

JEDO BOARD
Joint Economic Development Organization
Wednesday, March 3, 2004 - 3:00 p.m.

The JEDO Board met in the Chamber of Commerce Board Room with the following JEDO voting members present: City of Topeka Council members: Gary Price, Lisa Stubbs, and Duane Pomeroy; City of Topeka Mayor James McClinton, Board of County Commissioners Vic Miller, Marice Kane and Theodore D. Ensley.

ITEM NO. 1: Approval of Minutes of the meeting December 10, 2003.

Commissioner Miller acknowledged there was some question whether the date of the meeting was correct. However, the meeting day was Wednesday. (The correct date of the meeting was Wednesday, December 10, 2003.)

Councilwoman Lisa Stubbs moved approval of the Minutes as presented, seconded by Councilman Gary Price. Motion carried unanimously.

ITEM NO. 2: Discussion financials.

Brad Owen with Mize, Houser & Company discussed the 2004 federal funding priorities, as presented in the packet. Mr. Owen reported the audit conducted by Berberich Trahan for 2003 would begin this month. Shawnee County Financial Administrator Harriet Harding reported sales tax collected for January for the County was \$50,000 higher than January 2003. She said that was the highest January ever, which was a positive sign.

Councilman Gary Price made the motion to accept the financial report, seconded by City of Topeka Mayor James McClinton. Motion carried unanimously.

ITEM NO. 3: Discussion of 2004 Federal Funding Priorities and the trip to Washington DC on March 16 and 17, 2004.

Paul Hirsch with Madison Government Affairs in Washington DC said he would be talking about the upcoming visit to Washington DC March 16 and 17, 2003, and the six projects they would be requesting assistance from their Congressional Delegation.

He noted the projects were not listed in order of priority.

- 1) Topeka Boulevard Bridge They would be requesting \$20 million from Congress in the T21 Re-Authorization Bill or the fiscal year 2005 Transportation and Treasury Appropriations Bill for the Topeka Boulevard Bridge. Mr. Hirsch recalled last year, through the

efforts of their Delegation, they were able to secure \$5.8 million towards replacement of the Topeka Boulevard Bridge.

- 2) Center Point Commerce Park The request for FYI 2005 would be \$1.75 million. Hopefully, that would be funded in the economic development initiative section of the VA HUD Appropriations Bill. He recalled that for 2003, Congress secured for them \$750,000 for infrastructure.
- 3) The Great Overland Station. The request was \$750,000 which would also be included in the VA HUD section for land acquisition and clearing the site and outdoor exhibits. In FYI 2004, there was \$500,000 included in the VA HUD bill for that project.
- 4) Brown vs. the Board of Education for the Monroe School. The request was for \$250,000 and would be made in the historic preservation section of the National Park portion of the Department of Interior Appropriations Bill and would go towards streetscape and lights.
- 5) Taxiway B at Forbes Field. That would be a \$1 million request in the FAA section of the Transportation and Treasury Appropriations Bill. It would be the airport improvement fund. He said there was a discretionary section where members of Congress could support their requirements. The taxiway B project was for surface rehab and lighting improvements. He noted the taxiway's and runways supported our National Guard, which was a good segway into the final project, which was a \$9.8 million request to be included as a Congressional add in the Military Construction Appropriations bill.
- 6) New facility at 190th This would provide a new facility at the 190th for the Wing Headquarters for operations and training of Air National Guard units. This project was in the Defense Department's future year defense plan and met the requirements established for Congressional adds relative to military.

Mr. Hirsch stated all the projects were well thought out between the staff of the Topeka Chamber of Commerce and others.

ITEM NO. 4: Approval of Funding for Military Retention Contract.

Doug Kinsinger recalled at the November and December meetings \$125,000 was set aside in a reserve account for the purpose of participating in a statewide effort to retain all the state's military installations. He said it was anticipated the State would be interviewing consultants and totaling almost \$1 million over the next 18-months to 2-years primarily for representation in Washington. The Governor appointed a group called the Governor's Strategic Military Planning Commission, which locally included himself and Jim Maag, President of the Kansas Banker's Association. He said they represented the Topeka-Shawnee County area or Forbes (190th Air National Guard and Army National Guard). Mr. Kinsinger reported meetings were held in January and four of the top contenders were interviewed and the firm of Hyjek and Fix, Inc., based in Washington DC

was selected. Mr. Kinsinger acknowledged Hyjek and Fix had much Pentagon and BRAC experience. In addition, they had teamed with the law firm of Akin & Gump, the second largest law firm in the City of Washington DC.

