

AGENDA

**JEDO Board of Directors
June 1, 2010
3:30 p.m.
Chamber of Commerce Board Room**

TOPEKA, KANSAS

2010 JUN -4 P 4: 19

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1. Approval of Minutes of May 15, 2010 meeting – Commissioner Ted Ensley
2. Presentation and action on GO Topeka Audit – Doug Glenn, Mayer, Hoffman, McCann
3. Consideration of Incentive Offers:
 - a. Review and approval of proposed incentive for Del Monte – Doug Kinsinger
 - b. Review and approval of proposed incentive for Bimbo/Allen Foods – Steve Jenkins
4. Update on Kanza Fire Commerce Park Infrastructure – Steve Jenkins
5. First Quarter 2010 Progress Report – Steve Jenkins
6. Adjournment – Commissioner Ted Ensley

Joint Economic Development Organization Board Minutes
March 15, 2010
11:00 a.m.

The Joint Economic Development Organization (JEDO) Board met at 11:00 a.m. with the following Board members present: Shawnee County Commissioner Ted Ensley, Chair; Shawnee County Commissioner Shelly Buhler; Shawnee County Commissioner Vic Miller; City of Topeka Councilman Larry Wolgast; City of Topeka Councilman Bob Archer; City of Topeka Mayor Bill Bunten. Absent: City of Topeka Councilman Richard Harmon.

OTHERS PRESENT: Councilwoman Sylvia Ortiz; Councilman Jeff Preisner; Rich Eckert, Shawnee County Counselor; Jackie Williams, City Attorney; Robert Perry, Shawnee County Bond Counsel; Norton Bonaparte, City Manager; Tom Vlach, Shawnee County Public Works Director; Tom Flanagan, Shawnee County Public Works; Brian Armstrong, Bartlett and West; Steve Briman, Bartlett and West; Tim Hrenchir, Topeka Capital Journal; Steve Jenkins, Topeka Chamber of Commerce; Jo Feldman, Topeka Chamber of Commerce; Nora Patton-Taylor; Olivia Simmons, Visit Topeka; Ken Daniels, Midway Wholesale.

County Commissioner Ted Ensley called the meeting to order.

ITEM NO. 1: County Commissioner Ted Ensley was elected as the 2010 JEDO Presiding Officer.

Commissioner Miller moved to nominate Commissioner Ted Ensley to serve as the presiding officer, seconded by Commissioner Buhler. Motion carried unanimously.

ITEM NO. 2: The JEDO meeting minutes of November 19, 2009 were approved.

Mayor Bunten moved approval of the minutes of the JEDO Board meeting of November 19, 2009, seconded by Councilman Archer. The motion carried unanimously.

ITEM NO. 3: Discussion regarding the advancement of the 2004 Sales Tax Program's North Topeka Boulevard and 46th Street intersection improvement project.

Shawnee County Public Works Director Tom Vlach presented the JEDO Board with a drawing of the North Topeka Boulevard and 46th Street intersection projects, a sales tax project cash flow spreadsheet, as of February 24, 2010, and the interlocal agreement regarding the 2004 sales tax program approved by the voters.

Mr. Vlach said currently Shawnee County is planning on constructing intersection improvements to NW 46th Street and Rochester Road and are currently under design with Bartlett and West for that project. Also,

proposed improvements to the 46th Street and Topeka Boulevard intersection are planned to be made as part of the sales tax program. The Rochester intersection is planned to be constructed in 2013. According to the sales tax program's project schedule, the Topeka Boulevard project is scheduled for 2016.

Mr. Vlach said as they got into the design of the Rochester improvements and what they would need to do with the tangent segment on 46th street, they noticed they would end up with grading issues where they stopped one project and began the next project. It would result in a little bit of a hump in the roadway. A temporary transition zone would need to be constructed to eliminate the hump. The temporary transition zone would then be torn out and replaced three years later if they constructed the two projects separately.

Mr. Vlach said in looking at the monies that have been coming in from sales tax, they looked into whether it would make sense from a financial standpoint to combine the two projects. He said if all things occur as they project, they are now anticipating they will have a \$6.3 million balance at the end of the sales tax program after all infrastructure projects on the list are completed.

Mayor Bunten asked if there would be a \$6.3 million balance after all the projects are done, if that money could be used for any other project other than specified. Mr. Vlach said, the way he read the interlocal agreement, those monies are then to be distributed, according to a state statute, between the City of Topeka and Shawnee County and other cities in the County. Mayor Bunten asked if Mr. Vlach felt comfortable about that figure. Mr. Vlach said, as of right now, they did. He said when the projections were originally estimated; it was his understanding they were done conservatively.

Mayor Bunten asked if there was any possibility that money could be distributed prior to completion of all the projects, in anticipation of having a balance. Commissioner Miller said he did not think the money could be distributed until the projects are completed or at least until the final cost of the projects are known. Even with sales tax being down, they're doing way better overall on the final analysis than what was projected. That's not surprising because they were told all along everything they were doing was conservative both in terms of construction costs, projected revenues and interest rates. They were finding half way into it that's exactly what has happened because they're \$6.3 million ahead of what was initially projected.

Mayor Bunten asked if, at this point in time, the money, under any circumstances, would not be eligible to be used for something other than those projects. Commissioner Miller said that was as much a political question as it was a legal question. He said this question was put on the ballot and specifically listed the projects they were asking the voters to fund. Commissioner Miller said he thought from a political point of view,

even if you could do it legally, they are bound to these projects and these alone unless they get approval of the voters to do something else.

Councilman Preisner said to expand on Commissioner Miller's comments; he asked if these numbers were projected from 2010 out. If the revenue expectations were lowered on the sales tax? Tom Flanagan with Shawnee County Public Works Department said "no we did not". Through 2009 the projections made for the original program, were coming in equal or better. The 2009 projections for sales tax were projected at \$14.3 million and it came in at about \$200,000 above that. Councilman Preisner asked what the fund balance is at this point. Mr. Flanagan said under 2009 the fund balance shows \$6,015,000. Commissioner Miller said he knew the City's sales tax projections are higher than the existing revenues are coming in at but understand they were revising their sales tax projections each year. These projections are not the same projections. Consequently the revenues, even with the sales tax having dropped from what we were four or five years ago, they're still coming in ahead of what was projected because they projected so conservatively.

Mr. Vlach reviewed the following JEDO Board Presentation handout.

JEDO Board Presentation
Advancement of NW 46th/Topeka Blvd Project
March 15, 2010

- Currently under design for NW 46th & Rochester Road Intersection
 - Will be roadway grade issues on segment between Rochester & Topeka
 - Current Sales Tax Program cash flow projection = \$6.3M balance at end of program
-
1. Will reduce construction engineering/inspection costs by estimated **\$160,000**
 - a. One 8-month project vs. two 6-month projects
 2. Will eliminate required temporary transitioning construction (est. **\$50,000**)
 3. Economies of scale
 - a. (25%-33% Labor & Equipment savings);
 - b. (6%-8% Mobilization)
 - c. Assuming 15% savings on a \$1.7M project = **\$255,000**
 4. Typical construction inflation – 6%/year
 - a. At a rate of 3%-6% = **\$150,000-\$300,000** savings
 5. Disrupt the traveling public once instead of twice
 6. KDOT is administering the Rochester project and is agreeable to include the Topeka Blvd project as part of the Rochester project. Topeka Blvd costs tracked as Non-participating
 - a. As such, bidding and plan reproduction costs borne by KDOT
 7. Resulting anticipated construction project cost savings:
 - a. **\$615,000-\$765,000**

8. Interest costs estimated to be **\$165,000**
9. Total Estimated Project Cost Savings = **\$450,000-\$600,000 (Shared)**
10. Propose Shawnee County finance the project in 2013 with costs, including bond interest, reimbursed by sales tax in 2016

The recommendation would increase the bottom line on the sales tax cash flow projections from \$6.3 up to \$6.8 or \$7 million dollars.

