Finally, putting that all together, through the first quarter of the year at the rates of spending that have been incurred, if that were to continue unabated, we would expect by yearend to have these departments exceed their budgets by the amounts of money that you're shown. I want to caution you not to place too much reliance on this. What you pay me for and what you pay the finance division for is to make sure that this outcome doesn't happen and in fact what we will do, through the rest of this year, is monitor expenditures and make adjustments in the levels of activity to assure that by the end of the year no department exceeds budget and that's the picture we showed you with the audit at the end of the fourth quarter, that's the picture that I will commit to showing you by the end of the fourth quarter of this year as well.

What is driving the expenditures thus far in the Sheriff's Office is out of county housing. They have been incurred somewhat higher than we had expected for the first quarter of this year. Again, we expect that to be mitigated as we move through the year and the new jail alternative programs begin to take affect, begin to show affect. The economic development expenditures are primarily for the AirTran and the low airfares program and again, what we have incurred here is somewhat higher expenditure in the first quarter than we would have expected. That will be offset by somewhat low expenditures in the second quarter, as we reach the end of the contract period, the current contract period with AirTran.

The rest of these are fairly minor adjustments, dealing with the costs of supplies and in one case the double filling of a position, so we can train an employee before the person who is leaving actually

Regular Meeting, May 2, 2007

departs, and so we're paying double salaries in one case. But again, we expect to have all of those well in hand before the end of the year.

Now as we went through the audit, we explained that there are two different ways of accounting for governmental activity and what I've been showing you up to now and the traditional way of looking at governmental accounting on a budgetary basis, where we're looking at the revenues that we've collected, the expenditures that we've actually incurred. Now I'm turning to the entity wide statements, where we're looking at a gap basis and we're taking into account the accrual of activity that has been committed to in the first quarter of the year.

We talked earlier about interest on county's debt being down and on a cash basis in fact it is. We wrote a smaller check for interest on debt in the first quarter of 2007 than we wrote in 2006. On an accrual basis however our interest on debt has increased, because we sold some debt in the first . . . in December that was closed in December and we sold some other debt in December that was closed in January and we are accruing interest on that debt, and so that's what you're seeing reflected on this chart, but you see pretty much the same picture as you saw earlier. Economic development expenditures because of AirTran. Health and welfare expenditures are up, public safety expenditures are up because of the jail program and out-of-county housing and so on and so forth.

The main reason that I wanted to show you this slide is so that I could set the stage for this one, which once again shows the extent to which the various activities of the county are relying on general taxes to fund their operation, their activity. Of the total reliance on tax revenue, 51% of that is for public safety, 17% is for general government activities, the council, the city . . . the County Manager, excuse me, the various support services for the county government. Only nine, a little under 10% of the tax support of the county goes for health and welfare activities. They are largely supported by dedicated grant revenue and by program income and you see here that various other programs also rely on taxes to a relatively small extent, but most of our tax support is going to public safety programs.

Now we've got this slide to show you or degree of compliance with the county's policy on fund balances. Our policy says that unreserved fund balance for the general fund should be equal to or greater than 20% of budgeted expenditures in the general fund, and what you see here is a bar for the general fund representing the actual level of fund balance and a red dot, representing the target level, that 20% target. At the end of the first quarter, our unreserved fund balance in the general fund was just under \$70,000,000. Our target, the 20% of expenditures, is 33.4 million dollars.

We are greatly in excess of the target of fund balance for the general fund at the end of the first quarter. That does mean that we have lots of money that we can spend. The difference between

Regular Meeting, May 2, 2007

where we are and the target is about \$34,000,000 but in fact the reason that the fund balance is high is because we've collected most of the property taxes already this year and over the year, as the year passes, we will draw down that tax revenue. We'll draw down this fund balance and by the end of this year we will be at about where we've anticipated that we will be with fund balance at the end of this year, which is in the range of 40 to \$45,000,000 and just to put that into perspective, we ended 2006, at December 31st with unreserved fund balance in the general fund at \$41,000,000.

You see here the other fund categories, we are above the policy target across the board, which is the picture that you would expect to see and that you would want to see. We are in compliance with the policy. The Enterprise Fund here is the one that appears way out of line. It is the blue bar that shows something north of \$120,000,000. In fact, it's right at \$122,000,000 of fund balance, unreserved fund balance at the end of the first quarter compared to a target, the red dot, of \$14,000,000. That is the arena project, where again we are collecting our sales tax to pay for that entire project in a very compressed period of time and we'll spend that cash in the succeeding months, over the next two or two and a half years, and so we will draw down that fund balance over 2008 and 2009.

The county had an investment portfolio at the end of the first quarter of \$314,000,000 and as you will know from the quarterly investment report that we've given you, our investment portfolio is growing over time, again a function of the arena tax that we're collecting. You see here the composition of our portfolio at the end of that first quarter. We have policy limits established for each of these types of securities. We can't invest more than a certain percentage of the portfolio in each of these types of securities and that is intended to assure that we have appropriate levels of diversification in our investments. All of these are well within the policy limits established for us.

Our investment yields have been increasing. You see here the size of the portfolio, represented by the blue bars, over the last two years and the red line indicates the yield that we received on our investments. Our yield is running at 5% on investments for the first quarter of this year and that's about the same as the fourth quarter of last year, but you see that investments rates have been rising for the past two years and that in part is what is driving that investment income that I mentioned to you. You see also that the blue bars have a clear cyclical nature to them. You can see when we received property taxes very clearly from this but you can also see that the general trend of the bars is upwards, and that again is a reflection of the arena tax that we are collecting.

As we complete the collection of the arena tax in I believe it's 244 days, December 31st of this year.

We will peak with our investment portfolio and in succeeding years as we start to spend that cash on construction, our portfolio will diminish back down to more historic levels.

That concludes the results of the first quarter. I want to leave you with this slide that identifies the items that are on our plate right now, that are under discussion that can have an impact, or may have an impact on our future financial condition and we've talked about virtually every one of these

Regular Meeting, May 2, 2007

items and this is, in large measure, the same slide that I presented to you the last time I presented a quarterly report. We talked about jail expansion and we will continue to talk about it. We expect that that will have an impact on the county's debt service payments starting in 2008 or perhaps 2009, depending on time of sale. It will have a more significant impact on the operating budget in 2010, when we open that facility. We've talked about the inmate reduction programs. There are some that have been implemented in 2006 and 2007. We are talking about implementing additional programs in 2009 and '10 and we've had a briefing on those just a couple of weeks ago. We've talked about the workforce development programs, both the Jabara Complex and more generally the funding that we're providing to WATC and we've talked about adult basic education in the community and whether or not the county should provide funding support for that.

When we visited with you about the audit, we discussed this new accounting rule called Gatsby 45, that will have an impact on the county's financial statements for benefits that we provide for retirees. We will be talking to you in the fairly near future about storm water management, to present the results, the conclusions of a committee, a task force that was established by the county manager and the city manager a couple of years ago to look at flooding issues throughout Sedgwick County and propose ways to address those issues in some sort of a systematic fashion. The public works director, David Spears, and his staff have talked with you about this new program from FEMA requiring us to certify the levees in the county and he has indicated that there is likely to be a cost associated with that certification. We don't know yet what that cost will be, but we're attempting to define that right now and if we expect it, we'll be talking with you about that as we discuss the 2008 budget proposals with you.

You're aware of the Homeless Task Force and it's coming to you with some proposals I believe in the fairly near future. You've heard about Wichita Downtown Development and the proposals of city council and city staff to fund some \$100,000 worth of improvements in downtown Wichita with TIF funding. That is presented as if it is a no-cost proposition, but in fact if the cost of that program are \$100,000 and it is financed with debt, the total cost then would be something on the order of \$180,000,000 and about a third of that would be paid with county property taxes over a 20-year period, and so we are looking at a significant potential impact on future county budgets because of those TIF projects and we'll be talking more with you about those in the coming weeks.

The legislature has adopted the gambling bill. We've had some discussions about that. It has the potential of providing some revenue to Sedgwick County in the coming years. It also has the potential of adding some costs to the Sedgwick County budget in the coming years and we'll be talking more about that as we move through that process of defining whether or not there will be a

Regular Meeting, May 2, 2007

casino and slot machines in Sedgwick County and if so where and what impact those will have.

And finally, the legislature adopted a bill in the closing days of the session pertaining to KPERS and among other things that bill will require us, starting in 2009, to have a different and higher contribution rate for the retirement benefits provided to employees hired after a certain date and we're still trying to figure out exactly what that means, but going forward we know that our pension contribution costs are going to increase because of that legislation, and so we'll be talking to you more about those.

That concludes this first quarterly presentation. Our goal was to present this to you as soon as possible after the end of the first quarter and deliver the report to you approximately 30 days after the end of the first quarter. We accomplished that and we will attempt to do the same thing at the end of the second quarter, so I'll be back to talk to you some more about this in July or August. If you have any questions, I'll be happy to try and answer them. If not, then I recommend you receive and file this report."

Chairman Unruh said, "Thank you, Chris and we do have some question or comment, first with Commissioner Parks."

Commissioner Parks said, "Mr. Chronis, are you going to be able to be here for the entire meeting?"

Mr. Chronis said, "Yes."

Commissioner Parks said, "Because there may be some financial questions I have later on."

Chairman Unruh said, "Commissioner Norton."

Commissioner Norton said, "Chris, go back to page four. Where is local ad valorem tax relief listed on there?"

Mr. Chronis said, "I don't believe you see it."

Commissioner Norton said, "And why is that?"

Mr. Chronis said, "That's because we don't get it anymore."

Commissioner Norton said, "And that's a state law that is not being funded, is that correct?"

Regular Meeting, May 2, 2007

Mr. Chronis said, "That is correct."

Commissioner Norton said, "And what is that total, if we were to get it this year, estimated?"

Mr. Chronis said, "We have estimated that if we were to get it this we would have received approximately \$10,000,000."

Commissioner Norton said, "So there's \$10,000,000 that we should be getting from the state, that's authorized by state law and has not been funded by the legislature, is that correct?"

Mr. Chronis said, "Yes, that's the annual amount, yes."

Commissioner Norton said, "Yes. And over the course of some years that could pay for jail expansions, it could pay for projects that we have put on the board. Is that correct?"

Mr. Chronis said, "Yes."

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

Chairman Unruh said, "Thank you. There's no way to guess about the likelihood of that funding being reinstated, is that true?"

Mr. Chronis said, "I'm certainly not able to make an educated guess now."

Chairman Unruh said, "All right, thank you. Are there any other questions or comments, commissioners? If not, we're ready we're ready for a motion to receive and file."

MOTION

Commissioner Parks moved to receive and file.

Commissioner Welshimer seconded the motion.

