

## **MEETING OF THE BOARD OF COUNTY COMMISSIONERS**

### **REGULAR MEETING**

**July 16, 2003**

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, July 16, 2003 in the County Commission Meeting Room in the Courthouse in Wichita, Kansas, by Chairman Tim Norton; with the following present: Chair Pro Tem Thomas G. Winters; Commissioner David M. Unruh; Commissioner Carolyn McGinn; Commissioner Ben Sciortino; Mr. William P. Buchanan, County Manager; Mr. Rich Euson, County Counselor; Ms. Jan McKay, Director, Old Cowtown Museum; Mr. Don Brace, County Clerk; Ms. Irene Hart, Director, Community Development; Mr. John Schlegal, Director, Metropolitan Area Planning Department; Mr. Ron Holt, Director, Division of Culture, Entertainment and Recreation; Mr. John Nath, Director, Kansas Coliseum; Mr. Chris Chronis, Chief Financial Official, Division of Finance; Mr. Joe Norton, Bond Counsel, Gilmore & Bell; Ms. Pam Martin, Director, Clinical Services, Health Department; Mr. Ted Jobst, Director, Integrated Family Health, Health Department; Ms. Marilyn Cook, Director, Comprehensive Community Care (COMCARE); Mr. David Spears, Director, Bureau of Public Works; Ms. Iris Baker, Director, Purchasing Department; Ms. Kristi Zukovich, Director, Communications; and, Ms. Lisa Davis, Deputy County Clerk.

### **GUESTS**

Ms. Leslie J. Ward, Member, Sedgwick County Public Building Commission.  
Mr. Wes Darnell, Architect, Wilson Darnell & Mann.  
Mr. Ed Wolverton, President, Wichita Downtown Development Corporation.  
Mr. Carl Peterjohn, Executive Director, Kansas Taxpayers Network.  
Mr. Dave Calvert, Member, Kansas Coliseum Task Force.

### **INVOCATION**

The Invocation was led by Dr. Paul Wilke of Woodlawn United Methodist Church, Derby.

### **FLAG SALUTE**

### **ROLL CALL**

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

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**CONSIDERATION OF MINUTES:** Regular Meeting, July 2, 2003

The Clerk reported that all Commissioners were present at the Regular Meeting of July 2, 2003.

**MOTION**

Commissioner Sciortino moved to approve the Minutes of the regular meeting of July 2, 2003.

Commissioner Unruh seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Next item."

**PROCLAMATION**

**A. PROCLAMATION DECLARING JULY 19-20, 2003 AS "RAILS TO TRAILS WEEKEND."**

**Chairman Norton** said, "Commissioners, I'd like to read the following proclamation into the record.

**PROCLAMATION**

**WHEREAS** Kansas State Law of 1876 prohibits the importation of Longhorn Cattle potentially infected with Texas Fever; and

**WHEREAS**, proper authorities may deem certain herds free of such infestation and then grant entrance to their County; and

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**WHEREAS** Old Cowtown Museum wishes to drive a herd of Longhorn Cattle through its streets for the reenactment of the History of the Cattle trade; and

**WHEREAS** Old Cowtown Museum is the proper living history venue to delight our citizens in this way; and

**WHEREAS** the Kansas Cattle town Coalition collaborates in presenting the history of the cowboy and the cattle trade history; and

**WHEREAS** Sedgwick County and Wichita celebrate our rich cow town history including the birth of the railroads in Kansas and the Cattle Trade Era of 1872-1876.

**NOW THEREFORE BE IT RESOLVED** that I, Tim R. Norton, Chairman of the Board of Sedgwick County Commissioners, do hereby grant passage of Longhorn Cattle from the Joe Moore Ranch of Bucklin, Kansas to the Wichita and Southwest Railroad terminal at Old Cowtown Museum, Wichita, Kansas and proclaim July 19<sup>th</sup> and 20<sup>th</sup>, 2003 as

**‘RAILS TO TRAILS WEEKEND’**

in Sedgwick County and invite all residents and visitors from around the State to experience this piece of our unique Kansas history.

Dated July 16<sup>th</sup>, 2003. And I believe Jan McKay is here to receive. What is the will of the Board?”

**MOTION**

Commissioner McGinn moved to Adopt the Proclamation and authorize the Chairman to sign.

Commissioner Winters seconded the Motion.

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

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### VOTE

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Welcome, Jan."

**Ms. Jan McKay**, Director, Old Cowtown Museum, greeted the Commissioners and said, "Thank you very much, Commissioners. I wanted to just briefly introduce some of my staff that are going to be part of Rails and Trails Weekend. We have Anthony Horsh, who is our director of education, Gaylen Arnette, our County staff person and cowboy interpreter, Sandy Edwards, director of public relations, Jason Trimmel, the County staff person and farm manager, and Ed Leroy, team leader for Rails and Trails Weekend.

We wanted to let you know that this weekend we have a very special time. The cattle town era will be celebrated and the birth of the railroads in Wichita and the state. It will feature guest historians from around the region, as well as exhibits, model railroad displays, entertainment, music, crafts. We have cowboy poets coming, people talking about the Harvey House Restaurants and the history of that. Lots of things for kids, a railroad car has been restored and kids can get a ride on a railcar.

Of course we're most excited, Commissioners, about the real Longhorn Cattle drives that we're having, twice on Saturday and twice on Sunday. As you probably know, at the end of the Civil War there were seven to twelve million cattle just roaming free in Texas and at that time our country changed from pork eaters to beef eaters and lots of cowboys around too, and former soldiers wanting a job. And it was a very good time for them to become drovers, driving the cattle up the Chisholm Trail and the other trails that existed from Texas to here. And Wichita, for about four years, was a boom town. Kind of the hub of shipping cattle out east and we're going to be celebrating that. That's also a little bit of our frontier and cowboy heritage.

These cattle drives that we're having this weekend are probably the first cattle drives in Wichita and Sedgwick County since 1876, so we are pleased to be able to bring that back to our citizens. We invite everyone down for this weekend and we thank you so much for your proclamation and for supporting the museum many, many years now."

**Chairman Norton** said, "Commissioner Sciortino."

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**Commissioner Sciortino** said, "Now you've had city marshal, Buckaroo Tim is going to sign off that they don't have any Texas Fever and all that kind of stuff, because we don't allow that there in this here town."

**Ms. McKay** said, "No, that's why I put it in there, make sure it was official."

**Commissioner Sciortino** said, "Is he going to be the designated marshal for the day? I think Buckaroo here would look good in a cowboy . . . with his guns."

**Ms. McKay** said, "We'd certainly welcome that opportunity, if Commissioner Norton wants to come down. We'll get you a costume."

**Chairman Norton** said, "I would much rather be the gambler, actually."

**Commissioner Sciortino** said, "Oh, Kenny Rogers. You do sort of look like him."

**Commissioner McGinn** said, "He's coming to town."

**Commissioner Sciortino** said, "And a can-can outfit for Commissioner McGinn. I could be the town drunk."

**Chairman Norton** said, "Well, we've got something for everybody but Dave and Tom. You guys want to be a part of this?"

**Commissioner Unruh** said, "I think I'll watch."

**Commissioner Sciortino** said, "They could be part of the clean up duty behind the cows."

**Ms. McKay** said, "I think Commissioner Winters would make a great cattle baron and Commissioner Unruh will get a cowboy outfit."

**Commissioner Sciortino** said, "This is great. I mean, what you guys are doing, this is great."

**Chairman Norton** said, "Commissioner McGinn."

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**Commissioner McGinn** said, "Well, and you have a lot of great events almost every weekend and I'm not sure if everybody knows that. You know, a lot of times people go out during the week and we've got people out there, re-enactors and things going on, but I'll tell you, the weekends are truly special, great events and you guys do a great job doing that and so I think this is probably one of the biggest events we've had in a long time. And for general admission, they can come out and see the cattle drive and that kind of thing. And then there's an event Saturday night too though, that if you want to buy a ticket, you can . . . you might share a little bit about that."

**Ms. McKay** said, "Thank you for reminding me, Commissioner. On Saturday night, we're having a barbeque, auction, dancing in the streets of Cowtown party in conjunction with the Kansas Cattle town Coalition. The event is called Railhead Rowdy Roundup and we're asking you to come down. You can get a little rowdy if you want to, but not too rowdy. The marshal will be there and it's a bit of a fundraiser for Cowtown and the Kansas Cattle town Coalition. If you buy a ticket to that event, you get in free on Saturday for all the other events."

**Commissioner McGinn** said, "And it's like \$25 for food and drink and music and all kinds of things and I'm selling tickets."

**Chairman Norton** said, "Don't make eye contact with Carolyn right now."

**Commissioner Sciortino** said, "Maybe Jan, could you kind of maybe if somebody wants some additional information, a phone number or something?"

**Ms. McKay** said, "Certainly. Thank you. The number is 264-0671, extension 103. We'll be glad to sell you a ticket to Railhead Rowdy Roundup and make sure you come on down for Rails and Trails Weekend."

**Commissioner McGinn** said, "I'm looking forward to it and I just want to thank you and staff. We have a very dedicated staff, works many overtime hours. Anyway, thank you for all that you do."

**Ms. McKay** said, "Thank you, Commissioners."

**Chairman Norton** said, "Well it sounds like a moo-ving experience to me. Thank you very much. Clerk, call the next item."

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**DONATION**

- B. DONATION BY SUNFLOWER FOUNDATION OF \$10,000, TO BE USED TO UPDATE THE BILLING FEES AND INSURANCE PROJECT FOR THE HEALTH DEPARTMENT.**

**Mr. William Buchanan**, County Manager, greeted the Commissioners and said, “Commissioners, we’d like you to defer that indefinitely.”

**MOTION**

Commissioner Winters moved to defer Item B indefinitely.

Commissioner Sciortino seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, “Commissioners, at this point I’d like to take an Off Agenda item on an appointment.”

**MOTION**

Commissioner McGinn moved to consider an Off Agenda item.

Commissioner Winters seconded the Motion.

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

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**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**OFF AGENDA ITEM**

**RESOLUTION APPOINTING LESLIE J. WARD (COMMISSIONER MCGINN'S APPOINTMENT) TO THE SEDGWICK COUNTY PUBLIC BUILDING COMMISSION.**

**Chairman Norton** said, "We have a resolution appointing Leslie J. Ward as Commissioner McGinn's appointment to the Sedgwick County Public Building Commission and I would entertain discussion and a Motion. Mr. Euson, is this in order?"

**Mr. Richard Euson**, County Counselor, said, "Commissioners, this is a four-year term, as all terms are in the Public Building Commission and the resolution is in proper form."

**MOTION**

Commissioner McGinn moved to adopt the resolution.

Commissioner Sciortino seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "And I see Don Brace here. Is Leslie . . . Oh, here she is on the front row. Let her be sworn in today."

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**Mr. Don Brace**, 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 Sedgwick County Public Building Commission, so help me God.*

**Ms. Leslie J. Ward**, Member, Sedgwick County Public Building Commission, said, "I do."

**Mr. Brace** said, "Congratulations."

**Chairman Norton** said, "You could make a comment if you'd like to, Leslie."

**Ms. Ward** said, "This is my first opportunity to serve the County and at this time thank you for the opportunity."

**Chairman Norton** said, "Thank you. At this point, I have another Off Agenda item that I would like to take real quick to get out of the way, it's a road dedication that we had deferred at one time. David Spears has got that."

**MOTION**

Commissioner Winters moved to consider an Off Agenda item.

Commissioner Unruh seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

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**Mr. David Spears, P.E./** Director, Public Works Department, greeted the Commissioners and said, “For the record, this item was originally on the agenda on May 14<sup>th</sup> and your action was to defer it. It is standard procedure that after a road is constructed within a platted residential subdivision, in accordance with county standards, that road is then assigned to the township road system. In this particular case Gordon Bennett and Chukker Lane, located in the Polo Addition, will become the responsibility of Salem Township. I recommend that you adopt the resolution.”

**Chairman Norton** said, “Commissioners, if you remember this was an instance where the township was not prepared to take the road. The developer and the township have met, have come to some conclusions. They’re going to put the road to what they think is the right standard, kind of takes the County out of this. I’m real proud that they could come to a meeting of the minds and we’re ready to dedicate the road, if I have a Motion.”

**MOTION**

Commissioner McGinn moved to adopt the resolution.

Chairman Norton seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, “Next item.”

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### NEW BUSINESS

#### C. PRESENTATION OF THE 2004 RECOMMENDED BUDGETS.

##### POWERPOINT PRESENTATION

**Mr. Buchanan** said, "It's my privilege to present to you this morning the 2004 recommended budget for Sedgwick County. I've been preparing municipal budgets since 1971, and this is the most time consuming, the most difficult, the most arduous one yet, but was also the one of which I am most proud. I'm proud of this budget because it does three things that we set out to do. We have reversed the negative trends Chris Chronis told us about eight months ago. With this budget, our revenues will exceed our expenditures. That's a good thing. Secondly, we've maintained our financial and fiscal integrity. And third, we've rebuilt the foundation, our financial foundation, for the future.

That's all possible because of your leadership, your fiscally conservative leadership has been critical in assuring that essential services are continued to be delivered at the same time we're investing in our infrastructure.

In producing this financial plan, we've received great assistance. This isn't just the work of a couple of people, but the work of Bill Meek the Register of Deeds and Don Brace, the Clerk and Treasurer Jan Kennedy, Sheriff Gary Steed and District Attorney Nola Foulston and Election Commissioner Marilyn Chapman have all contributed to this process. Your appointed officials, Rich Euson and Jerry Frantz and David Spears, along with those who report to me have done extraordinary work on this project.

They all submitted ideas. They all submitted budgets that reduced their expenditures. They invented ways to deliver services differently. They prioritized their needs in helpful ways and this was a difficult task.

All that information was submitted then to our budget analyst, who probed and asked difficult questions. And those analysts are: Lunda Asmani, Lucretia Burch, Pete Giroux, David Miller, Kelly Wallace and of course Renfeng Ma, the Budget Director.

I want to remind you that there is a natural tension between those that deliver services and those who watch our resources and I believe our budget analysts do that, help create that tension with their questions and the way they probe, but they do it with professionalism, integrity and dignity.

Their analysis then came to Kathy Sexton and Chris Chronis, our Chief Financial Officer, Kathy the

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Assistant County Manager, Renfeng Ma and me, and we made the decisions what to recommend. The final touches on the budget of course were put together by Tammy Brandt and Lori Westphal from the data center and her folks, who put the document together in a very helpful way that were delivered to you yesterday. Thanks to all those folks, we are here today.

In trying to determine what the theme, is there is such a concept of a theme for the budget for this year, there's a quote that struck me that made perhaps the most sense, and it's from one of my favorite people, 'There's no use saying we're doing our best. You have got to succeed in doing what's necessary'. And I think this year's budget exactly does that. If there is a theme it is we've done what was necessary to keep our fiscal integrity.

We are faced with a new financial reality. We've talked about that for some time. This impacts county services and it impacts county departments and it impacts our partners and agencies, those prevention partners, those CDDO partners, those who deliver service, our partners in Aging have all been asked to step up to the plate, Cowtown, the Zoo, the African American Museum and the Wichita/ Sedgwick County Historical Museum, those other partners and certainly our employees have been impacted.

Our current environment is we've had 12,690 layoffs in our community. That current environment and that reality has driven this budget process. In 2003, we've already in round one reduced it by 5.3 million dollars and twelve and a half positions. In round two, which was April, we reduced another five and a half million and 30 positions. And 2004 budget, initially set at the 2002 spending level, this caused department heads and elected officials to prioritize in ways that we've never had to in the past. And finally, it's not about new services. Our folks understood that, but it was about maintaining the services that we had and focusing on essential services.

I'm proposing that there be no tax increase for the general funds in 2004. Our budget is \$315,092,064. That is 9.9 million less than the current 2003 budget. I want us to examine some of the trends that we've seen. The fund balance remains healthy and you'll recall that early in November/ December, Chris Chronis presented this bleak picture of if we didn't take care of business what would happen to our fund balances. After rounds one and two, the fund balances looked like that and you can see our position was strengthened, but not particularly a healthy position. We did have some fund balances, we certainly were going to run into trouble in 2006, 7 and 8.

After the recommended 2004 budget, putting the information now, the fund balances look like this. You'll see that in 2003, 2004 and 2005 we are in good shape. We start to erode in 2006 and we

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know that, but we have the opportunity, as I indicated earlier, to address that. We've developed the foundation for financial success. We just need to keep plugging and doing the hard work that's required.

Another way to look at that trend is to view our operating revenues. Back in January, our forecasted operating revenues were here and then you will see the operating expenses. Now these are our operating expenses. You'll see that this is not a healthy trend. No one wants to be in this position where you're spending more money than you're receiving. After the first two rounds and after the 2004 budget recommendation, here's what those trends look like now. Our revenue forecast is a little higher than what we've anticipated for a number of reasons and our expenditures for 2004 and 2005 are less than our revenues and that's a good thing. 2006, we still have work to do on that, but we have time in which to address those issues. This is, I think, an excellent view of what the hard work and how that has paid off.

The 2004 budget overviews, we've maintained services. We have a minimal impact on direct services and there's a balance between providing services and maintaining infrastructure. We're not doing this . . . there's no flashy reductions, there's no sexy way in which we're going to reduce the budget or raise revenues. There's no tricks about early payments or late payments or delayed payments or collecting money early. This is the hard work of slogging through the details of sharing in the reductions and keeping the task in mind of delivering quality public service.