Councilman Preisner said the roundabout at 61st and Wanamaker has been let for 2010 and asked if the Croco Road project had been let. Mr. Flanagan said yes. Councilman Preisner asked how soon they would go for bid for the 61st street/53rd Street on Wanamaker. Mr. Flanagan said December of 2010. Councilman Preisner asked if it would be easier to move the last project up and slide the two County projects down. Mr. Flanagan said since the projects were being funded by Federal funds through KDOT they have a timeframe for which they administer their projects and 2013 is the quickest they can get it into their timeframe. Mr. Vlach said Public Works also needs time to acquire right-of-way. Three years out is about the time they like to get moving on it.

Councilman Preisner said the Wanamaker Road 61st/53rd is going to be a done deal and then we're into 2012. At 2012 there are four projects; two in the County and two in the City, given the two projects on Adams, the value is \$13 million from those two projects. The two projects on 21st street that are left from the City for about \$6.5 million. Councilman Preisner said he hates to see them borrow money when they don't have to, if they can rearrange the projects. In 2012 the value of the Adams project is almost \$7.1 million. He said maybe they can put the lesser value project forward and finish this program with the 45th street project.

Mr. Flanagan said on the 45th street corridor project, the County has already completed purchasing all the right-of-way and they're moving into the utility relocation phase. Probably have the utilities moved next year. Mr. Flanagan said his concern is he has purchased temporary easements and has a date certain in which they will go away. So if they get moved lower than where they are currently scheduled he would have to repurchase those temporary easements again and that would cost money.

Commissioner Miller asked Mr. Flanagan what kind of investment was made on temporary easements. Mr. Flanagan said combined total for both projects on 45th Street, about \$85,000 has been paid in temporary easement costs. Commissioner Miller said Public Works would need to go back to the same people and purchase a new time frame and that would only be a fraction of the \$85,000, which would be a lot less than the projected interest cost.

Commissioner Miller asked if he had any idea how many landowners he dealt with. Mr. Flanagan estimated 25 total between south Topeka and California. Commissioner Miller said they could surrender the temporary easement they have for the timeframe you have and move it forward as a negotiation.

Bond Counsel Bob Perry said he talked with County Financial Administrator Marti Leisinger and she asked him to look at the structure for the bridge bond the City issued in 2006. Mr. Perry said if the bridge bonds are refinanced (they were sales tax revenue bonds) with Countywide General Obligation refunding bonds, as of last Thursday there was a gross savings of over a million dollars. Which in essence would allow less debt service to be made from sales tax revenues and more sales tax revenues for projects. The savings come from the GO bond of the county as a whole. Commissioner Miller asked what the projected net savings would be. Mr. Perry said that would be the net savings, a million dollars overall what they're paying now as compared to what would be paid under a GO bond. The real savings is the present value savings of \$950,000.

Commissioner Miller said looking at the interlocal agreement, in order to advance this project as requested by County Public Works it would take not only a recommendation of this Body but also take the approval of both the City and County. He said the interlocal agreement is between the City and County and this would modify that agreement as it relates to attachment A. Mr. Vlach said the bottom of paragraph eight on page six reads "Nothing in this agreement shall be construed as precluding the sales tax ballot projects being completed earlier than scheduled."

Commissioner Miller asked for an answer to his question from respective Counsel as to their opinion. County Counselor Rich Eckert said in an abundance of caution they should run it through both bodies. There might be some bonding issues as well. The bond companies might actually require that. City Attorney Jackie Williams agreed. Mr. Perry said the way paragraph eight read to him is that it's an administrative issue of expenditure of funds. If you're going to rearrange the date of the project on Exhibit A, it's his opinion both the County and the City governing body need to approve it.

Commissioner Miller said his interpretation of what Mr. Perry reported was if they're concerned about their cash flow, this is a way to free up an additional million dollars. It's a separate issue. Commissioner Miller said he likes the idea of advancing the project for all the reasons set forth by Mr. Vlach. He likes what Mr. Perry had to say apart from what Mr. Vlach is talking about. Commissioner Miller said he's not adverse to what Mr. Preisner was suggesting. He felt very comfortable on the conservative side with the figures and the amount of interest we pay these days on a project for that period of time does not get in his way of going ahead and bonding it for that short term.

Mayor Bunten clarified they would refinance the bond for the Topeka Boulevard bridge with County General Obligation Bonds because the interest rate is lower and they could save a million dollars. Mr. Perry said the average interest cost of the sales tax revenue bond is about 4.7%. One of those reasons is there's a six million dollar maturity in the last year of which has approximately a 5.00% interest rate. A General Obligation

Refunding bond would be short term bonds, 2016 maturity, and the effect of that interest cost is 2.1% as of the marketing conditions on Thursday. The structure of the sales tax revenue bonds, there's a \$3 million debt service reserve fund so there's \$3 million sitting with the trustee in St. Louis on which you will be using sales tax proceeds to pay interest on. When that \$6 million matures in 2016 the \$3 million debt service reserve fund is going to help pay the maturity. Take \$3 million out of debt service reserve; reduce the amount of the General Obligation Bond accordingly. We're issuing less debt and using General Obligation to reduce the interest cost. The sales tax revenues can still pay the General Obligation bond but not as much sales tax is going to be needed.

Commissioner Miller asked if this Body was to act and recommended what Mr. Perry was suggesting, it would also take approval of the respective governing bodies. Mr. Perry said in his opinion no it would not. It would require this Body to agree to allow the sales tax revenues to go to the County's payment of the Bond as opposed to going to the trustee in St. Louis to pay those investors. Commissioner Miller asked how Mr. Perry was going to issue County GO Bonds if the County Commission hasn't approved it. Mr. Perry said the County Commission would have to approve it but the City Council wouldn't.

Commissioner Miller moved that the Board do what Mr. Perry suggested and recommend to the County Commission to do the concomitant act to make that happen.

Councilman Archer asked if there is no expense to calling the bonds. Mr. Perry said not in the OS (official statement) he looked at. He would have to look at the ordinance.

Councilman Wolgast seconded the motion. The motion was carried unanimously.

Commissioner Miller said for him to make the right motion he needed to elicit comment from the City Council representatives because if they're wedded to what Mr. Preisner is suggesting versus Mr. Vlach's first proposal, he didn't want to do something that's not going to get Council approval because in order to be effective, he believed, this had to be approved by both bodies.

Mayor Buntin said Mr. Preisner's the one who brought it forward and he wasn't sure everybody understands it to the extent Mr. Preisner does. Councilman Archer said he hadn't studied it enough to have thoughts on it at this point. He said if the City and County could collaborate and save \$650,000 or \$700,000 he didn't know why they wouldn't do it. Councilman Wolgast said he thought the same. This is a lot of information to receive in one presentation. It's difficult to see the big picture and know what all the ramifications are with the presentation. It sounds like the appropriate thing to do. Maybe after thinking about this some more there are more questions they should be aware of.