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

Regular Meeting, May 2, 2007

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, “Thank you Chris. Before we call the next item, Commissioner Parks has reminded me to have good manners and recognize some folks who are in our room today and Mr. I.D. Creech is here, he’s city manager from Valley Center, appreciate you presence and I can see you back there I.D. and also former commissioner Ben Sciortino and former commissioner Bud Hentzen are here. Thank you all for your attendance at our meeting today. Madam Clerk, now call the next item please.”

2. PRESENTATION OF THE JAIL RATE STUDY BASED ON 2006 DATA; REQUEST TO SUBMIT FORM USM-243, COST SHEET FOR DETENTION SERVICES, TO THE UNITED STATES MARSHALS SERVICE FOR CONSIDERATION OF AN INCREASED PER DIEM FOR FEDERAL PRISONERS OF \$65.15.

Mr. Marty Hughes, Revenue Manager, greeted the Commissioners and said, “The United States Marshall’s Service reimburses Sedgwick County the full cost of housing federal prisoners in the adult detention facility. In order to determine these full costs, every year Sedgwick County submits financial and operations data to Maximus Incorporated staff to be used to develop a cost allocation plan and a corresponding jail rate study.

Both the cost allocation plan and the jail rate study are developed using only costs allowed under OMB Circular A-87, Costs Principles for State, Local and Indian Tribal Governments. A component of the Jail Rate Study is the completion of Form USM-243, Cost Sheet for Detention Services. This form has been completed based on the allowable cost developed in the 2006 Cost Allocation Plan and Jail Rate Study and the form is ready to be submitted to the U.S. Marshals Service so that our reimbursement per diem rate for housing federal prisoners can be adjusted to the full cost of \$65.15.

I recommend that you accept the 2006 Jail Rate Study and authorize the staff to submit the cost sheet documents to the U.S. Marshall’s Service to update the reimbursement rate. I’ll be glad to try to answer any questions you might have regarding the process and the rate.”

Regular Meeting, May 2, 2007

Chairman Unruh said, "All right, thank you Marty. This is a full cost number, includes direct, indirect and . . .?"

Mr. Hughes said, "It includes . . . yeah, it's broken down into three components, basically. There's a direct cost component, indirect cost component and other costs and other costs is basically depreciation type costs."

Chairman Unruh said, "All right and it's based on a 365 day year."

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

Chairman Unruh said, "And based on what number of folks in incarceration?"

Mr. Hughes said, "The number of . . . the average daily population was 1,086 which converts to about 396,000 inmate days in the jail."

Chairman Unruh said, "So 1,086 is . . ."

Mr. Hughes said, "1,086 is the average daily population for this cost plan, or this year's cost plan, so the total population would be a little under 400,000."

Chairman Unruh said, "Okay. What . . . this does not include however out-of-county housing."

Mr. Hughes said, "No it doesn't. The work release is excluded, the out-of-county housing is excluded and booking is excluded. This is just for the inmates in the main jail facility."

Chairman Unruh said, "Okay. That's all the questions I had. Commissioners, do you have any other questions about this agenda item?"

MOTION

Commissioner Welshimer moved to accept the 2006 Jail Rate Study; approve form USM-243 and authorize staff to submit to the U. S. Marshal.

Regular Meeting, May 2, 2007

Commissioner Winters seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, “Thank you, Marty. Next item please.”

D. RESOLUTION PROVIDING FOR THE COLLECTION OF DETENTION HOUSING FEES FROM MUNICIPALITIES.

Mr. Robert Lamkey, Director, Division of Public Safety, greeted the Commissioners and said, “I stand before you today in a great sense of seriousness because what’s before you is a very important policy change for our community. As a matter of background, a significant recommendation from the jail and criminal justice study that was done in 2003 and reinforced by our CJCC master plan is the institution of a municipal housing fee.

A municipal housing fee is principally designed to provide ownership and an appreciation of the cost of adult detention in Sedgwick County among all of the users. It is hoped that such a shared ownership will inspire Sedgwick County cities to evaluate processes, procedures and policies and seek ways in which to use the jail as efficiently as possible to meet their needs. Housing fees are not about directing the activities of law enforcement or judicial actions in municipalities but about tangibly sharing the responsibility for the best use of a limited source, our adult detention facility.

Before I get to the resolution, I thought it would be helpful to kind of talk about our journey, and I’m going to start back in 1990. At that time, we opened up a jail facility here, 418 beds as a result of a court order in the ‘80s and that costs the taxpayers of Sedgwick County \$25,000,000.

In 1999, nine years later, we opened up a 650 bed expansion for 37 and a half million dollars. If I can speak to that 1990 figure, it was about two years after we opened that we started using out-of-county beds again, and a year and a half after we opened up the 1999 650-bed addition, we were sending folks out of county again. In 2003, we expanded work release. In 2005, the Sheriff began double-bunking. 2006, we began design on our 384 bed addition that’s anticipated to cost the

Regular Meeting, May 2, 2007

taxpayers \$50,000,000. I would remind you, we haven't paid off the debt on the last addition yet. And as Mr. Chronis said, the operating costs, which will be with us forever will start out at about seven and a half million dollars.

In 2003, the commission looked at the future, faced with an ever increasing need for beds, and we began a different journey, a journey to seek better ways to move forward in managing the criminal justice system, so we commissioned a study to be formed, a Criminal Justice Coordinating Council.

We established a preferred future that says we want to have a balanced approach to criminal justice that provides for sufficient beds, the number of beds that we need to insure public safety in our community. We want to have meaningful alternatives. We want to have effective processes and procedures that meet the needs of our community.

And you have embarked upon that process. You spent nearly \$1,000,000 on process improvements. You've budgeted over \$4,000,000 in 2007 for alternatives and municipal housing fees based on the best information that we have are a part of that strategy to achieve the highest and best level of efficiency we can in our community.

The county has a statutory obligation to house and pay for those who are being held by our district court. The state pays for adjudicated prisoners in our custody and the feds pay for inmates that we're holding on their behalf.

The policy for the last 20 years, and it was unilateral policy established by a previous commission, was that the county would not charge municipalities. I would suggest to you that things have changed significantly in the last 20 years.

Our consultant expressed that a free jail does not promote the most effective and efficient use and suggested that a shared appreciation of the jail would help hold down and provide for the best and highest use.

And that is invested in the principle that those who own the process, municipal housing fees are invested in the principle that those who own the processes, policies and procedures are in the best position to manage them. Housing fees provide an incentive to cities to actively seek ways to be more efficient and effective. And I said we're not trying to tell the judges how to judge and what law enforcement to do on the street in the process. And it's really not about the money, because taxpayers in this community will pay for whatever criminal justice efforts we have here.

Regular Meeting, May 2, 2007

But as we looked at this process, we believe that municipal housing fees are a fair way to distribute that cost over the long haul. Communities use the jail differently, the data shows that and it seems to me and others in the CJCC that that's a fair way of allocating and distributing the cost of the use of this precious facility in our community.

It's understandable that cities, or you aren't joyful about the imposition of housing fees. This is a difficult thing to do. This has an impact on how cities manage their budgets and establish their budget priorities. I would remind you that housing fees are the norm for large counties in the State of Kansas. We've spoken to a number of the larger cities and larger counties and they reflect that it has not had an adverse effect on their courts or the administration of law enforcement in their communities.

We started talking about this as a commission coinciding with our budget cycles for the last two years, but in October we made a deliberative decision, again based upon the fact of where we've evolved in providing alternatives and moving down the process of our Criminal Justice Plan to address the issues of municipal housing fees. And so we talked about why, we talked about what the legal basis is, we talked about what the impacts are and the ramifications are. We visited with the municipalities twice and held what they had to say and understandably they're not strongly in favor of this process, because it creates an obligation in them to look at how they use the process, which I think most of them are willing to do, but it also creates a financial obligation in this process, but again I would say that that obligation is there in this community as we move forward in this process.

What's before you today and commission, we've had a number of discussions about this, is a resolution that first establishes the statutory basis for housing fees, and that's clearly outlines in the statutes, and applies to prisoners with municipal charges only, so if a prisoner is held there arrested by a city and held there on a district court charge or a district charge and a municipal charge, we will not be charging. It's for municipal charges only.

This, based upon our earlier discussions, establishes an hourly rate. The initial recommendation we have here is at full cost. That's the staff recommendation. You've seen what it costs and what other customers are paying in this process and it's based upon the independent assessment that Marty talked to you a little about earlier. We would propose that it be revised, on an annual basis, based upon that survey. It includes direct and indirect costs, as outlined in OMB A-87 and that we have an obligation in the forum cities of the succeeding year rate 30 days upon receipt of this assessment. Billing will be monthly. We have included a delinquency interest charge in this

Regular Meeting, May 2, 2007

process, for non-payment beyond 30 days, which is not uncommon. The effective date is January 1st, 2008 and we have implementation of standard operating procedures to move this forward will be developed and we'll come back to you at a subsequent time if a resolution is approved.

Now we've heard from several commissioners that they were not comfortable with the full rate. That there was some comfort with direct costs, and I have an alternative resolution here with direct costs, if that's the will of the commissioners at this time, and again it follows the same outline, same structure, hourly costs, revised on an annual basis, municipal prisoners only.

Commissioners, I recognize this is a very serious and significant policy change. As we look to the future, I think it's important that we do all the things that make sense to insure that our criminal justice system is as effective and as efficient as it can possibly be and that would provide the best for our community and I think this is one element, along with the other things that you're doing and the other things that we plan to do, propose to do in meeting that aim. And I stand ready for any of your questions and I would recommend that you approve and sign the resolution."

Chairman Unruh said, "Well, thank you Bob and there's probably quite a bit of discussion. We'll start with Commissioner Winters."

Commissioner Winters said, "Thank you, Mr. Chairman. I have two questions. The first I'd like to ask Rich Euson. Rich, some folks seem to say that they do not think that we have the legal authority to take this as . . . if we would approve such a resolution. Can you comment on whether you and your staff believe we have the legal authority to do this."

Mr. Richard Euson, County Counselor, greeted the Commissioners and said, "We've looked at this issue over a period of time and we believe we're fully within the rights to lawfully assess these charges and for you to enact the resolution."

Commissioner Winters said, "And so you believe that if there should be legal challenges, you believe state statutes are clear enough that we can safely move forward if that should be the will of the board."

Mr. Euson said, "Yes sir."

Commissioner Winters said, "All right, thank you. I have one other question for Bob Lamkey. Bob, how do . . . if we would move forward with this, how do we answer the question when people ask us about the cost comparisons of a fee that we might select and the fees that we pay for our out-county housing. I could see the comment 'Well, Sedgwick County has elected to charge \$60 a day, but they're actually taking these . . . some of these prisoners out of county for \$32, \$35 a day. How do we address that?"