The 2004 overview, there are 78 fewer positions in January of 2004 than in 2003. Please be reminded that we predicted early on January and February that we would probably lose somewhere between 50 and 100 positions. Forty-three positions from 2003 are not funded in 2004 and we are reducing even further, 35 positions through the 2004 process. I am proposing, however, a 2% increase for those employees who remain employed. We are asking them to do more with less. We also would remind you that in January employees will be paying 1% more of their health insurance and health insurance costs are increasing at a rate of somewhere around 20%. Our employees will pay 19% of that shared cost, rather than 18%.

We're keeping people safe and healthy in this community. We're maintaining all crews for EMS. You'll note, however, that we are in the budget going to reduce six full-time fill in positions to part-time. We think that's a way that the EMS folks can manage that and provide the continuation of those services.

We've begun construction on the new 9-1-1 and Emergency Management facility and the District Attorney has provided a budget with \$565,000 less than current budget. She deferred the case management software system. Diversion fee revenue will come to the County and she is

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reinventing how diversion will work in the County. Nola Foulston stepped up to the plate and hit a homerun.

Keeping people safe and healthy; the Sheriff's Department will be funded to house inmates in other counties while conducting a jail study. This study also will be reminded to look at alternatives to increase the jail population . . . combat the jail population increase. The Sheriff has provided other ways in which to reduce ongoing expenditures. Youth Corrections, we begin construction of a new juvenile complex. We have changes in the safety program. The Department of Corrections was changing the pre-trial service program. It will be reduced slightly, but we will continue to provide services on the street for those people to get people out of the jail in a way that I think still makes sense for this community. And we reduced, in those areas, some administrative and support functions. We tried to eliminate any deductions of people in the field, but only of support staff.

Our job, our task is to take care of people. We continue to provide almost half a million dollars to 21 county senior citizen centers. We are changing the service delivery models in COMCARE by doing more with less. There will be fewer billing clerks and administrative assistants. We're renegotiating contracts for Community Developmental Disabilities services and those contract negotiations continue with the state, but our local tax dollars will support them about \$30,000.

And finally, the Health Department's strategic vision for health for the future. Some of you, Commissioners Norton and Unruh, went to Jacksonville to see a model. We've examined that model and we need to examine other models. I guess it was Commissioner Unruh who pointed out to me that they spend \$38,000,000 more than we do, their infant mortality is higher, their births with prenatal care is less than ours and the low birth weight is higher than ours. The issue about spending money on public health isn't necessarily the volume that's spent. It's about how you spend it and how smart we spend it. And we need to continue to examine ways to spend our dollars to provide a healthy community, which seems to be, in comparison, in pretty good shape.

We need to continue to build a stronger community. We're going to focus on long-term, continued long-term growth. Commissioners Norton and Winters are active participants in developing a new strategic economic development plan. They're supporting a strong community infrastructure. We're maintaining 600 miles of road and 657 bridges and we're promoting waste minimization through recycling and household hazardous waste.

Families and visitors use our facilities. We have asked our partners, they all took a reduction in 2003 and we're asking that reduction to continue in 2004 for the Coliseum and the Zoo and the museums and the parks and the Kansas Coliseum, which we will talk about later. Renovation is

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planning to begin and continue to 2004 and construction in 2005.

There will be impacts on Information and Operations. There will be fewer maintenance crews. Will the building be dirtier or will it take longer to get things done? It might. We think we can manage through that. Technology enhancements have been delayed, but with the resources from the Register of Deeds technology fund, we think some of those can proceed in an orderly manner.

I'm recommending that the road project, the cold mix project be suspended for one year. There will be fewer staff support. We're going to be working differently in lots of departments. EMS and firefighters will be asked, and I'll get the fire budget in a minute, will be asked to do things differently and some of the senior managers will be asked to provide service directly to folks in ways that they haven't been required to in the past.

We need to manage our resources in ways and we're asking all departments to do that. The Health Department has requested \$240,000 for Tuberculosis education. I'm recommending that we don't fund that, that we ask the managers of the Health Department to figure out ways out of a \$10,000,000 budget to do that. We have 28 cases of Tuberculosis. Surely there's a way in which they can find some middle ground to provide that needed service.

The resources, we have \$315,092,064. We have . . . It's broken down in cash reserves, ad valorem taxes are 32% of our budgets, sales tax are 7%, motor vehicle tax is another 4%. The other taxes, which are alcohol, franchise tax, severance tax, about 3%. Intergovernmental is grants from the state. Fees are 34% of our budget and then investment income is at 1% and that will remain low as long as the interest rates remain low.

Our expenditures look this way. We're spending a preponderance of our dollars clearly on public safety and human services and you can read those numbers, the pecking order of how we spend our money. Another way to depict that, however, is for every dollar that we spend, 29 cents goes to public safety, 24 cents for human services, etcetera in that fashion.

To summarize the budget then, 2004 is a maintenance budget. We're minimizing the impact on direct services to folks. There is no increase in the county-wide mill levy. We're spending 9.9 million dollars less than the current 2003 budget. That, combined with the previous cuts, is about a \$20,000,000 reduction if you annualize those costs.

Let me remind you that this budget reverses our negative trends that we had predicted in the past. We've developed a foundation. We've rebuilt the foundation for our fiscal future health. We've preserved our financial integrity. And if I must say so myself, this organization has done a superb job in getting to the goals that you wanted us to receive.

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The 2004 Fire District budget, the Fire District budget is \$11,035,769. I'm recommending a 1.26 mill increase. I'm recommending, coupled with that, that we begin to spend down the fund balance. I also recommend that we reduce the workforce by three positions. Those are the fill positions and that stations, all the stations, remain open. Part of this plan, however, is to begin a process now, and I mean we've already begun, I've asked Bob Lamkey to begin the process to examine the station locations currently. It is my vision and in talking to Commissioner Sciortino, we did some quick analysis that would indicate that perhaps by relocating some stations we could close two or three and then only have to reopen one or two. So there may be some efficiencies and effectiveness in that examination.

The reason that examination is because we have a new financial reality. The aggressive annexation by communities around the Fire District since 1999 has, despite the growth in western Sedgwick County, has reduced the population about 13%. Households are down about 11%. We need to realign services. Commissioner McGinn has talked about the affects of fire station location on the ISO ratings and what that might have to do with how we locate that. So we need to examine that concept and see if realigning services in effect can help people's insurance rates. And continue with that station location study, but I would hope to be completed by Thanksgiving.

The impact on individuals in the Fire District, we've traditionally used home valuations at \$100,000. In the Fire District, the average home is a little less than that, 98.6. A mill levy increase of 1.26 mills would have a \$14.49 annual impact on residents.

The Fire District budget includes personnel and benefits are 86%, contracted services are 9%, commodities are 3%, capital improvements are 1% and there's no capital outlay in small interfund transfer.

Our challenge in the Fire District was continue to provide service with changing demographics and we need to recognize that and we need to spend some of our collective time together, analyzing how we're going to do that, from this point forward.

So in conclusion again, I want to close with a quote that we began with. 'You've got to succeed in doing what's necessary'. I think we've done that. Thank you. Any questions?"

**Chairman Norton** said, "At this point, we'll have some questions. I want to be sure the public knows today this is not the final budget. We will analyze it in the next few weeks. We will have several public hearings. We will take comment and then we'll try to do the hard work of analyzing everything we need to do as a public policy in coming to conclusion, I believe, August 6<sup>th</sup>. So, whereas we've been presented the budget today, any action we would take today would not be final

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action, but it would just be the starting point. You've kind of got the clock ticking on us now and we have all the information and we'll be analyzing that. Commissioner Winters."

**Commissioner Winters** said, "Thank you. In following along that same line, Mr. Chairman, then am I correct that next week is a public hearing?"

**Mr. Buchanan** said, "If it would please the commission, I failed to add one more thing. Public hearing is next week, on that would be the 23<sup>rd</sup> and then there's a public hearing on the 6<sup>th</sup> of August. The recommended budget would be available on our website for review, [www.sedgwickcounty.org](http://www.sedgwickcounty.org). Also, we're going to have an on-line public hearing, so those people who want to comment on-line or view other's comments about the recommended budget will be available on our website. Both will be available from the home page, from the front page, when you click on [www.sedgwickcounty.org](http://www.sedgwickcounty.org). Kristi is shaking her head yes."

**Commissioner Winters** said, "Thank you. I certainly want to commend you and your staff from the Budget Department, right down through department levels. I think I agree with you. I think this has been a challenging budget but just having received it yesterday and just beginning to delve into it, so far it appears to me that this is something we can certainly work with over the next few weeks till we get to that August 6<sup>th</sup> date and I think we can come out of here with a budget that is going to have minimal negative impact on our direct services, as you've mentioned several times.

As you know, I've had a lot of correspondence, communications with the folks in Andale concerning the fire station in Andale. If I heard you right, this proposal that you've presented will have funds in here, under your proposal, to keep that fire station open, but that we're immediately going to begin review of station locations throughout the County. But if changes should come about, there's still funding for that fire station in this budget for the year 2004."

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

**Commissioner Winters** said, "Okay. That's all I had right now. Thank you."

**Chairman Norton** said, "Okay. Commissioner Sciortino."

**Commissioner Sciortino** said, "Thank you, Mr. Chairman. I don't have any specific questions. I want to dovetail on what Commissioner Winters just said and compliment you, Mr. Buchanan, Chris Chronis, Budget staff, department heads. This was a tough but challenging time and I want to make sure that I say it the right way, but it's also kind of an exciting time because I know it tested the limits of your capacity. It probably didn't test Chronis' that much, but it did show that you can make the tough decisions. I was heartened that you talked about the elected officials getting on

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board. You made specific comment about our District Attorney. Also our court system, I didn't hear that, but they were extremely helpful this year, and to the administrative judge and to all those people, I just also want to say thank you for that because it was a team effort.

I also just started reading this last night and it's . . . well, it's not the most exciting thing to read, but it's a livable start to get this budget put to bed and it does show that we're able to make tough decisions. If I heard you right, this is the culmination of about \$20,000,000 reduction over what we initially started out 2003 to be, and that's some serious cuts and it looks like you've made those adjustments. The graph showed it, dramatic changes in the trend that we were doing, and I just want to thank you and everybody involved in it. This is one heck of a good beginning. We'll start fine tuning and tweaking a little bit and, come August 6<sup>th</sup>, we will approve something that we can be a leaner and at the same time more efficient governmental entity. So, congratulations to all of you."

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

**Chairman Norton** said, "Any other comments from Commissioners? Well, I just had a few things that I jotted down real quick. This has been a tough year. In fact, last year was a tough year and I anticipate it's going to be tough years for a couple of more years for all levels of public interest. And it's interesting though, we start seeing talk at the federal level of \$485,000,000,000 deficits. Well, you know at the local level you don't have the luxury of running huge deficits and just making money. We have to make some pretty tough decisions, take some real strong leadership roles to understand our community and how it effects them and make those decisions. And I feel certain that the five of us will make those decisions in the next couple of weeks. We have a great budget in front of us, but we'll dig down into the bowels of it and try to figure out if all the things make sense that have been presented to us.

Some things that I think about that are going to be important. One of them is the Fire District and what that mission will look like in five years, twenty years from now as annexation pushes us out, as populations change, as the mission changes we need to be very engaged in that. Certainly, we're going to try to save fire stations today. I think that's good public policy, but as we move forward, that all may change a little bit and I think the public needs to know that we're going to be thoroughly engaged with that, we're going to push that envelope, but that the times they are a changing and we're going to have to be a part of that.

The Health Department is another place that we'll do that same thing. I think we need to really reinvent and look at how we're spending our money, how we're providing the service, what the new environment insists that we do in that area.

As we move forward to make the kinds of the decisions we're going to have to make, I'm always

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interested when I hear that we may layoff 40 people as to not just attach those to some insignificant position, but that those are human beings and I would like to make sure that we get those names of kind of how we're thinking and who those people are, because it is an impact to people's lives. We try to make sure that, on one hand, we're helping with economic development and job creation and workforce development, but on the other end we have to make a tough decision to maybe layoff one of our own and that affects me individually and it affects me as an elected official. I think it's imperative we know that.

It is also important that I met with the other elected officials in the County last week, very collegial time over lunch, and I have to tell you, it is important that we continue to have dialogues. I'm excited that they've come to the table and really helped us with this budget. You know, we have a huge weight on our shoulders to not only do this as a County Commission, but to bring in other elected officials, because we share the budget process with them and it's nice to know that we do have folks that will come to the table, disagree a little bit, but at the end of the day make sure they're also doing what's right for Sedgwick County.

The final note that I have in my mind is that, as we move forward on a budget that's very tough and that we have to condense and make tough decisions, we're also on a parallel track to look to the future, with infrastructure needs like juvenile detention centers and Emergency Management/ 9-1-1 centers and the public will look at 'Why are you reducing budget and also putting money into things like that?' Well we have dual callings. One of them is to provide services and to provide that every day to our citizens, but also to be good caretakers of the infrastructures and the buildings and the facilities that we own. And we take that as a very important charge and we have to weigh in on both of those kinds of issues, all at the same time. And sometimes they seem like they don't match up, but certainly they do, because it's our charge as elected officials.

With that, is there any other things? I assume we will receive and file for right now and start the heavy lifting with two public hearings and some final decisions on August 6<sup>th</sup>. Is that correct, Mr. Manager?"

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

#### **MOTION**

Commissioner Sciortino moved to receive and file.

Commissioner Unruh seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Thank you, Mr. Manager. Next item."

**DEFERRED ITEM**

**D. RESOLUTION AUTHORIZING DIRECTOR, DIVISION OF COMMUNITY DEVELOPMENT, TO ENTER INTO CERTAIN ECONOMIC DEVELOPMENT LOAN AGREEMENTS.**

**Ms. Irene Hart**, Director, Division of Community Development, greeted the Commissioners and said, "This is an item that was deferred from last week and to refresh your memory on what the issue was, several years ago the Kansas Department of Commerce provided about \$100,000 in grants to Sedgwick County to establish a micro-loan program. That micro-loan program provided low to moderate income residents of Sedgwick County outside the City of Wichita with up to \$15,000 in loan funds to create business establishments that generated five jobs or less. So it was a very targeted, very specific loan program.

As the program progressed, loans were made, we used all the grant funds, and as the loan repayments came back in, those repayments can go into a revolving loan fund, which will generate another one to three loans per year. The program is actually administered through an agreement with SCKEDD, South Central Kansas Economic Development District. Their loan committee reviews our micro-loan program and the micro-loan programs of four other counties.

The item that I had before you last week was to authorize the Director of Community Development to sign the loan documents on behalf of Sedgwick County. Now last week I provided some inaccurate information when I said that the money is . . . the loan repayments, the revolving loan fund is no longer state money, it's county money. I was wrong in that regard. It really isn't County money. We continue to make regular reports to the state Department of Commerce in how those funds are spent and the loans continue to be oversaw and monitored by the loan committee of SCKEDD. I'd be happy to answer any questions that you might have on this issue now."

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**Chairman Norton** said, "I see no questions at this point. Commissioner Sciortino."

**Commissioner Sciortino** said, "I just have a comment. First of all, I want to . . . I'm going to be supportive of this issue. I want to thank all of you for allowing me to have this item deferred last week until I can get my hands around it. The one big question, concern that I was having, this would be County money and we would be delegating some of our responsibilities, but now that I understand it is still state money that SCKEDD is going to be reviewing all of the applications, I'm very comfortable with it, I'm going to support it and I just wanted to thank all of you for allowing me the extra time to get comfortable with it."

**MOTION**

Commissioner Sciortino moved to adopt the Resolution.

Chairman Norton seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Thanks, Irene. Next item."

**PLANNING DEPARTMENT**

- E. CASE NUMBER ZON2003-00022 – ZONE CHANGE FROM "RR" RURAL RESIDENTIAL TO "LC" LIMITED COMMERCIAL, LOCATED AT THE NORTHEAST CORNER OF 95<sup>TH</sup> STREET SOUTH AND ROCK ROAD, DERBY, KANSAS. DISTRICT #5.**

**POWERPOINT PRESENTATION**

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**Mr. John Schlegel**, Director, Metropolitan Area Planning Department, greeted the Commissioners and said, “The applicant in this case is requesting a zone change from Rural Residential to Limited Commercial on a two-acre unplatted tract located at the northeast corner of 95<sup>th</sup> Street South and Rock Road. I’ll show you where that is. The applicant owns a total of approximately 80 acres at this location and the remainder of the applicant’s property will remain zoned Rural Residential and be used for agriculture, should you approve this zone change.

The subject property is currently developed with single-family residential and a barn. And you can see the structures in that aerial photo. The barn has been used to house a retail business, which is an antique shop and was found to be in violation of the Unified Zoning Code, which has led to this application for the zoning change.

The character of the surrounding area is rural, as you can see from the aerial photo of the structure in which the business is housed and you can see that this is the character of the surrounding area. With the urbanized area of Derby approaching from the north and the current Derby city limits approximately 800 feet north of the subject property, all the properties surrounding the subject property are zoned Rural Residential and are used for agriculture.