Mayor Bunten asked if in fact with Mr. Preisner's proposal they can save \$600,000. Mr. Vlach said the interest cost was around \$165,000. Commissioner Miller said minus added costs of reacquiring temporary easements. Mayor Bunten said he hadn't heard any objections to that and he didn't know and was not prepared to make a commitment to go either way but would be happy to listen. The City's legal department can look into it and make a recommendation.

Commissioner Buhler said she would be interested in an opinion from Public Works because it would be the County project that would be moved further down the project schedule. She asked what impact Public Works could anticipate from that other than what was said. Commissioner Miller rejected the notion they are "County projects". They happen to lie outside the City limits. These are projects the people approved and the improvement of the streets is going to benefit everyone. Commissioner Buhler said they are administered by the County. Mr. Vlach said the only other concern he would have is several constituents are aware of the current timeline for these 45th Street projects and Public Works would like to stay on that timeline as much as possible from a credibility standpoint. Commissioner Miller said in translation of that, they're not his constituents but he drives that road and that road needs to be improved from a safety standpoint, that's why it's on the board. The quicker it's improved the better. He said 45th street needs to be widened; it's very unsafe right now. Mr. Vlach said assuming construction inflation is back up; an increase would eat up the cost they would save in interest.

Councilman Preisner said he agreed with this project and how it should be pulled together in 2013. What that leaves is four projects, which in essence is only two projects; 21st street or 45th street. The value of the 45th street project is \$13 million. The value of the 21st street projects is \$6.5 million. He said if they're concerned about revenue stream in the next few years, they would be able to start these more inexpensive projects earlier and upon completion he's sure we could get into the 45th street projects well before the date they may or may not be moved to. If this package was put together in 2004 then project costs should still be okay, like our revenue projections. The temporary easements are just for ingress/egress for construction purposes only. Councilman Preisner said he's in this business and knows roads are being built now for 20% less than they were two years ago.

Mr. Vlach said he thought Councilman Preisner's suggestion was valid. He said, however, with a delay of one year, it was likely construction inflation will occur again and wipe out the savings in interest.

Commissioner Miller said he was now convinced because while it may cost us \$160,000 in interest to advance the one project, he thought the amount it would cost inflation wise on the others would far exceed that. **Commissioner Miller moved approval of the proposal as outlined by Mr.**

Vlach and to recommend to the respective governing bodies to amend the interlocal agreement to reflect that, seconded by Commissioner Buhler.

Commissioner Miller said, before Mr. Vlach presents this to the City Council, that Mr. Vlach add a line immediately below the sales tax revenue line in the sales tax cash flow projection spreadsheet that illustrates what the projected sales tax revenues were for the first five years. Commissioner Miller said the JEDO Board's action to approve it will become null and void if one of the other bodies does otherwise. But it won't be necessary once they approve it for it to come back to this Board for later action. You might vote yes today and no tomorrow.

Commissioner Ensley called for a vote. **The motion carried unanimously, 6 to 0.**

Councilman Wolgast said in establishing these meetings if it would be possible to give more notice it would be appreciated. He said Councilman Harmon could not be present and Councilman Archer and he had appointments. Councilman Wolgast said if they could get any information ahead of time it would be appreciated when they don't have the background everyone else does, so they can better understand when they come to meetings, what the issues are. Mr. Bonaparte said Councilman Harmon did indicate he had a conflict and that's what precluded him from attending this meeting.

Commissioner Miller said as Councilman Preisner has pointed out in the past City Council members can always appoint another Council member to cast their ballot. Councilman Harmon missed other meetings before. There are other Council members in attendance today, and there almost always is. It has a consequence of the City being under represented.

Councilman Preisner said it was an excellent point made by Commissioner Miller. He said maybe the JEDO Board ought to look at its bylaws and consider assigning a proxy in writing.

Commissioner Ensley requested the record show Council member Sylvia Ortiz was present.

Meeting adjourned.

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2010 JUN -4 P 4: 19

TOPEKA, KANSAS

**GROWTH ORGANIZATION OF TOPEKA /
SHAWNEE COUNTY, INC. - PUBLIC**

**Financial Statements & Accountants'
Compilation Report**

March 31, 2010

(Approved by Board on May 7, 2010)

Mize, Houser & Company, P.A.

Certified Public Accountants

An independent member of BKR International

Growth Organization of Topeka / Shawnee County, Inc.
120 S.E. 6th – Suite 110
Topeka, Kansas 66603

We have compiled the accompanying financial statements of Growth Organization of Topeka / Shawnee County, Inc.–Public (a division of Growth Organization of Topeka/Shawnee County, Inc.), (Go Topeka), as scheduled below, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements and supplemental information have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The budgeted revenue and expense information is presented for supplementary analysis purposes only.

Statement of Assets, Liabilities and Change in Funds–Public – Modified Cash Basis as of March 31, 2010.

Statement of Income and Expense–Comparison to Budget–Public – Modified Cash Basis for the one month and four months period ended March 31, 2010.

Supplemental Schedule of Committed/Pending Incentive Offers and Site Expenditures as of March 31, 2010.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplemental information and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements and supplemental information, they might influence the user's conclusions about Go Topeka–Public's financial position, and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Growth Organization of Topeka / Shawnee County, Inc.–Public.

Mize, Houser & Company

Mize, Houser & Company
Professional Association
Certified Public Accountants

May 3, 2010
BNO:rb:sc
Enclosures

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Go Topeka, Inc.
Statement of Assets, Liabilities, &
Change In Funds-Public - Modified Cash Basis
March 31, 2010

Assets

Current Assets		
Cash-Sales Tax		2,013,508
Investments-Reserved for incentive/site improvements		<u>7,717,572</u>
Total Current Assets		9,731,080
Other Assets		
Land Held for Development	<u>6,544,757</u>	
Total Other Assets		<u>6,544,757</u>
Total Assets		<u><u>16,275,837</u></u>

Liabilities and Fund Balance

Current Liabilities		
DBE Carryover	371,097	
Other	93,595	
Due To GTCC	<u>-1,053</u>	
Total Current Liabilities		463,639
Fund Balances		
Opening Fund Balance	14,963,123	
Excess-Current Year	<u>849,075</u>	
		<u>15,812,198</u>
Total Liabilities and Fund Balance		<u><u>16,275,837</u></u>

Go Topeka, Inc.
Statement of Income and Expense - Public
Modified Cash Basis
March 31, 2010