Regular Meeting, May 2, 2007

Mr. Lamkey said, "Well commissioners, I would suggest to you that those who are charging us out-of-county are meeting their costs. We have a cost to this process and what we pay in out-of-county housing is for room and board. It does not include the cost of transportation and you all remember that just last year, for this year, you approved about a quarter million dollars in additional transportation assets for the Sheriff doesn't cover, as I said, medical costs for those folks. Those folks come to our jail, spend a period of time here, perhaps go out, come back to our process, there's a management process that happens in that part of the issue. We're sending people out of county because we don't have sufficient beds here in this process."

The other thing is we don't charge for any of the alternatives and our largest city, Wichita, we're spending about \$4,000,000 and I think they're using about 60% of those alternatives right now, so you're making investments in other programs that are not being asked and quite frankly, I would not suggest this, but they could, cities could contract with other jails directly for less costs if they wish to transport themselves. Conversely, I've heard commissioners say that they would prefer to charge direct costs, so anything less than \$65.15 or the hourly rate of \$2.71 is a discount and should accommodate some of those criticisms."

Commissioner Winters said, "And did I, in the previous agenda item, when we discussed how these rates were arrived at, we could say then the rates that we look at do not include transportation costs and I wasn't clear on booking charges. Did they not include any costs that are associated with the booking process?"

Mr. Lamkey said, "No, and in fact the cost that incurred through the booking process would be . . . no, they do not."

Commissioner Winters said, "And so even the cost that we, as we arrive at an amount that we charge the federal government, it still actually doesn't include all the cost. It doesn't include booking costs, is that correct?"

Mr. Lamkey said, "Let me look at Mark. It does not include booking costs."

Commissioner Winters said, "All right, Mr. Chairman, I think those are the only two . . . but I guess the final comment on the question of comparison of what we may arrive at as a fee and what we pay other counties, we're not looking at this as some way that we can, in a sense, produce revenue, even if we are charging more than we're being charged for an out-county prisoner."

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

Regular Meeting, May 2, 2007

Commissioner Winters said, "Thank you."

Chairman Unruh said, "All right, thank you. I think Commissioner Welshimer was next."

Commissioner Welshimer said, "Well, I see this pretty much as a property tax increase. We're not going to be doing it but the cities most likely will, a least some of them, probably a mill levy increase. When that money comes in, where's that money going to go? Into the general fund? So, do we have it designated, as to exactly where it goes when it leaves the general fund or is it just we're going to appropriate here and there?"

Mr. William P. Buchanan, County Manager, said, "Yes."

Commissioner Welshimer said, "Okay. Well once we build the new jail, we're going to need more employees and so forth, maintenance for the new jail. Is that . . . this isn't going to take care of that, is it? We're going to need more for that purpose?"

Mr. Buchanan said, "If you institute the full cost, this would still not be sufficient funds to pay for the debt service and the operation cost for the new jail, that's correct, but it would help go a long way to do that."

Commissioner Welshimer said, "Okay, thank you."

Chairman Unruh said, "All right, thank you. Commissioner Parks."

Commissioner Parks said, "I have a couple of things at this time and I would like to reserve, after any motion is made, to hit on about six other points. From staff, Mr. Lamkey, if you do see a need for an increase, staff will be bringing this back to us in a timely fashion to where the cities can adjust their budgets within the next year?"

Mr. Lamkey said, "Yes, correct sir, what the resolution establishes, it establishes an hourly rate based upon this survey that we get done every year, this assessment that we get done every year and so clearly we will come to you each year and let you know what that change is going to be, and we have an obligation in the statute to notify the cities within 30 days of having that final audited number, and so in a sense what we've done here is the change and the basis for that change is fairly automatic in the process, in the resolution but clearly the commissioners need to be knowledgeable in that process and we will bring that to you."

Regular Meeting, May 2, 2007

Commissioner Parks said, "Okay. And I guess the next question might be for Mr. Chronis. This last resolution that we passed to update the Marshal's fee on that? Can you tell me, basically, is that just as we know in the business total general, just goes back to the total general budget, or does this go back into a reimbursed line item for the Sheriff?"

Mr. Chronis said, "No, it's a general revenue of the county, it goes into the county's general fund and the full budget of the jail is included as a general fund department, so it's paid for out of the general fund."

Commissioner Parks said, "I think that's all I have for staff at this time, but like I say, I would like to reserve as a comment between discussion."

Chairman Unruh said, "All right, very good. I would make a comment, editorial comment I guess, to say that this whole proposal is not primarily focused on generating revenue, although that is a big, tangible piece of it and it's hard to ignore the results of it. What we're wanting to do is try to encourage folks to implement policies and procedures that might reduce our jail population and as being partners with us in the cost of the jail, we think that's the best way to provide an incentive to accomplish that goal."

On the other side of the coin, of who is using the jail and who is making these policies, the Criminal Justice Coordinating Council has approved and helped be the initiator of initiatives that would help reduce the jail population. We've expanded work release facility, new classification system, new beds in the Adult Residential Facility. We're funded pre-trial supervision services to the Municipal Court. We've adjusted our bond schedules, try to control that population. We've implemented double bunking at the jail. Criminal Justice Analyst position is a new staff position to help cover all these. We are partnering with the state in an offender reentry program, trying to help those folks who are coming back to our community not just immediately back into the system. A day reporting center has been implemented, which we referenced and the Offender Assessment Program, another program that has expense attached to it, but all these are programs that have costs and ramifications.

But I guess I just want to illustrate that, to say that a lot of things have been done by this commission before we got to the point of imposing housing fees.

And we know that as we look forward into the future, it has been fairly well documented that if we don't change the way we're doing business that by the year 2025, the jail administration will cost 30% of our budget. Right now it's around 7% and you don't have to be a genius to figure out that 30% is a fee we can't afford, so it is imperative that we have a master plan that is fully inclusive and we all go forward together to try to provide public safety and do it in such a way that is equitable

Regular Meeting, May 2, 2007

and fair to all of our partners in public safety in the county. That's my comment for now. Commissioner Winters, you would like to say something."

Commissioner Winters said, "Yes, and I think I'm ready to talk a little bit in specifics, although Bob, I would like to make sure that I'm thinking about right numbers. I'm not sure I agree with the staff's recommendation that we use the full, direct cost numbers. I think I would be much more comfortable with only the direct cost and eliminate the indirect costs from this computation.

So Bob what then, if we were looking at daily rates and hourly rates, what would we be looking at for the direct cost only?"

Mr. Lamkey said, "Direct costs only, at an hourly rate, the direct costs based on the new study per day is \$50.24 and that works out to be \$2.09 and a little more per hour. So it goes from \$2.71 to about \$2.09 an hour."

Commissioner Winters said, "All right, and that would be a calculation that's calculated by us if a person is only there for a six hour stay, the charge is not a day's minimum but a six hour stay."

Mr. Lamkey said, "Correct. As we looked at the different methods that are commonly used to assess charges, we felt that the hourly rate actually was the most economic and fair to the communities that use the jail."

Commissioner Winters said, "All right. You know, we have talked about this for a considerable length of time. The CJCC has looked at this for over a year. We've all thought about it for quite a period of time and I guess I'd just like to share the things that, as I review our past discussions and notes, what I think is important to me. And I want to say that I realize that I believe that all our commissioners are not going to agree with moving forward and I understand that. I think this is an issue that is a very difficult one and in my time as being a commissioner, I'd put it right up to the top of one of those difficult issues because it is a significant policy change for the community and all of the cities in our county.

But one of the things that . . . the first thing I think about is really that housing fees are used across the nation and in almost every county in the state as an incentive for folks to use and monitor their jail space wisely and I know the list is long but in Kansas we have counties such as: Johnson County charging \$35 a day; Lyons County, \$40 a day; Montgomery, \$30; Douglas, \$48; Butler, \$40; Cowley, \$35; Sumner, \$32.50; Saline County, \$46; Leavenworth, \$52 a day; Crawford, \$32; Shawnee, \$70.11 a day; in Reno, Hutchinson pays for 14% of their total jail costs. The only two counties that really don't charge are Ford County does not charge the cities in Ford County and Wyandotte County, which of course is a consolidated government. But in just looking at this,

Regular Meeting, May 2, 2007

housing fees, again throughout the nation and Kansas, create a shared appreciation for the expense of the jail and the need for alternatives to incarceration. So I think that we are just not doing something here that is out of the ordinary.

The other . . . second thing I look at, again are just the things that Chairman Unruh commented about the things that we've done, trying to stem this tide. Again, I won't list them all again, but some of the significant ones are we continued to expand work release. We continue to fund diversion programs with the District Attorney. We've started our assessment program for individuals with mental illness I mean, the list goes on. The Day Reporting, the list goes on, on the actions we're taken to stem the tide and yet the tide is not stemmed.

The third issue that I've again considered and we've talked about the expansion that's going to happen, happen now. We're looking at 384 beds, someplace in the \$50,000,000 capital expenditure range, over seven and a half million dollars a year to operate that expansion. That is just not a good solution.

And the last thing that I considered and Bob has shown the chart over and over, as we look at this issue, is what the projections are going to be like for 2020. Only 15 years away, at this rate we're going to have almost 2,500 people in our detention system and that is just not going to work and so I guess one of the . . . and the conclusion of why I'm going to support implementing this fee was I thought a very concise statement on the editorial page of the Eagle, either earlier this week or last week, but the one sentence was 'If cities bear some of the costs of jailing inmates, they likely will be more careful about who they send to jail and for how long'. And I think that is what we are trying to accomplish is the most efficient use of our detention facility.

So again, I don't believe that I'll be supportive of the staff's recommendation, but I will support using the figure of the direct cost only."

Chairman Unruh said, "All right, thank you. Commissioner Parks, you had reserved some time. Do you want to . . ."

Commissioner Parks said, "After a motion and a second, I would like to do that."

Chairman Unruh said, "All right."

Commissioner Winters said, "Well, I would kind of like to hear what other commissioners are thinking. I don't know that we need to, but I'd kind of like to know. I don't know that that would change a motion I would make."

Regular Meeting, May 2, 2007

Commissioner Parks said, "I guess I've just been accustomed to Robert's Rule of Order and I need to get away from that. Having said that then, I'll go ahead and speak now."

Chairman Unruh said, "Very good."

Commissioner Parks said, "This is too a tough decision for me, right up there with the sandpit issue and some of things that have been going on, but that's why I was elected to make these tough decisions and will certainly do so."

I need to start with a story and my background and I don't want to bore you all, but it kind of leads up to why I am going to be in favor of the direct costs of somewhat less than \$2.10 a day. When I was hired in 1989 in Valley Center, a city in Sedgwick County who will be impacted by this, actually before I was hired I got a copy of their budget and as I was looking through it, I didn't see any line item for jail fees and being accustomed to being in another county and paying these, I asked at that time the city clerk what the . . . where the jail fees came out of and they said 'well, we really don't take that many people to jail, we take a lot of people home'. Well in the '90s those things changed, with the professional police department and effective criminal justice, some of those things changed and in about '91 or '92 there was an incident or a . . . not an incident but a project that came out from the county that said we're going to start charging booking fees and so I started to set up that process that booking fees would be paid by the defendant, which is better than being paid by the taxpayer.

