

MEETING OF THE BOARD OF COUNTY COMMISSIONERS

REGULAR MEETING

June 9, 2010

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, June 9, 2010, in the County Commission Meeting Room in the Courthouse in Wichita, Kansas, by Chairman Karl Peterjohn, with the following present: Chair Pro Tem Gwen Welshimer; Commissioner David M. Unruh; Commissioner Tim R. Norton; Mr. William P. Buchanan, County Manager; Mr. Rich Euson, County Counselor; Mr. David Spears, Director, Bureau of Public Works; Mr. Dennis Mauk, Deputy Director, Emergency Medical Services; Mr. Chad VonAhnens, Director, Sedgwick County Developmental Disability Organization; Mr. Randy Duncan, Director, Emergency Management; Mr. Ron Holt, Assistant County Manager; Ms. Iris Baker, Director, Purchasing; Ms. Kristi Zukovich, Director, Communications; and Ms. Katie Asbury, Deputy County Clerk.

GUESTS

Mr. Ray Frederick, Interim President, Wichita Area Technical College
Ms. Sheree Utash, Vice President of Academic Affairs, Wichita Area Technical College
Mr. Gary Desjardins, SMG Regional Manager, Intrust Bank Arena

INVOCATION

Led by Pastor Lynn Taylor, West Side Christian Church, Wichita

FLAG SALUTE

ROLL CALL

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

CONSIDERATION OF MINUTES

Regular Meeting May 26, 2010

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All Commissioners were present

MOTION

Commissioner Welshimer moved to accept the Minutes as read for the regular meeting of May 26, 2010.

Commissioner Norton seconded the motion.

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

VOTE

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| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, “Thank you. Next item.”

DONATION

A. DONATION OF EQUIPMENT FOR AN EMS BIKE MEDIC PROGRAM.

Mr. Dennis Mauk, Deputy Director, Emergency Medical Services, greeted the Commissioners and said, “The equipment that we are talking about from Coleman Company is some bike lights, also portable heaters and pop-up tents to help our Disaster Medical services [Support] Unit. And we would recommend that you approve the donation and recognize the Coleman Company for their public involvement.”

MOTION

Commissioner Norton moved to approve acceptance of the donation and acknowledge the Coleman Company for their community support.

Commissioner Welshimer seconded the motion.

Chairman Peterjohn said, “We have a motion and a second. I’m just going to mention, for the record, that Coleman Company was founded here in Wichita and we’ve got a great history of

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entrepreneurship that the Coleman Company was part of, and this Commissioner is absolutely delighted to be in a position to vote to accept this donation and I think it's an excellent sign of good corporate citizenship on the part of the Coleman Company, and I enjoy visiting their facilities and combined outlet store and museum over on St. Francis Street. So having said that, seeing no further discussion, please call the vote."

VOTE

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| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, "Next item."

B. DONATION TO EMS FROM SAM'S CLUB.

Mr. Mauk said, "We would recommend that you approve this donation and recognize Wal-Mart stores for their community involvement."

MOTION

Commissioner Norton moved to approve acceptance of the donation and acknowledge Wal-Mart stores for their community support.

Commissioner Welshimer seconded the motion.

Chairman Peterjohn said, "We have a motion and a second. I would mention that Wal-Mart has a significant corporate presence here in Wichita, and despite some recent controversies that they've been involved in, I am delighted that they are joining Coleman and making this contribution, and I am going to be delighted to support this motion. Seeing no further discussion, please call the vote."

VOTE

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| Commissioner Unruh | Aye |
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| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, “Next item.”

APPOINTMENT

C. WICHITA/SEDWICK COUNTY ACCESS ADVISORY BOARD.

1. RESOLUTION APPOINTING DAVID MOFFETT (COMMISSIONER PETERJOHN'S APPOINTMENT) TO THE WICHITA/SEDWICK COUNTY ACCESS ADVISORY BOARD

Mr. Rich Euson, County Counselor, greeted the Commissioners and said, “If you would like, we could take Items C-1 through C-5, they all relate to the same board.”

Chairman Peterjohn said, “Without seeing any objection, let’s proceed that way. Counselor Euson.”

Mr. Euson said, “Items C-1 through C-5 are five appointments and reappointments to the Access Advisory Board that we first started making appointments to last year. These are one-year appointments and I would recommend that you adopt the resolution for each one of these items, C-1 through C-5.”

MOTION

Commissioner Unruh moved to adopt the Resolution.

Commissioner Welshimer seconded the motion.

Chairman Peterjohn said, “Okay. Should we state for the record the names of each of the individuals who would be included if we take this up all at one time?”

Mr. Euson said, “Yes. I would be glad to do that, if you want me to.”

Chairman Peterjohn said, “Please proceed.”

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Mr. Euson said, “These are appointments from each Commission district, and this is: David Moffett is Commissioner Peterjohn's appointment, Susan Robinson is Commissioner Norton's appointment, Sanford Alexander is Commissioner Unruh's appointment, Commissioner Parks' appointment is Glen Davidson and Commissioner Welshimer's appointment is Craig Perbeck.”

Chairman Peterjohn said, “Seeing no further discussion, please call the vote.”

VOTE

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|------------------------|--------|
| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, “Next item.”

Mr. Euson said, “I don't know if anybody's here or not...”

Chairman Peterjohn said, “Oh, I'm sorry, I'm a step ahead.”

Mr. William P. Buchanan, County Manager, greeted the Commissioners and said, “None of the appointments are here.”

Chairman Peterjohn said, “Okay. Let's proceed to the next item, please.”

2. **RESOLUTION REAPPOINTING SUSAN ROBINSON (COMMISSIONER NORTON'S REAPPOINTMENT) TO THE WICHITA/SEDWICK COUNTY ACCESS ADVISORY BOARD.**

Action taken with Item C-1

3. **RESOLUTION REAPPOINTING SANFORD ALEXANDER (COMMISSIONER UNRUH'S REAPPOINTMENT) TO THE WICHITA/SEDWICK COUNTY ACCESS ADVISORY BOARD.**

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Action taken with Item C-1

4. **RESOLUTION REAPPOINTING GLEN DAVIDSON (COMMISSIONER PARKS' REAPPOINTMENT) TO THE WICHITA/SEDGWICK COUNTY ACCESS ADVISORY BOARD.**

Action taken with Item C-1

5. **RESOLUTION REAPPOINTING CRAIG PERBECK (COMMISSIONER WELSHIMER'S REAPPOINTMENT) TO THE WICHITA/SEDGWICK COUNTY ACCESS ADVISORY BOARD.**

Action taken with Item C-1

CITIZEN INQUIRY

- D. **REQUEST TO ADDRESS THE BOARD OF COUNTY COMMISSIONERS REGARDING MIDWEST ROCKFEST.**

Mr. Buchanan said, "Commissioners, Ms. Cross will not be here this morning, she is ill."

Chairman Peterjohn said, "We will skip over that item then to receive and file. Next item."

NEW BUSINESS

- E. **AMENDED 2010 ANNUAL CONTRACT WITH STATE OF KANSAS, DEPARTMENT OF SOCIAL REHABILITATION SERVICES, TO PROVIDE DEVELOPMENTAL DISABILITY SERVICES.**

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Mr. Chad VonAhnens, Director, Sedgwick County Developmental Disability Organization, greeted the Commissioners and said, “The item we have before you today is our amended 2010 contract with SRS (Social Rehabilitation Services); it’s a contract between SRS and all the 27 CDDOs (Community Development Disability Organizations), and this runs through the end of this month, through June 2010. Really what this does is formalizes the actions in November taken by the Governor through the allotments, and also actions taken by the legislature in February to use state funds from the Developmental Disability System to offset the 10 percent reduction in the Medicaid waiver. The total reduction from the start of state fiscal year ‘10, which is July 1, 2009, in this contract is a reduction of \$980,539. We’ve addressed these cuts throughout the past year and have been able to preserve day and residential services for the majority of individuals, primarily by shifting their funding from state funds to the Medicaid waiver, which is a combination of state and federal funds, whenever that’s been possible.

“The most significant impact of these cuts was on families. Historically we’ve been able to provide family support funding, which typically pays for diapers for older children, respite care for families that are working, and other items that may be necessary for a child with an intellectual or developmental disability. And state fiscal year ‘09 we were able to provide those funds and those services for 250 families, and this past year we were able to allocate funding for 85 families before the allotments in November. Approving this contract, again, just finalizes those cuts that have already occurred and will allow SRS to process our fourth quarter payments. Therefore I would propose you take the recommended action of approving the contract, authorizing the Chairman to sign and authorize budget adjustments related to this contract. I’d be glad to answer any questions.”

MOTION

Commissioner Norton moved to approve the Contract and authorize the Chairman to sign and authorize budget adjustments related to this Contract.

Commissioner Welshimer seconded the motion.

Chairman Peterjohn said, “Thank you. We’ve got a motion and a second. Questions or comments for Mr. VonAhnens? I’m going to throw out one to clarify. The agreement that we’d be approving today would be about a, by my calculations, about a 2.5 percent reduction from last year, a little less than a \$1 million out of \$40 million is about 2.5 percent by my calculations. And looking at that percentage drop, I was interested, in terms of you mentioned the number of families that are involved in various programs and individuals served, I was interested in knowing how the number of families and individuals served will change with that change in this contract?”

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Mr. VonAhnens said, “Well, the important part of that, the two percent of the total, includes the allocation we received for the Medicaid waiver. And the importance of that is the people that are funded through purely state funds aren’t eligible for the Medicaid waiver, so it’s kind of like we’re serving two different, within our population we’re serving two different groups. The state funds, the two percent of the total, really what we’re concerned about is the total of state funds in that reduction, and that’s changed from state fiscal year 2009 through now, was about 68 percent of state funds. In terms of numbers of people served, again, we’ve been able to preserve most of the funding for adults in day and residential programs. We had, as most other areas of the state went through at the end of last year, a policy change where people that were funded through state funds had to be eligible for Medicaid. That resulted in the termination of about 20 people from services, and that was done either voluntarily by them, because they didn’t want to pay the obligation to pay down for Medicaid or because they just would not be eligible for Medicaid.”

Chairman Peterjohn said, “Thank you. Seeing no further questions or comments, please call the vote.”

VOTE

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| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Mr. VonAhnens said, “Alright. Thank you.”

Chairman Peterjohn said, “Thank you. Next item.”