	Current Period			Year to Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenue						
Sales Tax	416,667	416,667	-	1,250,000	1,250,000	-
Investment Income	(264)	5,833	(6,098)	23,028	17,500	5,528
Investment MV Change	(3,846)	-	(3,846)	1,397	-	1,397
Other Program Revenue	10,289	1,400	8,889	18,242	8,300	9,942
Total Revenues	<u>422,845</u>	<u>423,900</u>	<u>(1,055)</u>	<u>1,292,667</u>	<u>1,275,800</u>	<u>16,867</u>
Expenses						
Program Expenses						
Business Retention	10,438	16,995	6,557	34,595	60,771	26,177
New Business Attraction	22,603	47,033	24,430	60,709	135,966	75,257
Workforce Development	6,987	7,179	192	20,708	22,167	1,459
Government Relations Consultant	3,612	6,596	2,984	10,700	19,813	9,113
Marketing & Promotional	13,224	81,944	68,720	98,521	194,047	95,526
Research & Governmt'l Relations	13,706	8,082	(5,625)	22,296	24,265	1,968
Disadvantaged Business Enterprise	26,443	97,182	70,739	66,992	191,518	124,526
Small Business Innovation Center	715	4,715	4,000	2,145	6,145	4,000
Site/Prospect Support	3,811	4,828	1,017	15,576	14,489	(1,087)
* Incentives & Site Expend - Direct	-	-	-	1,693,667	56,250	(1,637,417)
* Less: Site Expenditures Capitalized	-	-	-	(1,637,417)	-	1,637,417
Total Program Expenses	<u>101,540</u>	<u>274,554</u>	<u>173,013</u>	<u>388,492</u>	<u>725,430</u>	<u>336,938</u>
General & Administrative Expenses	26,309	19,190	(7,119)	55,100	57,713	2,613
Total Expenses	<u>127,849</u>	<u>293,744</u>	<u>165,895</u>	<u>443,592</u>	<u>783,143</u>	<u>339,551</u>
Revenues over (under) Expenses	<u>294,996</u>	<u>130,156</u>	<u>164,840</u>	<u>849,075</u>	<u>492,657</u>	<u>356,418</u>

* \$1.6 million for Kanza land acquisition approved 2009 - closed in 2010

Go Topeka, Inc.
Committed/Pending Incentive Offers and Site Expenditures
March 31, 2010

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Totals</u>
Cash:										
Committed:										
Alorica	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	810,000
Del Monte	45,000	45,000	45,000	45,000	45,000					225,000
Del Monte	70,000	70,000	70,000							210,000
Frito-Lay	37,500	37,500	37,500							112,500
U/S Foodservice	316,667	316,667	40,833	40,833						715,000
LB Steel	71,786	71,786	71,786	71,786	71,786					358,930
PTMW	161,000	161,000	161,000							483,000
Coca Cola	42,500	42,500								85,000
Mainline Printing	30,000									30,000
Reser's	8,000	8,000								16,000
Home Depot	225,000	225,000								450,000
Goodyear	100,000	100,000	100,000	100,000	100,000					500,000
Total Committed	1,197,453	1,167,453	616,119	347,619	306,786	90,000	90,000	90,000	90,000	3,995,430
Expected:										
Site Improvements	4,031,000									4,031,000
Confidential Pending Cash Incentives	2,714,227	389,777	389,777	223,110	223,110	0	0	0	0	3,940,001
Dev. & Maintenance	50,000	50,000	50,000	50,000	50,000	20,000	20,000	20,000	20,000	330,000
Total Expected	6,795,227	439,777	439,777	273,110	273,110	20,000	20,000	20,000	20,000	8,301,001
Total Committed and Expected	7,992,680	1,607,230	1,055,896	620,729	579,896	110,000	110,000	110,000	110,000	12,296,431
Under Consideration:										
Land Acquisitions		14,225	4,954,500							4,968,725
Confidential Pending Cash Incentives	1,173,500	523,500	273,500	136,000	136,000	0	0	0	0	2,242,500
Total Under Consideration	1,173,500	537,725	5,228,000	136,000	136,000	0	0	0	0	7,211,225
Total Cash	9,166,180	2,144,955	6,283,896	756,729	715,896	110,000	110,000	110,000	110,000	19,507,656
Land:										
Expected:										
Confidential Pending Incentives	950,000	0	0	0	0	0	0	0	0	950,000
Total Land (A)	950,000	0	0	0	0	0	0	0	0	950,000

Notes:
(A) Land incentives at approximate cost, to be provided from land acquired.



Del Monte

- **Type of Industry** Manufacturing
- **Capital Investment**
 - Construction: \$ 3,145,000
 - Renovation: \$ 1,650,000
 - M & E: \$ 6,605,000
 - \$11,400,000
- **Employment**
 - Retained: 50+
 - New: 6
- **Average Wage:** \$42,000 plus benefits
- **Proposed Incentive** \$3,750/job (\$210,000~~X~~)
- **Tax Abatement**

Company will request tax abatement from the County

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2010 JUN -4 P 4: 19

TOPEKA, KANSAS





Bimbo Bakeries/ Allen Foods

Type of Industry

Manufacturing

Capital Investment

\$15,000,000 Building
\$15,000,000 M & E
\$30,000,000

Employment

- Company positions: \$5,500 for each of the 25 company positions or \$137,500
 - 18 production @ \$19/hr plus benefits
 - 7 management @ \$65,000 plus benefits

This will be paid out over a 3-5 year period to be negotiated with the company.

- Contract/Leased Employees (27) paid out over a 3-5 year period to be negotiated with the company:
 - \$3,500 for positions paying \$15/hr.
 - \$4,000 for positions paying \$16/hr.
 - \$4,500 for positions paying \$17/hr.

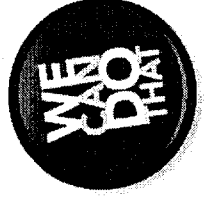
Maximum payout - \$121,500

Land

GO Topeka will deed 20 acres of land in the Central Crossing Commerce Park at no cost. The value of the land is \$30,000/acre for a total value of \$600,000. Additional land will be available adjacent to the site for possible expansion.