Mr. Kinsinger acknowledged a letter dated February 10, 2004 from Lt. Governor Moore requesting release of those funds (\$125,000). (This letter can be viewed on pages 12 and 13 in the packet.) He said the state had been in the process of approving \$500,000 and was asking each of the four communities (Wichita, Topeka, Manhattan/Junction City and Leavenworth) for a \$1 for \$1 match. He said they wanted to initiate this soon and were trying to assemble funds as quickly as possible. He referenced their budget on page 13 of the packet detailing their intentions. He noted by May 2005, the BRAC process was supposed to have the Base closure list. They believed even if Forbes was not on the closure list, they most likely would want to continue this effort of representation through the end of the process, which would be close to the end of the summer.

Mr. Kinsinger referenced the proposal letter from Hyjek & Fix, Inc. dated December 31, 2003 (pages 15-18 of the packet) outlining some of the initial deliverables and responsibilities for the first three or four months of the contract. He reported Commissioner Vic Miller and some other people present today had an opportunity Tuesday morning to meet with Hyjek and Fix, Inc. Commissioner Marice Kane asked if JEDO was their sole client for this purpose or were they representing other communities for the same purpose. Mr. Kinsinger said he believed they currently represented two other military installations. A conflict of interest clause was written into their contract, which allowed JEDO outright to approve any other clients they might consider representing.

Councilwoman Stubbs asked if the Base Closure Commission would have any representation from Kansas. Mr. Hirsch advised there would be non-commissioners on the Base Closure Commission that would be nominated in March 2005. Mr. Kinsinger said at the Governor's Strategic Military Planning Commission meeting this week it was discussed that as a State, they wanted to have some input or influence into that special process. He said they started talking to some of their Congressional Delegation members about that process.

Commissioner Ensley said he had the opportunity to be in Washington DC yesterday and met with Congressman Jerry Moran. He said Congressman Moran could not say enough good things about this firm.

After a full discussion, Commissioner Ensley made a motion to affirm their commitment of the \$125,000 towards the effort to retain representation on the BRAC closure issue, seconded by Councilwoman Stubbs. Motion carried unanimously.

Mr. Kinsinger reported the Delegation had been very helpful over the last decade to help get federal funding for military construction. Many of those facilities at their bases would help BRAC with hangars, runways, and other things that had been funded by the FAA or the military and would help put them in a better situation. Mr. Kinsinger said lately many thanks had been extended Senator Sam Brownback and Senator Pat Roberts for all the work they had done. Next Monday was also an opportunity to say thanks to Congressman Jim Ryan for his help.

ITEM NO. 4a & b: Tour of Topeka Military Installations. Meeting with Congressman Duncan Hunter, Chairman of the Armed Services Committee, March 8, 2004 4:00 pm, set up by Congressman Ryan.

Mr. Kinsinger reported on Monday afternoon (March 8, 2004) Congressman Duncan Hunter, Chairman of the Armed Services Committee would be in Topeka for a tour of the 190th and the Army National Guard. He invited everyone to attend that meeting to be held in the Chamber Conference Room at 4:00 on Monday, March 8, 2004. Following that meeting, he believed Congressman Hunter would be available for a few individual appointments. He felt it was an important opportunity to make an impression upon someone who could make a major difference in the future of Topeka's military installations.

Mr. Kinsinger reported all of their elected officials, the Go Topeka Board, and the Greater Topeka Chamber Board had been invited to tour the military facilities on March 26, 2004. He felt JEDO needed to be armed with the right information in order to be fluent spokespeople.

ITEM NO. 5: Discussion of efforts to find a replacement employer for the TeleTech building.

Mr. Kinsinger said he wanted JEDO to know the Chamber had been working every source possible to get the best quality jobs back in the TeleTech facility. He stated this was 790 jobs that were significant and important to their community.