The Derby Planning Commission considered the request on June 5<sup>th</sup> and voted unanimously to recommend that the request be approved. The Metropolitan Area Planning Commission considered the request on June 19<sup>th</sup> and voted, again unanimously, to recommend that the request be approved. No citizens or neighboring property owners have indicated opposition to the request.

Platting was an issue when it was heard by the Derby Planning Commission and unless you have any questions, this item stands ready for your action.”

**Chairman Norton** said, “I don’t see any questions. Commissioner Sciortino.”

**Commissioner Sciortino** said, “I don’t have a question, just a comment. I was in communication with these people. I’ve been out there, took a look at what they’re doing and I’m going to be very supportive of this. It seems like an appropriate thing to do and I was very heartened that both the Derby Planning Commission and the Metropolitan Area Planning Commission supported this unanimously.”

**Commissioner Winters** said, “I have a question. Concerning the platting issue, is it still in there that they’re required to plat with just this zone change, or can we let them not plat and then they

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would have to plat if they really changed anything by doing an addition or a building, etcetera?”

**Mr. Schlegel** said, “Well, the answer to that is that if they ever need to pull any building permits in the future or if they ever wish to sell the parcels which are being rezoned, they would have to plat. Both the Derby Planning Commission and the Metropolitan Area Planning Commission recommended approval without requiring the platting.”

**Commissioner Winters** said, “Okay, good. Well that’s what I wanted just to be clear of. I would support this without them having to plat at this point, but if they do anything in addition, that they would have to . . .”

**Mr. Schlegel** said, “There is a trigger mechanism.”

**Commissioner Winters** said, “Right, okay.”

**Chairman Norton** said, “What is the will of the Board?”

**MOTION**

Commissioner Sciortino moved to Approve the zone change and authorize the Chairman to sign a related Resolution.

Commissioner Winters seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

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**Commissioner Winters** said, “Mr. Chairman, before you call the next item, that was John’s first presentation to the Commission. We hope they all go that smooth. We’re pretty confident they won’t, but welcome again, John. We appreciate your being here.”

**Commissioner Sciortino** said, “We threw you a softball here the first time, but it will get more interesting, I assure you.”

**Chairman Norton** said, “Clerk, call the next item.”

### **F. DIVISION OF CULTURE, ENTERTAINMENT AND RECREATION.**

#### **1. PRESENTATION REGARDING THE KANSAS COLISEUM RENOVATION PLANNING PROJECT.**

##### **POWERPOINT PRESENTATION**

**Mr. Ron Holt**, Director, Division of Culture, Entertainment and Recreation, greeted the Commissioners and said, “We have a presentation this morning to present to you the Coliseum renovation planning project. There will be three of us presenting. I will start the presentation and then Wes Darnell from Wilson Darnell Mann Architects who was the project leader for the architectural and engineering team, will give you a pictorial view of the deficiencies at the Coliseum and the recommended solutions. And then Chris Chronis, the County’s Chief Financial Officer, will preview for you the financing solutions for addressing the renovation upgrades at the Coliseum.

I wanted to give you some background to this whole issue, talk about the planning process that we used and then talk about the results of that planning process, which leads to today’s recommendations.

The Kansas Coliseum opened in 1978. When we talk about the Coliseum, the picture that comes to most people’s mind is the large brown building off of I-135. Well, that is part of the Coliseum. It houses the Britt Brown Arena, but in fact the Coliseum complex consists of the Britt Brown Arena Building, Pavilion I, Pavilion II and the show arena building. Total area for events at the Coliseum complex is over 300,000 square feet. We also have Wiedeman Park, which provides 55 acres for trailers and camping.

The Coliseum sits on 240 acres of land along I-135 at the 85<sup>th</sup> Street interchange. That only 3.6 miles from Wichita city limits, it’s 11.6 miles from the center of downtown Wichita, Douglas and

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Main. I thought this was an interesting fact that we threw in, the land on which the Coliseum complex sits was purchased for \$176,685, about \$735 per acre. The total complex cost was \$10,000,000 and I think the point there was that that was a wonderful investment and, in fact, has more than given a return on that investment over the years.

While the community leaders, led by Fran Jabara, back in the '66 to '75 era, made this effort to build the Coliseum, envisioned it to venue to compliment Century II, and only hold agricultural related events, even before it was open, due to the planning of those early leaders and to the leadership and promotional skills of Sam Fulco, the first Coliseum director, the complex became a venue for not only agricultural related events, but also for concerts, family entertainment shows, sports events and other uses.

This is the current mission of the Coliseum and it really has not changed very much from its very beginning; the mission of the Coliseum is to promote, to exceed the expectations of our guests, customers and partners with entertainment, educational and commercial opportunities in a safe, pleasant and professionally operated public facility.

The Coliseum has achieved the goals it was designed to achieve. In fact, it has gone far beyond the original agricultural purpose in serving the various entertainment constituencies of Sedgwick County and the region. There have been over 3,500 events with more than 16.3 million visitors to the Coliseum complex. The Britt Brown arena building has a seating capacity of 9,700 for hockey, 12,000 for many of the concerts that are held there. There are about 270 events that are scheduled at the Coliseum on an annual basis.

The Coliseum operates as an enterprise fund, using self-generated revenues to fund the operations of the facility. Annual expenditures are approximately 3.2 million dollars. Most revenues are generated through concession sales, building rentals, advertising and ticket fees.

Kansas Coliseum has provided a venue for many memories over the years. The high school state wrestling tournaments, high school graduations, concerts going way, way back: Neil Diamond and Tina Turner and Reba McIntire. In the last few years the Eagles, Shania Twain, Elton John, Cher, others. It's also been a family entertainment venue: Ringling Brothers and Barnum and Bailey Circus, Sesame Street Live, the Harlem Globetrotters, the Shire Circus, the PRCA Rodeo.

It continues to be a sports venue. For many years it was the home of the Wings Soccer Team. It's now the home of the Wichita Thunder Ice Hockey Team. It is currently the home of the Wichita Stealth Arena Football Team. This past year, W.S.U. held their home basketball games out there as the Levitt Arena was being transformed into Koch Arena. Other events include the WWE

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Professional Wrestling, Thunder Nationals, Arena Cross, the Junior Livestock Show, flea markets and on and on.

These next two slides give us a timeline of events that have lead to the renovation study. I'll run through those very quickly, then I'll come back and spend a little more time on some of those events. As I mentioned, in August '77 groundbreaking of the Coliseum, '78 the Coliseum opened, in 1993 there was a citywide election regarding a downtown arena. In '96, there were citizen concerns about ADA accessibility. '97/ '98, we had a market study and a financial analysis that looked at proposals for an arena and amphitheater. In '98, we also were faced . . . the County was faced with the ADA lawsuit. In '98, the MAPD did a study to upgrade the Comprehensive Plan, and part of that was a market research on a downtown arena and the Coliseum and other event related activities in the community. In '98, there was a Kansas Coliseum facilities amenities market study. In '99, we entered into a consent order to settle the ADA lawsuit. In '99, the Kansas Coliseum developed some concept options should it need to go forward with making improvements there, but before those were even out of the shoot, basically you decided . . . or the Commission at that time decided to put renovations on hold for the downtown arena effort.

In 2000, the downtown arena effort was pulled from the ballot and put on hold indefinitely and then, after all of that, last November you approved the Request For Proposal for architectural and engineering services to do project planning and estimating for an upgrade to the Coliseum.

Let me elaborate just a bit more on the major considerations and significant events that led to the decision to do the Coliseum renovation project. In 1993, as I mentioned earlier, there was a citywide election for a downtown arena. It failed by a 68% to 32% vote. Since the Coliseum was built till '98, there had been no major renovations since it opened. There were many upgrades needed, including ADA and other code compliance issues and, as such, in 1996 there were citizen complaints regarding the lack of ADA accessibility in seating, restrooms, ticket areas, concession counters, entry ramps and so forth.

And the county, trying to do the best thing in thinking about what needed to be done and wondering how that fit in with overall plans, did not respond to those complaints in a timely fashion. And in 1998, an ADA lawsuit was filed against the County.

At or about the time the lawsuit was filed, discussions occurred regarding the feasibility of building a new downtown arena. At that time, the county was asked and agreed that if a new downtown arena was going to be built, then the County would work in harmony with the downtown arena effort and would change the mission of the Coliseum to an agricultural related event venue only.

As a part of these discussions, it was decided by changing the mission of the Coliseum, the Coliseum and Century II as well as the downtown arena could operate under one governing board

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and, as such, only then look at ADA and other code issues would be addressed in any upgrade options. The funding for these options would be included as part of the downtown arena funding effort.

In fact, the lawsuit that was filed in '98 was settled in '99 with the consent order with very minor adjustments for ADA and the promise that the accessibility issues would be fully addressed as a part of the downtown arena project.

Well, last year after the downtown arena was pulled from the ballot, it was announced at that time that the downtown arena effort would be put on hold indefinitely. It was then, after much waiting and cooperative effort I might say, the County decided that it was necessary and appropriate to move forward with making the needed improvements at the Coliseum.

Again, since there have been no major renovation to the Coliseum since it opened in 1978, and because community interest in the downtown arena did cause Sedgwick County to postpone any Coliseum upgrades since 1999, discussions last year continued that it is time to make needed improvements at the Coliseum to address ADA concerns, as well as maintenance and operating issues with the heating and air conditioning systems out there, the electrical system, the roof and so forth. Again, this is especially so since there are no plans and no timeline for plans to consider a downtown arena.

As I mentioned, with the downtown arena efforts on indefinite hold, it was decided that the mission of the Coliseum would not be changed, but would remain the same as it has been for the past 25 years. Going forward with the mission of the Coliseum unchanged, it was decided as we began our process last year that the renovation and upgrade considerations should not only include ADA and other code compliance options in the Britt Brown Arena, but also in the other parts of the Coliseum complex as well.

Also we considered or decided that it needed to consider, any upgrades out there needed to consider restroom improvements, again not only in Britt Brown Arena, but in the pavilions as well because the existing plumbing fixture count is inadequate, the existing restrooms are not handicap accessible. Other ADA and code compliance issues that need to be addressed are handicap accessibility in all levels in Britt Brown Arena, including exterior exit and entrance doors, existing elevator car is too small for handicap, concession counters need to be more accessible, ticket areas need handicap accessibility addressed as well. Not enough handicap seating in Britt Brown Arena. The stair trends and risers in Britt Brown Arena do not meet code. The locker rooms need improvements. The existing locker rooms are too small. The existing locker rooms are not handicap accessible.

In addition to the ADA and other code compliance issues that need to be addressed, if the mission

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of the Coliseum is going to remain as it has been for the past 25 years, then other upgrade options that are not only code compliance related, but also options that address issues that will maintain the Coliseum as a viable business operation need to be addressed as well.

These options include performer and fan amenities, as well as other code related issues, including replacing the roof, chillers and fire sprinkler system, widening of the concourses, the number of points of sale, arena seats are no longer commercially available, upgrade to the electrical system need to be considered, need to expand the locker/ dressing rooms for acts and sports teams, we need a new lobby and ticket area, we need improved lighting/ signage and a sound system.

So how did we get to the part of the recommendation that we will be making today on this project? You will see, as we address the renovation planning project activities that we've gone through a thoughtful and very public process. We also considered the fact that there are currently no plans, again, for another venue because the County has been cooperative in such an effort in the past and it has caused numerous delays for the immediate renovations at the Coliseum.

The process for renovating the Coliseum has not only included a comprehensive technical revenue and analysis of the facility needs by the architectural and engineering consultants, but the processes also included presentations to various community groups, a citizen design review task force and we believe that the do nothing option, for all intents and purposes, means really a decision to shut down the Coliseum.

Renovation plans that have been developed; last November the County issued a Request For Proposal for the hiring of architectural and engineering consultants to provide project planning and estimating services phase one for improvements to the Coliseum. The purpose of the phase one analysis was to provide the County with a project cost estimate of all items that would have been scheduled for completion, were they not postponed due to the discussion of the downtown arena, including the completion of an ADA analysis of the current Coliseum complex. As we mentioned, that includes Britt Brown Arena, the Pavilions I and II, the arena building as well as the entire site, the completion of an architectural, electrical and mechanical analysis of the current Coliseum complex buildings.

And then using the findings and recommendations from the identified scope of work, to prepare a list of recommendations, including construction estimates and owner's costs for how much more it

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will cost to add such things to the project as premium seating, club seating, additional points of sale or other amenities typical of new arenas across the country. And when we talk about the options that have been developed, you will see how they build on each other.

In January 2003, the architectural and engineering consultants were selected. Those consultants are Wilson Darnell Mann Architects. They partnered with McCluggage VanSickle & Perry, another local architectural firm. They also partnered with Professional Engineering Consultants, a local engineering firm, and HOK Sports, an international owned sports and events facility planning design firm and the folks we've been using are from the Kansas City area. The A & E consultants began their work in early February with a comprehensive technical review and analysis of deficiencies at the Coliseum complex that needed to be addressed.

Last fall, when the County started to talk about upgrades to the Coliseum, general feedback from the public was 'Whatever you do out there, do it right' and to help decide what right was, you created a Coliseum citizen designed review task force consisting of three members appointed by each commissioner. The task force was asked to participate in three one half day scheduled meetings, as well as to gather community input from their friends, neighbors, family members, associates and other community members.

The first meeting was held on March 5<sup>th</sup>. It was an orientation meeting for the members. They got a tour of the facilities. Also they received a review of the findings from the technical analysis of the architectural and engineering consultants and they were given an opportunity to provide input to help shape the design options that were to be developed.

Beginning March 6<sup>th</sup> and still in place is an on-line public forum on the County's website. Citizens have been given an opportunity to comment on the renovation project. We have had about 92, as of yesterday I think, 92 responses, which for an on-line public forum of this nature, that's very good. About 55% of those are very positive about doing some renovations at the Coliseum. About 20% do talk about don't do anything there, do a downtown arena and then there are other comments in between.

On March 20<sup>th</sup>, a design cheviot was conducted, where the A & E team working with County staff, listening to all of the information and input that we received, as well as the technical review put together time to assimilate all of these findings into some design options.

On April the 10<sup>th</sup> we came back together again, that is the A & E team and the County staff, to review the preliminary design options in preparation for the next citizen design review task force meeting. At the second meeting of the citizens design review task force, which was held on April 30<sup>th</sup>, seven options were presented to the task force and they quickly narrowed those options down to five viable options. It was the general consensus of the task force that two of the options did not

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adequately or appropriately address the deficiencies identified for the facility, especially when you consider the cost versus the benefit of those options, compared to the options that they settled in on.

Since May 10<sup>th</sup>, 14 presentations to various community groups consisting of from 20 to 100 people each have been made. We also sent out 400 letters to area businesses and community leaders. The intent of that was to make folks aware of the upgrade options being considered, as well as to solicit input and/or feedback against those options. Since last November, there has been over 20 articles and editorials in area newspapers and various coverage by the electronic media.

At the third meeting of the citizen design review task force, which was held on June 18<sup>th</sup>, after a lively discussion and many questions, the 12 members of the task force that were present at that meeting voted to strongly recommend option D of the proposed design options and then this whole process is culminating today with this presentation to you on recommendations as to the preferable option.

Just again to recap what we've been through in the public process, as I mentioned, this has not only been a thorough process, but it has been very public. You again see there the articles, the presentations, the letters to business groups and the other media exposure on this project.

The Coliseum review design task force, as I mentioned, was established to help us in this process. It consisted of three members from each commission district. The idea was that they would assist the Commission with determining the nature and extent of the project. They would help gather community input. They would engage their friends and neighbors in dialogue about this project.

I want to publicly thank the team members for their engagement, their effort, their involvement and their commitment in this process. From the first district, those members were Bill Brookhouser, Dave Sproul, Dave Clavert. From the second district, Bill Hancock, Tom Gibson, Bill Gale. Third district, Beth Garrison, Sheryl Wohlford, John Mies. From the fourth district, Brad Edwards, Jana Mullen, Jack Whitson. And from the fifth district, Greg Ferris, Kent Hodson, Kevin Chase.

Again, from the very beginning these members were very engaged in the process and we have very much appreciated their help throughout this process. Fran Jabara and I were asked to chair the task force and we were pleased to be able to do that.

The plan that is the result of all of this process took a look at renovations to Britt Brown Arena, pavilions, as well as site improvements. The task force was faced with five options. Option A, which addresses only ADA and code compliance issues, is 43.8 million dollars. Now that plan, again we want to reiterate, that plan not only looks at what you would do with Britt Brown Arena,

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but also the other improvements that would be associated with Britt Brown Arena, as well as the soft costs for Britt Brown Arena. That plan also looks at the site and all soft costs that would be associated with the site. That plan, as does all the rest, also looks at Pavilions I, II, the show arena and other options that go with the show arena, as well as the soft costs that go with each of those.

Option B is a 49.6 million dollar option and again, it includes all of the things in option A for the Britt Brown Arena, as well as service level expansion. Option C is a 53.9 million dollar option that includes all of options A and B, plus it constructs a multipurpose area above the current seating, behind the current seating, that could be used for club seating and sky boxes. And when Wes comes to do his presentation, he will give you a pictorial view of what's included in each of these plans for Britt Brown Arena.