Tax Abatement

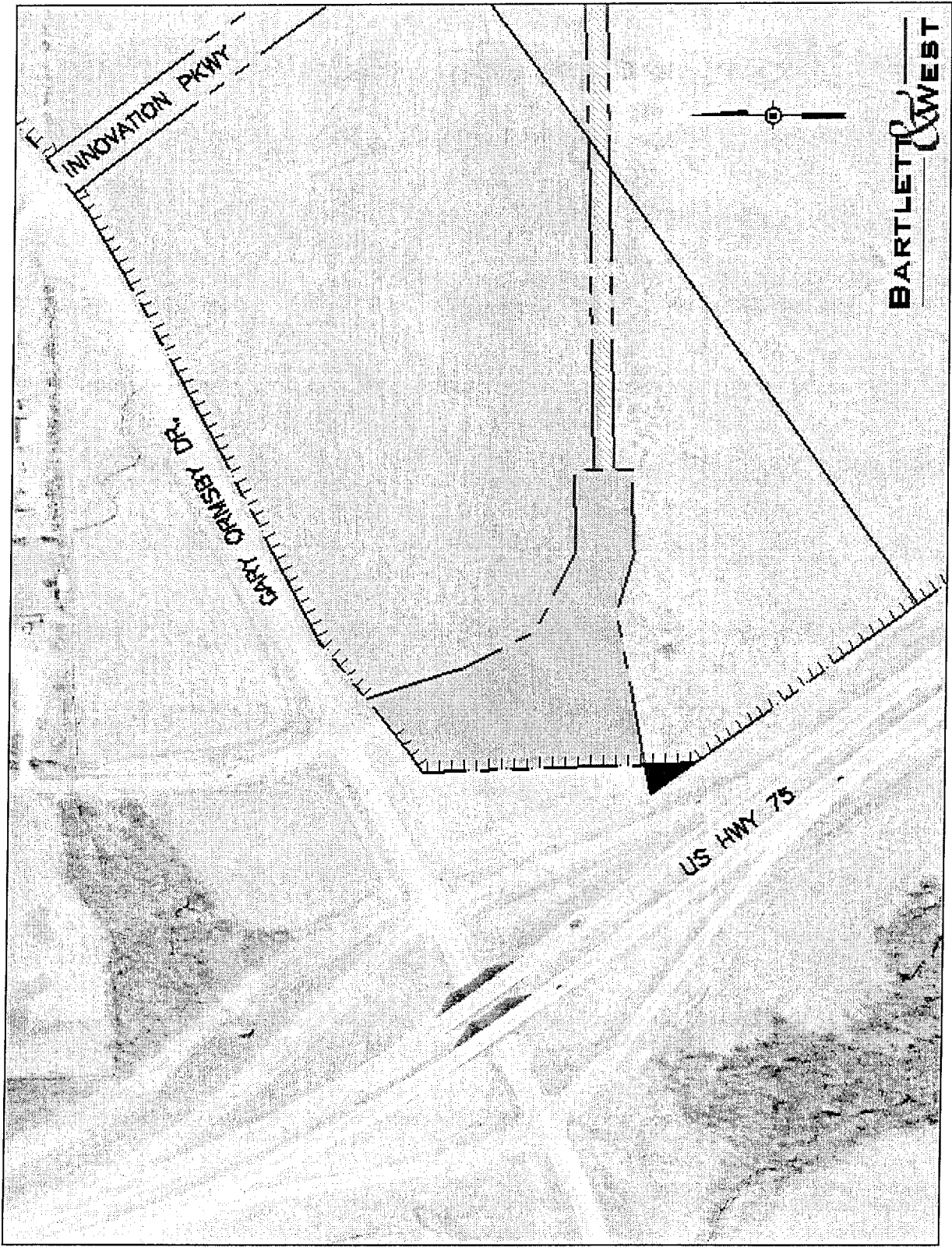
Company will request tax abatement from the County



Kanza Fire Commerce Park Land Acquisition Phase 1

	JEDO Approved 10-13-09	Expended	Balance
Options	\$29,625	\$29,625	0
Land Acquisition	\$4,095,977.50	\$3,938,522.50	\$157,455.00
KDOT Acquisition		\$32,250	\$125,205.00





BARTLETT & WEST

US HWY 75

INNOVATION PKWY

GARY GANSEY DR.



Kanza Fire Commerce Park Engineering Phase 1

Total: \$758,000

- Platting & Zoning: \$80,000
- Offsite Utilities: \$535,000
 - Force Main \$12,000
 - 16" Water Line \$123,000
 - 2 Million Gallon Storage Tank \$400,000
- Entry, 400 ft. of finished street and grading with gravel surface to allow access to the center of the property: \$50,000
- Pump station and force main: \$48,000
- Railroad switch and stub out: \$45,000

Approved by JEDO 10-13-09



**KANZA FIRE COMMERCE PARK
PHASE I ENGINEERING**

ITEM	APPROVED BUDGET	REVISED SCOPE	CURRENT CONTRACT AMOUNT	INVOICED TO DATE	BALANCE IN CURRENT CONTRACT	FUTURE WORK
PLATTING & ZONING	\$80,000		\$50,000	\$48,000	\$2,000	\$30,000
PUMP STATION & FORCEMAIN OFF SITE FORCEMAIN	\$48,000		\$48,000			
ON SITE GRAVITY SEWER	\$12,000	(\$12,000)	\$50,000			
TOTAL		\$50,000	\$98,000	\$86,240	\$11,760	
16" WATER LINE OFF SITE GRAVITY SEWER GRAVITY SEWER TO HPT	\$123,000	\$7,000	\$130,000			
TOTAL		\$67,500	\$67,500			
		\$9,200	\$9,200	\$59,250	\$147,450	
2 MILLION GAL STORAGE TANK	\$400,000					\$400,000
INNOVATION PARKWAY (ENTRANCE & 400 LF)	\$50,000					\$50,000
RAILROAD SWITCH & STUB	\$45,000					\$45,000
TOTALS	\$758,000	\$121,700	\$354,700	\$193,490	\$161,210	\$525,000



**Proposed Schedule for Water & Sanitary Sewer Projects
Off-Site**

Task	Target Date
Submit Final Plans to COT, SC, Go Topeka & EPA(?)	7/26/2010
Submit Easements to COT	6/11/2010
Obtain Easements	8/31/2010
Plan Approval	9/3/2010
Advertise for Bids	9/20/2010
Bid Opening	10/20/2010
Begin Construction	12/10/2010
End Construction	5/31/2011



Proposed Schedule for Sanitary Sewer Projects in Kanza Fire
COT Project No T-401020.00

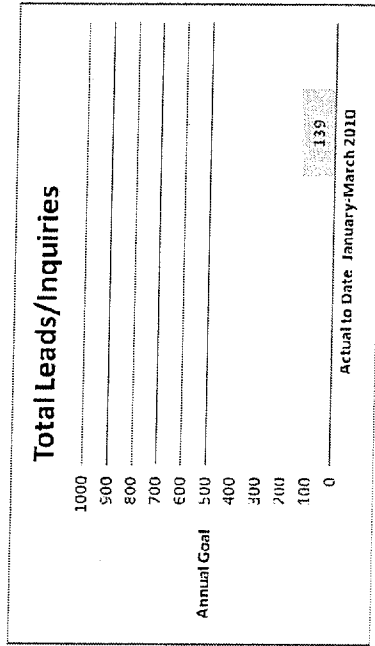
Task	Target Date
Submit Plans to City Engineering	5/27/2010
City of Topeka Plan Approval	7/15/2010
KDHE Plan Approval	7/15/2010
Bid Opening	8/16/2010
Start Construction	9/6/2010
End Construction Gravity Sewer	12/6/2010
End Construction Pump Station and Force Main	12/23/2010



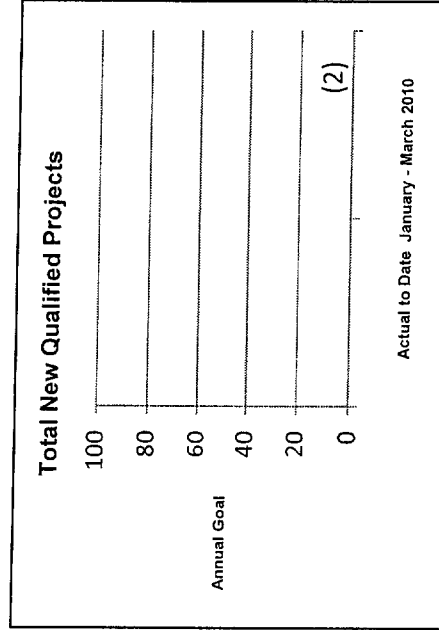
GO Topeka 2010 Performance Reporting 1st Quarter, 2010