F. ADOPTION OF THE SEDGWICK COUNTY LOCAL EMERGENCY OPERATIONS PLAN.

Mr. Randy Duncan, Director, Emergency Management, greeted the Commissioners and said, “Today I’m here to ask you to approve the fruits of a long labor, which is revision and update of the Local Emergency Operations Plan here for Sedgwick County. That is the document that outlines the roles and responsibilities that each of the elements of government will assume under an emergency condition. And we do have a requirement under state statute to keep this document updated and

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approved on a regular basis, and we ask your consideration in that approval today, with one minor exception. And the minor exception is, in conversations with Mr. Euson's staff, we have been asked if we could change the recommended action to adopt the resolution approving the plan, with the exception of language relating to the Board of County Commissioners succession. The specific issue there is, it appears that the succession language in our plan, which is located on page 30 of your backup material, may appear to be not in keeping with the spirit of chapter 19 of the statutes regarding who has the authority to do what, in terms of operating the county. And if you have any more specific questions related to that issue, I'd be glad to ask Mr. Euson if he can explain, but I've reached the limit of my legal knowledge in giving you that information. I'd be happy to answer any other questions that you might have."

Chairman Peterjohn said, "Questions or comments for Randy? Commissioner Unruh."

Commissioner Unruh said, "Thank you, Mr. Chair. Well if we adopt the resolution and approve the plan except for the succession language, is that going to be corrected later, or is a correction needed, or is it just going to be excised from the document?"

Mr. Euson said, "Commissioners, it would just be taken out for now. I don't know that there's a correction that can be made to it. This is language that predates my tenure as County Counselor, and it calls for a succession of the Board of County Commissioners to be reduced to however many members are left. And so it could be, if you got down to two Commissioners, the plan calls for those two Commissioners to operate the emergency function. That, of course, is in direct contravention to our charter resolution calling for a four member quorum, but not only that, if there are no Commissioners, then your responsibilities devolve to the County Manager. And it's just not supported in the statutes or the constitution, it's been in there for a long time, and it just needs to be taken out."

Commissioner Unruh said, "Okay. I think that's almost clear. No, I'm sorry, Mr. Counselor, it's clear, and I appreciate your explanation."

Chairman Peterjohn said, "Well should we basically say that, let's see, pages 30 through 31 would be, of the backup material that the Commissioners have, and this may be a little confusing for the audience out there and also for folks who are viewing this online, since they wouldn't have this backup information, that those two pages would be the two pages that would be removed from this proposal in front of us?"

Mr. Euson said, "I would say you could adopt the resolution with the exception of the Board of County Commissioners succession, paragraphs 1 through 6 on page 30 of the plan."

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Chairman Peterjohn said, “Okay, just 1 through 6 and not, okay.”

Mr. Duncan said, “And, Mr. Chair, I might point out, if you’d like to advise the viewers on television, or those who are watching later, they can actually take a look at the backup material, it is a part of the base plan, which is accessible on our county website. Just go to the Emergency Management page there and look for the Local Emergency Operations Plan, and look for the section called Base Plan, and they can find the same material you’re looking at.”

Chairman Peterjohn said, “Okay. And we’d have the same page numbers, and page breaks...”

Mr. Duncan said, “Yes, sir.”

Chairman Peterjohn said, “...and so on? Okay. Well that’s good to know. Because without kind of going through here, in terms of what we’re taking out, you know, what it calls out for, and since the beginning of this section refers to several, two different state statutes, 48-1204 and 75-125, we certainly don’t want to be in conflict with, set up a situation where we’ve got conflicting information. So what is the will of the Commission? I don’t believe we have a motion in front of us.”

MOTION

Commissioner Unruh moved to adopt the Resolution and approve the plan, except for the succession section relating to the Board of County Commissioners, the six items on page 30 of the document.

Commissioner Welshimer seconded the motion.

Chairman Peterjohn said, “Okay. We have a motion and a second. Is there any further discussion? Mr. Duncan, are there any, in terms of this plan, any other significant, you said there really are not any other major changes, I was just wondering with some changes at the national level, in terms of how we’re addressing emergencies and so on, in light of some of the problems we’re facing, whether they’re created, if they’re self-inflicted, such as what we’ve got in the Gulf of Mexico at the moment, or something that occurs from overseas, if there are any changes in this plan reflecting any of the new reality, in terms of some of the new problems we’re facing that really weren’t on most folks’ horizons just a couple of years ago?”

Mr. Duncan said, “Well that’s an excellent question. And by way of responding to that, let me say, probably the single largest change contained within the plan is the format itself and the importance

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of the change in the format. Previously we organized the plan by the functions that are common to responding to all disasters, so you would have seen a section relating to mass shelter, evacuation, law enforcement, fire, so on, such as that. The new format of the plan follows the way the federal government is now organized, in terms of Emergency Support Functions (ESF), and they're numbered 1 through 15. So ESF #1, for example, is transportation. ESF #2 is communications. It's really kind of an organizational format more than anything else. Now you'll also recall earlier when I talked about the plan, I said it is essentially a list of roles and responsibilities. Interestingly enough, those roles and responsibilities don't seem to change greatly depending upon what the specific type of emergency is.

"And if you'll forgive me for citing an example here, for example, if we have to do an evacuation of folks, to us it technically doesn't make any difference if the evacuation's having to be done because of a wildfire, or a building fire, or a flood, or a terrorist action. You know, evacuation we move folks from one area to another. Now the specifics may change, the direction, the ultimate destination, that sort of thing, but the baseline function remains the same regardless of the specific mechanism of the disaster. I think where you'll see the most change reflective of what you're asking about is in the documents below the plan level that are the standard operating procedures in how we actually implement the plan."

Chairman Peterjohn said, "I appreciate that clarification, because having been at the emergency center when it looked like we might have a tornado coming..."

Mr. Duncan said, "Yes, sir."

Chairman Peterjohn said, "...down through a major part of Wichita, and that that was a distinct possibility, for this Chairman, in my role as Chairman of the Commission this year, I definitely had some thoughts about emergency and emergency preparedness at that point in time, and I'm glad we had provisions in place, and hopefully the public will have some understanding, in terms of rural Sedgwick County has and the role that the county governments across the state have in trying to help protect people and property in the case of emergencies. Commissioner Unruh."

Commissioner Unruh said, "Thank you, Mr. Chair. Well I just wanted to express some degree of comfort for our citizens, that should an event happen, that this policy statement that we're adopting now is administrated and implemented by professional people who are experts in these emergency situations. So although we understand the theory and the policy of it, Mr. Duncan, and his staff and other members of our public safety will implement this in a very orderly and professional fashion."

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So I just think citizens ought to know that we've got professionals who do this and for us. So I appreciate your service and wanted to make that clarification."

Mr. Duncan said, "Thank you for the kind words, sir."

Chairman Peterjohn said, "Seeing no further comments or questions for Mr. Duncan, please call the vote."

VOTE

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| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, "Thank you. Next item."

Mr. Duncan said, "Thank you, Commissioners."

G. UPDATE ON WICHITA AREA TECHNICAL COLLEGE (WATC).

VISUAL PRESENTATION

Mr. Ray Frederick, Interim President, Wichita Area Technical College, greeted the Commissioners and said, "It is a pleasure to be here today and to have an opportunity to bring you an update, not only on the Wichita Area Technical College (WATC), but also the work and progress done at NCAT (National Center for Aviation Training). I would like to certainly thank you for the support that you've given us at the technical college and the work that's being done at the NCAT, without that, that wouldn't be happening, so appreciate certainly your commitment stepping out and stepping forward in supporting our work in technical education. Before I get started, I would like to also introduce one of our Vice Presidents, Sheree Utash, is with us today, and she'll answer all the

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hard questions, if there are any. But she certainly is a significant player in what we do in our mission at the technical college.

“And as stated, we are certainly excited about the upcoming opening of NCAT. We’re looking forward to the end of August, early September, certainly classes starting in the fall in the new facility, so plans are already certainly in place and actually equipment’s being moved in. So it’s going to be a very busy time, but also a very exciting time as we transition into that facility. I want to start out with this slide. And this kind of captures what we are all about at the technical college, and as it states, delivers a high-tech, high wage, high demand career pipeline, certainly a pathway for students. And I think it’s important that we never lose sight of the fact that this is high-tech, and it is a training that leads to a high-wage and certainly hopefully a high demand career. And, you know, it’s very different today than, obviously as we went through school, either middle school, junior high, high school, we’re all familiar with the terms, at least when I went through school, of shop class.

“And then we certainly transitioned, and upgraded and we became more sophisticated and we called it vo-tech (vocational-technical). But today, certainly our focus is on career and technical education, and it’s one that certainly we are challenged by in an effort to keep current, in an effort to stay up with the technology, and certainly that’s one of our primary focus and goals as we continue to train. And I think it’s important as we as a technical college, certainly, as we respond to our business and industry partners, and you’ll notice up there in the right-hand corner we partner with employers to equip people with relevant skills for jobs today and tomorrow. I think that we’re very unique; in fact, I know we’re unique as far as the way that we approach curriculum development in an effort to stay on the cutting edge and the leading edge of learning.”

“And that is that we take very seriously and are committed to partnering with our business and industry people that help us, that are staying out in front of the technology that’s needed in their area of expertise, and certainly their business today. So our partnership with them being at the table and then the collaboration with our classroom, certainly faculty, that partnership, that collaboration, in an effort to develop a curriculum that is not only relevant, which is critical, obviously, but also a curriculum that is meeting the needs of students as they project forward into the classroom. Now this collaboration, I said, is unique. And it is in many ways. And the technical college has been out front and on the cutting edge as it relates to other...this approach in the State of Kansas. In fact, the state has, in a group that has been meeting monthly for a number of months, I mean, community college presidents, technical college presidents, representatives from the Board of Regents, from the Tech [Technical Education and Training] Authority, in an effort to align programs throughout the state, to try to get programs that somewhat mirror one another so that when someone graduates from our program in a particular area, and then one of the other technical colleges in that same area, that there’s some benchmark that industry can depend on. But in an effort to do that, you know, we do

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have to have this partnership and have the business and industry folks and representatives at the table, along with our academic people.

“And that has not been the typical approach, and that’s something that certainly we have not only initiated, but our faculty have embraced, and now it’s being modeled at other parts of the state by other technical colleges and community colleges seeing the value of business and industry subject matter experts continuing to be in the process all the way through as curriculum is not only developed, but then also when programs are delivered. So we’re very pleased that our faculty, again, have embraced, certainly, this effort. And what that does for us; that keeps us out front, along with our business and industry, because as you know, technology, you know, we’re just trying to catch up every day and adjust to new technology. And that also means that has to be translated and transferred into the classroom, and delivered in a way that is relevant.”