Option D is 55.3 million dollars. It includes all that's in option C. Again, it also includes opportunities for increased seating capacity for permanent seats, whether those be club, retractable skyboxes or a combination thereof. And then option E was the option to demolish Britt Brown Arena and build a new arena. Option E, after we saw what was involved there, really was never a viable option because Britt Brown Arena is structurally sound, it does not make any sense to talk about demolishing Britt Brown Arena and building it back. But we did want to see, the task force wanted to see what kind of cost would be involved, so that we would have a point of reference, as we were looking for new costs versus renovated costs.

The task force, as I mentioned, on June the 18<sup>th</sup> the 12 task force members who were present voted to strongly recommend option D of the upgrade options. And they said 'We make that proposal with the exception of putting in any permanent seats right now'. You ought to plan for those, but don't install them at the current time. Let the demand determine that. They also fully and strongly proposed supporting the efforts of Pavilions I, II and the show arena and then they said any optional items on the site and other improvements, as you go through the design and planning process, you can then take a look at how those add to the whole project and make decisions on them on an individual basis, as you go through the whole design process.

They also added some additional comments, and we wanted to just pass those along to you. That we really needed to take a look at doing the design stage charging for parking and what that would mean for ingress/ egress issues. We ought to again take a look at the site improvements, part of the planning process and the design process to see which ones of those, if you could do without that you would do without. Take a look at the traffic flow, that that is an issue. And to clarify for folks

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that we're talking about raising a portion of the roof, not all of the roof.

Again, some final comments from the planning design review team was that, again except for seating capacity, that these were just their comments that they thought that what you would have here is a facility that's comparable to building a new downtown arena at a cost of 55 million, versus the proposed 140 million. They also indicated that only 15 million over what it would cost to do minimum code compliance and upgrade requirements were a part of their thought process in considering option D. That we should look toward the future. That premium seating currently and more permanent seating at future dates should be a part of the overall decision and that they felt that the plan that they were proposing gave the most bang for the buck.

So why renovate now? Two reasons: addresses ADA and code compliance problems, as well as maintenance operating issues, that renovations have been on hold since 1999, when a group of business leaders wanted to determine the community's interests in a downtown arena and the County was agreeable in putting the Coliseum upgrades on hold and to be a part of that effort. It makes economic sense to address all of these concerns at the same time.

Actually, we are seeking the same goal for the community as others are. The difference is where is the arena going to be located, if you make this a downtown versus Coliseum agenda. There are no plans, currently, for another venue. How much longer can we afford to delay? These were considerations coming out of the planning team back on June the 18<sup>th</sup>. You saw an article in today's newspaper and at the end of the presentation I'll at least give you some thoughts relative to that.

We need to preserve the past and future memories that have been developed at the Coliseum and that can and will be developed in the future. We need to provide a regional location for entertainment.

Let me now call on Wes Darnell and Wes, I don't know how to get out of what I've got here and get you into your slides, so somebody will need to help you do that, to give you a pictorial view of the deficiencies and the renovation options and then Chris will come and talk about financing and then I'll come back and give you a final comment. Wes."

### **POWERPOINT PRESENTATION**

Mr. Wes Darnell, Architect, Wilson Darnell Mann, greeted the Commissioners and said, "We are the proud leaders of the A & E team that will help guide you through this process. I hope that you agree, that we believe that we have brought together a very high quality team to provide this

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guidance for you. HOK Sports Venue is the world's top designer of this type of a facility. They provided a great deal of input on this project. Locally, we've had MVP, who have worked with the Koch Arena project, giving us a local perspective on this kind of a project. And Wilson Darnell Mann has been involved through a long period of time in doing various studies for this facility. So we feel like the team that's been brought together was an excellent choice by the County and hopefully we've provided the guidance and leadership that you were looking for to guide the County through this process.

Following up Ron is always an interesting ditty because he's so thorough. He's covered a lot of things that we'll be speaking of. We'll be putting some pictures around some of his comments.

Just to speak first of all about some of the deficiencies of the existing facility, following on what Ron has already talked about, the retractable seating system out there is very tired, very worn and needs to be replaced. The scoreboard and sound system are very outdated. Of course the issue that keeps coming up is concourse width. Anyone that's been to an event out there finds that if there's much of a crowd at all, it's almost impossible to move through the concourses before and after the event. And certain, if you try to go out and get a soft drink and go to the bathroom at the same time, it's almost an impossible task.

We totally lack spectator amenities, in terms of being able to serve the people. Restrooms are very crowded, very small, there's always lines again for any major event. There's a special shortage of women's restrooms at the facility.

The behind the scene stuff Ron related to, the service support areas at the lower level in particular are sorely lacking and very worn out. If any of you followed the information that was presented early in our study showing the locker rooms to just be in horrible shape. The rooms were, for people who come to perform at the Coliseum, were just in terrible condition. And this kind of thing also goes through to the other buildings. We lack good facilities, both behind the scenes and in the other supporting buildings.

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The area that you see in yellow, that little strip across there, shows where we would propose to accommodate the ADA compliance as far as seating capacity. The area there would be where a handicapped visitor would come, along with the people that came with them. And the seats that you see behind that in the red show the seats that would effectively be blocked out, or shadowed back, because of the project at that concourse level. So those seats would be lost for all practical purposes, so we had to address how we would solve that problem, as well as providing the ADA seating. So you can see, at this view, it kind of shows a little better the obstructed sight lines that result from pushing that level out. The arena seating down low is shown here at another angle.

Moving on up to other issues, the mechanical equipment in the building is back to the original and I think we've been extremely lucky to this point that you haven't had any serious outages, had to cancel an event because the equipment went down. That's been a miracle in my opinion. The lighting and electrical systems are in terrible condition, and of course we get constant comments about the exterior appearance of the building.

On the site we have a lot of issues and we'll talk more about those in a moment when we look at a slide of the site, but there's always been access problems and circulation flow problems that resulted on the site. And of course, if you have a major event or even two events going on at the same time, such as something back in the pavilions and something in the Britt Brown Arena at the same time, it's almost impossible to park.

Okay, talking about the site just a little bit, when the Coliseum was originally designed they dealt with drainage at the surface. You see an area here that was built in to handle surface drainage and that has resulted, over the years, in really trapping people in the back, in the south lot back here, to be able to get back out to the interstate. So one of the things we're proposing in the money that's been arranged here is to infill that area so that circulation can occur naturally around here and people won't get trapped in the back lot. We are proposing to add additional parking. This cart track is shown because it's a recent addition and just for perspective.

Once we enlarge the facility, which you see yellow outline here indicating how much greater the footprint would be with the proposed changes, once we do this we won't need this storage building out here right now that holds all the floors and things that have to come and go in and out of the building on short notice. Those will be brought inside, so we can eliminate that and again, regain parking in that area.

Some of the other things that we've talked about are adding exit lanes off of 135 here, adding more width to the access road and what you see here is a suggestion of how, if we did determine to

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charge for parking, how that might be handled. And it's also been proposed to bring in another parallel entry from the south, next to the dog track, that would allow use of this interchange, as well as to come to events.

So all those things have been considered and of course when we add restrooms, make other infrastructure changes, we'll be overcoming the capacity of the existing utilities on the site, so we have to enlarge most of the service utilities coming to the building. So we've considered all those things, because we wanted to be able to show you a total package. We wanted to be able to represent to the task force that we were solving all the problems, so that when you moved forward with this project there wouldn't be any surprises.

Talking a little bit about the options and Ron mentioned these, talked about seating increases and things. This is maybe going a little fast, but we'll see if we can cover this, in the interest of brevity.

All the options that are being considered will make changes at the concourse level. In the seating, we would of course building that handicap platform, which I showed you a moment ago. Behind that, we will need to reconfigure the seating, and one of the initial studies we looked at, there was a way of actually building up on top of the seats that are existing there to be able to create an overview of that handicap platform. That solved that problem, but the other problem that came to light in that was we could not deal with the wider concourse, because there is an exiting column right in the middle of this space right here that supports that structural raker underneath the seats, and we could widen the concourse, but we'd have a forest of trees right through that concourse.

So we realized that what we really needed to do was restructure the seating on the east and west sides, through this area, and I'll show that in a three dimensional view of the space in a moment, but by widening and restructuring that, we could get rid of that column that occurs right in the middle and actually give a true concourse width in here.

The other thing we're able to do here is to go outside of the box of the building to solve the problems that we have with providing larger restrooms, more concessions and the queuing area that's needed in front of those spaces for people to be able to circulate.

So what we're showing you right here is this is the existing exterior wall of the building. Everything you see here is upboard of the building. That's why the footprint that you saw a moment ago on the site was enlarging so that we could build these spaces out here. And the A option, we're only building this portion at this level. We are having to construct space down here, which is not being developed in the A option. It will be future space or storage space for now. But that allows us to construct this level in here to provide the concessions, the restrooms, the amenities space at the concourse level that's needed, including the wider concourses and restructuring the handicapped seating. This is your baseline proposal option to solve the problems.

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Moving on from there, and as Ron said, these build on themselves, option B goes down and looks at what we call the arena level, or the bottom level of the Britt Brown Arena, where we would begin to go down and renovate the dressing rooms, create new ticketing areas, which are sorely needed, and also allows us to create some space that is not currently really available at the Coliseum but it's very common in comparable markets, and that is meeting rooms, club rooms, what you might call support space for fans. That could be accommodated at this lower level in the B option.

On the B option, we are proving these kinds of spaces on the east and west sides, but it's not until we get to the C option that we begin to also push out on the north and south end to create a new entrance on the north end and to be able to enlarge the staging area on the south end. On option C, we also go up on top then on what would be the roof in the A option and B option, and create what we refer to as a multipurpose space up there. That space would not have view lines, as you can see by this diagram, to the floor at the very back wall, but the front edge would have the ability to have a couple of rows of seating that would see to the floor. This would be, if you visualize this, this would be positioning at the very top of the existing Coliseum.

Now I need to point out something, for those of you that are really familiar with the building, you know that the top row of seating is only a few feet below the bottom of the rafter.

Because of the angle that the seating was originally built, it actually goes up higher than it needs to. We're able to actually, when we restructure this, to get the lower end to see over the handicap seating, but actually end up with a lower position at the top of the seating rigger. That give us a little bit of an ability up here to create some seating at the front of that multipurpose space. That multipurpose space could be used for a variety of things, from just being open space to being enclosed to being club area, which could be available for groups or skyboxes which could be handled which could be handled like a corporate situation.

So that gets you through the first three options. As you can see, option C, if we did that on both sides and again, we have the option in option C of only doing one side or the other, but if we did both sides, we could do them the same, we could do them along some of the other choices mentioned before. This would suggest over here that we would do like a club or loge seating . . . excuse me, club or loge layout here and do an open space over here that could be a truly multi-functional space. And also, what this yellow area is showing you is the new seating configuration, the areas that would be rebuilt.

Now there's one other plus here when we rebuild the seating on the east and west sides. Right now,

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we actually have more of these exits coming off of the concourse level than we actually have to have. And by reconfiguring this, we're able to actually reduce the number. It wouldn't reduce the exciting capacity, but reduce the number of ways out of the concourse level and gain back some seating. That's why, in the seating . . . or in A, B, and C options we're able to increase seating without necessarily going up here and adding more seats.

This gives you an idea, I was talking a moment ago about what that side area on the east and west might look like once we had an opened up concourse. You can see here, this is a little perspective we created with vending area or sales areas along the side over here. This structural frame represents the area of the exterior wall of the building currently and everything to the right of that then is outboard of the existing structure. To the left would be new concourse level width, which would be in the area of 16-17 feet.

Moving on to option D. Option D again builds on top of all the other things that we've talked about, but what happens in option D that's really different is we actually are going into the middle of the building, not the entire length of the building, but into the middle portion over those yellow seats that we were just looking at and pushing the roof up. We're talking about reusing and repositioning the actual trusses. We would use a large girder truss that would go across right here. It would catch the ends of all those and they would land on some large piers at each end, but allows us to raise the roof height in that space, so that when we go up here and build this level now on top of the concourse, we actually can get some viewing lines to allow us to actually put seating up there so a person from clear up here can see all the way to the floor.

So this option is the one that truly does increase seating. It solves another problem that we hear about from a lot of the acts that show up here, and that is that there's not sufficient rigging height in our coliseum. When Cher comes here, she leaves half of her set in the truck because she can't get it in under the rigging height in the Coliseum, which is only about 45 feet. This would raise it about 12 to maybe 15 feet, gives us more height and lets us kind of upgrade the facility to some of the standards that are required by a lot of the acts and the people that come to perform at the Coliseum.

Just to give you a little visual of what that might look like, and I know this is maybe a little confusing, but this blue area represents the girder that would be spanning over the east and west

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sides of the building and the little red trusses you see or girders represent the new structure over the outside area of the building which would allow us to raise, then, the roof over the center portion of the building.

Just to give you a visual, as we were working with the task force, at the end they began to say, 'Well, what would this look like?' I mean, this is all exciting stuff, we're extending the building out to the north and the south and of course people have been reacting to the ramps. No one likes those ramps, especially on the north end of the building, so we began to look at ways to bring that down to grade. And so we decided to, although we're not in the design phase, and I want to emphasize we're doing a study here to guide you. We're not doing a design yet. That will be what comes next. We felt like we just needed to provide a public image because people are really searching for something like that.

This would be looking at the building from the northwest corner and it shows an entrance off of that corner at grade level, so that people can come into the building without having to walk up an icy ramp in the wintertime and it also solves a lot of our ADA issues. Although there is ADA access around in back, off of some kind of hidden parking at the Coliseum presently. People who really come to the Coliseum don't understand that, don't know that and you know, most people don't think there's any access at all to the building, ADA-wise. So this helps solve that and provides an obvious entry to the building, gives the building some identity from the interstate, which it sorely lacks right now. Are there any questions?

Excuse me, let me point out one other thing. You can see that by doing the pushing outside of the envelope that we're completely re-skinning the exterior of the building, because we're actually building a new wall outboard. If you peer right up here, you can just barely see the old line of the roof around the top of the building. That would really be visually impactive, even from the interstate, but it would be casually observable if you knew what you were looking for."

**Chairman Norton** said, "No questions at this time. Thanks, Wes."

### **POWERPOINT PRESENTATION**

**Mr. Chris Chronis**, Chief Financial Officer, greeted the Commissioners and said, "Okay, we're in the home stretch. You've heard a little bit of the history of the facility. You've heard why we think it's important to proceed with something now. You've heard what the design options are that have been considered and what the design review task force that you appointed thinks of those options. Now we need to talk about how you pay for it.

What we would propose to do would be to finance this project, which ever design option you select, with bonds that would be issued by the Sedgwick County Public Building Commission. Those

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bonds would have a maximum maturity of 20 years and they would be secured, as is all debt issued by the PBC, by an operating lease executed with the County. The rents that we would pay for the facility then would be used by the PBC to repay the debt.

We would expect that those bonds would carry the same credit rating as the County's General Obligation debt and currently that is a AAA rating from Fitch, a AA-1 rating from Standard and Poor's and a AA+ rating from Moody's Investor Service, all very good ratings.

As much as is possible, we would propose to repay those bonds, pay the rents on the facility with revenues generated by the usage of the facility. We would look at the sorts of things that you see on the slide here. We would look at parking fees, which we have not previously imposed on that facility. We would look at facility renovation surcharges that might be added to every ticket that's sold. We certainly would look at naming rights for the facility and for elements of the facility. We would look at the possibility of renegotiating agreements that we have in existence right now with the concessionaires at the facility and with the teams that use the facility.

Each of those options, we think, has the potential of producing significant amounts of additional revenue that could be used to defray the debt. None of those have been fully evaluated at this point, and we're not prepared to make a proposal that any of them be relied on to repay the debt. That is the next step in the financing part of this project and that will happen concurrently with the design elements of the project.

And so, for that reason, we don't really know what the revenue potential is from any of those additional revenues. In this analysis, what we are counting on to repay the debt is property tax, because that is what, ultimately, we would rely on if there were no revenues to support the facility. So to be conservative in this analysis, we're taking a worst-case approach to repayment. We're assuming the worst, that is the facility generates no additional revenue. An unlikely case to be sure, but one that puts everybody on notice as to what the absolute worst case is for impact on property taxes if we go forward with this project.

Here are the summary of elements for financing each of the five design options. For design option A, we are looking at a project cost, as Ron outlined, of about 44.8 million dollars. Including issuance costs, we would be talking about issuing approximately 45.7 million dollars of PBC bonds.

Now, I need to digress a little bit to talk about tax exemption and taxable bonds. For this kind of facility, the eligibility of the facility for tax exempt debt is determined by usage of the facility and by the management contracts that exist at the facility. Under federal tax law, the usage has to fit certain characteristics, the management contracts have to fit certain characteristics in order to be eligible to retain tax exempt status. Typically, when financing this sort of a facility, some or all of the project is financed as taxable debt, rather than tax exempt debt in order to preserve the option in the future of changing the way the facility is used or changing the kinds of management contracts

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that exist at the facility.

The measurement of characteristics, the identification of characteristics and qualification for tax exemption isn't performed only at the time the bonds are sold. It continues and is performed continuously through the life of the bonds, for the duration that the bonds are outstanding. And so, for purposes of analysis, what we're showing here is two options. If we sell entirely tax exempt bonds, then for design option A, we would be looking at annual debt service of 3.6 million dollars. If we sell entirely taxable bonds, we would be looking at annual debt services of 4.4 million dollars.