A. ATTRACTION
Team Leaders:
Moellenberndt/Feldmann

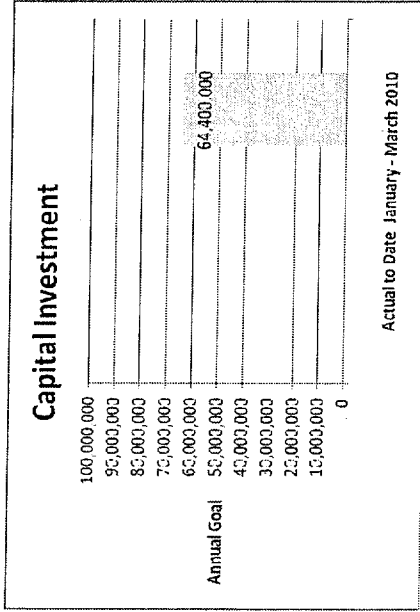
Total leads/inquiries (1)
Annual Goal: 1000 new leads
Actual To Date: 139



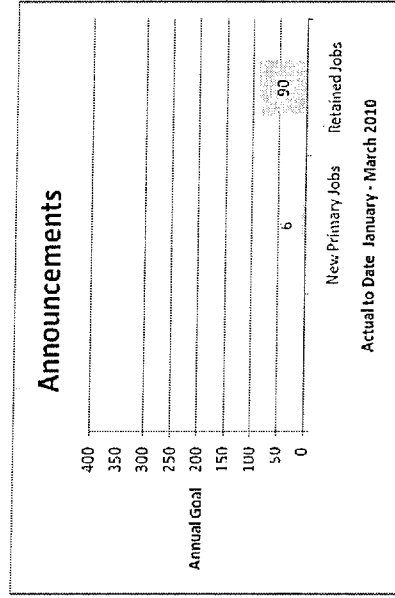
Total new qualified projects:
Annual Goal: 100
Actual To Date: 2



Capital investment:
Annual Goal: \$100 Million
Investment from new projects:
Investment from Existing Expansions:
Actual to Date: \$64,400,000

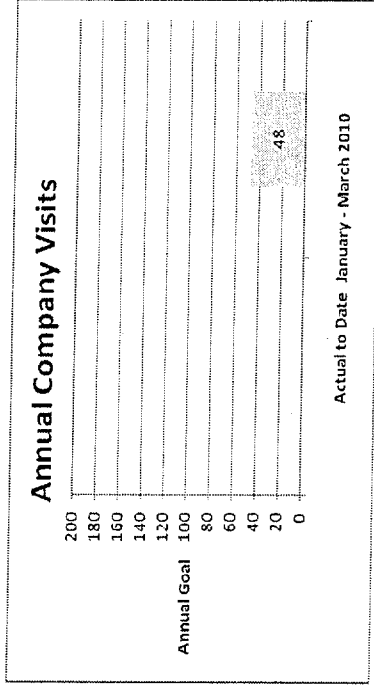


Announcements:
New primary jobs:
Annual Goal: 400
New Primary Jobs: 6
Retained Jobs: 90
Actual to Date:



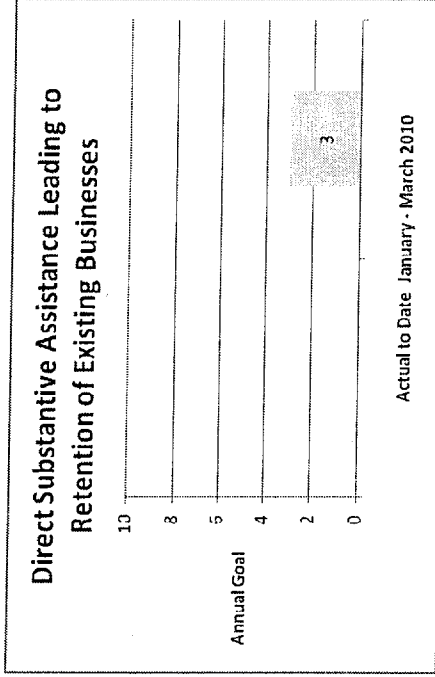
**Existing Business
Team Leader: Schemm**

**Number of annual company visits:
Annual Goal: 200 or greater
Actual To Date: 48**



**Direct substantive assistance
leading to retention of existing
businesses:**

**Annual Goal: 10 or more companies
Actual to Date: 3**



D. ENTREPRENEURIAL/MINORITY BUSINESS DEVELOPMENT

Team Leader: Hermocillo-Legg

•Implement and capitalize the microloan fund, First Opportunity Fund, under the Certified Community Development Finance Institution.

•Annual Goal:

- 1) Successfully attain technical assistance funding from the US Department of the Treasury;
- 2) Obtain start-up funding for capital from Treasury;
- 3) Obtain at least \$25,000 in local private capital infusion for the First Opportunity Fund.

Progress to Date:

- 1) Staff will be notified in Mid-June 2010
- 2) Staff will be notified in Mid-June 2010
- 3) To date staff has logged 72 hours on the CDFI; progress is ongoing.
 - CDFI Reads
 - Operating Council Chair phone and office meetings
 - TEA Software Developments
 - Monthly pipeline reports
 - Reports to CPA
 - 1/13 – 1/14 Emerging CDFI Submission to US Treasury Contact
 - Correspondence - Charlene Pierce – US Treasury
 - 1/18 – Phone conference with US Treasury – Chris Stever, CDFI Certification
 - OEDC/NDC Conference
 - Press Release on CDFI
 - Topeka Business Article
 - CDFI Budget Worksheet
 - Leveraging funding efforts: DBE Council, Chamber Foundation, US Bank, NDC, NE CDFI
 - Presented to GTCC, GO Topeka, DBE Council on efforts



•Increase the capabilities of the Disadvantaged Business Enterprise population by providing effective educational programs.

•Annual Goal:

- 1) Provide at least four First Step Fast Track (FSFT) traditional programs;
- 2) Provide at least two childcare FSFT programs;
- 3) Provide at least 16 educational programs with at least 20 participants and an evaluation rating four out of five; and 4) conduct four webinars for entrepreneurs on four separate subject areas.

Progress to Date:

- 1) First Step FastTrac (1st Quarter) Class #24 in process with 16 attendees
- 2) First Step FastTrac Child Care (1st Quarter) Class #3, currently in process with 13 attendees
- 3) 133 Small Business Entrepreneurs/Professionals serviced by 2 Webinars and 3 Workshops/Seminars



Joint Economic Development Organization Board Minutes

June 1, 2010

3:30 p.m.

The Joint Economic Development Organization (JEDO) Board met at 3:30 p.m. with the following Board members present: Shawnee County Commissioner Ted Ensley, Chair; County Commissioner Shelly Buhler; County Commissioner Vic Miller; City of Topeka Mayor Bill Buntten, Deputy Mayor Deborah Swank, City of Topeka Council Member Sylvia Ortiz and Council Member Jeff Preisner.

OTHERS PRESENT: Council member Larry Wolgast; City Manager Norton Bonaparte; City Attorney Jackie Williams; County Counselor Rich Eckert; Doug Glenn with Mayer, Hoffman, McCann; Brad Owen with Mize Houser; Angela Sharp with Bartlett & West Engineers; Eileen Caspers with Washburn Tech; Jeff Wietharn with Coffman DeFries & Nothern; Glenda Overstreet; Joe Ledbetter; Sandy Lassiter; Lazone Grays; Marcus White with WIBW; Rick Wienckowski, Hills Pet Nutrition; Bill Moore, Westar Energy; Steve Briman, Bartlett & West; Scott Griffith, INTRUST Bank; Lucky DeFries, Coffman, DeFries & Nothern; John Dicus, Capitol Federal; Doug Kinsinger, Chamber of Commerce; Steve Jenkins, Chamber of Commerce; Dan Schemm, Chamber of Commerce; Kathy Moellenberndt, Chamber of Commerce; Cyndi Hermocillo-Legg, Chamber of Commerce; Ande Davis, Chamber of Commerce; Nora Patton Taylor, Chamber of Commerce.