“And then you’ll see that at the lower right-hand, give your career a lift. That is something that, again, as we visit with students, and part of our goal is to get students to a point that they’re not just working towards a job, but certainly a job is important, and a skill, but also they’re getting on the path and a pipeline of a career. And it’s been very interesting, Sheree and I recently met with a group of students from our Aviation Maintenance [Technology], and a room full of students just to sit and visit about some of their concerns, some about just the state of their education, and it was very eye opening to sit and listen to the students in that room, because of the students represented there, and there were probably about 20 students in this room, it was really a snapshot, I think, of what we see, not only in this maintenance program, but other parts of our program as well.”

Mr. Frederick continued, “We had students that were laid off from aviation, that were coming back to school in an effort to give their career a lift; to move, upgrade and maybe perhaps move laterally into a different type of concentration. We had students there that appeared to me to be right out of high school and this was their first experience in college, or career and technical education. And certainly then we had those that were advanced in age, more mature, but they were coming to start something different and to move into a different field than where they had been before. And what it said to me, that they were all there certainly to enhance themselves and to, in an effort to get them placed on a career, and it really reinforced what we mean when we say, give your career a lift. So it was interesting to hear the different stories of why they’re there, and what their goals are and what they hope this will lead to as they move forward.

“This tells you where we’ve been and where we are. This chart gives us a comparison of, going back to 2007, of credit hours. And a comparison, you can see the tremendous growth, this is as of May 31st of this year, you know, we’ve clearly more than doubled the number of credit hours that students are taking at the technical college. Now, as you may understand, credit hours are, as you’ll recall when you were maybe in school, that the number of hours you took as a student. And then

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we'll see in this next slide, we'll see this talks about students and seats. The number of students. And you can see from the '07 to the '09 and '10 time, as far as the comparison. We see a little drop in the headcount from a year ago to this year, but what we do see, as far as an increase in the number of credit hours. And what that translates to is that students are taking more hours. There may be a dip in the number of headcount students, but certainly those students that are there are taking more hours.

"Now this slide is pretty, almost depressing, but it's certainly important to see what's happened over the last few years. This is a comparison of our state postsecondary aid; where we were, where we are with the \$5.8 million. With the other line showing you the number, the growth in the credit hours, so you see what's happening is that we're educating more students with less money, and you that are either in business or have been in business understand the challenge of that. But certainly this is an issue that not only needs to be addressed and is a grave concern to be corrected, but rest assure and do know that this is being addressed by the Tech Authority at the state level and also that reports to the Board of Regents. This is an issue that they are considering and working towards a solution, certainly a better formula, as the funding and the consideration of growth for community colleges and technical colleges."

"This is a snapshot of the funding distribution that's in place, which we will anticipate will be changing, but it gives you clear evidence of the disparity of the funding per full-time equivalent (FTE) student and how the broad, it's a \$2,000 or \$3,000 difference from the high and low. And ours, being there at the \$5,024 per FTE is based on some formula and some numbers from some years past when our credit hour was much less. So this has been in place, it needs to go away, or certainly be updated, and being given consideration, as far as funding, that recognizes growth and responding to the needs of our community and our business and industry. So this is pretty startling when you look at, but also it's encouraging to know that the state sees that this is not the way we should continue and they're working towards a solution that I think will certainly be a benefit to us and recognize the growth that we've experienced.

"This chart will just give you some snapshot of the student demographics. The male/female comparison, and this is a little different than years past, we are seeing more males enrolled in the technical college. You'll note on the right-hand side, just the snapshot of the age groups that are there, and we're also seeing a growth in the area of our younger 18 to 21 year olds that are coming out of high school and looking at career and technical education more seriously as, again, a pathway to a career. So certainly that's, and we're working together with the USD (Unified School District) 259 and other surrounding districts in an effort to get agreements with them in trying to get more

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students transitioned into our technical college, either late in their high school experience and then leading into a postsecondary, or then after they graduate, certainly that they would choose Wichita Area Technical College.

“This is pretty striking, as far as from your perspective. You can see where do our students come from? Obviously Sedgwick County is a major player and we’re pleased at not only we’re serving, but certainly we’re educating the students and constituents that you serve, so this certainly shows you where our market is and where our focus is, as far as in recruitment. This gives a breakout of our different campuses that we have, and what’s being taught at those campuses and the credit hours that are generated by campus. And, of course, some of these will be moving to the NCAT facility, but we will maintain a presence at the Grove campus with our Automotive [Collision Repair] Program and also our GED (General Educational Development), Adult Literacy program. We will, the Comotara, those programs will be shifted, some to NCAT, some to Southside and then some to Grove as well. But I think one thing that is very interesting to us and kind of exciting is that online, that program is just growing very quickly. People are finding that the convenience of online training, so we have a real focus to that, and certainly it’s something that students have been drawn to.”

Mr. Frederick continued, “Again, enrollment status; full-time versus part-time. We are, once again, seeing an uptick in the number of students that are coming to us designating or determining to be full-time are certainly taking more hours, and that’s why we had noticed in the earlier slide about the significant increase in credit hours. But we see a shift somewhat in the growing number of full-time students. And, of course, the jewel here of the NCAT, and you know I looked at this picture, this is one of where the Gateway was underway, and I think all of you, or many of you, were there last week, and it almost looks funny now just to see the Gateway Building in these shots. That it’s almost just kind of there by itself, and we know with the activity now that’s gone on around there, so certainly an exciting time.

“This is, and I’ll just go through this, because what we’re wanting to show you is the different areas that will be utilized in this facility. This is a manufacturing building that’s at the north end of the campus, and you can see the areas, the different studies that will be positioned in that facility. Again, certainly we would anticipate full functioning of the facility, but this will give you some indication as far as our welding, and the sheet metal and all that’s going to be going on. You’ll see that NIAR (National Institute for Aviation Research) will have a presence in that section of the building, as well. Same way here with our aviation building and this will be on the south end. You’ll see the hangar and this is for our aviation training in the building there. Also, there’s the commons area and the lecture hall, which I think are, certainly the lecture hall, will prove to be a

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real asset as far as the utilization of that. I know that we already have some groups scheduled for that lecture hall. And then this is the second floor of the aviation building.

“Before I leave that, I think it’s appropriate to, because of the hard work that’s gone into this and that is still going on, I would like to thank our County Manager, Bill Buchanan, but also members of his staff; Charlene Stevens, and Paula Downs and also Marv Duncan, and there’s others, but that continue to play such a significant role in coordinating all of this. Not only seeing the building built, but also what goes into that building and working with our staff, certainly we’re very impressed and pleased by the way that they have juggled all of this in an effort to get this thing done and done on time. So, certainly they deserve a big thank you as well.

“This is a shot of our new upcoming website, and this will have different characters and students certainly featured, and then they’ll navigate, as you’ll see at the top there, as far as our different programs, students will be able to navigate through our website. The next few slides are, we’ve been working on, and continue to work, on a five-year strategic plan and our board has just approved recently some of these things that you’ll see upcoming. This is our mission statement, and certainly as we at the technical college continue to review and evaluate our mission and what we’re all about, certainly training folks, getting them employed, but also we never lose sight of the fact of the economic development that is a result of what we are all about.”

“Because, as you saw, as far as the number of students or where students come from is Sedgwick County. And so, getting students from here trained, trained here, educated here and then employed here, all add up to something very positive for our economy in this area, as far as our county, and the region and also the state. This is our vision statement, and certainly our focus is specializing in the delivery of career technical education. And we take very seriously, as far as the highly qualified faculty in an effort to keep faculty trained, and that’s where the help comes from our business and industry in an effort to make sure that’s what’s being delivered in the classroom is current, relevant and also is transferrable to the workplace. Values, our values statement, again, taking very seriously, as far as accountability, entrusted to use our resources responsibly, and as a board, I know that they take this very seriously and monitor very closely, certainly with our participation, in an effort to make sure that we’re spending your dollars wisely and the dollars that come to us wisely. And certainly, again, the thought of the cutting edge type of technology and training that is relevant as students are trained and educated. Customer service, certainly it’s important to us as we continue to serve, not only our customers, but our friends in business and industry and our partners that we’re providing the service that is in a professional way, in a timely way. The diversity, again, I think that as you would look at our, not only our students, but also our faculty, our staff, administration, that certainly we are a reflection, I think, of the community that we live in, and so certainly we review and take that seriously.

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“The last is the global professional standards, work ethics basically is what that means, in that certainly as we continue to visit with different businesses, they say, I’ll tell you what’s important to us. Yes, they need training, they need some skill, but they need, as important, and some would say more important, they need to be trained in work ethics, the soft skills. The people often refer to as soft skills. And that’s something that we’ve implemented, and has been implemented, in all of our programs, that students are graded and receive a separate grade, not only for their academics, but also for their work ethics. That includes all the things we would think, as far as getting to class on time and being a team player, and all of those things, communication skills, et cetera.

“These are the areas that we are focusing on, as far as our strategic area and planning areas: meeting community education needs, certainly enabling all students to succeed, enabling all employees to succeed, and then ensuring institutional effectiveness, all of these things that certainly that are important to us that makes us successful, and is a measurement of the job that we’re doing as well. And then we say we’re all about jobs, and we are, but it’s also important to know that we take seriously, as far as equipping students, not only to land a job, but, again, we talk a lot about lifelong learning, and certainly leading edge learning, and it’s all a part of helping students, not only to obtain a skill and knowledge, but also to be critical thinkers in an effort to certainly function, not only in society, but in jobs.”

“So with that said, obviously we do measure success rates, as far as placements, you’ll see there that the first item, Aviation Maintenance, nearly a 96 percent placement rate, in our Certified Nursing Aide graduates, nearly 92 [percent], and the Certified Medication Home Health Aide, nearly 97 percent. And then the third item, contacts with 820 of the 901 Wichita Area Technical College graduates, this is 2008-2009, found a success rate, and you’ll see that we define that as ‘placement in a job, in the military or enrolled in advanced study,’ and that was 80.3 [percent]. That’s good, in fact I think it might even be excellent in today’s economic environment, but it’s still, in my opinion, we’ve got more work to do. But still, that is a good number and it’s very important that as we continue to train people, that we help them and assist them, and get them placed in a job and position them for a career as they go forward. And then in the last item, of the 820 graduates contacted, you’ll see 369 were working in the major field or field and 351 are continuing their education, which I think it’s really important. And that’s another thing that we’ve seen is that there has been a big increase of students that once they leave us, either with a certificate, an associate’s degree, that we see transcripts are being forwarded to Wichita State [University], KU (University of Kansas), but significant growth in the number of transcripts being sent to Wichita State. So what that tells us, students are continuing in their education, and that’s a good thing. We say, we’ve done something right there and we congratulate them, and certainly pleased that they’re moving to Wichita State.”