Now, in fact most likely what we would do is sell some tax exempt bonds and some taxable bonds, and so what you would have is a blended rate and annual debt service that is somewhere between these two numbers. But again, until we have more information about how precisely we expect the facility to be used and what options we want to preserve going forward for the 20 years that the bonds are outstanding, we won't know exactly how much taxable debt versus tax exempt debt we will sell on the project.

Moving forward, you see design option B would require a 51.3 million dollar bond issue, 4.1 million dollars of debt services for tax exempt issue, 5 million dollars for a taxable issue. Moving forward to option D, which is the recommended option from the design review task force, we're looking at an issue size of 57.2 million dollars, annual debt service of 4.6 million dollars for tax exempt and 5.6 million dollars for taxable and you see the other options as well.

And so, what's the bottom line. What is the impact on tax rates to repay that annual obligation? Well if we have no other revenue and we're using entirely property taxes to repay the debt, you can see what the tax rates would be, based on current assessed values in this community. We would be looking at just under one mill for design option A, just under one mill for a fully tax exempt deal, fully repaid by property taxes and about a 1.2 mill, 1.18 mill tax rate for taxable bonds.

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Now, what happens if we bring in other revenues. If we decide to impose a parking fee, if we successfully sell naming rights, if we renegotiate the concessionaire agreements. Well, to illustrate the impact that those additional revenues might have on the taxes that are necessary to support the facility, we've made an assumption that we will bring in a million and a half dollars from additional revenue of some type. We don't know yet what type that is. We're just saying here what happens if we bring in a million and a half dollars of additional revenue. You see that the tax rate in design option A that would be necessary drops to .57 mills for tax exempt, .78 mills for taxable. Jump forward to design option D, which again is the one that's been recommended by the design review task force. For that design option, we're looking at 1.2 mills if we have a tax exempt issue that is fully supported by property taxes. We're looking at a 1.48 mill tax rate if that is a taxable issue fully supported by property taxes.

If we bring in a million and a half dollars of revenues from other revenue streams so we can reduce the amount of property tax, then that million and a half dollars would reduce the tax rate to .81 mills for tax exempt and 1.08 mills for taxable. And you see the other options on here also.

So you can see that the impact of this financing on property taxes has a lot of variables that are going to affect it. How much additional revenue can we bring in from other revenue streams? Are the bonds taxable or are they tax exempt or are they some combination of the two? All of those factors will come into play in determining the final affect on property taxes. I heard some people suggest that we can bring in enough additional revenue from this facility to completely eliminate property tax, the need for property taxes to repay the debt. That is certainly a possibility, but it is not something that we are assuming here, because we're trying to take the prudent course and make sure that people are fully advised as to what the possibilities are. And so that's what we're trying to show you in this analysis.

Now let's turn to timing and we're talking here about timing on the financing. We expect that you will take some action today. That's what is on the agenda. If you do that, then later on today there is an agenda item in which you would request the PBC to proceed with the financing of the design option that you select. In August we would expect the PBC then to meet and in turn, the PBC would adopt a resolution declaring its intent to proceed with that financing.

That resolution would be advertised in the Derby Reporter twice in two successive weeks following adoption. And following the second of those ads, we would initiate a 30 day protest period. If, during that 30 days, petitions are filed that bear the signatures of 5% of the electors in this community, which is a little over 10,000, if petitions are filed with that many signatures protesting the issuance of the debt, then the debt could not be issue unless and until there was a referendum, at which the majority of the voters approved the issue.

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If, after the 30 day period, no petitions are filed or petitions are filed with insufficient numbers of signatures, then we have the legal authority to proceed with the debt issue. We would actually proceed with that issue of debt, we think, in the fourth quarter of 2004, roughly 15 months from now, after the design phase is completed. And the reason we would wait that long is that we want to make sure that we don't sell any more debt than we need, but we want to make sure that we sell enough debt to finance the project. At this point, we're working with estimates of project costs. Once the project is designed, we'll have precise estimates of what the project is going to cost and that's the amount of money that we want to advance. So we'll wait and do the financing after the design elements are completed.

In the interim, we'll pay for the design costs with the County's cash reserves and we'll reimburse those cash reserves with the proceeds of that bond issue that we sell in the fourth quarter of 2004. And with that I'll turn the podium back over to Ron, who will give you the last slide."

**Mr. Holt** said, "Thank you, Chris. As you see that the renovation planning team, which included the A & E consultants, the County staff and the design review task force is recommending that you approve design option D as defined by the Coliseum renovation planning team and that you amend the 2003 Capital Improvement Plan to begin the design phase of the project. Now what does that mean?

What that means is, as Chris says, we would move forward with negotiating the A & E consultants to do the design. We would move forward with the design once that selection is made. That's a 12 to 15 month process. During that time, we would continue to be very public in what we're doing, as we have been. No doors are closed on any other possibilities of projects that might come up.

Yesterday I had a phone call from Mr. David Key, late yesterday. He told me he had two or three months before he knew whether or not he was going to have an arena plan for downtown developed. But as you saw in this morning's paper, indications that he has indications of an arena plan and I say to you the same thing I said to him. We are moving forward. We have an obligation and a responsibility as we see it and we think as the County Commissioners see it, to move forward with this plan. With no current plans on the table, we're moving forward with a complete plan, not only to do ADA compliance, but also to make that business operation out there a viable business operation going forward.

By doing that, we have an additional 12 to 15 month planning window here whereby the Commissioners have full flexibility to be open, to listen, to hear, to take input, to look at other plans

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and decide what impact that might have on the plan that's been developed here. That's our proposal. At the same time, during the design work, we would be moving forward also in looking at marketing naming rights and developing performers relative to those other kinds of revenue enhancements that Chris talked about.

So, the recommended action is for you to approve option D, as defined by the Coliseum renovation planning team, to amend the 2003 CIP to begin the design phase of the project. That concludes our presentation and we would be happy to answer or at least attempt to answer any questions that you might have."

**Chairman Norton** said, "Well, thank you Ron. I'm sure we'll have some dialogue and discussion and questions. I'd like to kind of kick it off and kind of set the tone for the meeting today. First of all, I think this has been a very thoughtful, professional process that we've gone through. I know that there are plenty in the community that may have divergent attitudes towards what we're trying to do, but I have to assure the public that we have been thoughtful. We've tried to be professional. We've tried to be open. We've tried to be engaging and we will certainly continue to do that, as we try to do what is good government and good public policy for not only the County, but the constituents of the region.

In many cases, the debate is philosophical. You know, it's downtown thought process against a facility that has served us well and what we need to do with that. It is a debate that will rage on for infinitum, as we move forward through this process. We certainly have considered all that. I think the Commission has been very engaged in economic development type activities and certainly are not going to do anything that has unintended consequences. But we are the stewards of a public facility. It is part of our charge. Delivering services and budgets is part of it, but making sure that we maintain the best public facilities available to our community is important too and we will take that very seriously. We will react to the proposals today and try to make the best public policy decision we can.

I have to tell you that leadership is both bold and visionary, but it's also pensive and it is also considering the maintenance of what we have today as good public policy. We want to be known as leaders in the community that have energy and vision towards the future, but we are also charged in making sure that we deliver services every day today to the community.

And one thing I would challenge us to do as a Commission is to not get into the area of group-think, where we've kind of processed this so much and think that we have to make the decision today that we don't really access all the good intellectual capital, that we don't use good problem solving and

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critical thinking skills and come to the ultimately best conclusion that we think is important for the long term viability of our community and a facility that is held in our trust.

I have to tell you and I'll tell the community, the clock is ticking. We've waited for five or six years. I am assured that, if not today, pretty soon we're going to hit the timer and the clock will be ticking on us putting a spade in the ground and doing something with the Coliseum. That lead us to know that if there are those out there that have better ideas, a stronger vision and want to take leadership, let them step forward while the clock is ticking, or forever hold your peace. That's the way government and public policy is created.

We know there are some provocative proposals and visions out there that may be counter to what we may do with the Coliseum. We understand that. We've tried to process that. We've listened to all those that would give us input. In some cases, we've nodded our heads, in other cases we've shook our heads in disbelief. We all know, and I think Ron said it, this is a process that's going to take 15-20 months. There are mechanisms to consider other options if the community desires to do that and if other leadership groups desire to engage us with that, there are mechanisms to consider that. All the Commissioners know that, we understand that.

With that, I would certainly like to open it up to dialogue, but as is our policy generally, this is not a public hearing, but I understand Fran Jabara is here. I would certainly like to invite Fran to come up and give his thoughts on this. He was there at the very early beginnings of the Coliseum and I would invite Fran, if he'd like to come up because he has assisted us at the County with this. I would offer that time for you Fran. Not to put you on the spot and you know what, you could decline. I think he's declining.

I know we've got some of our citizens' committee here. I saw Dave Calvert. I would like to at least recognize him as helping us with the process and invite him to speak if he would like."

**Mr. Dave Calvert**, Member, Citizens Review Task Force, greeted the Commissioners and said, "I never knew a lawyer that turned down the opportunity. Is it alright if I speak from here, Commissioner? Thank you. I'm David Clavert. I'm a member of the design review task force and I should probably make it clear that I am not here as an official representative. Nobody elected me to speak for the task force, but I thought I might share a couple of unique perspectives I have.

First of all, I was involved in that ADA lawsuit that settled back in 1999. That's one perspective and the other is just that my personal perspective of what we did at the meetings of the task force. If I start pushing my time, throw something at me, Commissioner, and I'll shut up. Something soft.

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When we filed this lawsuit in 1998, there were a lot of problems out at the Coliseum. They were too numerous to mention, in the arena in particular. Fully ADA compliant, it would have required the kind of process that we've gone through with the task force. And we didn't settle this lawsuit in court. We actually did it by sitting down around a table out at the Coliseum with representatives of the County, with the Director of the Coliseum, with the attorney representing the County, myself and other people and tried to figure out what are the most urgent, pressing problems that we can solve spending the least amount of money on a very temporary basis? Because we knew at that time there was discussion about the possibility of a downtown arena. We knew that if we solved it by attempting to make the Coliseum fully ADA compliant, that every time you make one change out there it affects something else. It's almost like dominoes.

For example, when we make the bathrooms ADA compliant, and all ADA compliant means is can you get a wheelchair into the toilet area, and that seems pretty important to those of us that have to go to the bathroom when we're in the Coliseum. To make that complaint, you have to enlarge the bathroom. When you enlarge the bathroom, you take away from this area that surrounds the concourse, and all the sudden you've got no space in the concourse. When we put wheelchair seats in the bowl, as I've learned it's called, then we block seating, we block the view from people behind us. That affects how the Coliseum director presents the number of viewable seats to different promoters. There are innumerable dominoes.

So we decided let's do it that way. And then when we figure out what's going to happen in the long run, let's try to come up with an overall plan for ADA compliance, because as I was told back in '99, we've got maintenance issues that we're not even talking about here and those things are right on the verge of something having to be done.

When I became associated and part of the task force, we had a tour of the facility and got to see the maintenance issues. So what people like to talk about as ADA compliance really is more than that. It's the ADA compliance and keep in mind, when we're talking about ADA compliance that everybody in this room is going to have a disability if you live long enough. Most people die before they get a disability, but live long enough, you're going to have one. Twelve percent of the vehicles in this county have disabled parking permits. That's a lot of cars to have to take care of and those people, most of them don't have visible disabilities. People that have respiratory and cardiovascular problems would have trouble walking up these ramps, so we're really affecting an awful lot of people but we're also affecting the mere basic maintenance of this building to make it last, so we can get through the next performance or the next game or the next whatever it is.

We too saw ourselves as stewards of this and although there has been some discussion this morning I think in the presentations about other plans and downtown arenas, we really didn't spend a lot of time on that. We didn't get into any kind of a discussion about is a downtown arena better than the Coliseum or what should we do. We looked at what is best for this facility, what do we need to do

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to protect this facility, to make it better, to make it last, to make it compliant, to make it useable, to make it the best it can be for the people of this county. Because we saw ourselves as stewards not only of the Coliseum, but recognized that we've got some responsibility to the taxpayers too. We're not kids making up a Christmas list, saying here's everything we want. And the phrase, 'Best bang for the buck' came from the committee and we decided that's exactly where we thought everything ought to go.

So when we came to our final conclusion, these words that we strongly recommend option D, and incidentally out of option D we subtracted a million and a half dollars for some optional seating out of that, something to be looked at later. But we decided that's really how we wanted it to come to this Commission. We want to say we strongly recommend it and we actually took a vote on it to make sure that we knew how many of us recommended this and it was unanimous.

We think this is the best plan for the people of this county and this region. We think it's the best plan for the Coliseum to preserve the Coliseum and when you get in to renovations you do trigger part of that settlement agreement from the . . . part of the consent order that says, once we start the renovations, we're going to make this fully compliant with the ADA and that's a question of doing but it's also a question of attitude. You know, are we going to give lip service to the ADA or really do it. And everything I've experienced around here has convinced me that this commission and this county has a real, genuine dedication to compliance with the spirit and the letter of the ADA. I think this does all of that and I thank you for the opportunity to visit with you."

**Chairman Norton** said, "Thank you very much, Dave. Well, I do not want to get into a public debate, but I will as Chairman, allow a few people to speak if they would like. I see Councilwoman Sharon Fearey here. I don't know that this is going to advance what we have to deal with today, but I will allow some comments if there are a few people. I will limit you to three minutes. I don't want this to become a huge public debate. It has been out in the public for a long time, we've talked about it, we've processed it. Truthfully, we started this process what, five- six years ago and then it came back three years ago and then it came back last November and we started again in February with citizens group. There's been plenty of time for people to get our ears, to give us their thoughts, but I will make it . . . Commissioner Sciortino."

**Commissioner Sciortino** said, "Before you make anything, I think I'd like to debate that a little bit with you. I have a concern that I'd like to express to the Board. This is against . . . We've never done this before on a topic and if we're going to start talking about opening up topics that go against our policy for public debate, I can envision people getting highly upset because we didn't announce that we were going to have public debate, that they would have been here if we'd announced it. I'm just concerned about us going against precedent. We have a policy that public

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debate, if they want to speak to us they have to submit that request to the County Manager a week ahead of time. The only time that we defer from that is if it's a zoning case. That's been a policy of ours and I think that Mr. Holt has fully explained what's happening. We've discussed there's a fifteen month window here that if anybody wants to come to us and talk to us, we would be willing to listen. And I'm just concerned, if we break precedent, we're opening ourselves up to anybody can come in at any time and walk up and demand to talk on any topic and use this as the reasoning why they should be allowed to talk and it's a concern of mine. I don't know if my colleagues share that concern, but I do and I wanted to state that publicly. Thank you."

**Chairman Norton** said, "Well certainly I will adhere to the will of the Board on this issue. Do I hear that we want to limit the talk to the bench, the debate to the bench and if so, I just need an indication if that's what we want to do."

**Commissioner Sciortino** said, "Well, why don't you make a Motion that we make this precedence breaking thing and we'll vote on it."

**Commissioner Winters** said, "Well, I guess I might be interested to know if there's anybody out in the audience who really wants to address the commission. I tend to agree with both Commissioner Sciortino and Commissioner Norton. I'm not interested in turning this really into a public hearing. We didn't announce that. I'm sure there will be a number of more people would like to address us but I tend to rather err on the side of listening to some folks as opposed to not. So, Mr. Chairman, I don't know if we could see, just see if there's an indication of anybody in the audience that really has a burning desire to speak to us."

**Commissioner McGinn** said, "I know I'd like to reiterate that I'm okay with the three minute limit too, because there may be some people out there that have a few things, but I also agree with Commissioner Sciortino and I hope that the press understands this as well as it goes out there that there are a lot of people that perhaps may be supporting this today that aren't here because it was not announced. And so, I don't want there to be a misperception out there by any means."

**Chairman Norton** said, "Well certainly people can engage us. We're very open at all times to listen to folks and we don't exactly have to do it here, but I know I wanted to be sure that we try to be as open and inclusive. But I don't want to get in a public debate here. We have a tough decision to make. Once again, the clock will start ticking when we make some kind of decision today and there will be plenty of time for it to be held in public regard. I'm at the mercy of the Commission on this."

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**Commissioner Unruh** said, "It would seem to me that if there are representatives of an opposing group that have made the effort to be here and we can have a couple of them speak, it would be worthwhile to hear the comments before we make this vote. It's been a highly publicized issue and for us to just charge ahead when people have made the effort to be here. We have already allowed one citizen to speak and so, just in the sense of fair play and balance, I think you ought to allow a few comments."

**Commissioner Sciortino** said, "Let me just close, since it's pretty apparent I'm in the minority. We have made ourselves very available to everybody over the last two years that this process jump started. To this day, I've only had three people ask to talk to me about it, none of them were elected people. They were three business people in town that wanted to talk to me about this issue.

We've had a website. We've had e-mail accessibility. We've stated publicly that we were available in ones and twos to meet with anybody that wanted to discuss this. And we now have an additional 15 months that anybody that wants to talk to us about this can. And I am extremely concerned that we're going to establish a precedence here that in the future we may rue, because I don't know what we're going to say to anybody in the audience in the future that raises their hand and says 'I want to talk about this subject' and they haven't followed our policy. That concerns me and it also concerns me that there may have been other people that would have liked to talk, had we announced it. And I will succumb to the will of the Board and it appears that I am the only one that has got a major concern about this, so I will agree and acquiesce to the will of the Board."