County Commissioner Ted Ensley called roll.

ITEM NO. 1: The JEDO meeting minutes of May 15, 2010 were approved.

Commissioner Miller moved approval of the May 15, 2010 minutes, seconded by Councilman Jeff Preisner. The motion carried unanimously.

ITEM NO. 2: Presentation and acceptance of the GO Topeka audit as of December 31, 2009 and 2008.

Doug Glenn with Mayer, Hoffman, McCann P.C. gave a brief overview of the GO Topeka/Shawnee County, Inc. Financial Statements and Auditors' Report as of December 31, 2009. He indicated the audited financial statements were presented to Go Topeka Board. They visited with the Go Topeka Board about internal controls and noted to that Board there were no internal control findings this year.

Mayor Buntten asked what equipment was depreciating in the amount of \$26,000 to \$27,000 a year. Mr. Glenn said there is office equipment and computers in the name of Go Topeka. Mayor Buntten said if equipment is bought to replace that which is depreciating if that is approved by this Board or the Go Topeka Board. Doug Kinsinger with Go Topeka said that is in the budget submitted to the Board in terms of items for equipment. Mayor Buntten said Government does not pay taxes. The purpose of depreciation is to accrue funds to replace equipment so it's a valid expense. Mr. Glenn said depreciation for an institute like Go Topeka, a

non-profit organization, is to match the use of that equipment over a period of time that it benefits.

Commissioner Miller moved acceptance of the Go Topeka audit as required by contract between JEDO and Go Topeka, seconded by Commissioner Buhler.

Commissioner Ensley called for a vote. The motion carried unanimously.

Councilman Preisner requested the balance of the Council members on the Board, although non-voting, receive a copy of the audit.

ITEM NO. 3: Review and consideration of proposed incentive offer for Del Monte.

Doug Kinsinger with Go Topeka said there were two items needing the JEDO Board's consideration and action. He said the expansion project by Del Monte was announced a couple of months ago but has not been finalized. They have been working on a contract and both contracts for this project and for the Bimbo/Allen Foods project had been submitted to the County and City attorneys for their review and he believed had approved them.

Mr. Kinsinger said Del Monte is a good example of what's happening in the manufacturing industry today. They are needing to grow and expand but they want to do it through automation. Go Topeka would not have successfully competed for this project and would have lost this expanded production to one of their sister facilities which would have meant the loss of 50 jobs. By getting the expansion here it kept those 50 jobs and added 6 more projected positions. The wage rates are \$42,000, a little over \$20 an hour for those positions due to the higher automated equipment. They are more computer operators than they are production people.



Del Monte

- **Type of Industry** Manufacturing
- **Capital Investment**

Construction:	\$ 3,145,000
Renovation:	\$ 1,650,000
M & E	\$ 6,605,000
	<u>\$11,400,000</u>
- **Employment**

Retained:	50+
New:	6
- **Average Wage:** \$42,000 plus benefits
- **Proposed Incentive** \$3,750/job
- **Tax Abatement**

Company will request tax abatement from the County



Commissioner Miller asked about the measurement on retention of jobs, if there are more than 50 jobs at Del Monte. Mr. Kinsinger said yes. Commissioner Miller asked if employment is cut how the Board is going to know where they're cut. Mr. Kinsinger said they are under an incentive agreement under a prior contract that requires Del Monte to keep the minimum number of jobs in the range of 220. They would be required to keep the existing number and 50 would be part of their existing number, six would be added. Commissioner Miller said they have 220 jobs now and part of the clawback on this incentive is that they retain 50 jobs. So if they go back to 200 jobs there will be a clawback on this agreement and the prior one. Mr. Kinsinger said that was correct. Part of their other agreement was for the expansion of the distribution center. Steve Jenkins with Go Topeka said the previous incentive was the distribution facility and this is manufacturing. They knew these 50 were going to be eliminated positions that were not put in the claw with any other previous agreement. They were going to eliminate 50 additional employees.

Mr. Jenkins said this is a separate agreement and has nothing to do with anything in which they are covered in an existing incentive agreement. Commissioner Miller said the existing incentive agreement requires they maintain how many jobs. Mr. Jenkins said 220 but they have more than 220 at the facility. Dan Schemm with Go Topeka said there are 285 jobs currently. Those 50 will be given position descriptions and work from that baseline so that 50 jobs in this incentive agreement are the ones they're looking at. Mr. Jenkins said this does not cover or overlap a previous agreement. They have more employees at the facility than covered under the previous agreement. Commissioner Miller said his original question is how we are going to track these 50 jobs. Is it by the total number of employees or as Mr. Schemm just described, specific designated employees. Mr. Jenkins said it was not specific employees, it was employment positions and they will track these employees separate from and exclusive of the previous agreement which is being tracked separately with those employees. There are two agreements that are tracking differently and are being measured exclusive of each other.

Commissioner Miller said he's a little uncomfortable that the provisions are not rock specific then we end up losing. He asked if there was a way to approve this incentive and still reserve the right to approve the language. He wanted the attorneys to review the incentive language to make sure it works like the Board intends. Jeff Wietharn with Coffman DeFries & Nothern said he could get the answers. Mr. Jenkins said the Board could approve the incentive subject to approval of the agreement. **Commissioner Miller made that motion. Councilman Preisner seconded the motion.**

Mr. Kinsinger asked who the Board wanted to approve the agreement before it's executed; City and County legal staff. Commissioner Miller said it

was his preference this Body signs off on the agreement and it could be reviewed at the next JEDO Board meeting. Mr. Kinsinger asked if there would be a way to appoint a group out of this Body to approve it, where they could either consult with the City and County attorney or if there are members of this group that want to work with the City and County to approve it, because he would hate to delay it another month. Mr. Kinsinger said Del Monte doesn't want to go forward without knowing the incentive is in place. He would think this is fairly simple language that they could make sure everybody was comfortable with. Commissioner Miller said we've made that mistake before. We treated it too simply and didn't give it a close enough look and it was very bad for everybody, both the client and Government. Particularly with a situation that's complicated by the fact they have two thresholds.

Councilman Preisner asked for clarification on how they will differentiate between the original agreement with 220 employees and if the 56 employees was going to be by job description. Mr. Kinsinger said it was not by person specific. Mr. Jenkins said it will be the skilled position, not the person. Mr. Kinsinger said typically how they measured was based upon hours worked. It's expected there will be turnover in a facility of any size. It's measured by hours per position at 2,080. Mr. Jenkins said it is audited every year.

Mr. Jenkins said this allows those 50 employees not to be eliminated because of the expansion of the operation not covered by the previous agreement. Commissioner Ensley asked if there was a time frame for the six jobs. Mr. Kinsinger said they have 5 years to perform.