At that time, I called the Sheriff and said 'what do we need to do to start this?' and he quite frankly said, 'the City of Wichita decided not to pay these, so we're not going to force any of the smaller cities to pay them either'. Well, so at that time we didn't collect booking fees. I understand Mulvane has been doing this all along and sending them in.

As I talked with the Sheriff and other city administrators that came in, that was one of their first questions too, where have you been taking your jail fees out of? It's kind of a statewide situation. I've talked at length with a friend of mine, the Johnson County Sheriff. Theirs has been in place for a number of years and it seems to be working.

Now I won't be, for the same reason that some of the other commissioners might vote for this. I won't be voting for that, in that we want to change or tweak the criminal justice system to the point to where we are interfering with the judgments and the judge's decisions, the judgments of the police officers and the judges. I think that's a total separation of powers. I'm going to be doing it because I believe it's the correct thing to do for the direct costs.

A couple of things that I've asked staff and made sure that they know and that the cities need to know, when a person that we have in jail or that the Sheriff has entrusted to from a municipality gets sick, then that cost is back on the Sheriff. Now that's something that changed from the early

Regular Meeting, May 2, 2007

'90s also. I can remember the City of Valley Center paying for an appendectomy. So this is something that's changed and one heart bypass surgery may in fact take care of their fee that they would pay during that year.

The liability insurance and the liability of the Sheriff, whether it's through an insurance company or through self-insurance is taken on by the Sheriff. The cities don't have to worry about the writs that the inmates would file on that.

There are other things out there that I think can be a workable solution. I know Valley Center was doing some of those things two years ago, where we were booking a lot of people at our station and then releasing. In the law enforcement community that's called 'catch and release'. The state has said that A and B misdemeanors must be photographed and fingerprinted. Well, there's a room at Valley Center that they do that, that some of the other cities might want to consider that too. Also, there's the automated fingerprint identification system, and that system is in place with the Sheriff and is much more effective than the printed cards that you would use at some of the other stations and I think any grant that has come up, and I've talked with staff here, they would be more than willing to cooperate with the small cities on getting a multi-jurisdictional grant for some kind of a AFIS system. City of Wichita could implement those at their substations or other places. Cities could have a place that they could take their prisoners to and do that for the misdemeanors to reduce their costs as well as ours.

I want to reiterate that their housing fees is not a total charge, and that's where the double taxation comes in. I think if we went with the direct cost or the cost that we charge the federal government, which is what we should do because they don't pay taxes locally. It gets back to the direct cost and that cost is what we should be doing. I wouldn't support any kind of a total cost that staff is recommending.

Basically, the long and short of this is I did fight for the cities when this came up. I did, when I came up January 17th in one of my first staff meetings, they said we're going to implement this, it's going to take place July 1st and I said 'Whoa, just a minute, these cities need a time to get their budget prepared also'. Now I think I championed, the first meeting at the zoo, pressed for an early time on that to meet with the cities and that resulted in yet a second meeting with the cities and I think we needed to discuss that and we owed that to the cities and we did have those meetings.

So having said all that, the state keeps imposing things of misdemeanors, the misdemeanor driving while third insurance is a year in jail. Instead of them making a law to where they'd present the judge with six months worth of insurance and have a court cost and no jail time, they've decided to

Regular Meeting, May 2, 2007

put the burden back on the county, and so of those things like that have increased our jail numbers. Third time driving while suspended or DUIs used to be and still are felonies but they said, 'Oh, we're going to allow you and they shall be housed at your county jail'. There's a lot of things that have influenced this, just not from the local level but from the state level too.

Going back in history, you mentioned the federal mandates back in the late '80s so it's just not a trickle-down from the county. It's trickle-down from federal, state and local that we're having to trickle on down to the cities, I guess you'd say. And certainly the double-taxation argument would be a valid one, if it wasn't for just the direct cost that have incurred. Thank you."

Chairman Unruh said, "All right, thank you. I don't see anybody else's light on but . . . there we go, Commissioner Winters."

Commissioner Winters said, "I guess I'd ask a question. Commissioner Welshimer asked where this collect revenue may go. I know we've talked briefly about and Commissioner Parks just mentioning some technology that may be available for local police departments or even the City of Wichita's substations to use, particularly in the booking process. If it was the desire of the commission Bob, do you think we could develop some kind of grant program or I don't know if grant program is the right word, but reinvest some of this money back in technology at the field level that some cities have been very resistant to implementing because of the cost to them. Would it be possible to direct some of this money to projects such as that?"

Mr. Lamkey said, "Absolutely. If it's the will of the commission to do that, certainly we'd be happy to develop a program, bring it to you for your approval and quite frankly, that's very consistent with the objective. The objective is for the system to be as efficient, as effective as we can make it to reduce that impact on the jail, so certainly we can do that."

Commissioner Winters said, "All right, thank you."

Chairman Unruh said, "Well, I know that Commissioner Norton has been making a list, so you don't have to turn your light on Tim, but we'll call on you."

Commissioner Norton said, "Well the truth is and I'll start out by you know this is a huge problem, it's very complicated, I cannot write a list of all the thoughts and ideas and information that needs to be imparted. Over the course of several years, there's just been a laundry list of things we've looked at, checked out, had other people look at, put through the filter and at the end of the day, my comment is that I'm philosophically against passing this on. To me it's no different, in some respects, that the state has mandated LAVTR and that money should come to us here and we don't get it and so we end up raising property taxes. It is a huge problem but we're only shifting the

Regular Meeting, May 2, 2007

monies around, in my mind, to help us out in our budgetary problems. The jail and its funding squarely falls on the county to provide.

Now whether you feel like the municipalities have some skin in the game or not, it really boils down to the county commissioners have to make sure that we provide adequate jail space and budget for our community and our community includes municipalities. Many years ago, we decided, another commission decided that municipalities for whatever reason would be able to use the jail as a community facility, without additional payment. To say that this is not about the money, I always say it's always about the money or who gets the power. It's never about anything else if you weed through all of it, so it is to me about the money and it moves it around, it spreads it around so that it looks like all the burden is not on the county. But truthfully, all the burden is on the county to try to figure this out. There are laws and guidelines that I don't want to artificially effect because of a revenue source.

I've talked to several mayors, I met very closely with the city council and the mayor of Haysville, which is the other jurisdiction in my district and the one thing I don't want to ever do is to change the viewpoint of the judges and the law enforcement people artificially because they're looking at a budget revenue number in their budgets. And truthfully, I think that's what it comes down to. You know, I think we started thinking about this when we saw budgets in the year 2025 or whatever being out of control because of jails. So we're trying to look at all the alternative programs, we're looking at lobbying to have sentencing guidelines and laws changed, but at the end of the day the laws are the laws. The guidelines are the guidelines and I think we have an obligation to our community to try to solve it in other manners.

I will not support this today, but I've said that for well over a year, so I don't think it's a surprise to my colleagues. There are some thoughts though. One of them is that maybe we would take the first 24 hours out of the mix, so the first 24 hours somebody is booked and incarcerated maybe could be released. That would help the small cities and even the City of Wichita to improve getting people out in that first 24 hours, and that saves all the subsequent jail days. I would be in favor of really imposing the booking fees, which can be passed on to the incarcerated person. As it is now, housing fees are paid for by the people that are not in jail and somehow we've got to start making the people that are in jail responsible for paying that tag and booking fees is a way to do that.

And the final thing is, one of the complaints from at least the small cities is they don't have access to any of the programs. You know the City of Wichita does, but the small cities have no access to

Regular Meeting, May 2, 2007

any of the work release or not easily accessed, so we need to make sure that they have alternate programs that help them out. Unless there's a sea change in my thinking, I will not support this today and mainly because I'm just philosophically opposed. I don't think we've done everything we can to bring all the players together and keep hammering this out until we've come to some alternate ways of doing it, as opposed to imposing a fee to get their attention.

I just think that's using the wrong hammer to solve this major problem in our community and we need to outreach to the community and let them understand how critical this is. I think it's abysmal that we have this many people incarcerated in our city and it continues to grow and we continue to create laws that don't help solve their issues in life but just houses them. The whole idea of housing just does sound good to me anyway, because we're not helping them, we're housing them, so that's really my thoughts. I think most of you have heard them before, so that's all I have."

Chairman Unruh said, "Thank you, commissioner. Commissioner Parks."

Commissioner Parks said, "I guess in response to Commissioner Norton's comments there, as they know and I want the public to know that in staff meetings, when we're talking about other programs I consistently, constantly brought up are these available for the smaller cities in the county, not just Sedgwick County/ City of Wichita, so I have been trying to include those communities in the mix of alternative programs, and some of them have in fact taken advantage of those.

I just want to reiterate that the timing . . . I think the timing has been adequate in allowing those cities to align their increased revenues for the next budget year and not be able to have to have a mill levy increase if they so chose to do their increase revenues and Mr. Chronis told us that the sales tax increase for those cities, that share is increasing so I guess it will be up to them to decide whether they want to increase their mill levy or not, or use the other revenues. Thank you."

Chairman Unruh said, "Okay, thank you. Commissioner Winters."

Commissioner Winters said, "Thank you, Mr. Chairman. Well, I think this is one issue, and again as I said earlier, I certainly respect the views of all of my county commissioner colleagues and I respect the view of Commissioner Norton very much. Over the years, we have agreed on many, many more things than we have disagreed on but I think on this issue we have a fundamental disagreement in how we view this. I do not view this as us trying to determine a way to solve our budgetary problems. I do not view this as shifting the money around. I view this totally as using these fees to serve as an incentives for municipalities to monitor their use of the jail and that is the reason I'm going to continue to support that."

Chairman Unruh said, "All right, thank you commissioner. I would just want to reiterate a

Regular Meeting, May 2, 2007

comment that the Criminal Justice Coordinating Council has been wrestling with this issue along with the whole menu of items that I mentioned earlier and so this is not an impulsive suggestion. We've been going along for a couple of years and I know that we've discussed it for several months with different groups of commissioners. We've had meetings with representatives from the city on two or three occasions, so I'm satisfied that we've done our best to communicate what our challenge is and what our initiatives have been to solve this problem. I'm satisfied that this is legal. I'm satisfied that it's consistent with the activities of the actions of other counties in our state, and I'm convinced that we just need to implement something that has the potential to change the way things are happening, we've got to do something, so I'm going to be supportive and I have stated at different times that I was willing to accept the staff recommendation of the full cost of operating the jail, but I think that reason and good sense tells me that that probably would not be supported by this commission and I'm willing to be supportive of the direct costs. So I am stating my position, I guess, before the vote but without any other request to speak, I was going to say we're ready for a motion, but Commissioner Norton would like to speak."

