

May 14, 2019  
Reno County Courthouse  
Hutchinson, Kansas

The Board of Reno County Commissioners met in agenda session with, Chairman Bob Bush, Commissioner Ron Hirst and Commissioner Ron Sellers, County Administrator Gary Meagher, County Counselor Joe O'Sullivan and Minutes Clerk Cindy Martin, present.

The meeting began with the Pledge of Allegiance and a short sectarian prayer led by Commissioner Hirst.

There were no Public comments.

Commissioner comments:

Commissioner Bush explained that staff was still in the process of evaluating and reviewing NextEra's Conditional Use Permit (CUP) protest petitions for Planning and Zoning Case 2019-01, stating there were no definitive answers for this important issue at this time. He mentioned they hoped to have it finalized by next Tuesday's agenda meeting in the morning. Mr. Bush also reminded the public of the 6:30 p.m. May 21<sup>st</sup> meeting at the Atrium to hear the Planning and Zoning recommendation on NextEra Conditional Use Permit and noted that a decision will be made at that time by the Planning Commission and stated the meeting would be recorded.

County Administrator Gary Meagher reminded the Board about the Department's Capital Improvements Budget meeting today at 1:00 p.m. regarding their five-year plans.

Commissioner Hirst spoke about a phone call he received from Phil Neufelt regarding the flooding in Reno County. He stated Mr. Neufelt wanted to know if there was a way to post an updated map of road closures and high water on the county website. When Mr. Neufelt sends people out to a job, they sometimes have a hard time when they must detour. He stated that he had checked the website on Monday at 11:00 a.m. and it was not up to date. Mr. Meagher would investigate updating a closure map on the website.

Commissioner Sellers asked if the time was closed for the wind projects "new information" that can be proposed for consideration. Mr. Meagher replied closure would be today,

Tuesday, May 14<sup>th</sup>, 2019 at 5:00 p.m. Mr. Sellers then asked Mr. Meagher if there had been any new information submitted. Mr. Meagher replied there had not been anything submitted at this time.

There were two additions to the agenda; Sheriff's Office submitted a Proclamation for "National Police Week" and Mr. O'Sullivan asked for an executive session for a privileged legal matter. Commissioner Bush removed item 10a from the agenda since it was covered in the comment section.

**Mr. Hirst moved, seconded by Mr. Sellers,** to approve the Consent Agenda consisting of the Accounts Payable Ledger for claims payable on May 17<sup>th</sup>, 2019 of \$261,784.89 as submitted also consisting of pending Added, Abated and Escaped Taxation Change Orders numbered 2019-173. Last on the consent agenda was approval of minutes for March 5<sup>th</sup>, 12<sup>th</sup>, 19<sup>th</sup>, and 26<sup>th</sup> as submitted. The motion was approved by a roll call vote of 3-0.

Emergency Management Director Adam Weishaar met with the Board regarding the Proclamation of a State of Local Disaster Emergency for Reno County; Kansas signed on May 8<sup>th</sup>, 2019. He gave an update on conditions from last week's bad weather storms. He discussed with City of Hutchinson and Reno County staff to activate the Emergency Operations Center for a day or so to monitor the heavy rain, flood stages, strong winds, tornados and the current twenty-one roads still closed from flooding. Mr. Weishaar stated they put road closures on Facebook but were unable to put a map on the Facebook site because they said it was spam. They are presently working with Tyler Technology to get a map to the public from a different access. The cities, townships and county may qualify for 75 to 85 percent reimbursement since the governor declared the state a disaster and we had a local declaration in place. A PDA team comes in approximately six weeks after the event ends and with qualified FEMA documentation puts together for repairs, time, materials etc. for the reimbursement. He appreciated the successful team effort by all the agencies involved. He said Public Works had spent hours and hours out working to keep the public safe with signs and barricades for various weather-related events.

County Administrator Gary Meagher asked the Public Works Superintendent Don Brittain to speak about the challenges and assessment of roads and bridges he visually inspected for high water and flooding.