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Mr. Frederick continued, “That’s the end of our presentation. Again, I want to thank all of you and Commissioners for your ongoing support for our work and our mission there. I’m very pleased and feel very positive about our future. Certainly we’ve got good people there and I’m pleased to be a part of that at this point, and again, would be glad to answer any easy questions.”

Chairman Peterjohn said, “Okay. Any easy questions or hard questions for Mr. Frederick? Or Ms. Utash, I believe is...”

Mr. Frederick said, “Yes.”

Chairman Peterjohn said, “...her name. Commissioner Welshimer.”

Commissioner Welshimer said, “Well I’m pleased to hear that the WATC is doing well, holding its own under all the circumstances around it. What all are you moving up to NCAT, is it just aviation or are you moving some of the other? Because you’re only going to keep the Grove and the Comotara facility in Wichita, you’re moving out of 47th Street and Pawnee both.”

Mr. Frederick said, “No, we’ll be down on 47th, that’s our, we’ll continue to, let me see if I can get back to that...”

Commissioner Welshimer said, “That will still be medical...”

Mr. Frederick said, “Yeah, all of that. We’ll continue a presence there. In fact, that facility, that’s what we call our Southside [Education Center] campus...”

Commissioner Welshimer said, “Yes.”

Mr. Frederick said, “...it is at capacity. I mean, there we go. Southside Health and Gen Ed (General Education) basically, and we’re bursting at the seams at that facility. We’ll maintain a presence there, obviously. At Grove, we will maintain a presence. We’ll have our Automotive, and our Gen Ed, we’re also moving our HVAC (Heating, Ventilating and Air Conditioning) program there. So we’ll have a shared presence there with [USD] 259, but we’ll continue there. Our Comotara facility, we will be exiting that facility. And so those programs from there will be shifted either to south side, some will come to NCAT, and some will go to Grove, so we’ll maintain, obviously, NCAT, Grove campus, Southside.”

Commissioner Welshimer said, “And the auto mechanics there at Grove, that’s not found a home, is that right?”

Mr. Frederick said, “Well that is its home at this point. And I don’t...”

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Commissioner Welshimer said, “You’re not going to move that?”

Mr. Frederick said, “...see that shifting. No we’re not moving that.”

Commissioner Welshimer said, “Oh, okay.”

Mr. Frederick said, “And, again, that’s a program, particularly on the service side, that enrollments are just real strong there.”

Commissioner Welshimer said, “That’s great.”

Mr. Frederick said, “Yeah.”

Commissioner Welshimer said, “Students that come in to WATC, you have the capacity to give them, to put them through a GED if they haven’t graduated, that type of thing? You’re doing that there?”

Mr. Frederick said, “We do have that program. And that is, again, I think we’re going to graduate, what, 500? We’ll have graduation in about two weeks and we’ll see probably graduation of over 500 from our GED program. These are folks that, as you can imagine, that for whatever reason, they either at one point either delayed, deserted their high school experience, and have come back, and I know Tim has been pretty supportive of that program. And it is a very rewarding experience to be a part of that, the lives that are, not only changed, but some lives that are saved, because of that program.”

Commissioner Welshimer said, “Well it’s a good thing, I guess the...what I want to say is number one priority is to keep WATC solvent, and balanced, and in the black and so forth, and it looks like you’re working hard to do that. And you have jobs, I mean, I like to measure the, use NCAT as a measuring tool on the economy, and so I guess my question is, what kind of jobs are these people finding that are going into jobs? I mean, are they moving right into aviation industry or are they going into aviation industry outside of Kansas, do you know where they’re going?”

Mr. Frederick said, “Yeah, we do. It’s a mixed bag, but certainly, you know, it’s somewhat cyclical. I mean, just kind of like even the automotive. You know when one program, one section of automotive is down, then service is up, and that’s somewhat similar in our aviation area. We’ve seen an uptick in the service area, students that are, because things are not getting manufactured, but they’re getting fixed...”

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Commissioner Welshimer said, “But are they doing it here...”

Mr. Frederick said, “Yes.”

Commissioner Welshimer said, “...in Wichita?”

Mr. Frederick said, “Yes.”

Commissioner Welshimer said, “So we are placing a lot of these aviation graduates in Wichita?”

Mr. Frederick said, “Right. Would that be a fair statement? Absolutely.”

Commissioner Welshimer said, “That’s good news.”

Mr. Frederick said, “Yeah.”

Commissioner Welshimer said, “Okay. Thank you.”

Chairman Peterjohn said, “Commissioner Unruh, I’m sorry, Commissioner Norton.”

Commissioner Norton said, “Well, just three things. A couple of them are kind of statements, then one will challenge you to tell us a little more. I’ve worried about the state funding formula, and you discussed that a little bit, but this has been a process for several years that continues to make everybody at WATC, the board, the staff, the faculty, have a furrowed brow, because it does put pressure on you to deliver quality technical education with declining state funding. And that continues to put pressure on Sedgwick County to be a good player and a good steward of the college also, and I don’t know that you need to comment on that, but I think that’s important for the public to know that if you look at those numbers, we’re really getting cheated in Sedgwick County for our students. And what people don’t understand is the high quality of technical education in aviation, and airframe, and power plant and avionics is expensive to deliver, and that denigrating of that student number has been tough to swallow in this community for many years.

“So you don’t need to comment on that, I just wanted to be sure the public knew, even though you glossed over it, that that’s a big deal for this community, and everybody needs to put pressure on the state to get the formula right. Attached to that is ABE (Adult Basic Education) and GED. At the same level, the state has done a poor job at understanding that Adult Basic Education, GED proficiencies, is very important to move people through the pipeline of technical education. Young people that don’t have a high school diploma, that maybe have some remedial skills needed, need these programs. They serve a purpose. And you’ve been to the graduation to see families that the first person that’s graduated from high school with a GED is that person they’re honoring. And they

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show up and cheer. And this last year, 400, 500 people went through that process that makes them more prepared to serve our community, have a job, be tax payers and stay here as good citizens.

“So just a statement, but those two tie together, because what we’ve done at levels besides Sedgwick County, and I’m pretty proud of what we’ve tried to do here. We’ve been very involved in it, and it’s not really our bailiwick. County government may sponsor community colleges occasionally, but we’re not in the education business. But we took a bite of that apple because we saw what was going to happen to the system because of some of the deterioration at the state level. And I’m pretty proud that your staff and everybody at WATC keeps the eye on the mission, knows that funding is tight, but continues to try to deliver at the highest quality and get NCAT open and make it world class. And finally, I’m going to throw out to you, you didn’t talk about it enough, but the presence of NIAR is going to be so critical to NCAT because it builds that partnership with a research university that’s going to put the latest technologies and curriculum embedded in our center. So I thought maybe you’d comment a little more on that.”

Mr. Frederick said, “Well it is a good fit, too. I mean as far as the research that’s going to be done in composite area and what that’s going to attract to this area, as far as the state. I mean, it will be recognized nationally. But then, linked with that is the training part of it. So it’s just a great fit to have that relationship and partnership with the research of an area of composites, but also then the training, and utilize those that are doing the research that will assist in the training. So it’s a great fit. You bet. And it’s going to cause us, I think it will lead to new areas of training that will open up to us because of their effort, as well. And I want to go back to the state, and certainly this funding, and, you’re right, Tim. I mean, this is a conversation that’s gone on for years. We need to do something, we need to do something, but do be encouraged, because even in a meeting yesterday, a very clear signal from the [Kansas Board of] Regents that they’re going to take action that’s going to correct this. And it may be a small step forward, you know, next year, but certainly they’ve directed the Tech Authority to come up with a plan to be in place in 2012. But I think that we will see and experience a step forward even this next year, so finally, yes. I think that there’s going to be some decision made to abandon what you see here in this slide on the left, and move towards something that recognizes and rewards the growth that we’ve experienced at the Wichita Area Technical College.”

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

Chairman Peterjohn said, “Thank you and appreciate you and Commissioner Unruh’s, I’m fumbling a little bit here, but this time I mean Commissioner Unruh.”

Commissioner Unruh said, “Thank you, Mr. Chairman. Well I just want to make a couple of comments. Mr. President, I appreciate your presentation and I want to make editorial comments and

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observations. You know, we have, I think, a clear example of what's going on with WATC out at NCAT; an outstanding example of partnerships in the community. And some folks have just an instinctive aversion to partnerships when government is involved because they think government kind of fumbles things up, but here's a clear example of how our county government, and city government, and state government, and federal government, and a technical training school and a state university have all worked together to create a partnership that is just an outstanding benefit, I think, to our community. And it takes a lot of folks pulling together and making some compromises, but all with their focus on the goal of providing a business driven training that is beneficial to our major manufacturing cluster, but also to the students."

"We made an effort to make sure that the students can take advantage of customized training, but have articulation agreements and we've aligned those so that they can, not only get directly into industry, but they can carry on their education if they want to. I think all that had to work together with all these partners, not just on funding, but with on programming and organization. I've been very appreciative of all the folks in the history of this effort who have made it successful and now most recently, it's under, as Interim President, your leadership and Sheree Utash has taken and moved the effort forward through some really difficult times. And your leadership, you all have gained the confidence of our faculty, and our staff and our students and really started ginning up the momentum, I think, out at NCAT.

"You know, if we measure part of your achievement, in terms of success of the students, and 80 percent success rate, or just over that, is pretty strong, outstanding. And as you indicated, we're teaching, not only skills that are immediately sellable in the marketplace, but we're teaching soft skills so that folks can be good employees. And the result of all that, from a bigger picture maybe, from our involvement here in local government, is that this is a workforce development initiative that provides a real economic development asset as we try to retain and attract employers to our region. So it's kind of complicated and all the pieces have to fit together, but I'm just really proud that we've had the partnership and we've made the progress that we have to this point.

"And one comment I wanted to make in regard to the footprint we have now where we have changed the number of locations at WATC and I think, one, it's made us more efficient, but we have changed some of our locations out up on North Seneca and at the old Central Intermediate School, and Schweiter and Comotora, a lot of that's been driven by an aspect you have on the graphic in front of us, and that is the fact that the budget considerations are making us be more efficient and more focused. So that is occurring, and you're managing that process and I'm proud of

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the work that you, and Sheree and your staff have done. I think it's a real benefit to our community. That's all I had."