Commissioner Norton said, "Well, just one final thought and this is really another thing that's a crux to the issue to me. The big player in this is the City of Wichita. We keep kind of skirting that whole issue but the big issue is that the City of Wichita is adamantly opposed to this. It makes them make decisions about revenues and where to come up with that amount of money, which is at high end four and a half million dollars I think, maybe more than that but that's a budgetary issue for them. And I have to say that over the course of the years I've been a little disappointed that the city has not been real active in trying to help solve this community issue.

You know, the truth is and all of us have to understand this, we all live in Sedgwick County whether your in a small city or a large city and this population that falls into our jails is everybody's problem and the idea that we're not all at the table, we're not trying to understand this, that we're not trying to solve it for the greater good or the greater amount of people is maddening to me. That we have to come up with a way of almost being punitive and rattling somebody's cage with money to get them to understand that this is our problem, all elected officials' problems, not just the county commissioners and that's been maddening. I think there's a better way to solve this and that's continuing to hammer it out. I know it's maddening to folks but I think we're just playing a shell game, moving the money around and we're not getting at the crux of the real problem. That's too many people incarcerated for too many bed days in our jail and we need to figure that out, as a community, all elected officials at the table coming up with the greatest good for the greatest number of people and I still don't believe that we've done all our due diligence to do that."

Regular Meeting, May 2, 2007

Chairman Unruh said, "All right, thank you. Commissioner Parks."

Commissioner Parks said, "Well I disagree with Commissioner Norton on the due diligence part. We have hashed this out in former committees, councils, commissions, CJCC has done that. I would like to just make sure that there's nobody in the audience that would like to speak to this before I make my decision. Thank you."

Chairman Unruh said, "We can . . . commissioner, if that's your request, we will yield to that. Is there anyone that wants to say anything? I don't see anyone moving, so we will . . . I think we're ready for a motion, commissioners."

MOTION

Commissioner Winters moved to adopt a Resolution providing for the collection of detention housing fees from municipalities, and that the amount be for direct costs only.

Chairman Unruh said, "And do we need to include and say that's on an hourly basis?"

Commissioner Winters said, "I think that's in the resolution."

Chairman Unruh said, "All right, thank you."

Chairman Unruh seconded the motion.

Chairman Unruh said, "We have a motion and a second before us, commissioners. Is there any further discussion? Hearing none, Madam Clerk call the vote."

VOTE

Commissioner Norton	No
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	No
Chairman Unruh	Aye

Chairman Unruh said, "The motion passes, three to two. Commissioners, we've been at this for

Regular Meeting, May 2, 2007

two hours. Let's take a five-minute break before we proceed with the rest of the agenda."

The County Commission Meeting recessed at 11:00 am. and returned from recess at 11:06 a.m.

Chairman Unruh said, "I'll call the meeting back to order. This is the Regular Meeting of May 2nd and Madam Clerk, would ask you to call the next item please."

E. RESOLUTION AUTHORIZING A SPECIAL ELECTION ON SEPARATE QUESTIONS RELATING TO THE AUTHORITY OF THE KANSAS LOTTERY TO OPERATE A LOTTERY GAMING FACILITY IN SEDGWICK COUNTY AND PLACING ELECTRONIC GAMING MACHINES AT A PARIMUTUEL LICENSEE LOCATION IN SEDGWICK COUNTY.

Mr. Michael Pepoon, Assistant County Counselor, greeted the Commissioners and said, "You have a resolution for you this morning that authorizes a county-wide special election that has a date of August 7th, 2007. This resolution and the reason for the special election comes about because of Senate Bill 66, which was enacted in this 2007 Legislative Session and became law when published in the Kansas Register on April 19th of this year.

Senate Bill 66 essentially calls for two questions to be presented to the voters of Sedgwick County and these questions have to be presented to them within 180 days of April 19th. Those questions are: shall the Kansas Lottery be authorized to operate a lottery gaming facility in Sedgwick County. A lottery gaming facility is essentially what some people have termed a casino and what is currently being run by tribal gaming operators up in Shawnee County, includes more than just lottery gaming machines.

And then the second question that will be presented to that voters is: shall the Kansas Lottery be authorized to place electronic gaming machines in Sedgwick County. The gaming machines are simply machines that have slots, video Blackjack, video Keno, those kind of games but not include the table games and other games that are in the casino.

We have to present these questions to the voters because we're in the south central gaming zone and because we're in that zone we have to present the first question about the lottery gaming facilities and we have to present the second one because we're in a county with a paramutual racing facility and so the second question has to be presented.

In the backup you received from the Finance Department where the funding from the special election comes from. It's been approved by Legal and we recommend adopt of the resolution and

Regular Meeting, May 2, 2007

I'd be happy to answer any questions you might have."

Chairman Unruh said, "Thank you Mike. We do have a comment. Commissioner Winters."

Commissioner Winters said, "Thank you. Just a very quick question, Mike. Does the legislation that was passed in Topeka, does it give counties the options to have these elections or not?"

Mr. Pepoon said, "Not the way I read the bill, commissioner. It says that you shall present these questions to the voters. I think you have some flexibility as to when to have the election or how to have the election, mail ballot or polling place election, but having the election I think has been directed to you by the state legislature."

Commissioner Winters said, "All right, thank you. That's the only question I had."

Chairman Unruh said, "All right, thank you and the language that you mentioned, the lottery gaming facility is just the language used. This is an expanded destination casino type authorization."

Mr. Pepoon said, "Right. That's the language directly out of the statute or the bill that will become statute, and it's essentially their language. When you read the definition of that it is essentially a casino, as casinos are run currently in the State of Kansas, by the tribal managers."

Chairman Unruh said, "Well this has had a considerable conversation public, private, all over the place. I don't know if there's a lot more comment needs to be made. Yes there is. Commissioner Norton, I think you were first."

Commissioner Norton said, "I just want to be sure the public knows it's going to cost about \$120,000 to do this at the polling places. The mail-in ballot looked like it was going to be upwards to \$200,000, so this is the cheaper alternative if we're required to do a vote so I think people need to know how much it does costs, and the elections, particularly special elections, are pretty expensive and we're probably going to move forward on this today, but I wanted to be sure that people knew how much it cost."

Chairman Unruh said, "All right, thank you. And Commissioner Welshimer."

Commissioner Welshimer said, "If we make a motion on this, our recommendation action to adopt the resolution, the resolution includes the date? The resolution is in here, I haven't found it I guess, but the date of November 7th is there."

Regular Meeting, May 2, 2007

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

Commissioner Norton said, "August."

Commissioner Welshimer said, "August 7th, sorry. Okay, thank you."

Chairman Unruh said, "All right, good. I don't see any other requests to speak, commissioner. One other question, this would not preclude other issues from being voted on at the same date that we have this special election? I mean, if the city has a need for another election or if the Sunday sales issue comes up, either county or city, they can be attached to the voting time. Is that correct?"

Mr. Pepoon said, "I might defer to the County Counselor on this. I think Rich has been looking at that issue."

Mr. Euson said, "Commissioners, we have looked at this issue. We've talked to counsel for the Secretary of State and in our opinion there are other issues that may come on the ballot. We really don't have the control over whether or not a city wants to put another issue on or whether there might be a protest petition in a charter resolution, charter ordinance from another city that might cause something to come up on the same ballot, so in our opinion we think it's okay. We're not sure, there are some others around the state that may have different opinions."

Chairman Unruh said, "All right, thank you. Commissioners, I think we're ready for a motion."

MOTION

Commissioner Welshimer moved to adopt the Resolution.

Commissioner Parks seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye

Regular Meeting, May 2, 2007

Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Next item please."

F. RESOLUTION PERMITTING THE SALES AT RETAIL OF CEREAL MALT BEVERAGE IN THE ORIGINAL PACKAGE AND OF ALCOHOLIC LIQUOR IN THE ORIGINAL PACKAGE IN THE UNINCORPORATED AREA OF SEDGWICK COUNTY, KANSAS ON ANY SUNDAY, EXCEPT EASTER, BETWEEN THE HOURS OF 12 NOON AND 8 PM AND ON MEMORIAL DAY, INDEPENDENCE DAY AND LABOR DAY.

Mr. Euson said, "This resolution comes before you at kind of a late date. We are actually at page 51 of your agenda and there's no backup for this, but we did attempt to distribute copies yesterday. If you do not have one in front of you, the Clerk does have some extra copies there so that this resolution can be in front of you as I speak.

Just by way of background, this issue of so-called Sunday sales arises from the 2005 Legislature. The Legislature was trying to address some issues where certain . . . about a dozen cities in the north eastern part of the state were using their home rule authority to allow Sunday sales. And the Legislature wanted to make sure that the Liquor Control Act was uniform among all the cities and counties of the state and so they enacted this legislation. They actually in this legislation permitted retail liquor stores to operate within any city in the state, subject to an opt-out provision by February 15th, 2006 and of course that's taken place, but then they also put in a provision to allow cities and counties to allow Sunday sales in both the incorporated and unincorporated areas.

This legislation talks to both alcoholic liquor, which is what's sold in retail liquor stores, and cereal malt beverage, which is what is commonly referred to as 3.2 beer, which is sold in grocery and convenience stores.

Currently, the law prohibits Sunday sales of alcoholic liquor and cereal malt beverages by these establishments and it also prohibits retail liquor stores from selling on Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day and it also regulates certain hours that these sales cannot be done by either a liquor store or a grocery or convenience store.

If you approve this resolution today and there is no protest and no vote that would have the effect of resending the resolution, then after a 60-day period, which is approximately July 4th, then within the unincorporated areas of Sedgwick County retail liquor stores and grocery and convenience stores

Regular Meeting, May 2, 2007

can sell their products on Sundays between the hours of 12 noon and 8 p.m. Retail liquor stores will be able to sell their products on Memorial Day, Labor Day and Independence Day, but not on Christmas Day and Thanksgiving Day and they would also be prohibited from selling on Easter Sunday.

There are some hour prohibitions that would continue in effect and those are roughly that cereal malt beverages cannot be sold between midnight and six a.m. and that retail liquor cannot be sold before 9 a.m. or 11 a.m. on any other day. We would publish this resolution once, in accordance with the statutory mandate and we would attempt to do that by Friday, which would mean a protest period would run 60 days and the resolution would take effect, if there's isn't a protest, on July 4th. The resolution applies only on in the unincorporated area. We have determined, based on the best facts available to us that it encompasses four retail liquor stores and six cereal malt beverage outlets.

So with that I'll quit and see if you have any questions that I can answer at this time."

Chairman Unruh said, "Commissioner Parks has a comment."

Commissioner Parks said, "Okay. This . . . you said you'll get on this by Friday, so we'll know around July 4th whether we'll need to put this on the ballot or not."

Mr. Euson said, "Yes sir."

Commissioner Parks said, "I assume it would be . . . I think it would be prudent to do that posthaste to make sure that we don't have to have another special election and cost to taxpayers, the money on, so thank you."