Kathy Moellenberndt with the Chamber reported that immediately upon learning about TeleTech, they began working every source to get the best quality jobs back in that facility. She said they had obtained a listing of about 25 of some of the largest customer care services. One of the things they learned when making that contact was many more companies were looking to move to other countries. She said she felt the many vacated facilities in their community hurt their chances. Ms. Moellenberndt said they had made the information on the TeleTech facility available to the industrial development. She said two weeks ago there were company

representatives that looked at the TeleTech facility, but said they were focusing on another location.

Mr. Kinsinger said the challenge was these facilities were very wage driven, but they believed there was potential. They had visited with the property owners of the TeleTech facility and knew they were in discussions with TeleTech about what kind of condition the building would be left in and what improvements would remain. Typically, their guidelines for Go Topeka encouraged focusing on jobs that were \$10 an hour and above. Technically, they had not offered any significant incentives for below that level. Mr. Kinsinger noted Target was doing their employment fair March 20 and 21, 2004, and their management said they would be hiring a significant number of people. He said it would be a good opportunity for TeleTech's employees because Target's wages were actually higher.

Mr. Kinsinger said it would be helpful to have input from them as elected officials representing the community about whether they might consider something as far as the minimum wage level or would they like to stick with the \$10.00 an hour minimum as their main target. Commissioner Kane expressed concern if they "incentivise" a lower level salary, they could be doing an injustice to their community. Mr. Kinsinger commented a \$9.00 an hour job was better than no job. Councilman Gary Price suggested they keep their options open and not just close the door. He felt the community would be better off if they had the opportunity to bring in a large number of jobs at \$9.00 an hour. Commissioner Miller noted they had always operated on a sliding scale. He felt they should still do that in light that it may go slightly lower in extraordinary circumstances. He said he believed in the overall philosophy that they reward those people who brought the highest quality.

ITEM NO. 6: Discussion of retention efforts for Protection One Corporate Headquarters.

Mr. Kinsinger reported Protection One was acquired by an investment group out of New York. He said they had been in discussion with Protection One for about the last six months when they heard that sale was pending and indicated they wanted the first opportunity upon that sale to make sure everything possible was done to retain their corporate headquarters. He said Protection One was well known and had a very good image around the nation. Locally, in terms of economic impact, they had almost 100 employees. About 65 of those currently were at headquarters and it was anticipated once they completely severed their functions from Westar, which would be in the near future, they would have approximately 10 additional positions at their headquarters.

Mr. Kinsinger advised the average wage at their headquarters was much higher than their even-scaled minimum of \$20 an hour. So, it was a very

Good quality company and he wanted JEDO to know they had been working diligently with Richard Ginsburg, President of Protection One and many of their staff to show them a variety of office alternatives. He noted Protection One was looking at things in the region, but not solely in Topeka.

Mr. Kinsinger suggested the most anyone in the room could do immediately to help was to convey to the employees and management of Protection One as much as possible that they were desired, needed, wanted and supported. He firmly believed it was not so much incentives, but he also believed Protection One wanted to make sure they would be in a community that would support them for a long time. Councilwoman Stubbs asked if they were considering they make intentional contacts. Mr. Kinsinger said he believed intentional contacts would be helpful.

ITEM NO. 7: Discussion of the DBE Business Development Programming and introduction of new DBE Loan Officer.

Status of New Training Program & Hiring of Loan Manager

Mr. Tony Augusto reported there had been about 8 community orientation sessions about the DBE Business Development Programming. He said they had gone out to the Oakland, Hillcrest, and Abbott Community Centers and had averaged 20-25 people at those meetings. The First Step Fast Track Program began February 12, 2004. There were 20 in the class and his feedback from them was it was great. He said they were in the process of putting a separate class together to hopefully start in April. He said they would continue to do the orientation sessions, not as much as in January and February, but probably every two weeks to get people in the community to understand what the program was about. Mr. Augusto said the newly hired loan manager would begin Monday.

Mr. Kinsinger introduced Curtis Pitts. He said the DBE Advisory Council had really been a blessing and great help and Mr. Pitts had been a terrific volunteer.

Curtis Pitts reported they just had a luncheon today at 12:30 with the community Pastors. He said there was a good turnout and the Pastors were very excited about the program. He said they were going to try to do this twice annually. He said things were going very well, the brochures and radio spots were done and they were working on the 30-second and 60-second commercials.

ITEM NO. 8: Matt Rose, President/CEO of BNSF, to be in community for Executive in Residence Program at Washburn University April 12 & 13, 2004.