Mr. Frederick said, "Well I appreciate that and I want to be sure and also recognize the fact that Dave does serve on our board and Tim is a member of our Foundation Board along with Ron Holt. So certainly, you know, this entity and the county, Sedgwick County, is a major player and contributor and they're not there just to take up a seat. I appreciate the way that all of you commit your time and the energy you bring to make what we do successful, because you're not just sitting on the sidelines. You're engaged in this. You're a part of that success, obviously."

Chairman Peterjohn said, "There are several questions I'd like to throw out, and when you used the term headcount and FTE, are those basically the same terms that would be used by the K-12 (Kindergarten – 12th grade) statutes that the state has for the public school system when you are counting enrollment as the public schools would do?"

Mr. Frederick said, "I'm not sure on the through K-12. I don't know that they measure that the same way. It's the same that any other college would use, but as far as K-12..."

Chairman Peterjohn said, "It's measured the same way that the regions would use..."

Mr. Frederick said, "Yes."

Chairman Peterjohn said, "...per se..."

Mr. Frederick said, "Yes."

Chairman Peterjohn said, "...Wichita State..."

Mr. Frederick said, "Yeah."

Chairman Peterjohn said, "Okay. I have, talking with folks about the new facility that's under construction up there just north of Jabara Airport, and they'll say, well, you know, Wichita Area Technical College or NCAT, can you give for the public a good definition between how NCAT, WATC and NIAR all fit together and break down those acronyms into the component parts? Because I think that there's some confusion among the public out there with all those acronyms and all those different entities, but they're all operating in the same building and they are all working together, but they are all a little bit different and they have different rules and responsibilities."

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Mr. Frederick said, “Well if I can explain that in a way that people understand it, it will probably be the first time. But it can be confusing, but what I would say is, certainly, the facility is the NCAT, National Center for Aviation Training. And then inside that building and facility, we have the Wichita Area Technical College that’s delivering the training and the education in the classroom. And then in addition to that, we have the NIAR group that the composite, that’s delivering the research of composites. So, you know, we’ve got the facility itself, and then inside the facility we’ve got teaching and research going on. The teaching and training is delivered by the Wichita Area Technical College and the research is being conducted by NIAR.”

Chairman Peterjohn said, “Well I appreciate the clarification there, because when you mentioned that online programs were quite a success, I was interested, in terms of what type of programs seem to be most popular for students to take online, if you could...”

Mr. Frederick said, “Mostly Gen Ed, I would think, was our...”

Chairman Peterjohn said, “Really?”

Mr. Frederick said, “...students are drawn to the General Education classes online. Yes. Because, obviously, a lot of the other classes that we would call the technical, that’s hands-on; labs, training, you know, that’s a major part of that, so they’ve got to be on site to deliver that in an effective way. But Gen Ed class, English, things like that, are very conducive and compatible with online training.”

Chairman Peterjohn said, “Well, one of the things that you brought up in your presentation, and I don’t know if you want to go to this slide that had it, but it looked to me, and please correct me if I’m wrong, my reading of the data was that somewhere between 15 to 20 percent of your enrollment were students who are between the ages of 40 to 64. And that was kind of an intriguing number because that’s a good deal more chronologically gifted than most folks consider for students taking...”

Mr. Frederick said, “Say that again, I’m sorry. The area you mentioned?”

Chairman Peterjohn said, “That if you look at, my reading of that chart, if you take the two categories, you’ve got 40 to 49 and 50 to 64, if you combine those two, that looks like to me, by my un-calibrated eyeball, somewhere between 15 to 20 percent of your enrollment, and that struck me as a rather interesting and significant percentage, if my reading of that data is correct. And if I’m a little off on that, please...”

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Mr. Frederick said, “Well certainly what that reflects is individuals that are coming back to either be re-educated, re-tooled, re-trained for whatever reason. Some of that, again, in the group that we met with last week, there was a gentleman there laid off from, I think it was from Hawker [Beechcraft], 40 years old, that wanted to move into an area that he felt that would lead to employment, and that’s working on fixing engines and things like that. So, I mean, he himself, was it a career change? In a way to, again, reeducate and retool himself.”

Chairman Peterjohn said, “And I was also interested, in terms of your youngest category there was 18 to 21...”

Mr. Frederick said, “Right.”

Chairman Peterjohn said, “...in terms of category. I was curious if you had any idea, in terms of the number of students who were under age 18 coming that would be coming through from like a high school type of...”

Mr. Frederick said, “At this point those numbers would be small...”

Chairman Peterjohn said, “Okay.”

Mr. Frederick said, “...but certainly, again, that is an area of focus for us, to bridge that between the high school and then moving into Wichita Area Technical College. But those numbers are small, but, again, working on trying to increase those numbers. And that comes from relationships with the different districts, certainly.”

Chairman Peterjohn said, “Well I appreciate that. Do you have any idea, in terms of the typical time for completion of the program for the students that you would survey going through, in terms of how long it took them to go through the program?”

Mr. Frederick said, “Well, it will vary depending on the program, because some of the programs are certificate programs that will be less than a year, nine months. Some will be, if they’re working towards an associate’s degree, a couple of years. So there is a variety of length of time there. And, again, we try to structure those programs in response to what business and industry says; get them in and they’ll have different exit points. Someone will exit after just a certification and go right into industry. Some will go past that into a little more than that. And then some will go further to associate and then, obviously, some will go on to get a bachelor’s degree at another location. So it varies with what program you are involved in.”

Chairman Peterjohn said, “Thank you very much. Commissioner Welshimer.”

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Commissioner Welshimer said, “Well I want to compliment and thank you, also, and Sheree as well. One question I had left. Tuition is a problem for some of these people that come out there. I think your average tuition runs somewhere around \$4,000 for a course, isn’t that right?”

Mr. Frederick said, “That’s about right.”

Commissioner Welshimer said, “So can you tell us a little something about student loans, and scholarships and that sort of thing?”

Mr. Frederick said, “I knew you’d get a question that Sheree’s going to have to come up and answer.”

Commissioner Welshimer said, “Okay.”

Mr. Frederick said, “This is an area that she’s very involved in and so I’ll let her fill in the blank on that one, if you don’t mind.”

Commissioner Welshimer said, “Okay. Thank you.”

Ms. Sheree Utash, Vice President of Academic Affairs, Wichita Area Technical College, greeted the Commissioners and said, “Good morning. On scholarships, we do have Sedgwick County high school graduate scholarships that we do. We also have returning adult scholarships and several other types of scholarships. Some are endowed scholarships by different business and industry within the county. Last year, we had internally a little over \$200,000 in institutional scholarship dollars that we offered. Certainly on financial aid, on the student loan side, 43 percent of our students this last year were financial aid eligible and particularly Pell [Grant] eligible. Certainly, as our enrollment is increasing, the number of Pell Grants, Stafford Loans, both subsidized and unsubsidized, those that are not paid back and those that have to be paid back, all of that is on the increase. And that’s pretty typical across the nation in higher education at a university, two-year college, technical college at this point in time.”

Commissioner Welshimer said, “Thank you.”

Chairman Peterjohn said, “Thank you.”

MOTION

Commissioner Unruh moved to receive and file.

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Commissioner Welshimer seconded the motion.

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

VOTE

| | |
|------------------------|--------|
| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, “Thank you.”

Mr. Frederick said, “Okay. Thank you very much.”

Chairman Peterjohn said, “Next item.”

H. MONTHLY INTRUST BANK ARENA REPORT.

VISUAL PRESENTATION

Mr. Ron Holt, Assistant County Manager, greeted the Commissioners and said, “This, Commissioners, is our third report to you on the Intrust Bank [Arena] operations. I’d just point out; I continue to leave a number of slides in this presentation for reference points. I will move past many of them very quickly and I don’t intend to do that to try to have you not see what the information is, so if you have something that I have moved past that we need to spend more time on, please call that to my attention. I would also like to mention that Gary Desjardins, the SMG Regional Manager, with the direct responsibility for the Ford Center in Oklahoma City and oversight responsibility for the Intrust Bank Arena is with us today, as well as Chris Kibler, the Director of Finance for Intrust Bank Arena.

“Again, our goal is to meet with the SMG staff monthly to monitor all financial and usage reports as allowed by the contract we have with them. And our intent is to provide a monthly update to the Board of County Commissioners to promote accountability by providing, not only you, but in this

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format providing the public with information about the operations of the Intrust Bank Arena. We're going to talk about, again, three areas: the SMG agreement, the coordination agreements, the arena event parking and the transit services coordination agreement that we have with the City of Wichita and continue to focus on when we have additional information on the Arena Sales Tax reserve. I left these next two slides in the presentation, again, just to reiterate that the arena management business is a business that focuses on really the bottom line, as relationships and opportunity for the promoter to make money is ultimately what will bring new shows to Wichita."

"Success generates success, and we are very pleased that the Intrust Bank Arena in its first few months of operation has certainly been very successful. These are the points that we will cover, some more quickly than others, as far as our agreement with SMG is concerned. Again, the project management team from the county side is myself as project leader, the County Manager, the Chief Financial Officer, the Director of Communications and Community Initiatives and Mike Pepoon, who is Assistant County Counselor. And then on the SMG side, Intrust Bank Arena side, is the General Manager, the Director of Finance, and of course, Gary Desjardins has been involved certainly on a month-to-month basis as well. Under the contract administration, again, the focus here is to have quality, top level management of the facility. But our objective that we keep focused on and want SMG to keep focused on is that they're responsible for any net operating losses incurred during any fiscal year of the contract period. It's a pretty unique arrangement and we're very pleased and proud of the results to date.

"The management and renewal terms, the commencement of the management term was 1/2/2010. The current contract runs through full five years of operation, which means right now 12/31/2015. Again, we have a very unique arrangement for SMG managed facilities, for sure from the compensation side of the arrangement, and you see those listed there. I won't go through those in detail but continue to put them here as a reminder of what that arrangement is. The reporting requirements are there by the 25th of each month. We'll get prior months activities in finances. We will also then, each month, the project management team, or at least representatives of it from the county, go over to Intrust Bank Arena and we sit down with the management team over there and go through in more detail and very elaborate detail the financial picture. Management plan will be presented by October 1 each year and audit by April 1 each year, and included in that management plan by October 1 will be capital improvement equipment requests for the following year and then if and/or when needed, funding requests for emergency repairs. Two aspects of the report that we'll be reporting on each month are community affairs and the financial summary.