**Chairman Norton** said, "I might ask, are those in the audience . . . and maybe we've gone through a process we didn't need to. Are those in the audience that would like to speak for three minutes on this topic? Okay, we've got somebody that's afraid to stand up. We have a couple of people that would like to speak. I see Carl Peterjohn and Ed Wolverton have raised their hands. We have two people that would like to speak. That accounts for six minutes. Is there a will here?"

**Commissioner Winters** said, "That's fine with me."

**Chairman Norton** said, "I would say Carl, if you would like to come forward."

**Mr. Carl Peterjohn**, Executive Director, Kansas Taxpayers Network, greeted the Commissioners and said, "I think probably the best way to start out here is in the capacity as the person who headed the opposition to the 1993 sales tax vote for a downtown arena in Wichita. And I'd also like to compliment the County Manager's quote on Winston Churchill. I think it's something that you all, in the budget context, should expand to include in this very subject, because I'm here obviously in opposition to raising property taxes and the possibility of that.

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With the plan that you have before you, I think it's more important that you provide opportunities for the public to speak, because a lot of the folks I hear from know there's sort of a concept out there but there isn't a real proposal. Now this may bring the proposal onto the table, but people need to know when they have the input. I mean, if you were looking at raising taxes in Missouri, in Oklahoma, in Colorado, that would go automatically to the voters. In Kansas, that's not the case and you had the position put before you.

The folks I hear from, in 1993 there was strong opposition to raising sales taxes for a downtown arena in Wichita and I think that opposition is actually stronger today than it was back then. But I would say this in caveat too, I think the opposition to raising property taxes trumps opposition to higher sales taxes.

Now, whether we're talking about \$125,000,000 roughly for a new downtown arena, proposals you have before you for about \$56,000,000, I think it's important that the community gets the opportunity to express to you their concerns. I mean, we've got the Koch Arena remodel out at Wichita State that's projected at a much lower cost and I understand there are some differences. These aren't completely apples to apples, but a lot of folks hear about that and I think all options should be explored. I have strongly supported the idea of a private option and cite the fact if Mr. 'K' or anyone else can put together a plan, I mean there's precedence out there. Dodgers Stadium in Los Angeles, Jack Kent Cook Arena out there were all private facilities that didn't require any tax funding.

I would want to close with the statement that I think we need to get past the chicken or egg portion of this, in terms of I think the concerns that Commissioner Sciortino presented are adequate, are viable in this sense. You need to hear the public input and if we're looking at a property tax increase, that's something that should go to the voters, the same way a sales tax increase would.

Now I'm not sure that we're at that point. I'm still seeking more information. I appreciate the information I've been able to get from Mr. Holt and some other folks with the County who are putting some of the material together for you. But we're looking at a situation to raise property taxes, on top of the automatic increases that are occurring because of higher appraisals. I think the citizens in this community and in this county would have some major concerns about that. But having said that, if this can be financed without a tax increase, that's the way we should go. Thank you very much and I'd be happy to stand for any questions."

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**Chairman Norton** said, "Thank you, Carl."

**Mr. Ed Wolverton**, President, Wichita Downtown Development Corporation, greeted the Commissioners and said, "Appreciate the opportunity to speak with you. I'll be very brief. I've had an opportunity to send a position paper on behalf of the development authority to all the commissioners and several staff members. Just want to reiterate a few points from. First of all, our board of directors certainly recognize the need to take action on the Coliseum and commend you for your efforts. However, we do recommend that the County move forward with only minimal renovations to the Coliseum to bring that facility into compliance with the ADA.

Secondly, we're recommending the County do move forward with renovating the pavilion areas. That area also needs some repairs.

And then thirdly, which is probably key to our recommendations, is that the County Commission engage the public and other stakeholders in a process to look at really the long term needs for an arena.

Our position paper goes on to detail several specific issues. Of those, I think they can be broken down into two general categories, the first of which is dealing with data analysis and interpretation. I think there's been some illusion to an economic impact study. We do think that's a very critical component that has so far been missing from the process.

Secondly, we do want more information in terms of the renovation options. Those ADA numbers weren't real readily available. We worked with Ron Holt in a fashion to try to get those, and county staff and we have some general numbers but specific numbers are still a little bit fuzzy for us.

Obviously, we think revenue potential is another thing to look at. You heard Chris Chronis talk about some of those issues. We think those definitely require more exploration in terms also of a cost/ benefit analysis, what we're spending and are we going to recapture those.

And lastly, kind of a cost analysis. We heard again, if I heard the numbers correctly, there could be anywhere from .8 mills to 2.6 mills on the property tax base and again, that's the first time we saw these numbers, today and again, getting a better understanding of how those numbers shape out from the data analysis I think would be important for our group and the public.

In terms of process, public input, we do commend the County for what they've done so far. The County's website, however, is no longer available for viewing as of today. I would encourage you to at least let people go back and look at those comments that have been posted. There was a notice

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put on that said you can't post anymore, but as we talk about public dialogue, I think it's important that people be able to go back and look at what's been stated so far, particularly as the process moves forward.

The task force, I think that they did do a good job in looking at what their charge was, but I do think that with the \$56,000,000 investment that there really should have been a better discussion of what the long term needs of an arena facility should be and we do understand though why they limited their discussions just to the Coliseum.

I don't know if that's my time or not. Lastly, we think there's an emerging partnership that's really coming to play in this community that gives us a unique opportunity to try to find a way to partner in some fashion to bring all the entities to the table to really come to some closure on the downtown arena and the community needs for a facility.

While we think the downtown arena is what makes best sense for the community, others may not and we think that there really has not been a process that's been able to keep all entities, the government and the private sector together at the table at the same time to bring this to some logical conclusions. We do want to work with you in a professional and productive manner to investigate these issues and again, I appreciate the change to talk to you this morning. Thank you."

**Chairman Norton** said, "Thank you, Ed. Commissioner McGinn."

**Commissioner McGinn** said, "I just wanted to say thank you for your list of questions and I want to make sure Ron tried to answer a great deal of them and will continue to work on that, so you might make sure he gets a copy of this. Thank you."

**Chairman Norton** said, "At this point, I'm going to limit the comment to the Bench and would entertain the discussion and the debate. And Commissioner Winters, I'll let you kick it off."

**Commissioner Winters** said, "Well, thanks. I'll go first. I'm going to just try to be very brief but Mr. Chairman, I do want to thank you for pushing this issue of the public task force. The idea clearly came from you that we engage the citizens' task force. I was wondering about that, but in hindsight, that was a great decision. I think we brought some people together . . . I know there were people on that committee who were not big Coliseum fans and who were arena downtown kind of folks.

Two of the people that I talked to that I appointed, the very first thing they said to me was we didn't realize how much work needed to be done at the Coliseum. I heard that just very loud. So, I think

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then in listening to Mr. Calvert, it's once you start, we keep hearing do the minimum but I'm not sure we can define what that minimum is until we get up into the close to \$40,000,000 because once . . . and I think we are committed to making this facility ADA, but then it starts to mean a lot of other things, restrooms, concession stands. You get to the mechanical, the electrical, the roof, the air conditioning and it's like there are a deficiency list that Wes very well pointed out and I made a list of all those things that needed to be done and if we're going to have a facility, it's either fix it or close it. And I think I'm ready for us to move forward.

I would want to remind people that if they're thinking about budget issues, we are clearly having a public hearing next week, Wednesday, to talk about budgets and if folks have other things to say, they're certainly welcome to come and address us at that time. But I appreciate, Ron and Wes, your comments and Mr. Calvert, your comments were very, very helpful today. Thank you."

**Chairman Norton** said, "Commissioner Unruh."

**Commissioner Unruh** said, "Thank you. I also want to tell Dave Calvert thanks for being here today. I know you had to rearrange your schedule to make it here and your comments were enlightening and helpful and Mr. Wolverton's comments.

So maybe Ron, you could help me try to filter this out in a way. Is that . . . talking about the minimum, in the opinion of the committee, the \$44,000,000 option A is the absolute minimum that makes any sense in the renovation. Is that the position of the task force?"

**Mr. Holt** said, "That's the position of the task force and the key there that makes any sense, the discussion time and time again was spend 20 to 30 million there and don't do it adequately, and then you have a public accountability of where did all that money go and what did we get for it, especially since you haven't adequately and appropriately addressed all of the other concerns out there that not only related to ADA, but the other code issues, as well as fan amenities.

So, the task force honed in on A as being the minimum and moved themselves through the process to get to D that said, again, with no other plans on the table, you make this facility viable going to the future. That's option D and that's the way the task force got there and the planning team is supporting that recommendation."

**Commissioner Unruh** said, "Okay. Well the reason I wanted to have a good strong clarification is that I, along with the other Commissioners I'm sure, certainly received a lot of e-mails and the thrust of those e-mails these last few days was that do the absolute minimum. Well if the absolute minimum is option A at 44 million, we're talking between A and D a 10 or 12 million dollar difference and we just have to gage whether that's worth it in terms of going forward, and the long

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term viability of that facility. So anyway, thank you for your response.

It does seem to me that we either need to fix it to where it's usable and something that this community can be proud of, or we need to figure a way to start closing it down. There's no sense in spending \$44,000,000 and wishing we had spent ten more. In my opinion, to have a viable venue that can be used by people clear across the state in so many different ways. So I am going to be supportive of the recommendation of the task force. That's all I have."

**Chairman Norton** said, "Commissioner McGinn."

**Commissioner McGinn** said, "Ron, you just as well sit in that chair that's a little closer. Just want to again clarify for sure on option A, because going back to like what Commissioner Unruh talked about, everybody says do the minimum and I think Judge Calvert pointed out very well that it's a domino effect. You do the minimum, you're wasting dollars by not doing something else at that same time. Option A, we do lose seats in that option?"

**Mr. Holt** said, "If you do option A that comes to the minimum. No, we don't lose seats in option A. Anything less than that, we lose seats."

**Commissioner McGinn** said, "Anything less. Okay, so that's what the part that's probably more than the \$10,000,000 we had talked about on some things.

And the \$21,000,000 on the minimum also does include the heating and air and roof?"

**Mr. Holt** said, "The \$21,370,500 which is pure construction costs for Britt Brown Arena does include that, yes."

**Commissioner McGinn** said, "So those are basically things that we'd have to do. So to me, I mean basically, \$21,000,000 is the minimum. But then, what we're not talking about is you add the \$7,000,000 for the pavilions which are needing repairs, which is my understanding 60% of our revenue generation. I think if you have a downtown arena, we're not going to see horse shows out there or cattle shows or flea markets maybe, you know some of things that we do use the pavilions for and they are used very much. So you'd have to add that \$7,000,000. And then we talked a little bit about some infrastructure around the site, you know maybe some the things we could not do, but it looks to me like a lot of them are continual upgrades, things that have needed to be done as well. So, I mean it basically gets us up to the thirty-some million dollars here.

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Then you had talked a little bit about I know that you had some lists up there about what the task force talked about to offset costs and of course we'd talked about naming rights and if somebody wants to put their name on the Coliseum, we'll be happy to allow them to do that for a certain price. But parking fees, that was just an idea and not something that we're going to do for sure. It's a discussion item. Is that correct?"

**Mr. Holt** said, "Parking fees, Chris had a nice list of the other revenues enhancements, which included parking fees. All of those things, and the task force was supportive of taking a look at those as revenue enhancements and we need to do that and will be doing that over the next year from a very focused and specific point of view while the design process is underway."

**Commissioner McGinn** said, "Well and I just share that because I don't want people to think we're going to charge. I think WSU does an excellent job in how they do their fees for basketball games. If you want to park close, you pay for it and cost decreases, but if you're willing to walk it's free and I think that's important too, and I don't want to get into a situation where we're figuring out where you're going to charge and that kind of thing. And I think that's all I had for you, Ron."

Just some other comments. In looking at this over the years, I keep reading little things about we're going to put this in a rural community and I guess for people to call that rural probably haven't been up that way for a while. There's a lot of development going on all along the highway up there and you know there's hotels, there's restaurants. So it's not that it's way out any more. In fact downtown Wichita and this area also sits in one commission district, so that's not very far away. So it's not a long drive. I've talked to Commissioner Unruh, who lives way out east, and it doesn't take very long to get there at all and I think we have the highway accessibility.

And I think that's what I hear that's important from citizens is the ability to get in and out and the ability to park in a timely manner is very important. And I've heard from . . . it's been interesting, you know, this last week we've gotten some of the e-mails 'Do the minimal'. Well, we've talked about what the minimal means and what's not here today is Commissioner Sciortino's suggestion. We didn't announce that we were having a public hearing and it would take me a long time to talk about the individuals who have talked to me on an individual basis about going forward with the improvements to the Coliseum. They think it's a good location, it's easy to get in and out of and they think it's money well spent.

And I don't just hear from citizens outside of Wichita. I was just at a neighborhood association meeting last night in Wichita, and we talked about it. Not one person said do a downtown arena

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and I'm not saying that's the only group there. And I've been to a lot of other things, so I guess if I looked at it, I'm hearing that the majority of the citizens are saying go forward.

And I think we have been very patient and appreciate Ron for pointing out the timeline that we've gone through. Last year, and even the years prior to that, this Commission with the exception of Dave said 'We'll sit back and we'll allow the vote for the downtown arena' and I was willing to do whatever the citizens decide. I was going to support either way, and when that was pulled in May, I asked specifically what is the plan and what is the next step. We need to know right away, because five years ago, when I was first elected is when we first started talking about the upgrades to the Coliseum, five years ago. And we put those on the shelf and we've patiently waited for five years. Last year, when it was pulled, I just wanted to know what the plan was.

I asked, 'Could you get back to me right away and tell me what your plan is for the future', and did not hear anything for over a year and so I didn't get an answer. So I'm going to just close I guess with sharing what Chairman Norton shared earlier on his comments, and that is that now is the time, the clock is ticking now. But if we continue to wait and talk about what if, I'm concerned that we're going to be out there three years from now and here we are again addressing ADA needs and those kinds of things. And so our doors are open, our ears are open and we're willing to listen, if there is a better deal that is out there, let us know. But I think today it's time to move forward. We have a great facility that does bring revenue into this community. It brings tax base into this community and it seems to be working for a lot of citizens."

**Chairman Norton** said, "Thank you. Commissioner Unruh. Commissioner Sciortino."

**Commissioner Sciortino** said, "Well, I want to thank Mr. Calvert again for another reason. When that lawsuit was brought to us, it was brought to us with an idea. We don't want to sue you for money. We just want you to right a wrong and we escaped a bullet, a big bullet because we are . . . well, we still are totally out of compliance. If this lawsuit was generated with an idea of cooperation and how can we just right a wrong. And we did. We sat down, we visited, concessions were made, they understood that at that time there was still discussions about the downtown arena. It didn't make sense to do 'x' right now, can we just do this and wait for the future and I want to make sure that when we do whatever we do to the arena, that the minimal means that we're fully in compliance and I want to review what the spirit of that law meant too, not just the exact slot a, tab b letter of the law, because we were very fortunate that the citizens of Sedgwick County, of which the majority live within the City of Wichita, didn't pay literally hundreds of thousands of dollars.

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We still remain totally vulnerable for other ADA lawsuits. We could be sued today and what I've been told is we've better sit down and say let's make a deal, because we have no defense whatsoever on that.

It was told to us by Mr. Wolverton this morning that he would like to engage us and bring final closure to a downtown arena concept. Well, I want to remind everybody that there was an opportunity to bring final closure, but yet you didn't allow us, the citizens of Wichita, to vote to let you know what we felt so that that would bring final closure to it.

I want to commend this Board because we have the political fortitude and the leadership to go forward and to present a plan and to get the plan started. However we vote, and I will say I'm going to be supportive of this option, that isn't the end of it. It doesn't mean we start digging tomorrow. To paraphrase, everybody's paraphrasing somebody so in my age group I'll paraphrase Winston Churchill too. It isn't the end. It isn't even the beginning of the end but at least it's the end of the beginning. If we can get the boat headed out, unless you're starting to move something you can't control the rudder and change it. If you're just sitting there bobbing up and down, not going anywhere, you can't direct the ship any direction. At least today we're going to get, hopefully get started and as it's been told to me, if someone else can come up with a plan and show what part of that plan the County should be involved in, what the financial implications of that partnership might be, we can analyze it to see if it's a better plan than what we've got started and we can direct the ship in a different direction if we want to.

And I myself and I'm sure all of you will make yourself available to anyone that wants to talk to us that has a plan. I would hope that there would be leadership from the City. If the political leaders felt strongly about something, I would love to hear from them. To date, I have heard from no elected official as to what their thinking process is or what plan they may have and I would welcome anyone that wants to speak to me about it, I will listen. And that's all I have to say. Thank you."

**Chairman Norton** said, "Commissioner Unruh."

**Commissioner Unruh** said, "Thank you. I just wanted to say before we finish this discussion, a real expression of thanks and gratitude to Ron Holt and Dr. Jabara for the great job of leadership they did on this committee and bringing the task force together. Everybody focused and it seemed like you guys had few meetings but they were on target and you got the job done and I just wanted

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to express my gratitude to you for getting the job done. So, thank you.

I also wanted to say though, as random comments here, I'm not convinced that this is an either/ or proposition. One of my other appointees to the task force, Dave Sproul, talked to him last night and he said, 'You know, I have always been a strong proponent of a downtown arena and I still am a strong proponent of a downtown arena, but I think this project needs to be taken care of so that we take care of the asset that we have'. So, I want to avoid the posture of having this an adversarial discussion. I mean, I think we need to work together and keep our telephone lines open and our ears open so that we can continue to work with those groups that are still going to push for a downtown facility and work with them in whatever way we can.