Mr. Brittain stated he and Public Works Director David McComb went out for a preliminary exam to assess the damage to roads and bridges with the high water. He noted there were no county blacktop roads closed at this time. He stated in this event they permanently closed 18 locations for high water and stated there had been 78 separate high-water signs all over the county with one 60-foot bridge being declared by the engineer as not repairable. One of the challenges of high water was the white line being visible down the center of the road, another would be the public moving barricades or taking them down all together. He told a story of one of their crews cleaning up from high water on 56<sup>th</sup> Avenue and people going around the barricades almost hitting a worker to go through the high water, they put up signs to keep the public safe and to prevent a tragedy.

Commissioner Bush read a proclamation for "National Police Week" from May 12<sup>th</sup> through May 18<sup>th</sup>, 2019. Patrol/Detective Sgt. Post and Patrol Deputy D. Harris accepted. Sgt. Post invited the public to attend the Observance of National Peace Officers Memorial Day. Commissioner Bush read the flyer stating it was hosted by the Reno County Sheriff' Office on Friday, May 17<sup>th</sup>, 2019 at 11:00 a.m. in front of the Law Enforcement Center in Hutchinson, Kansas. Commissioners thanked them for their service.

**Mr. Sellers moved, seconded by Mr. Hirst,** to open the public hearing for Ade Enterprises LLC application for tax incentives for the construction of a new office building. The motion was approved by a roll call vote of 3-0.

Mr. Meagher's opening statement was that the Commission asked two weeks ago to schedule a hearing as part of the exemption process. He explained the request for \$845,000 at 100 percent tax exemption for 10-years for the purpose of building an office and showroom. CFO Les Sanborn was in the audience to address the Board.

Mr. Sanborn stated one of the Commissioners expressed concern about the effect the tax exemption would have on homeowners of Reno County. Mr. Sanborn felt the impact would be minimal like a few cents per homeowner. He spoke about estimated taxes at 100 percent, on abated real estate evaluation for the 10 years using the 2017 information from Google. He stated that his company did not have any services rendered to them.

Commissioner Sellers thought the numbers were underestimated and did not include the commercial or farmsteads for the \$.58 cent average. He stated that Wifco did indeed have services with the upkeep of the old Medora Road out front of their company and the Fire District#2 services. Mr. Sanborn replied that he meant like the residents in town that had more direct services.

Josh Stubbs, 4004 N. Willison Road, Buhler addressed the Board stating when Ade acquired Wifco they invested \$40,000 that had been paid off and that they did \$200,000 of upgrades. They are out of office space and their goal was to triple business, release space and add more employees, then make their business more competitive. As of July 1, 2019, the standards will cause them to triple costs and change how they make products. He came before the Commission to recommend approval while they continue to grow.

Commissioner Sellers wanted to help with the tax abatement. He appreciated their business in Reno County and would support new development in Reno County. He received emails from the public on this issue.

Commissioner Hirst appreciated information given today and the support above and beyond given to the Community Corrections Program. He has also received emails from the public in favor of assisting today.

Amy Brown, Fountain Green Road, Haven, KS, recommended strongly to support the investment in this company helping the community grow with 10 more jobs.

All three Commissioners wanted to support this long-standing company in Reno County. Two were in favor of less than 100 percent on the tax abatement. Commissioner Bush received emails from the public also, however he was in favor of the 100 percent for 10-years stating this was a successful business in our community that had previously not asked for assistance.

Mr. Meagher reminded the Board of the 10 new jobs created with wages that increased \$250,000 and was sustained throughout the life of the exemption. He said the plan was to construct the office building in 2019 and ramp up employment in 2021 meeting the requirement. He further explained the process today, if approved, would be to determine what the exemption would be and the length of the exemption. They would need to

draft a Letter of Intent based on the percentage and length of the exemption decided today.

Commissioner Hirst was in favor of the NRP style the City of Hutchinson uses with a declining process of abatement. Commissioner Sellers was in on the same line of thinking.

Commissioner Bush was not in favor of the declining scale as his fellow commissioners were. He had only a couple of emails discussing the abatement. He explained his viewpoint of being in favor of helping a thriving company in Reno County that has been in business for decades and his employees are 95 percent from Reno County, spending money and paying taxes here. They are asking for assistance with close to a million-dollar addition to their building that will be put on the tax roles in the future. He had not seen any business pay back an investment in 6.9 years and bring in 10 new jobs. Mr. Bush stated he had been on various boards that wanted to find local business and support them and get small businesses. County staff is going to verify these jobs and we at the county level are taking a small risk, we should be all in for them.