"The community affairs, these are the components of that report. Again, for April, in the community affairs area, we see that we had 4 events, 17 performances. You see the dates for each of those events, the attendance for each of those events and performances. A total attendance of 65,567 for the month of April. Total tickets sold for those 4 events, 17 performances; 53,059. The gross ticket sales for those 4 events, 17 performances; \$1,590,142 for an average cost for ticket sold of \$29.97.

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The average attendance per performance for those 17 performances, 4 events for April was \$3,857. Year-to-date through April, this same information, 36 performances January through March, an additional 17 in April, for a total of 53 performances with attendance of 244,841. Tickets sold for the first four months of the year; 222,285. A gross ticket sales value of \$7,697,635 for an average cost per ticket sold of \$34.63.”

Mr. Holt continued, “When you take all four months then and look at the average attendance per performance, it increases then to 4,620 for the first four months of the year on average. Continuing on in the community affairs area, the net employee wages and benefits for the month of April; \$232,570 covers 45 full-time employees in April and 441 part-time employees. Looking at that same information year-to-date, the total net employee wages and benefits; \$1,054,217, so just in that narrow look at economic development, important but narrow look at economic development impact from the arena, \$1,054,000 in employee wages and benefits for the first four months. Over this four months, the full-time employment has ranged from 44 people to 49 people, and the part-time employment from 392 to 441. The total number of community groups volunteering in concession stands during the month of April were 17. Those groups were paid \$33,799 to help their organizations.

“Spending with Sedgwick County and/or Kansas companies for the month of April; \$246,246. There were seven arena presentations and/or arena tours during the month of April. There were no what were deemed as local events or activities at the arena for the month of April. Totalling that information for the four months, the total number of groups volunteering in concession stands is 47. Now many of those groups were repeat groups and so that’s not individual groups; that’s counting some of those groups multiple times. The amount paid to groups for volunteering in the community, community groups volunteering in the concession stands; \$130,613. Total spending with Sedgwick County companies, Sedgwick County or Kansas companies; \$1,064,557. We had seven pre-opening events, all of those January, and you see there, there were additional pre-opening events that happened before January. The arena presentations or arena tours totaled 24 for the first four months, recognizing that, again, during 2009 SMG folks were involved in a number of arena tours as well. And we’ve had four local events or activities through the month in April. None in April, but four for the four months.

“The upcoming events in May, there were 6 events and 8 performances, in June; 4 events are scheduled with 10 performances, July; 3 events, 3 performances, August; 4 events, 4 performances, October; 1 event, 1 performance. Most of your family shows have more than one performance, and most, all I guess, of your concerts have just one performance. So as you see, the events and the performances, most of the sporting events are usually one performance generally. So just a general view of that. We’re seeing that July, August and October numbers there are not family shows. We’ve had a significant number of family shows back-to-back up to this date with the last one being the Ringling Brothers and Barnum & Bailey Circus that was here this past weekend.”

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“Now into the financial summary, again, we continue giving you these definitions so that we’re all using the same language to talk about hopefully the same things. You see here for April, the financial summary, again, we have now taken the actual events and put them into categories. So for concerts, we’ve had 2 performances, 2 events for April. Family shows, there were 15 performances, 2 out of 2 events. No sporting events, no hockey, no other and you see then the number of performances for April was 17 with the number of events 4. The net direct event income was \$59,047. The net food, beverage and merchandise income was \$196,883. The other net income was \$308,030. In addition to that, we had other operating income for the month of April of \$113,310 for a total building income of \$677,270. Again, you may recall that this building operating expense has been running about the same since January, the little over \$400,000 per month. For April it was \$409,906. So the net building income for April, again, very positive; \$267,364.

“Rolling that up through for the four months, we’ve had 8 concerts, 24 family performances, 24 performances of family shows, 8 sporting event performances, 13 hockey games, 4 other events for a total year-to-date performances; 57. Total number of events, which here includes those 4 local events of 37, so a net direct event income for the four months, \$352,434. Food and beverage; \$998,813. Other net income; \$1,189,651 with other operating income totaling \$422,608. So the total building income for the four months; \$2,963,506. Total operating expenses for the building; \$1,722,264. And, again, I give you this number, which is very, very positive; \$1,241,242. And at the same time, offer the caution that as we go into the summer months, again, it may not be as much this year because of the new building, but I just continue to remind you that during the summer months generally arena operating business takes a downturn as people are not touring and events are not happening. We’ve been very pleased with the, you saw the upcoming events that we still have a fairly strong summer. That’s good. This being the first year, we’re very pleased with that. I just want to manage your expectations a bit, I guess.

“Moving on to the City of Wichita, the two agreements we have there: one for arena event parking, the other with [Wichita] Transit Services. Again, those are the components of those agreements. I’m not going to spend a lot of time with those going through that. You see the services and the compensation related there. What we have agreed to do with the four city owned and operated lots, lots we’ve deemed A, B, C and D, we’ve agreed to backstop up to an amount not to exceed \$225,000 if those lots for arena events are not holding their own. And here are the reporting requirements. Those are the four lots and the spaces that are available. Again, these are that same information in a more identifiable fashion. Here are the numbers for April. Again, just going to the bottom line for all four of those lots, the total revenue has been \$21,249 for the month of April. The total operating costs \$11,084 for the month of April. So the net income is \$10,165. Every time

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there's a positive number there in that net income, it means that we're less and less the need for having to think about paying any funds to backstop the operating of those lots."

Mr. Holt continued, "One of the things that I would point out that I haven't made a big point of but I would do here is that certainly the city is managing, for arena events, more than just those four lots. Those are the four city-owned and operated lots that we went into agreement on that we would backstop. There are additional lots that they're managing, which are privately owned lots, and one of the points that they wanted to make, because some folks had taken this out of context from the overall operations point of view, for the total parking system for arena related events, the net income for the entire arena parking system, this is just the arena events through May the 15th was \$16,650. This does not include the cost of providing public safety. The city has allocated funds out of their budget to cover public safety, so I just wanted to make that as a point to clarify what these numbers are.

"Our focus is on how do these numbers relate to the operating agreement or the coordination agreement we have with them? Year-to-date, the net income; \$58,342. I am becoming more and more comfortable saying that during 2010, I'm not absolute there, but I am more and more comfortable saying that during 2010 we won't have to expend any funds towards that \$225,000. The transit services agreement, little bit different. We wanted to make sure that we had a comprehensive parking plan for downtown, which included shuttle service. If people parked close they pay. The closer they park, they have to pay. If they don't want to pay and want to park further away, then how do we supplement that with the shuttle service? We entered into this agreement with the City of Wichita. The bottom line of that agreement says that we would backstop \$93,120 each year for the shuttle service, the Wichita Transit folks went out and got a grant and reduced that amount to \$32,500 for the first three years.

"The Q-Line ridership for April was 6,000. You see there the notable events for folks riding the Q-Line, Taylor swift; 1,787, Shrine Circus on the 9th; 1,038, Shrine Circus on the 10th; 1,743, Gaither Homecoming; 608. Now this is just ridership on the Q-Line. For any of these events where there's a huge attendance expected, then the arena has a separate operating agreement with the WTA (Wichita Transit Authority) that they would put additional shuttle service in place for the larger events. This is just the Q-Line. So the Q-Line ridership January through April; 27,410. Again, for all of 2009 it was around 7,500. Finally, the Arena Sales Tax reserve, as of May 24th, you got a copy of a report that Chris sent to the [Arena] Sales Tax Oversight Committee as their final piece of information with their work. That as of May 24th, 2010, there was \$15,898,448.83 in the O&M (Operation and Maintenance) reserve. The reason that number increased from what we were talking about around the \$13 million is because now rolled into that number have been reimbursements from naming rights partners, reimbursement of sponsorships for signage costs, as well as you remember the one piece of property on the northwest corner of Emporia and William Street that we

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purchased as we were early on in the process and decided that we were not going to expand parking up into that area.”

“In fact, we were responsive to the historical buildings community that said, please leave it and we did resell, or did resold that property, and it has been refurbished, so the funding reimbursement for that is gone into this account as well. These are the things that will be paid out of that account looming before us, and we’ll be talking to you in a couple of weeks as to what, if anything, we’re going to do additional work at the pavilions, which would be paid there. Also, I did just receive, we haven’t paid it yet, but I just received the 2010 Q-Line, the \$32,000, we’re on the hook for \$93,000, but again, \$32,500 for the first three years. I just received that invoice. So when we’re back next month, I guess it will be paid in June, so it would really be a July report where we’re talking about June numbers that we’ll be talking about that \$32,500.

“Upcoming events: Tim McGraw, these are a just few, Michael Buble, The Eagles June 30th, and I was reminded before we came in this morning that there are still, not a whole lot, but there are still some tickets left for The Eagles concert on June 30th, Rush on August 20th, Carrie Underwood on October 19th. I know the Celtic Woman, I think, is in August, so there are a number of other events going on there; www.selectaseat.com for events and tickets, www.intrustbankarena.com for certainly to see upcoming events and other activity going on at the arena. Then from a parking point of view; www.parkdowntown.org. That concludes this months’ report. I’d be happy to answer any questions that you might have.”

Chairman Peterjohn said, “Okay. Thank you, Mr. Holt. Questions or comments? I’ve got a couple that I’m going to throw out because, in terms of you mentioned authorized uses, major repairs and capital equipment for the arena, and my understanding is that would include the arena and the pavilions both.”

Mr. Holt said, “Yes. There should be a statement on there that delineates the pavilions.”

Chairman Peterjohn said, “Well you mentioned here at one of the last slides, the operating deficit at the Kansas Coliseum pavilions, but...”

Mr. Holt said, “The first...”

Chairman Peterjohn said, “...not any capital.”

Mr. Holt said, “The first dash there is major repairs, capital equipment for the arena, and then if you go down one, two, three, the fourth one; major repairs, capital equipment at the Kansas Coliseum pavilions.”

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Chairman Peterjohn said, “Okay. Well, wanted to make sure that that came in. The other side of the report that I found particularly interesting was that we’re continuing to get a number of well-known acts in and I’m frankly very pleased, in terms of how much, how busy it appears, in terms of the major events that are coming in. And the fact that whether it’s a major event or some of the family events that you mentioned and have multiple shows, I’m pleased to see those numbers. I don’t know how that compares, maybe any of the SMG folks might have for a grand opening. And I appreciate very much your comments to the degree that we are still in this honeymoon period, and it’s a brand new facility and a lot of people are going down there maybe just for the first or second time and sometimes they are seeing the show, but they are also touring the facility in their own way. And I don’t know how we’re comparing as a brand new facility. If there’s any insights the SMG folks would like to add, [inaudible] of how we compare to other new facilities that opened up, especially since we are in a very challenged time economically, and the economy’s not doing as well as I’d like to see. But these numbers are very good, as far as this Commissioner’s concerned.”