So just an expression that I think this commission would be cooperative but in the meantime, we have an asset that we have to take care of and we're going to take the steps necessary to keep it a viable venue. So, that's all I have."

**Chairman Norton** said, "Commissioner McGinn."

**Commissioner McGinn** said, "I just want to say thank you to your comments about that. I think that's very important that this is not an either/ or and we're against a downtown arena. It's a start. We've got to start. We've got a facility. We have to do something with it. It has needs. We have citizens telling us to deal with it. And I think that sometime in the future, I don't know whether it's ten years, if it looks like this community needs a downtown arena, then I think they ought to move forward and we ought to do that. But I think where we are today, we need to move forward with the venue that we have here."

**Chairman Norton** said, "Okay. Any other thoughts? I have just a couple. I just wanted to talk about several things. One of them is my three appointments. I appointed Bill Hancock who had served the public for 12 years. I appointed Bill Gale, who had served the City for 8 years and Tom Gibson had been a city council member with me in Haysville for several years. All have represented the public, knew the public will, had processed and were very open to public comment. And I got to believe that those are pretty smart individuals, understanding Sedgwick County, small cities and the City of Wichita and all three of them voted unanimous to accept the responsibility for item D. Now you know, I think those are three highly regarded individuals, not just by myself, but all of them will be highly regarded by people in the community who elected them to public positions of trust for a lot of years, 12 years for Bill Hancock, 8 years for Bill Gale and I think 6 years for Tom Gibson. That's a long time to be moving forward on the public trust and they did that.

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I think it's time for us to move forward on this particular issue. It is a tough issue. It is an issue that can divide people but I am dedicated, as we move forward, to unite the community on the ideas and the visions for the next 30 years. I think the Coliseum, as Commissioner Unruh said, is a part of that vision. It doesn't mean that we have to be adversarial in this, but now we need to look at how we move forward with other visions for our community.

In the next few weeks, we're also going to consider budget considerations and folding this into the CIP budget and understanding the mechanisms for funding and how it effects the taxpayer will also be a part of this decision. Anything we do today is just going to set in motion some other very tough decisions.

Truthfully, there may be a debate about arena viability, but one of the things I think about as we look at economic development and placement of facilities are a couple that come to mind and one of them is the Sedgwick County Zoo. Number one tourist attraction in the state and you know what, it's not in downtown Wichita. One of the most emerging economic development little museums is the Prairie Rose Chuck Wagon and they're going to build a museum and they're doing some dynamic things. And you know what, they're not in the middle of anything. They're kind of out and people still get there and it's growing by leaps and bounds.

So I think that we have a facility that we need to move forward on, we need to do the right thing and I'm certainly going to be supportive of one of the options that's before us and I would entertain some kind of a motion at this point, if someone would like to make it."

### **MOTION**

Commissioner McGinn moved to Approve Option D, as defined by the Coliseum Renovation Planning Team; and amend the 2003 Capital Improvement Plan to include beginning the design phase of the project.

Commissioner Unruh seconded the Motion.

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

### **VOTE**

Commissioner David M. Unruh      Aye

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Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, “At this point I will take . . .”

**Commissioner Winters** said, “Mr. Chairman, as I visited with you, I need to be gone, but if you want to finish with the Coliseum report while those folks are here, we can get that and then I would hope we could then break for a lunch break until 1:30. Mr. Manager, did you have a comment about that? I guess he doesn’t, he’s leaving. But Commissioners, there’s a Regional Economic Area Partnership meeting with people from out of town and I really need to attend that meeting. So if we could . . . if you could go ahead and proceed with the Coliseum, I’m going to excuse myself and then would be back at 1:30.”

**Mr. Buchanan** said, “Mr. Chairman, you might want to announce that we will not be on the air when we return.”

**Chairman Norton** said, “Okay, I think you’ve just done that. We will not be on the air.”

**Commissioner Sciortino** said, “Well, let me ask. Should we pick up that one item?”

**Chairman Norton** said, “Let’s do the Coliseum report at this point. Call the next item.”

**Commissioner Winters left at 11:52 a.m.**

## 2. KANSAS COLISEUM MONTHLY REPORT.

### POWERPOINT PRESENTATION

**Mr. John Nath**, Director, Kansas Coliseum, greeted the Commissioners and said, “For the month of June, we had nearly 23,000 people through our doors, 13 events, 23 performances. Net revenues were in excess of \$121,000.

Started the month with Def Leppard. Had nearly 2,300 people . . . or 3,200 people in attendance for that. Good show, one of the stalwarts of the ‘80s glitter rock arena tours returned. Again, we had the U.S. Weapons Gun and Knife Show with nearly 3,000 people in attendance. Wheat State Morgan Horse Show, one of our recurring horse shows. Those are absolutely gorgeous animals, 3,000 people in attendance for that annual event.

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Again, we had the Power 93.9 Summer Jam with nearly 4,500 people in attendance featuring DMX and Ludacris. Then we had the Mega Comedy Jam with Arnez J. He was absolutely hilarious. We had 1,600 people there for that show in our theater set up.

In the sports zone, we had 2,800 people attend one football game with the Stealth and upcoming we've got Linkin Park in concert on July 30<sup>th</sup>. We've got again the U.S. Weapons Gun and Knife Show at the beginning of August. We have World Wrestling Entertainment returning to the Coliseum on August 10<sup>th</sup>. Palomino Horse Show, another recurring show, the 15<sup>th</sup> through the 17<sup>th</sup> and a return engagement with Ringling Brothers, Barnum and Bailey Circus at the end of the month. If there's any questions, I'd be happy to entertain them at this time."

**Chairman Norton** said, "I don't see any questions. What's next, what's coming up next? You got some kind of a preview on some other things?"

**Mr. Nath** said, "Some previews, we have Disney on Ice coming up in October. Of course we're looking very enthusiastically into the kickoff of the hockey season coming up in mid October. Dragon Tales may be returning to our doors in December and then of course we start getting into our season again with the rodeo and Sesame Street and the Sport, Boat and Travel Show. It's going to be pretty exciting."

**Chairman Norton** said, "Thank you. Any questions, comments? Thank you very much, John. At this point I'm going to recess the County Commission."

**Commissioner Sciortino** said, "Shouldn't we make a Motion to receive and file?"

### MOTION

Commissioner Sciortino moved to Receive and file.

Commissioner Unruh seconded the Motion.

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

### VOTE

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Absent
Commissioner Carolyn McGinn	Aye

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Commissioner Ben Sciortino      Aye  
Chairman Tim Norton              Aye

**Chairman Norton** said, "At this point I will recess the County Commission meeting till 1:30. Is that correct, Mr. Manager?"

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

**Chairman Norton** said, "1:30 is that when we anticipate to come back and it will not be on television when we come back."

**The County Commission recessed at 11:56 a.m. and returned at 1:38 p.m.**

**Chairman Norton** said, "I will call us back to order. Clerk, call the next item."

**G. DIVISION OF FINANCE.**

- 1. RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES A, 2003, AND GENERAL OBLIGATION REFUNDING BONDS, SERIES B, 2003, OF SEDGWICK COUNTY, KANSAS.**

**POWERPOINT PRESENTATION**

**Mr. Chris Chronis**, Chief Financial Officer, greeted the Commissioners and said, "We have another presentation. The budget went 30 minutes, Coliseum went an hour and 30 minutes. You sense a trend here? Here comes the third presentation."

**Commissioner Sciortino** said, "I make a Motion we adopt the resolution."

**Chairman Norton** said, "Don't sell past the close, Chris."

**Mr. Chronis** said, "You authorized this bond sale in several prior actions. What we are proposing sell bonds to finance are three projects that have been approved in CIPs in prior years and continue to be in the CIP today. The first of those projects is 63<sup>rd</sup> Street South, the widening of that street

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between Hydraulic and K-15. That is in the CIP as a 5.3 million dollar project, of which 1.3 million dollars will be funded with sales tax proceeds and \$4,000,000 will be funded with the proceeds of this bond issue.

The second project are improvements to the courthouse complex to the tune of about 12.2 million dollars. That's a lengthy series of projects that we've shown you previously, some of which were undertaken last year, some of which are being undertaken this year and the rest of which will be completed next year. All of those three years worth of projects are being financed with the proceeds of this bond issues. And in prior actions, you authorized the reimbursement of cash proceeds, or cash reserves that are being used to pay the bills for those projects until the bond sales.

And the third project is a special assessment project, Savanna at Castle Rock, for \$181,000. So you have a total of about sixteen and a half million dollars of bond proceeds, 17.7 million dollars of total project costs to be financed with the proceeds of this General Obligation Bond issue.

In addition to that bond issue, we are proposing a second series of bonds amounting to just under four and a half million dollars to refund a portion of the outstanding bonds that were sold in 1997. We believe that we can achieve reasonable debt service savings by proceeding with this refunding, although I will note that the market conditions are changing as time passes. I believe in the agenda summary I indicated that the estimate of savings on that refunding, the present value estimate of savings was \$159,000. We reran the analysis yesterday and the savings are now down to \$132,000 and they continue to drop, as the market continues to rise. By the time we get to the sale date, if the savings are insufficient, we will pull this series. We will not sell these bonds. And the action that's before you, the resolution that's before you gives us the authority to make that decision at the appropriate time.

This is the timetable of events leading up to the bond issue. Again, you've taken several prior actions pertaining to these projects. We propose to sell the bonds on August the 4<sup>th</sup>, which is a Monday, and we will be scheduling a specially called meeting of the Commission for I believe it's 11:30 that morning to award the sale of bonds based on the bid analysis that we will perform after we receive the bids earlier that day. And then finally, on August the 6<sup>th</sup>, you will adopt the budget for 2004 and between August the 4<sup>th</sup> and August the 6<sup>th</sup> we will adjust the debt service budget to reflect what, by then, we will know the actual debt service costs are for this bond issue. Right now, in the recommended budget, we have merely an estimate of those debt service obligations.

The last slide in this series just describes the action to be taken. I have in the audience here Joe Norton, our bond counsel, who can answer any questions that you have about resolution itself. The resolution authorizes us to proceed with the sale of the two series of bonds that I've described on August the 4<sup>th</sup>."

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**Mr. Joe Norton**, Bond Counsel, Gilmore and Bell P.C., greeted the Commissioners and said, "Thanks, Chris. As Chris indicated, the resolution delegates the authority of the Director of Finance, the Manager and staff to proceed with that sale and bring you the results at the special meeting on the 4<sup>th</sup> at 11:30. Otherwise, it's a pretty normal transaction that we do on an annual basis, other than the refunding component, which again we're evaluating on a daily basis. That may or may not happen, depending on the market condition. So, I'll be available to answer any questions that you might have."

**Chairman Norton** said, "I see no questions. What is the bond rate right now? What is a range, kind of where do you think it will fall?"

**Mr. Norton** said, "You want to handle that one? About three weeks ago, three or four weeks ago, we saw 20 year historic lows in interest rates on municipal obligations. They have risen somewhat since that point in time. They kind of go counter to the stock market. They're more keyed to the Treasury Bonds and as those of you that may follow that over the last three or four business days, the ten-year Treasurer has been at 30 or 40 basis points, because the stock market has gone up, fixed rate interest rates go up. So, we kind of hope like maybe if we have a bad day in the stock market before the sale and then rates will be better than they would be if they have a good day in the stock market on Friday. So, they're very low, relatively speaking, for the past 20 years but not as low as they were three or four weeks ago."

**Chairman Norton** said, "Kind of a range, 3.5 to 4.0?"

**Mr. Norton** said, "Maybe a little bit less."

**Chairman Norton** said, "Okay."

**Mr. Chronis** said, "In the material that I gave you, I believe it was on Friday, there was among other things a debt service schedule that had been prepared by our financial advisor and that debt service schedule identifies an assumed true interest cost on the bonds of 3.27%."

**Chairman Norton** said, "I have no other questions. What is the will of the Board?"

#### **MOTION**

Commissioner Sciortino moved to Adopt the Resolution.

Commissioner Winters seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Next item."

- 2. RESOLUTION REQUESTING THE SEDGWICK COUNTY PUBLIC BUILDING COMMISSION TO ISSUE REVENUE BONDS FOR THE PURPOSE OF PAYING ALL OR A PORTION OF THE COSTS TO DEVELOP, CONSTRUCT AND EQUIP RENOVATIONS AND IMPROVEMENTS TO THE KANSAS COLISEUM AND RELATED APPURTENANCES THERETO FOR SEDGWICK COUNTY, KANSAS.**

**Mr. Chronis** said, "This resolution is the one I described to you earlier when we were discussing the Coliseum. It requests the Public Building Commission to proceed with the financing for the design option that you approved this morning. And the resolution that is in your packet has two blanks in it identifying amounts of money, the estimated costs of the project. And on the completed resolution we will fill in those numbers, based on your action this morning and it will identify the estimated costs to develop, construct and equipment the project as being \$55,336,420, which is the cost estimate for design option D that you approved earlier today.

In the presentation that I did previously, I described for you the series of events that would lead up to this bond issue and I described for you the estimated debt service cost and the potential impact on property taxes of that debt service, so I won't go into that again right now, unless you have questions about that information. And if you have no questions, then I would recommend that you approve the resolution."

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**Chairman Norton** said, "I see no questions. Will of the Board?"

**MOTION**

Commissioner McGinn moved to Adopt the Resolution.

Commissioner Unruh seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Next item."

**3. RESOLUTION AMENDING THE POLICY AND PROCEDURE FOR DEBT FINANCING FOR SEDGWICK COUNTY.**

**Mr. Chronis** said, "The County's debt policy was originally adopted in 1991. It's been amended several times since then, most recently in 1998. It has served the County very well over that period of time. It provides some limitations on what kind of debt we issue, on when we issue the debt and on how much debt we can issue.

However, over the next several years, we have plans to issue what, for Sedgwick County, is a significantly larger amount of debt than we have previously, so we think it's appropriate to revise the policy to provide even more controls over and guidance to the County staff and advisors for the management of debt.

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The policy that is before you does that in several ways. First, it establishes a debt management committee consisting of three individuals who have a specific task provided in the policy of meeting semi-annually and reviewing the County's outstanding debt and repayment of that debt and reviewing the plans that the County has to issue new debt and evaluate those plans in the context of this policy and specifically the ceilings on debt that are contained in this policy.

As each series of bonds is issued, the debt management committee is charged with the responsibility to giving you a report attesting to the fact that those bonds will keep the County in compliance with the policy. This proposed policy contains a fairly lengthy set of guidelines for staff and our advisors to follow in determining when debt . . . when it's appropriate to issue debt, what kind of debt to issue under various circumstances, and how to structure that debt.

It establishes standards and benchmarks for the amount of debt that can be issued that are different than the standards that the County has historically looked at and the reasons for those changes are that the measure that the County historically has . . . the measures we have looked at, which identify debt in relation to taxable values are not measures that are commonly used in the marketplace or by rating agencies, and so they have had some difficulty, as they have expressed to us, in evaluating how we look at our debt capacity in relation to how they look at our debt capacity.

And so what we are doing in this proposed policy is identifying as measures of debt capacity a more lengthy series of measures that are based on the criteria that rating agencies and prospective investors typically use when evaluating municipal bond issues.

Specifically, the limitations that are contained in the policy have to do with the amount of per capita debt that we are allowed to issue. It also measures per capita debt in relation to all municipal debt issued in Sedgwick County, recognizing the fact that the taxpayers of Sedgwick County are obligated to repay not only Sedgwick County's debt but also municipal debt issued by the City of Wichita, small cities, school districts, lots of governments within Sedgwick County. And so the rating agencies and the financial markets, in evaluating whether or not we have capacity to issue debt, are also evaluating whether our taxpayers have capacity not just to repay that debt, but to repay all municipal debt that they're on the hook for. And so we look at per capita debt for the entire community, as well as debt that is issued just by Sedgwick County.

The second set of measures in this policy have to do with debt in relation to market value. Now in our old policy, in the existing policy we have looked at debt in relation to taxable value, but taxable values in relation to market value varies from state to state, in some states from county to county, and within Kansas it varies from class of property to class of property. And so, measuring debt in

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relation to taxable value is not something that the marketplace and the rating agencies pay a lot of attention to because they don't know how to evaluate it, it's such a variable. Instead, what they do is look at debt in relation to market value, full value of property.

And so this proposed policy identifies a measure of capacity for the County's debt in relation to market value and the measure of capacity for the entire community's municipal debt in relation to market value.

The third measure, the third category of measure is debt burden. There is a measure in this policy but not in the current policy that says the County's debt burden, the annual debt service obligation in relation to the budget should not exceed a certain percentage and that's something that the marketplace and the rating agencies consider to be very important. They want some assurance that the jurisdiction is not taking on so much debt that revenues of the jurisdiction are going to have to be diverted from maintenance and operations to repay that debt, because the marketplace and the credit rating agencies recognize that if that happens, it's not too long before the taxpayers rise up and start objecting and, to the marketplace, that creates the possibility of risk, it introduces risk to the possibility of a government not repaying the debt because of political pressure being put on it to do other things with that money.