Mr. Meagher added that in addition to the ten jobs Mr. Sanborn indicated that after the 2<sup>nd</sup> year another 5 jobs would be added at \$15.00 per hour or higher making them eligible for the job incentive program. Commissioner Bush clarified the jobs would be verified by county staff.

Commissioner Bush asked his fellow commissioners to support him in 10-year 100 percent tax abatement for this company and the community.

Commissioner Sellers stated he did support the counties incentive program and hopes they do add employees to get the incentive. He respectively did not agree with Commissioner Bush's, 10 year at 100 percent, stating we all need to share in the government expenses.

Commissioner Hirst appreciated his fellow commissioner's comments and would support this.

The Commissioners discussed the tax abatement percentage they could agree on and other aspects of the Wifco business. Mr. Sanborn and Mr. Stubbs commented on how they contribute to the community through donations to HCC and selling steel to the public.

At 9:50 a.m. Mr. Sellers moved, seconded by Mr. Hirst, to close the public hearing. The motion was approved by a roll call vote of 3-0.

Mr. Hirst moved, seconded by Mr. Sellers, to start with 100 percent for 10-years with a 10 percent decline each year. Mr. Bush suggested another motion and the seconded motion was withdrawn by Mr. Sellers.

Mr. Bush moved, seconded by Mr. Hirst, to approve authorizing Ade Enterprises LLC's application for tax incentives for the construction of a new office building at 75 percent for 10 years providing the company meets the criteria in the policy as discussed. The motion was approved by a roll call vote of 3-0.

Gilmore and Bell Bond Counsel Kevin Cowan met with the Board to recommend authorizing a simple sale resolution offering for sale of General Obligation Bonds for Reno/Harvey Joint Fire District #2 now that the project was complete. He went over early redemption and the closing of bonds in the middle of June. This resolution he explained places the bond and directs folks to come back with their best proposal. **Mr. Sellers moved, seconded by Mr. Hirst, to approve resolution #2019-06; RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2019, OF RENO/HARVEY JOINT FIRE DISTRICT NO. 2, RENO COUNTY, KANSAS (Buhler).** The motion was approved by a roll call vote of 3-0.

Public Works Director David McComb met with the Board to recommend approval for a release of perpetual utility easement regarding Reno County Sewer District No. 8 (Highlands). He stated this was just a cleanup item between Jim Colbert Golf, Inc. and Reno County dated March 4, 1993, register of deeds book 265, page 102 (1). This easement was for the Water Storage Tank, WWTF, lift station and a maintenance building that had been demolished or abandoned and are no longer in operation or have been replaced by the newly constructed facility and the district has no need for said easement. **Mr. Hirst moved, seconded by Mr. Sellers,** to approve releasing the perpetual utility easement regarding Reno County Sewer District #8 (Highlands) as presented by staff. The motion was approved by a 3-0 vote.

Information Services Director Mike Mathews and Community Corrections Director Randy Regehr met with the Board for their regularly scheduled meeting. Both discussed various issues not requiring action by the Commissioners. Libertee Thompson,

Community Corrections liaison for Drug Court updated the Board on "National Drug Court" during the month of May, stating there were 33 participants with 4 graduating on Monday.

At 10:25 the meeting recessed for ten minutes.

The meeting reconvened with all Commissioners, County Administrator Gary Meagher, County Counselor Joe O'Sullivan, and Minutes Clerk Cindy Martin, present.

At 10:35 Mr. O'Sullivan requested an executive session. **Mr. Hirst moved, seconded by Mr. Sellers**, to go into executive session for forty minutes to discuss a privileged legal matter concerning the NextEra project with no formal action to be taken requesting Mr. Meagher be present. The motion was approved by a roll call vote of 3-0.

At 11:15 **Mr. Bush moved, seconded by Mr. Hirst**, to extend the executive session for fifteen minutes. The motion was approved by a roll call vote of 3-0.

At 11:30 the meeting adjourned until 9:00 a.m. Tuesday, May 21, 2019.

Approved:

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Chair, Board of Reno County Commissioners

(ATTEST)

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Reno County Clerk  
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Date