Mr. Holt said, ‘I’d invite Gary to come and make any comments he might have. I would just preface it by saying, yes, with the economy and with the market we’re in, this is just Ron Holt’s opinion, probably 30 percent of our business is because we have a new building. I would say 70 percent of our business, if not more, is because we have SMG and its relationship with Live Nation that makes that possible, but Gary.’”

Mr. Gary Desjardins, SMG Regional Manager, Intrust Bank Arena, greeted the Commissioners and said, “Thank you, Ron. I appreciate the question. And I can compare it to other buildings that have opened up recently in this area, specifically in Oklahoma City and in Tulsa. In both of those markets, and the BOK (Bank of Oklahoma) Center and the Ford Center, it’s very easy to say that both of those facilities had unbelievable and outstanding opening lineups and Intrust Bank Arena is definitely on a par with both Ford Center and Tulsa, in terms of the opening. The first quarter of this year, of those three markets, Intrust Bank Arena is the only one that was ranked in Pollstar’s Top 50 [Arena Venues] ranking of arenas in the world in concert attendance. Ford Center wasn’t, BOK Center wasn’t, but we were ranked in the top 50 arenas in the world and we’re, I think, number 22 in the country. So we’re definitely in good company. We’re on a par, in terms of that concert attendance with arenas like American Airlines Center in Dallas, and Staples Center in Los Angeles and Madison Square Garden in New York, so we’re in that same grouping.”

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“So far this year, and Ron mentioned it that concert attendance, or concert activity, or event activity actually, in arenas typically slows down in the summertime, mostly because the touring that is happening at that time is usually going outdoors and not necessarily indoors, which is pretty standard. We see that everywhere. But right now our schedule is still pretty good, relatively speaking. So long as we’re selling tickets, the market is responding, we’re providing good service, every time that an event comes through and our staff does a remarkable job of taking care of the promoters, and the clients and the users of the building, not to say that every experience is perfect. But the experience so far has been very good and we have a very good reputation within the industry. So right now everything is going very, very well.”

Chairman Peterjohn said, “Well I’m delighted to hear that we’re being compared with markets that are a heck of a lot larger than our MSA (Metropolitan Statistical Area) and for this region, because both Tulsa and Oklahoma City are a good deal larger than us, but compared to Dallas or Los Angeles, they’re huge compared to us and even be mentioned in that same category and to be 22 out of all the facilities that are across the country is outstanding. Commissioner Welshimer.”

Commissioner Welshimer said, “Well, why we have you at the mic [microphone]...”

Mr. Desjardins said, “Okay.”

Commissioner Welshimer said, “...when the tickets are sold, there are certain requirements and some people who don’t have American Express cards and so on...”

Mr. Desjardins said, “Right.”

Commissioner Welshimer said, “...are disappointed, and some of them pay a lot more than they thought they would, and some don’t get the seats that they hoped to get. Toward the end, when all of those tickets haven’t been sold, what’s left over go on sale, is there any opportunity to allow people who are buying tickets to upgrade their tickets at that point, turn them in and upgrade them to better seats? I mean, they’re told they...I’ve had telephone calls that tell me that they’re not allowed to do that.”

Mr. Desjardins said, “What happens is a lot of information, I guess there’s a lot of questions that you have in there, ticketing is not necessarily a...well the only constant in ticketing in our industry

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is change, because ticketing continues to evolve, and the methods of delivery continue to change and what the artists typically have been trying to do with their presales, particularly with like American Express, or with Discover, or MasterCard, if they sign a sponsorship agreement, then what they're trying to do is reward, either their fan club member or try to drive business to that particular sponsor. So it's kind of a win-win for the sponsor and for the artist. So that's the driving mechanism on some of those presales. And then what happens is it's just simply supply and demand at that point. The general market takes over, and the market forces take over and it's supply and demand.

"On any event day or most concerts, what happens is when we're working with the promoter in setting the event up to go on sale, and we're looking at the stage size, and sound and lights and trying to figure out, okay, are the sight lines going to work? And if you think about it from the artist and the tour's perspective is they're going into a lot of different buildings that are designed a lot differently. The seating rakes are different, the seating configurations are all different, but the sets and the stages are all designed so that they fit in a typical arena. And a typical arena has a hockey floor, which is 85 feet wide, 200 feet long. Some have seats that retract back, some don't. So we work with the promoters and the tours in trying to figure out which seats are the best ones, or which ones can we actually sell, that aren't going to have any obstructive view, and sometimes there's productions, the production changes during the tour because what they have designed doesn't quite work or they find through experience that they're going to either need to kill some seats and we're have to relocate or it's possible to, when they move the show in and they load it in, that seats that we actually held that weren't put on sale can now be put on sale. So that's typically what happens. On a case by case basis, if someone wants to change or upgrade, depends on the show. Sometimes we can and sometimes we can't."

Commissioner Welshimer said, "So it does happen? It's not..."

Mr. Desjardins said, "From time to time that does happen, yes."

Commissioner Welshimer said, "Okay. Thank you. And I do have one question for Ron."

Mr. Holt said, "Before you, I would just add to what Gary said, and he said it very well, I think the bottom line is, the building does not control the tickets and that becomes the issue. The promoter, the artist, the owner controls the tickets and the building has to do at their direction even though they may try to make some of those changes. And so some folks are easier to work with than others."

Commissioner Welshimer said, "Well, a lot of the situation where the event is controlling the tickets is misunderstood by the public, and they're thinking they paid for this arena, and they're having no say over it, and they're being dictated to and not treated as though they paid for this

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arena, so that continues to be a problem. On the parking that we guarantee the city against losses, \$225,000 in losses every year if they have them, how long a time is that agreement for? Is that for the five years that we have SMG there, or is that ongoing and ongoing?"

Mr. Holt said, "The arena event parking coordination agreement that we have with the city is an ongoing agreement. However, there is an out clause in there, so if things aren't going the way they should be going, if we're seeing it not being managed in the way we think it should be managed, we have some options to get out of that agreement."

Commissioner Welshimer said, "So, if the arena is not making a profit, or going downhill technologically, or something, in 20, 30 years from now we're not still subsidizing the city parking lots."

Mr. Holt said, "A component of the agreement says that each year, this is the agreement of the arena event parking coordination agreement, each year, I believe it is in April, we will sit down with the city and take a look at what the track record has been, what's projected, where we're going forward, so that we have some opportunity to see what exposure we have and then we have some opportunity to talk about whether or not we want to continue in that agreement or not."

Commissioner Welshimer said, "Thank you."

Mr. Holt said, "So that's a year-to-year on an annual basis. The only other thing I would say, back to the other point, and I understand totally the community, and the citizens and those who didn't get the right seats that they wanted and so forth, I understand their concern, very much empathetic to those concerns. Then I try to look at the other side of it and try to balance that with, but we're filling the arena. We have great response to the arena, so there are tradeoffs and we'll continue to try to balance those interests on an overall basis for the best interest of the facility and to the community."

Commissioner Welshimer said, "Well, I would like to see us work toward that wherever we can..."

Mr. Holt said, "I understand."

Commissioner Welshimer said, "...in dealing with the events that come here. And the other thing too, is particularly with the event we had for the Walking with Dinosaurs, we didn't have any inexpensive tickets. I think they were all a higher price ticket which left a lot of kids out that could have benefited so much from that marvelous historical documentary type program that was so animated that they could understand it. And it limited the audience of kids in our community. Those

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kids' parents paid the one cent sales tax too, so I'm hoping that we'll just keep working inch by inch toward changing this a little bit."

Mr. Holt said, "SMG and we are very sensitive to that and we'll continue having those kind of discussions as events come to us."

Commissioner Welshimer said, "Okay. Thank you."

Chairman Peterjohn said, "Commissioner Norton."

Commissioner Norton said, "I think Gary was wanting to add something to that, do you want to step up, Gary? Well you've come to visit us, we don't want to discount you're here."

Mr. Desjardins said, "And I understand, Commissioner Welshimer, what you're saying, particularly with regard to Walking with Dinosaurs. One of the factors that goes into the ticket pricing, and while we're not necessarily setting the ticket pricing, is the cost of the production of the event. And when a show like Walking with Dinosaurs, which to develop that it took, they look at their total investment and what it takes to put it together; good, bad or indifferent, and that show was actually in development for about two to three years of just putting the concept together. It took about \$20 million..."

Commissioner Welshimer said, "I'll bet it did."

Mr. Desjardins said, "...to make that show actually happen. And then when they start running their math and try to figure out, okay, how many markets can we go in that are actually viable, how many tickets do we think we can sell and what's going to be that ticket price? That's really where that is going. We experienced something similar, not uncommon to really what you're saying, on ticketing and ticket pricing in just about every market in buildings that we manage. My experiences, certainly with Oklahoma City, is we hear a lot of the same concerns that you're expressing, so it's not any different here in Sedgwick County than it is in really any other market."

Commissioner Welshimer said, "Hard to understand the workings of that when at the dinosaurs, the crowd was all at the west end of the arena and the sides were empty. I mean, it was just a very small crowd there. And it just appeared that, you know, if the prices had been lowered for kids that could afford a \$10 or a \$15 ticket and filled up the arena, it would have been a more profitable event."

Mr. Desjardins said, "Sure. I can appreciate that."

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Commissioner Welshimer said, “Yeah. Okay. Thank you.”

Chairman Peterjohn said, “Thank you. Seeing no further comments or questions, what is the will of the Commission?”

MOTION

Commissioner Unruh moved to receive and file.

Commissioner Welshimer seconded the motion.

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

VOTE

| | |
|------------------------|--------|
| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Mr. Holt said, “Thank you, Commissioners.”

Chairman Peterjohn said, “We’re going to take a 10 minute recess here and return at five minutes after 11:00 a.m.”

The Board of County Commissioners recessed at 10:55 a.m. and returned at 11:08 a.m.

Chairman Peterjohn said, “I’m going to call this meeting back from recess. And call the next item, please.”