And so we have all of those measures contained in this proposed policy. We also have an indicator in the policy pertaining to the rapidity of repayment of debt. This policy, but not the current policy, requires us to repay 30% of the amount of debt we have outstanding within five years and 60% within 10 years.

So we think all of those standards are important. They will establish controls that we have not previously had and we think it's appropriate to have those controls as we go forward with our plans to issue what, for us, is a fairly significant amount of debt over the next several years. I'll be happy to answer any questions that you might have about this proposed policy. If you have none, I recommend you approval."

**Chairman Norton** said, "Okay. Commissioner Winters."

**Commissioner Winters** said, "Chris, can you describe how this policy came into creation? I'm sure that your hand and thought had a lot of ideas to do with it, but were there others, both internal and external, that you consulted with in making this proposal?"

**Mr. Chronis** said, "Yes, thank you for the cue. Yes, I did initiate this draft and it has been reviewed by Joe Norton, our bond counsel, by Dave McGilvray and his associates at Springstead Incorporated, our financial advisors. And when I was in New York back in May, visiting with the

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rating agencies about the economy and other things, I also took the opportunity to discuss with them on a conceptual level what I was thinking about for a proposed debt policy, in relation to what we have to get a sense of what they would like to see in a debt policy, and what you have here before you is the result of that initial draft that I prepared, modified by the reviews and the comments that I've received from Joe Norton and Springsteed and the rating analyst."

**Commissioner Winters** said, "And so, if I would recap part of what you've said then that even though our past policy has been, I guess I'd use conservative, your thought is that the rating agencies and the marketplace can tell more about us if we follow these more traditional guidelines that they look at, as opposed to having a somewhat conservative policy that was just developed internally here a number of years ago."

**Mr. Chronis** said, "Yes, with the caveat that I would consider this policy to be conservative as well. It simply is conservative in a different way."

**Commissioner Winters** said, "All right. Well, I see that Joe Norton is in the audience and I'd just like for him to make a comment. Joe, I don't mean to catch you unaware, but I guess I'd like to know your thoughts on this revision."

**Mr. Norton** said, "As Chris indicated, we had an opportunity to review this and I think the policy is a very good one. It does not modify, of course, our state statutory guidelines of the amount of debt that we can issue, which are still based upon assessed valuation. And I think, when you say more traditional, I think what's happened over time is that the marketplace has moved toward the kinds of indicators Chris has outlined and further away from the kind of things we've traditionally used because of different ways in which different states and jurisdictions in states do their assessed valuation, how they come up with taxable tangible property, as opposed to fair market value, which they can apply consistently across the board.

So when we get our financial ratings, currently compared with other Kansas communities we're compared with other communities and counties nationally and this kind of puts us on more of a level playing field on how they analyze the debt capacities and debt repayment-abilities on a national basis."

**Commissioner Winters** said, "And then, as you said, to repeat what you said, we're still following

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the state requirements and whatever those state limits would be, even though we have this policy, those state limits are still there.”

**Mr. Norton** said, “That’s correct.”

**Commissioner Winters** said, “All right, thank you, Mr. Chairman, that’s all I have.”

**Chairman Norton** said, “Okay. Commissioner Unruh.”

**Commissioner Unruh** said, “Thanks. This doesn’t have any net effect, significant effect on how much debt . . . I mean, there’s still the dollar amount relation from the old policy to the new policy is approximately the same amount of total debt?”

**Mr. Chronis** said, “Approximately. Quite honestly, I have not gone into the recommended budget, the CIP that’s in the recommended budget, and measured that debt proposal against the current policy limitation, because I knew that this policy was going to be on your agenda for consideration. So I don’t know precisely how the two compare, but they’re roughly the same.”

**Commissioner Unruh** said, “Roughly the same. Okay, thank you.”

**Chairman Norton** said, “Commissioner Winters.”

**Commissioner Winters** said, “But then, as we go forward with our Capital projects that are on the horizon, you will relationship them with this new policy, which includes county-wide debt. I mean, of all institutions in the County and if we need to be in those ratios that are going to be acceptable to the rating agencies and the marketplace to make sure that we’re getting these best rates possible. So, our old policy did not do that, did not look at this county-wide issue.

I think you’ve done a good job. I’ve been very comfortable with our old policy, principally because those who have gone before us said this was a conservative, fine way to do business. But I think it appears to me that this also appears to be a good policy. Thank you.”

**Chairman Norton** said, “I see no other questions. I’m pretty tickled with this new policy, because it does take all debt for taxpayers into consideration and I remember when I was mayor of Haysville, we used to get heat for some of the mill levy things we’d try to do and we’d have to convince everybody that we’re not charging you the whole 152 mills, we only have 40 mills of it.

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There was the school district and the fire district and the libraries and the drainage and everything else and that did make a tax burden on you, so this takes that into consideration in getting our bond rates and it makes us pretty smart, as far as how we fit in to the taxpayers' burden. So I think it is a good policy.

At this point, I would entertain a motion, if there's no other questions."

**MOTION**

Commissioner McGinn moved to Adopt the Resolution.

Commissioner Winters seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Thank you, Chris. Next item."

**4. RESOLUTION AMENDING THE POLICY AND PROCEDURE FOR SPECIAL ASSESSMENT PROJECT MANAGEMENT FOR SEDGWICK COUNTY.**

**Mr. Chronis** said, "The debt policy that the County had has contained imbedded within it a fairly extensive set of policies and procedures concerning the management of special assessments. The debt policy that you just adopted does not have the special assessment actions embedded in it. Instead, what we have done is split those out into a policy of their own, and that's what's before you here. This policy, this proposed policy is substantively exactly the same as what you have had as your policy for special assessments embedded within the debt policy. If there are no questions, then I recommend your approval."

**Chairman Norton** said, "Commissioner Winters."

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**Commissioner Winters** said, “So then this is where, on special assessments, developers need to have letters of credit and all that kind of thing and there is still squarely in this?”

**Mr. Chronis** said, “That’s all a part of this, yes and that has not changed at all.”

**Commissioner Winters** said, “Okay, thank you. That’s all I had.”

**MOTION**

Commissioner Winters moved to Adopt the Resolution.

Commissioner Sciortino seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, “Thank you Chris. Next item.”

**HEALTH DEPARTMENT**

**H. HEALTH DEPARTMENT.**

- 1. AGREEMENT WITH KANSAS STATEWIDE FARMWORKER HEALTH PROGRAM FOR HEALTH DEPARTMENT TO PROVIDE PRIMARY CARE HEALTH SERVICES TO MIGRANT AND SEASONAL FARMWORKERS AND THEIR FAMILIES.**

**Ms. Pam Martin**, Director, Clinical Services, greeted the Commissioners and said, “The first agenda item is with the Sedgwick County Health Department and the Kansas Department of Health and Environment. It has partnered over the last decade to provide health care services to migrant

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and seasonal farm workers. This includes lawn care workers and those work in orchards and also their families.

This is done through the Kansas Statewide Farm Workers program as well. This program also provides health care services such as immunizations, pharmacy, dental and lab for those who qualify. Services rendered by the Sedgwick County Health Department are reimbursed by the Kansas Department of Health and Environment at the same rate used by Medicaid. Our recommended action is that we're asking for approval of this agreement and authorizing the Chairman to sign the agreement and any other related documents."

**Chairman Norton** said, "Commissioner Sciortino."

**Commissioner Sciortino** said, "This is something that you don't have to try to answer today, but just if it could be gotten. About how much public money per worker of this category is spent? I mean how much on a worker do we spend to cover their health care costs? I know the people that are hired at the country clubs to mow the lawns and what have you are migrant farm workers. I don't know how many of them we work on, but it would be interesting to me, maybe the taxpayer, just to kind of get a clear understanding how many dollars per worker are we, the taxpayers, paying for that."

**Ms. Martin** said, "Okay, I can see if I can find that out."

**Commissioner Sciortino** said, "If you can find it out, that would be great."

**Chairman Norton** said, "Any other discussion, questions?"

**MOTION**

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

Commissioner Unruh seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye

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Commissioner Ben Sciortino      Aye  
Chairman Tim Norton              Aye

**Chairman Norton** said, "Next item."

**2.      AGREEMENT WITH KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR HEALTH DEPARTMENT TO CONTINUE BLOOD-LEAD SCREENINGS OF CHILDREN.**

**Ms. Martin** said, "The second agenda item is between the Sedgwick County Health Department collaborating also with the Kansas Department of Environment to facilitate blood lead screenings on children from six months of age to six years of age in Sedgwick County. This program is designated to prevent the spread of childhood diseases related to blood lead poisoning.

The Sedgwick County Health Department staff is responsible for coordinating and performing elevated blood lead screening, as well as case management and implementation of primary prevention activities. Funding for this program has increased from \$40,000 to \$50,000 in the state fiscal year of 2004 and it now completely supports the community health nurse position in the blood lead program. Our recommended action is that we're asking to approve the contract and authorize the Chairman to sign the contract and any other related documents."

**Chairman Norton** said, "Discussion? Is see none. Can I have a Motion?"

**MOTION**

Commissioner Unruh moved to Approve the Agreement and authorize the Chairman to sign.

Chairman Norton seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh      Aye  
Commissioner Thomas Winters      Aye  
Commissioner Carolyn McGinn      Aye  
Commissioner Ben Sciortino      Aye

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Chairman Tim Norton

Aye

**Chairman Norton** said, "Next item."

- 3. AMENDMENT TO AGREEMENT WITH THE SECRETARY OF SOCIAL AND REHABILITATION SERVICES PROVIDING FUNDING FOR THE HEALTH DEPARTMENT TO CONTINUE PREVENTION AND EARLY INTERVENTION SERVICES FOR AT-RISK FAMILIES THROUGH THE HEALTHY FAMILY KANSAS HEALTHY BABIES, INC. PROGRAM.**

**Mr. Ted Jobst**, Director, Integrated Family Health, greeted the Commissioners and said, "We're seeking approval for a Healthy Families Kansas grant from SRS. This is a renewal grant that funds part of our Healthy Babies field nursing programs and would cover the costs of two nurses, a translator, or someone who would act as a translator for us, and an administrative assistant. The grant provides for a nurse case management services that offer early intervention to promote healthy child development and to reduce the incidence of child neglect and child abuse. Any questions?"

**Chairman Norton** said, "Commissioner Winters."

**Commissioner Winters** said, "Ted, I'm certainly going to be supportive. We've been here for a long time today, so I'm not going to ask for details, but again, it's good to see you here and if we'd have been still in the morning hours I would have asked you to give us some updates about how things are going with this. And I would assume that probably your providing SRS and the federal government with some feedback about how the outcomes are coming with this and I think we'd be interested in knowing about how the program is going and what kind of future needs you see and just kind of a general update. But I know, with the lateness of the hour, I know we're probably not wanting to sit through a long dissertation."

**Mr. Jobst** said, "I'll give you 20 seconds. We are just now working, we're finishing up our work with Dr. Matson at Wichita State University to develop our outcome measurements, to develop software to go with that so that it will be unique to our program, to the programs that we are providing and we'll continue to work with Dr. Matson to perfect that process. I mean, what we want to do is put something in place that measures what we do, how well we do it, how effective we

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are at it and to have a software program that allows us to put that all in place. So we're right on the cutting edge of that right now."

**Commissioner Winters** said, "And this funding will carry us through, this is another year?"

**Mr. Jobst** said, "That's right. This is state funding, this is state funds, the second of a three year process with them."

**Commissioner Winters** said, "Okay. Well, as you go back to your shop, be sure and relay to all of those working on the Healthy Baby programs how important the Commissioners think that is and how much we appreciate their work and we appreciate feedback from them and you to that project."

**Mr. Jobst** said, "Thank you. I'll sure do that."

**Chairman Norton** said, "I see no other questions. What is the will of the Board?"

**MOTION**

Commissioner Winters moved to Approve the Amendment to Agreement and authorize the Chairman to sign.

Commissioner Sciortino seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "Thank you, Ted. Next item."

**COMCARE**

**I. AGREEMENT WITH TIYOSPAYE, D.B.A. HIGHER GROUND TO PROVIDE SUBSTANCE ABUSE ASSESSMENT AND TREATMENT SERVICES FOR YOUTH**

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**WITH HEALTHWAVE INSURANCE.**

**Ms. Marilyn Cook**, Director, Comprehensive Community Care (COMCARE), greeted the Commissioners and said, “What this contract, Higher Ground, agrees to provide substance abuse assessment and treatment services for kids in Sedgwick County who are under the Healthwave coverage. The clients . . . the mandate in this proposal is that the clients have to be offered an appointment within 10 days and they have certainly been doing that.

We’ve been pretty pleased. This has been . . . the practice has been in place since April, because we stopped our adolescent treatment program. Pretty pleased with the work that they’ve been doing. They hold a family night every Wednesday night and, so far, they’ve done a number of assessments for us and what we like about it is they don’t always recommend treatment automatically because they’ve assessed someone. And so we have a lot of trust with them and they’ve done a really nice job of engaging the kids that we’ve sent. So we are asking that you approve the contract and I’d answer any questions you might have.”

**Chairman Norton** said, “I see no questions.”

**MOTION**

Commissioner Unruh moved to Approve the Agreement and authorize the Chairman to sign.

Chairman Norton seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, “Thank you, Marilyn. Next item.”

**J. REPORT OF THE BOARD OF BIDS AND CONTRACTS’ REGULAR MEETING OF JULY 10, 2003.**

**Ms. Iris Baker**, Director, Purchasing Department, greeted the Commissioners and said, “The

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referenced meeting resulted in one item for consideration today.

**1) A & E FOR DISTRICT COURT CLERICAL- FACILITY PROJECTS  
FUNDING: CAPITAL IMPROVEMENT PROJECT**

The item, architectural and engineering services for the District Court Clerk remodel on behalf of Facility Projects. Recommend the low proposal from Shaffer, Johnson, Cox and Frey in the amount of \$54,000.

We'd be happy to answer any questions and recommend approval of this item."

**Chairman Norton** said, "One item, I don't see any lights on. So, what is the will of the Board?"

**MOTION**

Commissioner Sciortino moved to Approve the recommendations of the Board of Bids and Contracts.

Commissioner Winters seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, "I wish they were all that easy, Iris. Clerk, call the next item."

**CONSENT AGENDA**

**K. CONSENT AGENDA.**

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1. **Agreement with Administrative Services of Kansas, Inc. providing the terms and conditions governing electronic transfers of data communications and funds, as required by the Health Insurance Portability and Accountability Act (HIPAA).**
2. **Agreements (65), including HIPAA regulations, to provide services under the Senior Care Act and Older Americans Act program.**
3. **Orders dated July 2 and July 9, 2003 to correct tax roll for change of assessment.**
4. **General Bills Check Register(s) for the week of July 9 – 15, 2003.**

**Mr. Buchanan** said, “Commissioners, you have the Consent Agenda before you and I would recommend you approve it.”

**MOTION**

Commissioner Sciortino moved to Approve the consent agenda as presented.

Commissioner Unruh seconded the Motion.

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

**VOTE**

Commissioner David M. Unruh	Aye
Commissioner Thomas Winters	Aye
Commissioner Carolyn McGinn	Aye
Commissioner Ben Sciortino	Aye
Chairman Tim Norton	Aye

**Chairman Norton** said, “Commissioners, is there anything else to come before us today, knowing that there’s no cameras or obviously public interest involved here, we can speak at will.”

**Commissioner Sciortino** said, “Can we hold up on ‘other’ other until there’s a camera that can show the people what our ‘other’ other was.”

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**Chairman Norton** said, "I have some 'other' other. Ron, don't run off. I'd just like to thank Ron Holt personally, before he gets out of here, for helping us through this process today. Very contentious subject, tough subject for our community. It will have other ramifications I'm sure, now that we've got the clock ticking, but thank you very much for taking hold of that process that's relatively volatile in our community and doing it with professionalism and panache. I appreciate that."

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

**Commissioner Sciortino** said, "I don't know if that's what he's talking about, but I also want to thank you on the work you did on the Coliseum thing too."

**Chairman Norton** said, "Linked with that, I would like to also compliment my colleagues. It is certainly nice, in the year that I'm chairing, that with an issue like this that you've got folks that are engaged and are professional and can work together and come to the good work of government without mud slinging and arguing and contention and acrimony and, boy, is that the way of good government. And I've got to tell you, I really appreciate it today trying to get us through that that you guys were thoroughly engaged, know the subject matter and are not afraid to take leadership roles in our community."

That's exciting and I think it's going to be important that, as we move into the budget phase now, that we continue that same good philosophy and effort and professionalism, because that's not going to be easy either and I really appreciate that, trying to be chair. I mean, hitting landfill and then Coliseum and then budget and then maybe jail conversations. If we hit all those things during my year as chair, I sure appreciate all of you guys. And I just wanted to say that on record, not on the camera but on record. Anything else to come before us? We're adjourned."

**L. OTHER**

**M. ADJOURNMENT**

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There being no other business to come before the Board, the Meeting was adjourned at 2:11 p.m.

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

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**TIM NORTON**, Chairman  
Second District

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**THOMAS G. WINTERS**, Chair Pro Tem  
Third District

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**DAVID M. UNRUH**, Commissioner  
First District

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**CAROLYN McGINN**, Commissioner  
Fourth District

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**BEN SCIORTINO**, Commissioner  
Fifth District

ATTEST:

\_\_\_\_\_  
**Don Brace**, County Clerk

APPROVED:

\_\_\_\_\_, 2003