Mr. Kinsinger reported Matt Rose, President of BNSF would be in town April 13 to do the Executive Residence Program at Washburn in the morning. He said they would have the opportunity not only all afternoon to make sure this was supported well and hear Mr. Rose's keynote speech, but that afternoon they had arranged for some meetings with the Governor and business and elected officials and to have some tours of the BNSF locomotive shops. He recalled last year Bob Keegan, Chairman from Goodyear was here.

Mr. Kinsinger asked to clarify any misconceptions surrounding recent news coverage about the BNSF Railroad and some of the jobs scheduled to come here. He said they announced at the beginning of the year Topeka would receive consolidation of the locomotive maintenance shops and for that to occur in early March. That was to include a little over 90 positions, including a few management people from Burlington, Iowa. He reported there were some lawsuits filed by the City Council in Burlington, Iowa. He explained in the 1800's the land was viewed for the Railroad that required enough deed that, at that point, Burlington Northern maintain a locomotive repair facility in Burlington, Iowa. He said BNSF anticipated that and intended to retain about 40 positions there beyond the 90 positions. BNSF announced they also would be giving some of their Union people in Burlington the opportunity to commute or take jobs in the Jalesburg, Illinois facility. He noted that was about a 30-40 minute commute just over the state line. However, he wanted to make it clear BNSF indicated to them they would still be getting the 90 some jobs that would first be offered to Burlington, Iowa Union members, then offered to anyone in Topeka who had been furloughed from BNSF. They would then go back to Burlington, Iowa and offer positions to anyone furloughed there. If, they still did not have enough from those three classes to fill the 90 positions, they would hire new.

ITEM NO. 9: Marketing

Dallas/Fort Worth Trip.

Mark Wittenburg said this year when talking about strengths in the community it was felt they needed to improve their current growth. One of those was in the Forbes Field area in proximity to the Center Point Commerce Park now underway. He said they made calls to Ross Perot Jr.'s office who owned the development company that developed Lyon's Air Field in Fort Worth, Texas. He explained that was a 15,000-acre development that had residential areas, 2 runways and was one of the fastest growing large-box warehouse distribution manufacturing centers in the Country. He said they had been very successful and had been generous enough with their time to host several of them.

Mr. Wittenburg said Lyons Air Field compared favorably to Forbes Field. He noted Forbes had a 13,000 feet runway that had been resurfaced in the last 3 years compared to Lyons Air Field, which was only 9,000 feet. In addition, Forbes had a brand new water supply, sanitary, all utilities and there was in excess of 7,000 undeveloped acres.

Mr. Wittenburg reported they also met with Frito Lay. He said Frito Lay was dealing with some wastewater issues and wastewater costs. It could potentially increase by 300% in the next 2 years. So, proactively they went in and talked to them about ways to mitigate that increase in cost. One of those would be that Frito Lay put in a pre-treatment area through the settling basins. They were very appreciative and said very few communities came to them before there was a problem. He said they also did visits with EDS and the BNSF.

Proposed report to the community on activities/results of sales tax funds.

Marsha Sheahan showed a prototype publication developed through discussions between Go Topeka and the Chamber about the necessity of educating the community-at-large about some of the projects they were doing that sometimes did not always get publicity, so people could be better prepared when it came time to consider extending the sales tax. They wanted the information to be in one package to a wide variety of people. It would obviously be made available to any elected officials, the business community, the Chamber membership, donors and constituencies. They were also planning to insert it in The Topeka Capital and, probably, the Metro News for their free publication. Ms. Sheahan said the publication was approved in the marketing part of the Go Topeka Budget. She said it was designed to be both inserted and be a self-mailer. Mr. Kinsinger added the main target of this publication would be all of their prospects and site selection people.

Plaque presented "For Improving Race Relations in Topeka, Kansas".

Kathy Moellenberndt acknowledged the Chamber of Commerce received a plaque from the East Topeka Educational Resource College in honor of Black History Month.

ITEM NO. 10: Discussion of potential support for widening of US Hwy 24 between Shawnee and Pottawatomie Counties.