I. REPORT OF THE BOARD OF BIDS AND CONTRACTS’ REGULAR MEETING ON JUNE 3, 2010.

Ms. Iris Baker, Director, Purchasing, greeted the Commissioners and said, “The meeting of June 3rd results in three items for consideration today. First item;

1. SKID STEER LOADERS – FLEET MANAGEMENT

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FUNDING – FLEET MANAGEMENT

“Recommendation is to accept the low proposal from White Star Machinery & Supply Co. for an amount of \$31,011.57 and establish contract pricing for six months. Item 2;

**2. VMWARE SUPPORT ANNUAL MAINTENANCE RENEWAL – DIVISION
OF INFORMATION & OPERATIONS
FUNDING – NETWORKING & TELECOMMUNICATIONS**

“Recommendation is to accept the bid from MSI Systems Integrators at a five percent discount off list pricing for one year with two one-year options to renew. And Item 3;

**3. CHANGE ORDER # 3 – REMODEL FOR THE RELOCATION OF THE
ADULT PROBATION DEPARTMENT
FUNDING – RELOCATE ADULT PROBATION OFFICE**

“And that recommendation is to accept the change order with Van Asdale Construction in the amount of \$1,340. Would be happy to answer any questions and I recommend approval of these items.”

Chairman Peterjohn said, “Thank you. Questions for comments Ms. Baker? What’s will of the Commission?”

MOTION

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

Chairman Peterjohn seconded the motion.

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

VOTE

| | |
|------------------------|--------|
| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

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Ms. Baker said, “Thank you.”

Chairman Peterjohn said, “Thank you. Next item.”

J. CONSENT AGENDA

- 1. Donation to EMS by a Sedgwick County Citizen.**
- 2. One (1) Temporary Construction Easement for Sedgwick County Project 634-27; widening to 4-lanes on 63rd Street South from Hydraulic to Broadway. CIP# R-302. District 2.**
- 3. One (1) Right of Way Easement and One (1) Temporary Construction Easement for Sedgwick County Signalization Project at the intersection of 167th Street West and Maple; CIP# R-320. District 3.**
- 4. General Bill Check Register of May 26, 2010 – June 1, 2010**
- 5. Payroll Check Register for the week of May 22, 2010.**

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

MOTION

Commissioner Norton moved to approve the Consent Agenda

Commissioner Unruh seconded the motion.

Chairman Peterjohn said, “I’m just going to make a comment here that we have one item on the Consent Agenda that involves a donation from a Sedgwick County citizen who wishes to remain anonymous. And I think the fact that this would be a donation to the EMS (Emergency Medical Services) speaks highly for that county department and their service, and the fact that we’ve got a citizen who’s willing to jump in and make a contribution, whether it’s anonymous or not, it’s very much appreciated. And this Chairman thinks that needs at least a little bit of recognition at the Commission level. Seeing no further discussion, please call the vote.”

VOTE

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| | |
|------------------------|--------|
| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, “I’m going to recess the meeting of the Board of County Commissioners and call the meeting to order of Fire District #1.”

The Board of County Commissioners recessed into the meeting of the Fire District #1 at 11:11 a.m. and returned at 11:14 a.m.

Chairman Peterjohn said, “And we are back on, I’m going to call back the County Commission meeting, and I believe we’re back on Item K, ‘other.’”

J. OTHER

Chairman Peterjohn said, “Commissioner Welshimer.”

Commissioner Welshimer said, “Well last week I attended a volunteer recognition luncheon out at the Central Community Church on West Maple. There were about 300 volunteers there. It was very interesting. It’s interesting to know that we have an army of citizens who get out and help us maintain the needs of others, that saves us a considerable amount of tax money and I think they should certainly be recognized for that. It was an excellent meeting. The other thing I have is I’ve attended a couple meetings recently on my situation down in my district in Oaklawn where I have children who will be hindered in their ability to get to school when the school opens again. And we’re still working on that and have found no solutions.”

Chairman Peterjohn said, “Thank you. Commissioner Unruh.”

Commissioner Unruh said, “Thank you. Just wanted to remind folks that we have a new resident at the Sedgwick County Zoo. About 10 days ago we had a new okapi baby born, which is an unusual and beautiful animal. And if you’d like to see that baby, you ought to take a visit to the Sedgwick County Zoo. While you’re there, the new baby penguins, I’m told, are out and swimming around, so you can be entertained by that also. That’s all I had.”

Chairman Peterjohn said, “Well I’m going to segue a little bit on your comments about the Zoo because to be more specific, the okapi, as I remember, they’re right next to the Downing Gorilla Forest. It’s an African animal, and you are right, it is one of the more spectacular animals out there,

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in terms of its appearance. And I'm delighted that they have, there are a number of other new additions besides the penguins and the okapis, though. But I'm afraid I'm going to have to jump back to the more prosaic where we are with the Sedgwick County numbers at the jail. This morning we had 1,525 with 150 of those folks in the work release category. And we had, according to the numbers the Sheriff had sent me in an email; there were 214 out of county; four of whom were female, the rest were male. And we had 90 folks arrested in the last 24 hours. I cite those numbers because we continue to work to get additional information, and I'm going to segue into a couple of other items. The Exploration Place has a new exhibit out, and Grossology, I believe, is how they pronounce it, for kids of all ages. It may be an interesting opportunity to see some events there, as well as focusing in on the continuing exhibits that are out at Exploration Place.

"I noticed that there was a lot of discussion about, and The Wichita Eagle has been running a series on downtown, and downtown redevelopment and efforts to revitalize our economy, and I was following very closely the city's discussion yesterday concerning an effort to set up a STAR (Sales Tax Revenue) Bond district. And there is a state law and there was some discussion about the fact that STAR bonds, whether we would have a role here compared to what we have with TIF (tax increment financing) districts. And the relevant statute, and I appreciate the information from the County Counselor's Office that provide, it's KSA (Kansas Statutes Annotated) 12-17, 165, which is described as a 'procedure for establishing STAR bond [project] district; hearings; notice; limitations.'"

Chairman Peterjohn continued, "The bottom part of this statute and why this may be a little bit confusing, in terms of what the county's role, or any other governmental body's role, concerning STAR bonds is that at the very end of the statute is says, 'No privately owned property subject to ad valorem taxes shall be acquired and redeveloped under the provisions of KSA 2009 Supplement 12-17, 160 et seq., and amendments thereto, if the Board of County Commissioners or the Board of Education levying taxes on such property determines by resolution adopted within 30 days following the conclusion of the hearing for the establishment of the STAR bond project district required by subsection (a) that the proposed STAR bond project district will have an adverse effect on such county or school district. The Board of County Commissioners or Board of Education shall deliver a copy of such resolution to the city or county. The city or county shall within 30 days of receipt of such resolution pass an ordinance or resolution dissolving the STAR bond project district. The provisions of this subsection shall not apply if the STAR bond project plan provides that ad

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valorem property tax revenues of the county or the school district levying taxes on such property will not be adversely impacted.'

"I'm trying to convert this from legalese into regular English for the average citizen out there, I think this is pretty clear that if a STAR bond project has an impact on property taxes, the county and other governmental bodies, like school districts, would have a say. But if property taxes are not involved and it strictly involves sales taxes, the county and other governmental bodies do not have a say. And, Mr. Euson, if I'm misstating this, I'd appreciate the clarification. But I want to provide it, because I think it's important to the public because there is such an alphabet soup, and whether we're talking TIFs, STAR bonds, or whatever happens to be out there, that some of these distinctions, while technical in nature are very significant and important to provide. And I apologize for the public out there by reading a significant portion of the statute, but I think it's important that this information is in the public record and is provided so that they have an understanding of what the various governmental roles can and cannot do specifically related to STAR bonds."

Mr. Euson said, "I think you stated that correctly, Mr. Chairman."

Chairman Peterjohn said, "Thank you. I would add also in a more broader context, The Wichita Eagle had some discussions about TIF districts where the county would have a say and where we've had a say in the past. We have a number of TIF districts in place, and I know today's Wichita Eagle focused on comparing Milwaukee and Wichita. And I noticed that Milwaukee, according to this article, has 70 TIF districts and that a former mayor of Milwaukee has stated in this article that 'TIF districts are overrated, except in situations where it cleans up pollution.' And, of course, the original TIF districts here in our communities got started because of the Gilbert/Mosley groundwater pollution and the North Industrial Corridor groundwater pollution. But I cite this because 70 TIF districts, I think, is a good deal more than we have, although we have quite a few here."

"But I have a lot of problems with the concept of TIF districts, and I cite this because, whether we're talking TIF districts, STAR bonds or anything else, there is an interesting point in the article today that said, and I'm going to quote from this, 'If developers are coming into town and saying the city isn't good enough to invest without incentives,' this former Milwaukee mayor [Norquist] said, 'you have to ask questions. "Do you really want that guy?" he said. "If he has that negative of an attitude about Wichita that you have to bribe him to be there, it may not be the best bet.'" Norquist '[He] said there are many success stories for TIF districts, but that it's often about who has the most sophisticated lobbyist in City Hall,' from this article.

"And in terms of elected officials being in a position to pick winners and losers, and what I have heard some folks call to, in terms of having a public-private partnerships where the public sector is helping to pick these winners and losers, this is something I feel very uncomfortable with and I know it's a number of communities use this. I know Chicago has been using this and used it well

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before us. But if TIF districts were really such a great idea, let's make the whole county or the whole state a TIF district and proceed down the road that way if they really made sense. They're not just shifting tax obligations around. And I provide this information because I think it's important that the public has an understanding of this issue and the fact that you've got, not only municipalities have this authority, but since the counties and also the school districts may play a role if they so choose with TIFs in particular. So that's what I have today. Seeing no further comments, I'm going to move that we adjourn."

MOTION

Chairman Peterjohn moved to adjourn.

Commissioner Welshimer seconded the motion.

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

VOTE

| | |
|------------------------|--------|
| Commissioner Unruh | Aye |
| Commissioner Norton | Aye |
| Commissioner Parks | Absent |
| Commissioner Welshimer | Aye |
| Chairman Peterjohn | Aye |

Chairman Peterjohn said, "We are adjourned. Thank you."

K. ADJOURNMENT

There being no other business to come before the Board, the Meeting was adjourned at 11:25 a.m.

**BOARD OF COUNTY COMMISSIONERS OF
SEDWICK COUNTY, KANSAS**

KARL PETERJOHN, Chairman
Third District

DAVID M. UNRUH, Commissioner
First District

TIM R. NORTON, Commissioner
Second District

KELLY PARKS, Commissioner
Fourth District

GWEN WELSHIMER, Commissioner
Fifth District

ATTEST:

Kelly B. Arnold, County Clerk

APPROVED:

June 23, 2010