Mr. Euson said, "That was the idea, yes thanks."

Chairman Unruh said, "All right, thank you. Any other comment or question commissioners? Commissioner Norton."

Commissioner Norton said, "Rich, explain the difference between retail sales and cereal malt beverage sales. Are they different?"

Mr. Euson said, "Well, the issue applies to retail sales of both. Retail sales in the original package, as opposed to liquor by the drink where you in a tavern or a facility that sells 30% of food and that kind of a thing, this only applies to original package sales and the difference is that a liquor store will sell what's called strong beer, which is stronger than 3.2% and the grocery stores and convenience stores sell only cereal malt beverage, which is 3.2 beer."

Regular Meeting, May 2, 2007

Commissioner Norton said, "Okay. And why would we not restrict some of the days . . . we only restrict Easter Sunday. Why would we not restrict Christmas, Thanksgiving, Independence Day, which have always been some of the traditional non-selling of liquor days, other than just general Sundays."

Mr. Euson said, "I'm not sure I can answer why this was set up the way it was, except I'm guessing that the liquor store owners lobbied the legislature to say that the summer months are their busy months and it's unfair that the convenience stores get to sell and the liquor stores don't get to sell. But the restriction of Easter Sunday and Thanksgiving Day and Christmas Day would still be in effect."

Commissioner Norton said, "Oh retail sales."

Mr. Euson said, "On retail sales in the original package."

Commissioner Norton said, "Okay, so what this does is make it even out for both entities, as far as cereal malt liquor."

Mr. Euson said, "Yes, I think it evens out . . ."

Commissioner Norton said, "So that everybody has the same advantage."

Mr. Euson said, "More or less, more or less except this thing gets a little convoluted, except that cereal malt beverage is still allowed to be sold on Thanksgiving Day and Christmas Day."

Commissioner Norton said, "Right. Okay."

Chairman Unruh said, "Any other question?"

Commissioner Norton said, "Well, I remember the days, years ago in my early retail career when we were fighting the blue laws. I don't know if everybody even remembers blue laws, but that's when retail establishments, almost all retail areas were closed on Sunday and when that changed, and really all it did was let the people have an advantage to work extra days and the company to spend more money. You know, I think there's expendable income and people can shop in six days and buy just about whatever they want in those days and have that extra day.

You know, philosophically, I don't know that not keeping Sunday as a day of rest and everything, as we have for years and years and years in the communities makes sense, but to even out the

Regular Meeting, May 2, 2007

playing field, if it's been passed in other jurisdictions for the four or five entities in the county also doesn't make sense, so I'll probably support this today, but it really goes against what my better nature of what I'd rather do, so that's all I have."

Chairman Unruh said, "Commissioner Welshimer."

Commissioner Welshimer said, "Well I see we have one member of the people being affected by this, Mr. Davis from South 47th. I don't know if there's anyone else here who are liquor store owners in the unincorporated areas, but do you Mr. Davis have any opposition to give us or want to speak to this at all?"

Mr. Davis, liquor store owner, said, "You're just giving us the option, so we don't have to be open every day. What you said, it's just if you give us seven days a week, and I don't open on Sunday, which I don't, I won't. If I don't open Monday I don't have to open up. If I don't want to open until 11 and close at 10, fine. Just an option, it gives the consumer an option and it gives us an option to open and I would say that we all try it once and if it works, it works. If it doesn't well, we just won't open that day.

Some stores already don't open on Mondays, or they open late, it's a bad day for them. So my whole thing is just giving everybody an option, it's not you're telling us 'You're going to open', it's just hear you go, if you want to do it you can, if you don't, don't do it. That's really . . . it's just that's my whole point on the whole thing. That's all."

Commissioner Welshimer said, "Thank you. Thank you."

Chairman Unruh said, "Is that it? Commissioners, I don't see any other requests to speak. What's the will of the Board?"

MOTION

Commissioner Welshimer moved to Adopt the Resolution.

Chairman Unruh seconded the motion.

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

VOTE

Commissioner Norton

Aye

Regular Meeting, May 2, 2007

Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Next item please."

DIVISION OF HUMAN SERVICES- DEPARTMENT ON AGING.

G. AGREEMENT WITH THE KANSAS DEPARTMENT ON AGING FOR CENTRAL PLAINS AREA AGENCY ON AGING TO PROVIDE SENIOR CARE ACT IN-HOME SERVICES FOR FISCAL YEAR 2008.

Mr. Ray Vail, Finance Director, Department on Aging, greeted the Commissioners and said, "I'm here today to present the fiscal year 2008 Senior Care Act contract. This state funded Senior Care Act provides in-home services for the elderly populations of Butler, Harvey and Sedgwick County and I ask that you approve the contract and authorize the Chair to sign."

Chairman Unruh said, "All right, thank you. Commissioners, are there any questions? Commissioner Parks."

Commissioner Parks said, "How are the City of Wichita and the other cities in the county affected by this?"

Mr. Vail said, "Through Central Plains we cover Butler, Harvey and Sedgwick County, we cover all three of those counties with this funding from the state."

Commissioner Parks said, "So the people in those communities do get their fair share of service out of this."

Mr. Vail said, "Yes, yes. We don't make a designation on how much goes in any area. We just serve the people that are in need."

Commissioner Parks said, "Okay, thank you."

Chairman Unruh said, "All right, are there any other questions? What's the will of the Board?"

MOTION

Regular Meeting, May 2, 2007

Commissioner Winters moved to approve the Agreement and authorize the Chairman to sign.

Commissioner Norton seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

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

DIVISION OF HUMAN SERVICES- COMCARE.

H. DIVISION OF HUMAN SERVICES – COMCARE.

- 1. AGREEMENT WITH WICHITA PSYCHIATRIC CONSULTANTS, INC. TO PROVIDE ADVANCED REGISTERED NURSE PRACTITIONER HOURS AT CRISIS INTERVENTION SERVICE.**

Ms. Marilyn Cook, Director, Comprehensive Community Care (COMCARE), greeted the Commissioners and said, "This is a renewal of an agreement that we have with Wichita Psychiatric Consultants. The contract allows us to purchase 20 hours a week for Advanced Nurse Practitioner

Regular Meeting, May 2, 2007

or ANRP services for our crisis program. It's intended to be in place only long enough for us to be able to fill a vacant position. We have truly struggled with that. There are very few Advanced Nurse Practitioners in Wichita that are certified in psychiatry. There are plenty of them in other fields.

The arrangement to this point has worked really well for us, this past year. We're pleased with the clinical and the medical skills that the Advanced Nurse Practitioner has provided us, so we're recommending that you approve renewal of the contract."

Chairman Unruh said, "All right. Questions, commissioners? What's the will of the board?"

MOTION

Commissioner Norton moved to approve the Agreement and authorize the Chairman to sign.

Commissioner Welshimer seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Next item."

2. CONTRACT WITH CITY OF WICHITA FOR COMCARE TO PROVIDE ADMINISTRATION OF SPECIAL LIQUOR TAX FUNDS.

Ms. Cook said, "Commissioners, this is a renewal and an enhancement of a contract that we've had with the City of Wichita. COMCARE's Addiction Treatment program staff have been the administrators of these funds, the City Liquor Tax Funds, since 2000. This contract is for a bit more than it was last year. It's for \$127,515. It's up from a little bit over \$98,000 last year, but we're also monitoring two more contracts into this. We now have a total of 20 contract that we're monitoring under this agreement.

Regular Meeting, May 2, 2007

As administrators of this money, we review outcomes that are spelled out in the contracts. We convene monthly coalition meetings. We work with providers one-on-one when we need to be able to help them succeed and make changes when outcomes are not optimal and we provide technical assistance when that is asked for.

In the recent past, two programs were not meeting program expectations. One became unfunded and one received reduced funding but both of those programs worked well with our Addiction Treatment staff and they served an underserved population, so we really have a lot invested in helping them succeed. COMCARE worked with both the programs, they helped them strengthen their proposal for the next funding round and identified key outcomes with them and both of those programs regained their City Liquor Tax funding and their now reporting using measurable outcomes and very positive outcomes, so it's important to have this kind of administrative function in place. We're asking that you approve the contract."

MOTION

Commissioner Norton moved to approve the Contract and authorize the Chairman to sign.

Commissioner Parks seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

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

I. AMENDMENT TO 2007 CAPITAL IMPROVEMENT PROGRAM (CIP) TO

Regular Meeting, May 2, 2007

INCLUDE REMODELING BUILDING 16 RESTROOMS.

POWERPOINT PRESENTATION

Mr. Pete Giroux, Senior Management Analyst, Division of Finance, greeted the Commissioners and said, "Public Works has requested a CIP amendment to remodel the restrooms in Building 16 in the Stillwell Complex. Building 16 is a butler style building that was constructed about 25 years ago and it's important to survey crew, traffic operations and maintenance and our construction inspection and testing team.

Since the building was constructed that 25 years ago, the workforce has diversified and a significant number of additional staff have been assigned to the building and Public Works has determined that the single restroom and it's a very modest restroom, is insufficient to support the larger and more diverse staff. The closest other facilities are at least a couple of hundred feet away and if constructed today code would require separate facilities.

This project will remodel the existing restroom into an ADA complaint women's restroom and construct an ADA compliant men's restroom adjacent to it. Cost is estimated at \$46,000. Public Works has got, after projecting their budget, has got available funds within their commodities line item to support the project. CIP Committee recommends approval. Do you have any questions?"

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

MOTION

Commissioner Winters moved to Approve the Amendment to the CIP.

Commissioner Parks seconded the motion.

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

VOTE

Commissioner Norton

Aye

Regular Meeting, May 2, 2007

Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

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

J. PUBLIC WORKS.

- 1. RESOLUTION AUTHORIZING THE ESTABLISHMENT AND ENFORCEMENT OF SPEED LIMITS ON 87TH STREET SOUTH BETWEEN BROADWAY AND HYDRAULIC IN SALEM TOWNSHIP, SEDGWICK COUNTY, KANSAS. DISTRICT #2.**

Mr. Mark Borst, P.E., Engineer, Bureau of Public Works, greeted the Commissioners and said, "This resolution will establish a 40 mile per hour speed limit on 87th Street South, between Broadway and Hydraulic. We are suggesting that this is a reasonable speed limit, as 87th Street is an unpaved roadway, not full width, and it does have residential development on both sides, north and south, especially in the west half-mile. The Salem Township Board has requested this reduction of speed limit from 55, and I recommend that you adopt the resolution."

Chairman Unruh said, "We have a couple of comments or questions, so Commissioner Norton."

Commissioner Norton said, "Mark, does this have to do with the detour that's going around Broadway because of the road construction?"

Mr. Borst said, "That's what brought it up most recently. Also, when you look at the east/ west section line roads, both north and south there you have reduced speed limits and at least one of those is paved, if not both of them and so they're looking at this as some consistency and it does make sense."