Shawnee County Commissioner Miller reported Pottawatomie County Commissioner Richard Carlson had come before the Shawnee County Commission and suggested it might be wise for their two entities to collaborate as it related to the further improvement of US Hwy 24. He explained the

Pottawatomie County Commissioners were suggesting it would be a benefit to not only the people of Pottawatomie County, but also Topeka's and Shawnee County to have a 4-lane road running the length of Manhattan to Topeka.

Pottawatomie County Commissioner Richard Carlson introduced himself as chair of the Pottawatomie County Commission. Also, present was Bob Cole, Economic Development Director in Wamego and Robert Rees, Administrator for Pottawatomie County.

Commissioner Miller explained this forum was chosen because he wanted to make sure the City Council was given the benefit of the same presentation given the Shawnee County Commissioners.

Mr. Carlson explained one of the main premises they wanted JEDO to understand was they were not looking to make US Hwy. 24 all 4-lanes. They believed there was a bypass through Kansas and that was Interstate 70. He said this was for the thousands of people who traveled US Hwy 24 daily. They were only considering expanding the lanes between the cities.

Robert Rees, Administrator for Pottawatomie County said they would not be pursuing anything for at least another 8-10 years, so it would probably be 5-6 years before the project would be considered for improvement. Obviously, they would think of this as a 4-part project and it would take some time to get all the input needed to hopefully be successful in proposing the project to the state for improvement. The question was whether this was something Shawnee County would want to look at in terms of continuing that stretch from the Pottawatomie County line on into the City of Topeka. Mr. Rees reported over the 4-year period since the improvements were completed in 1999 to US Hwy 24 going to 4-lane, they realized substantial growth in the western/southwestern part of their County. Just in the stretch between Wamego to Manhattan approximately 150 new homes and about 60 new businesses had developed.

Bob Cole, Economic Development Director in Wamego said one thought he wanted to leave in their mind as they were looking into the future and thinking about transportation systems and their effect on communities would be K-10. He asked them to question how it and why the greater Kansas City Metropolitan area, Lawrence and communities between deemed it a good thing to do a major traffic improvement along the K-10 corridor and what had the effects been. In addition, Shawnee County was located between three major universities that produced 1,000's of graduates a year. He was sure if US Hwy 24 was improved, it would be shorter route for people traveling to Topeka. Something they looked at strongly was that it was not often as spenders of the taxpayers' money that they got the boost of having 2 things happen with one dollar and that was a boost to economic development and safety for the people traveling that road.

Councilwoman Stubbs asked if the 60 new businesses were primary employers that were not there before. Mr. Cole said some of those were new manufacturers and there were several service businesses develop a realm of growing neighborhoods. In addition, some townships had grown 40% since the 4-lane was put in their County. Councilwoman Stubbs asked if the industrial park existed before the improvements or did it come about because of the improvements. Mr. Cole acknowledged both industrial parks existed before the improvements. He added with there being much more truck traffic on US Hwy 24, it was a dangerous road. There were no shoulders and for safety reasons should be upgraded. Councilwoman Stubbs asked if the City of Lawrence was presented the same concept. Mr. Cole said they had not been that far yet.

Councilman Duane Pomeroy asked if they were talking about any bypass around Silver Lake. Mr. Rees said in their case Pottawatomie County was not proposing shifting the highway from where it was now. The Commission was only looking at the improvements between the cities. As far as Shawnee County, he was not certain what they may decide, but if they planned to pursue it, he felt it would be a benefit to those communities. Mr. Carlson said to further clarify the question, he did not think the people traveling US Hwy 24 daily minded slowing down to go through the small towns, if they could get past the slow moving vehicles somewhere between those towns.

Commissioner Miller acknowledged this was one of many steps and he believed the Pottawatomie County Commissioners were ahead of the curve in terms of the process when they put together the transportation enhancement packages. He agreed this was a project that needed to be considered the next time they put together their package. He appreciated the Pottawatomie County representatives being interested enough to come to town and present their side of the issue and he believed it was worthy of consideration and that they look at it as a joint request. He wanted to share it with the Topeka City Council because he believed while it did not necessarily touch the Topeka city limits, he believed the impact of the growth and development of the City of Topeka would be affected. Mr. Carlson agreed they were economically intertwined. He acknowledged a large part of their County depended a lot on Topeka, i.e., businesses and jobs.

Adjourn.

Joint Economic Development Organization
Vic Miller, Chair