Commissioner Norton said, "Okay, and this will not be temporary, it will be permanent. It's not something that we're putting out for 90 days and then changing. It's going to be permanent."

Mr. Borst said, "This is permanent, yes."

Commissioner Norton said, "Okay."

Regular Meeting, May 2, 2007

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

Commissioner Parks said, "Just a general question. Townships routinely ask you for your expertise in these matters?"

Mr. Borst said, "Yes, they do."

Commissioner Parks said, "And I had a comment along with that, that I worked with Mark on several projects and on speed limits and I certainly concur with 95% of his recommendations."

Mr. Borst said, "Just because I didn't give you a cemetery sign."

Commissioner Parks said, "No, that 185th Street deal, but anyway that's another story, but anyway . . . but he was right on that one too, and I ended being wrong on that one."

MOTION

Commissioner Parks moved to adopt the resolution.

Commissioner Norton seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Next item please."

2. RESOLUTION AUTHORIZING THE ESTABLISHMENT AND

Regular Meeting, May 2, 2007

ENFORCEMENT OF SPEED LIMITS ON VARIOUS ROADS IN SALEM TOWNSHIP, SEDGWICK COUNTY, KANSAS. DISTRICT #2.

Mr. Borst said, "Commissioners, this resolution will establish a 30 mile per hour speed limit on all roads and streets generally bounded by Broadway on the east, Katherine on the west, 83rd Street South on the north and Durell on the south in Salem Township. All streets included in this area include: 83rd Street South, Kirby, Nicole, Daniel, 85th Street South, 86th Street South, Durell, Katherine and Water.

This entire area is residential in nature, but the lots are typically the size such that buildings are more than the maximum 100-foot statutory spacing for a 30 mile per hour urban district. The Salem Township Board has requested this action on behalf of the residents of the area. I would recommend that you adopt the resolution."

Chairman Unruh said, "Commissioner Norton."

Commissioner Norton said, "Once again Mark, these are pretty big lots down there and the indication would be it doesn't look like typical urban residential, but they'd like to slow the traffic down anyway in that particular neighborhood. Is that correct?"

Mr. Borst said, "That is correct and as you drive the neighborhood, it feels residential, it's just that the lots are big enough that you can't get the tight spacing that the statutory speed limit allows."

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

Chairman Unruh said, "All right, thank you. Any other comment or question? What's the will of the board?"

MOTION

Commissioner Norton moved to adopt the resolution.

Commissioner Winters seconded the motion.

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

VOTE

Commissioner Norton

Aye

Regular Meeting, May 2, 2007

Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

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

K. REPORT OF THE BOARD OF BIDS AND CONTRACTS' REGULAR MEETING OF APRIL 26, 2007.

Ms. Iris Baker, Director, Purchasing Department, greeted the Commissioners and said, "The meeting of April the 26th results in four items for consideration today.

**1) 2007 LATEX MODIFIED SLURRY SEAL- PUBLIC WORKS
FUNDING: PREVENTIVE MAINTENANCE ROADS**

First item is 2007 Latex Modified Slurry Seal for Public Works. Recommendation is the low bid of Ballou Construction in the amount of \$320,929.62.

**2) CAD HARDWARE MAINTENANCE- EMERGENCY COMMUNICATIONS
FUNDING: COMMUNICATION EQUIPMENT/ COMMUNICATION EQUIPMENT
WIRELESS**

Item two, CAD hardware maintenance for Emergency Communications. Recommendation is to accept the quote from Northrop Grumman Information Technology Incorporated for an annual CAD hardware maintenance renewal in the amount of \$29,391.82.

**3) CHANGE ORDER #4 FOR PUBLIC SAFETY LOCATED AT 700 N. MAIN-
FACILITIES DEPARTMENT
FUNDING: CONSTRUCT 9-1-1 DISPATCH/EMERGENCY OPERATION CENTER**

Item three, change order number four for the Public Safety Facility located at 714 North Main for Facilities Department. Recommendation is to accept the change order with Walz Harman Huffman Construction Incorporated in the amount of \$5,356.

**4) 457 DEFERRED COMPENSATION PLAN ADMINISTRATION SERVICES-
HUMAN RESOURCES**

And item four is the 457 Deferred Compensation Plan Administration Services for Human

Regular Meeting, May 2, 2007

Resources. The recommendation is to accept the low proposal from Great West Retirement Services and execute a seven-year contract and then I'm going to read a summary of the evaluation into the record, as it was a lengthy process and involved a lot of staff.

'A committee comprised of Iris Baker, Purchasing; Jo Templin, Mike Mueller, Kevn Nash, Human Resources; Chris Chronis, Troy Brunn, Finance; Lunda Asmani, Enterprise Resource Planning; George Scantlin, Emergency Communications; Brenda Dietzman, Sheriff's Office; Tim Kaufman, COMCARE; Caleb Yoder, EMS; Ron Marsh, Public Works; Amanda Pankratz, Manager's Office; Jennifer Magana, County Counselor's Office; LaWanda Deshazer, Fire District; Jayson Davidson and Dale Parker of Arnerich & Massena Associates evaluated proposals, short-listed vendors, interviewed and performed reference checks in ICMA- RC, Great West Life & Annuity, MetLife and The Hartford. The selection criteria included transition approach, education and training, approach to growth of participation, asset allocation, retirement outreach and administration fees.

The county currently has two vendors providing services for 457 Deferred Compensation. Those are ING and ICMA-RC. The objectives of issuing a request for proposal are 1) to increase employee education about the importance of supplemental retirement and to increase employee participation rates; 2) to enhance services and investment options for participants; 3) to reduce fees paid by participants and increase the transparency of those fees. The services provided by the successful vendor will include plan administration, recordkeeping, education, and investment management services for plan participants.

The recommended proposal will provide a cost savings to plan participants estimated to be \$25,000 annually and, as a result of the RFP process, will generate greater services and educational opportunities for employees and plan participants. Great West will have a locally-based representative available for employees, and on a publicized schedule five days each month the representative will be present in the office in Human Resources for the benefit of all employees. Great West will create a dedicated website for the Sedgwick County 457 program that will enable employees and families to access educational information about investments and retirement planning, and that will enable participants to view up-to-date account performance information and process account transactions. Great West also offered pricing breakpoints as plan assets grow. Current plan assets are \$24.7 million. The fee will go from .29% to .28% at \$30 million; .27% at \$35 million and .26% at \$40 million.'

Would be happy to answer any questions and I recommend approval of these items."

Regular Meeting, May 2, 2007

Chairman Unruh said, "Thank you, Iris. Commissioners, do you have any questions, comments? Commissioner Norton."

Commissioner Norton said, "Well any time you're dealing with somebody's investments and their money, it becomes a pretty passionate issue one way or another. I know that there were some employees that had plenty of questions because they are invested. This supplements their retirement. In many cases, the retirement you get through Social Security and pension does not carry you in your later years, so that money you can put in a deferred account and have grow through investments is very important to individuals."

I guess my question is going to be for Brenda Dietzman. Brenda, you were on this committee, is that correct?"

Deputy Brenda Dietzman, Community Policing, Sheriff's Office, greeted the Commissioners and said, "Yes sir."

Commissioner Norton said, "And you don't have a huge financial or investment background, you came as an employee to look at this program to make sure that it was good for the employees of Sedgwick County, is that correct?"

Deputy Dietzman said, "Absolutely. I will tell you that when I was 23 years old, which has been a few years ago, that a Sergeant came up to me and said, 'You need to get into this' and I said, no I can't, I've got to pay for college, I've got to do this, I've got to do that. And John Katz, he sent him up, he just showed up in the office and got me signed up and I have never, ever, ever regretted that."

I have a pretty good chunk of money in there right now. I am not an expert, but I was interested enough. I made the mistake of asking some questions to Jo Templin over in e-mail when she sent this out and I ended up on this committee. Yeah, I'm just an average, everyday employee."

Commissioner Norton said, "And you went into the belly of the beast and at the end of the day, you thought this was the best plan for employees in general, that to increase their investments and help out with their retirement."

Regular Meeting, May 2, 2007

Deputy Dietzman said, "I think one of the things that I look for in investments is that anybody, anywhere can give you a mutual fund and I can go out to any number of places and buy the same exact mutual fund. It all comes back to expenses for the most part and Great Western is very impressive on that. And I also was very impressed with their presentation. I think one of the things that impressed me the most was I was very concerned about retirees, because retirees that have very little contact with us anymore that have money in these accounts are going to have to transfer them.

And I was rather alarmed by that because, number one we have to find them and number two, you know we have to make sure that the transition for them is easy and that was one of the very first things that the Great West representative brought up in their presentation, so they showed that those were going to be . . . that group was going to be very important to them in this transition."

Commissioner Norton said, "Thank you very much. My next question is for Ann Smarsh. You should have come and sat here today if you didn't want . . . Ann, you were on this committee too, is that correct?"

Ms. Anne Smarsh, Accounting Manager, Finance Department, said, "No sir. I was not part of this committee."

Commissioner Norton said, "Okay. But you were at the meeting the other day and you advocated for this plan as just an employee. You weren't in the middle of it, but you've looked at it, you understand it and you are advocating for it, so give me your thoughts, just as an employee."

Ms. Smarsh said, "Okay. Very much like Brenda, although it's been a few more years since I was 23. I've been investing for a very long time, saving. The secret is and it should be a secret is that you put a little away for yourself and you do it for a long time.

I'm passionate about teaching people that they can take control of their own destiny. I think that's an opportunity that this team is going to give all of Sedgwick County employees, so I think the keys are education and encouragement and sound investment advice and it sounds like this plan is going to give us more options. That's my passion, thank you."

Commissioner Norton said, "Okay, thank you. One last question for Iris. Sedgwick County doesn't benefit from this as a county entity. This is really a process that we went through for the employee. It's their program, it's their accounts, it's their money. Sedgwick County gets no benefit, other than trying to make sure that the moral and the financial health of the employees is good. Is that correct?"

Ms. Baker said, "As a 457 plan, the County has a responsibility to find a sound, solid provider, but

Regular Meeting, May 2, 2007

beyond that, you are correct.”

Commissioner Norton said, “We get no financial benefit, we don’t get a kickback. We get nothing for it other than financial health of our employees and a moral boost.”

Ms. Baker said, “That’s correct.”

Commissioner Norton said, “That’s all I have, Mr. Chair.”

Chairman Unruh said, “All right, thank you. Commissioner Parks.”

Commissioner Parks said, “Is Great Western a portable plan. Do other counties and cities have Great Western, such as you somebody would want to go to work for Sedgwick County that we could have some kind of lateral entry program into it or are they heavily invested in ING and ICMA?”

Ms. Baker said, “Great Western is actually just planned administrators, they’re not direct investors. They are in government. They’re one of the biggest administrators of government, 457 plans, and they currently have a contract with the City of Wichita. They are also . . . have the contract with Via Christi for their retirement plans, so they’re well established in this community and they’re well established in the government environment.”

Commissioner Parks said, “So are they a nationwide company or just mainly local.”

Ms. Baker said, “They are a nationwide company.”

Commissioner Parks said, “Sufficiently bonded and all those things?”

Ms. Baker said, “Correct.”

Commissioner Parks said, “I would also ask if there’s a cost associated with the transfer of these things, of these funds to another, and these questions I’m getting are not of a personal nature, although I am in ICMA right now, but very lightly invested in the county, but there are some employees that have contacted me about this and they’re concerned about the transfer fees and the cost of that and that would go back on them because this is a personal account, it’s not a county account.”

Regular Meeting, May 2, 2007

Ms. Baker said, "Right. I'll let the finance guy, Chris Chronis, answer that. He was the spokesperson at the Bid Board presentation."

Mr. Chronis said, "The ING plan that we have has what is termed a severance fee that's associated with money that is in that plan. That means that money that is withdrawn from the plan before a certain number of years bears a penalty for that premature withdrawal. We have asked for and ING has agreed to waive that severance penalty on withdrawals from the plan. ING also has a fixed income fund that is a proprietary fund owned by ING and for what ING considers to be premature withdrawals from that fund, there is an additional penalty that is assessed. We have asked for but ING has declined to waive that penalty. The penalty is calculated using a formula that's pretty arcane. It's based on the size of assets that are to be withdrawn and the particular market conditions that are in place on the day of withdrawal.

Our employees have between five and six million dollars invested in that fund right now. The last time we calculated that penalty to determine what we were dealing with, we determined that the penalty on that date would have been \$122,000. Great West, as a part of our negotiation, has agreed to write a check to ING to cover that penalty and so on the date of withdrawal, ING will write a check . . . I'm sorry, Great West will write a check to ING to cover that penalty. Great West then will recover the amount of that check from participants in the plan through marginally higher administrative fees for the first few years of the plan. Even with that moderately higher initial administrative fee, we've determined that the fees that our employees will pay to Great West in the future will be less than the fees that they have been paying either to ICMA-RC or to ING, and so we can say with confidence that every employee will pay reduced fees in the future, if this proposal is approved, they will pay reduced fees as compared to what they have been paying in the past."

Commissioner Parks said, "Now you referenced ING. How about ICMA?"

Mr. Chronis said, "ICMA does not have any penalties."

Commissioner Parks said, "Thank you."

Chairman Unruh said, "All right, thank you. Commissioner Norton."

Regular Meeting, May 2, 2007

Commissioner Norton said, "Really, it's kind of a Catch-22. They took the initiative to put the money into those proprietary funds and then they charge you more to pull it out, a penalty to pull it out."

Mr. Chronis said, "Yes."

Commissioner Norton said, "The employee didn't have the options to go in and out of that fund. That was done by an investment person of INGA [sic], is that correct?"

Mr. Chronis said, "Frankly, I'm not familiar enough with the operations of the ING plan to know the answer to that question."

Commissioner Norton said, "Okay. As more people sign up or more investment comes, does that pay off this \$122,000 a little quicker?"

Mr. Chronis said, "Yes. The . . . Great West has computed the marginal increase in their administrative fee to cover that. They've made that computation based on assumptions about the size of plan assets that will be assessed that fee. If plan assets grow at a faster rate than they have projected, they will recover their \$122,000 or whatever the number is faster than they thought they would. Whenever they've recovered that penalty in full, that that portion of the administrative fee will drop off, it will be eliminated. So the faster plan assets grow, the faster that fee will be reduced."

Commissioner Norton said, "So certainly for employees, more people in the program and more investment from them will diminish that much quicker, as the whole plan grows, is that correct?"

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

Commissioner Norton said, "Well, I hope we'll market, if we have a really good feeling about this program, that we market it to more and more people, because if you look at what's going to happen in 20 or 30 years, we know that Social Security is not going to fund people's retirement. Many place's pension plans and maybe people have gotten from other entities are not going to supply them with the right financials for their retirement. These kind of supplemental programs are very important and it looks like, in my opinion, we've found a pretty good one that's well respected, it's going to give flexibility and accountability and accessibility to our employees and I would hope we

Regular Meeting, May 2, 2007

would market that so more people will participate and understand how they achieve financial freedom. Thanks.”

Chairman Unruh said, “Are there any other comments about this item or other items on the Bid Board?”

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 Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, “Thank you, Iris. Next item please.”

CONSENT AGENDA

L. CONSENT AGENDA.

- 1. MAPD Case Number VAC2007-00001 - Request to Vacate a portion of platted complete access control and a portion of a platted setback; generally located south of 53rd Street North on the west side of 159th Street East. District #1.**
- 2. Two Easements for Right-of-Way and one Temporary Construction Easement for Sedgwick County Project at the intersection of US-54 and 135th Street West.**

Regular Meeting, May 2, 2007

CIP# R-313. District #3.

- 3. Two Easements for Right-of-Way and one Temporary Construction Easement for Sedgwick County Project 805-J,K,L; recondition roadbed plus 6" bituminous surfacing on 119th Street West between 29th and 53rd Streets North. CIP# R-254. District #3.**
- 4. Agreement with Wichita Festivals for use of parking lots located at 206 South St. Francis and 220 South Emporia during the 2007 Wichita River Festival.**
- 5. Request for waiver of personnel policy to hire a Senior Social Worker, B322, at midpoint for COMCARE's Outpatient Services.**
- 6. First Quarter 2007 range reallocations.**

7. Plat.

Approved by Public Works. The County Treasurer has certified that taxes for the year 2006 and prior years have been paid for the following plat:

Wretberg Addition

- 8. Order dated April 25, 2007 to correct tax roll for change of assessment.**
- 9. General Bills Check Register(s) for the week of April 25–May 1, 2007.**

Mr. William P. Buchanan, County Manager, greeted the Commissioners and said, "You have the consent agenda. I recommend you approve it and remind you that there are only 243 more days until the sales tax is over."

MOTION

Commissioner Norton moved to approve the consent agenda as presented.

Regular Meeting, May 2, 2007

Commissioner Winters seconded the motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "Commissioners, we're at the end of our agenda except for other and we have an Executive Session we need to go into, but at this time it would be appropriate to talk about other items of interest. Commissioner Norton."

M. OTHER

Commissioner Norton said, "I want to remind folks on the south side that on May 19th that the Vickers Building on Main Street in Haysville will have a Household Hazardous Waste collection. Over the years that's grown. Some other communities have done very, very well with it and I'm encouraging Haysville and the south side to participate. It's a good chance to clean out your garages and under your sinks and with any kind of household hazardous materials, make it easy to pick up and dispose of properly and I would encourage people to stop by from 9 to 1 May 19th at the Hazardous Waste pick up at the Vickers Building, which is an iconoclastic building that most people recognize in Haysville.

Secondly, I want to talk about Exploration Place, Crocs Rule, they're doing pretty well and they rule and I would encourage you, if you're looking for something to spend some time with that's very interesting and your kids and grandkids would enjoy, stop by Exploration Place and enjoy When Crocodiles Ruled the World.

And then finally, yesterday I wasn't at the staff meeting. I was in Hutchinson. My wife, Dr. Susan Norton and I, were speaking at a public health conference that talked about emergency management and preparedness, public health preparedness for any kind of crisis management or disaster that might happen in our community, so that's all I have."

Regular Meeting, May 2, 2007

Chairman Unruh said, "All right, very good. Commissioner Parks."

Commissioner Parks said, "Well I, as you probably tell from other meetings, when to the Wild football game, the first one at the Kansas Coliseum, which I thoroughly enjoyed. The facilities were great, staff was great, just had a good time, well up to about the third quarter, it was kind of a rout, but I anticipate future games to be much closers, so get out and support the Coliseum and the Wichita Wild. Thanks."

Chairman Unruh said, "All right, very good. Well, I would just mention that, follow up with Household Hazardous Waste in District 1 and June 9th, I believe that's right, Mr. Spears, June 9th? So folks in District 1 can get ready for that convenient location out at Hawker Beechcraft, is where our pick up site will be. And then I want to remind everyone that penguins are coming and they will be here on May the 25th for the grand opening."

Commissioner Norton said, "I've seen a lot of penguins peeking over billboards around the city too. It's pretty good."

Commissioner Norton said, "Well, we want to remind everybody in the city that it's going to be a great exhibit and invite them to come out and enjoy those interesting little animals."

With that, I think we're ready for a Motion."

MOTION

Commissioner Winters moved to recess into Executive Session for 30 minutes to consider consultation with legal counsel on matters privileged in the attorney/client relationship relating to pending claims and litigation and legal advice and that the Board of County Commissioners return to this room from Executive Session no sooner than 12:25 p.m.

Commissioner Parks seconded the Motion.

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

VOTE

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye

Regular Meeting, May 2, 2007

Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, "We are recessed."

Board of County Commissioners recessed into Executive Session at 11:55 a.m and returned from Executive Session at 1:12 p.m.

Chairman Unruh said, "We are back from our recess to Executive Session, so I will call back to order the Regular Meeting of May 2nd, and I will state for the record that while we were in Executive Session no binding action was taken. At this point, I think County Counselor Rich Euson has a couple of items for us."

Mr. Euson said, "Commissioners, we talked about a couple of Worker's Compensation cases and would ask you to approve them, which you can do both at once. One involves a former employee by the name of Kelly Guera and we had recommended a settlement in the amount of \$40,000, which would close out all issues related to this case and we recommend that for your approval.

And another involving a Jeffrey Berry, a former Zoo maintenance worker and that settlement would be in the amount of \$23,000, which also would close out all issues and unless you want some real factual background for the record, I recommend you approve these both."

Chairman Unruh said, "Okay, we can do both with one motion?"

Mr. Euson said, "Yes."

Chairman Unruh said, "All right."

MOTION

Commissioner Welshimer moved to approve the Workers Comp settlements as described by the County Counselor.

Commissioner Parks seconded the motion.

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

VOTE

Regular Meeting, May 2, 2007

Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Parks	Aye
Commissioner Welshimer	Aye
Chairman Unruh	Aye

Chairman Unruh said, “Anything else to come before this board, this meeting? All right then, we are adjourned.”

There being no other business to come before the Board, the Meeting was adjourned at 1:15 p.m.

**BOARD OF COUNTY COMMISSIONERS OF
SEDGWICK COUNTY, KANSAS**

DAVID M. UNRUH, Chairman
First District

TIM R. NORTON, Commissioner
Second District

THOMAS G. WINTERS, Commissioner
Third District

KELLY PARKS, Commissioner
Fourth District

Regular Meeting, May 2, 2007

GWEN WELSHIMER, Commissioner,
Fifth District

ATTEST:

Don Brace, County Clerk

APPROVED:

_____, 2007