Commissioner Buhler asked who normally approves the agreement with the formal language. Mr. Kinsinger said their policy has been to go before the City and County's legal staff. Deputy Mayor Swank asked if the City and County legal staff had seen this yet. County Counselor Rich Eckert said he reviewed it approximately a week ago. City Attorney Jackie Williams said his staff has seen it. Deputy Mayor Swank said she would be comfortable if the final check would be the legal staff rather than having to come back together. She said with that was a motion to discuss that portion of it. Commissioner Miller said he didn't have a problem with that. He just wanted to keep that aside until they know whether or not they were going to support the incentive.

Commissioner Ensley called for the vote. The motion carried unanimously.

Commissioner Miller said his motion would be to require the approval of clawback language by respective counsel for the City and County and final approval by the Chairman of this Board. Councilman Preisner seconded the motion. The motion carried unanimously.

Review and consideration of proposed incentive offer for Bimbo/Allen Foods.

Steve Jenkins said Bimbo Bakeries USA has a fully owned subsidiary by the name of Allen Foods that is solely focused on bakery products. They will be in this facility baking bread. Mr. Jenkins reviewed the following:



Bimbo Bakeries/ Allen Foods

Type of Industry

Manufacturing

Capital Investment

\$15,000,000 Building
\$15,000,000 M & E
\$30,000,000

Employment

- Company positions: \$5,500 for each of the 25 company positions or \$137,500
 - 18 production @ \$19/hr plus benefits
 - 7 management @ \$65,000 plus benefitsThis will be paid out over a 3-5 year period to be negotiated with the company.
- Contract/Leased Employees (27) paid out over a 3-5 year period to be negotiated with the company:
 - \$3,500 for positions paying \$15/hr.
 - \$4,000 for positions paying \$16/hr.
 - \$4,500 for positions paying \$17/hr.

Land

GO Topeka will deed 20 acres of land in the Central Crossing Commerce Park at no cost. The value of the land is \$30,000/acre for a total value of \$600,000. Additional land will be available adjacent to the site for possible expansion.

Tax Abatement

Company will request tax abatement from the County



Mr. Jenkins said the building is being built for two lines. They're being told within two years the second line will be installed so the building will be fully operational on two lines and that is all they intend to have in any one plant. Mr. Jenkins said in addition to the 52 positions with a second line they may be looking at an additional 20 to 25 employees. They are not ready to make that commitment and obligation and so this agreement does not take that into account. If they expand and went to a second line they would come before this Body again and ask for additional funding for that line.

Councilman Preisner asked should the company leave Topeka and vacate the property, if the land reverts back to Go Topeka. Mr. Jenkins said typically not because there's a building asset that is marketable sitting on the site. Commissioner Miller said the point is they would already have the land and they would be gone. He asked if there's a clawback for the land. Mr. Jenkins said typically they do not have a clawback for the land. They do on the cash incentive. He said this is typical of economic development organizations to give land, and you have a building asset sitting on that land that is marketable. This would be 135,000 square foot building completely empty, which would be a marketable asset. Commissioner Miller said that did not get the \$600,000 back and asked if they leave how the \$600,000 is recovered. Mr. Jenkins said the point is you have an economic asset to market for another company to fill that building long

term. Typically economic development organizations do not claw the land back because it is a head ache. Commissioner Miller said not the land but the value of the land. Mr. Jenkins said they could certainly do that but he would not recommend it because they have not used that procedure before. Mr. Kinsinger said in prior contracts they required some clawback if they did not develop and if they did not put the building on. There was a period of time where they had to improve the property, where they knew they would have a tax base long term. He said if they own that building and it sits vacant, even if they apply for tax abatement, at the end of that tax abatement clock, it still goes on the tax roll. He said they have not required a clawback on the value of the land.

Councilman Preisner said historically what has been seen on this type of development, that does not transpire. You have a building with asset, a company that's gone that owns the building but we have the land. Mr. Jenkins said they have to be in operation within 12 months of starting construction. Council member Sylvia Ortiz asked if there is room for expansion. Mr. Jenkins said there is room for expansion on the site.

Councilman Preisner made a motion to approve the incentive as presented, seconded by Council member Ortiz. The motion carried unanimously.

ITEM NO. 4: Update on Kanza Fire Commerce Park Infrastructure.

Steve Jenkins reviewed Kanza Fire Commerce Park Engineering Phase 1 below. He said they're going to buy a piece of KDOT land at the Highway 75 and Gary Ormsby Drive interchange. That piece of property is needed in order to make this work well. They propose to buy it for \$32,250.00 for 4.4 acres. A small triangle of land is going to be given back which gives an area for an off ramp. That would leave a land acquisition balance of \$125,205.00.

Mr. Jenkins



**Kanza Fire Commerce Park
Land Acquisition
Phase 1**

	JEDO Approved 10-13-09	Expended	Balance
Options	\$29,625	\$29,625	0
Land Acquisition	\$4,095,977.50	\$3,938,522.50	\$157,455.00
KDOT Acquisition		\$32,250	\$125,205.00



Mr. Jenkins reviewed the Kanza Fire Commerce Park Engineering Phase 1 information below.



Kanza Fire Commerce Park Engineering Phase 1

Total:	\$758,000	
• Platting & Zoning:		\$80,000
• Offsite Utilities:		\$535,000
• Force Main		\$12,000
• 16" Water Line		\$123,000
• 2 Million Gallon Storage Tank		\$400,000
• Entry, 400 ft. of finished street and grading with gravel surface to allow access to the center of the property:		\$50,000
• Pump station and force main:		\$48,000
• Railroad switch and stub out:		\$45,000

Approved by JEDO 10-13-09



Angela Sharp with Bartlett and West reviewed Kanza Fire Commerce Park Phase 1 Engineering and said she took the budget Mr. Jenkins reviewed, made revisions and added information.

KANZA FIRE COMMERCE PARK PHASE I ENGINEERING

ITEM	APPROVED BUDGET	REVISED SCOPE	CURRENT CONTRACT AMOUNT	INVOICED TO DATE	BALANCE IN CURRENT CONTRACT	FUTURE WORK
PLATTING & ZONING	\$80,000		\$50,000	\$48,000	\$2,000	\$30,000
PUMP STATION & FORCEMAIN	\$48,000		\$48,000			
OFF SITE FORCEMAIN	\$12,000	(\$12,000)				
ON SITE GRAVITY SEWER		\$50,000	\$50,000			
TOTAL			\$98,000	\$86,240	\$11,760	
16" WATER LINE	\$123,000		\$130,000			
OFF SITE GRAVITY SEWER		\$7,000	\$67,500			
GRAVITY SEWER TO HPT		\$9,200	\$9,200			
TOTAL			\$206,700	\$59,250	\$147,450	
2 MILLION GAL STORAGE TANK	\$400,000					\$400,000
INNOVATION PARKWAY (ENTRANCE & 400 LF)	\$50,000					\$50,000
RAILROAD SWITCH & STUB	\$45,000					\$45,000
TOTALS	\$758,000	\$121,700	\$354,700	\$193,490	\$161,210	\$525,000



There was originally \$12,000 for an off-site force main extension to provide service just for Kanza Fire for a force main to tie into the Shunga interceptor. Since that time they opted to go with an interceptor sewer that could serve other areas between Kanza Fire and its connection to the Shunga interceptor. Ms. Sharp said initially just the water line was a part of the contract that would provide water service to the north side of Kanza Fire and extend up to north of where the golf course is located. That is a 16 inch water line to provide better service to the area. Since then an extension of the water line was added further to the

East. They also looked at the offsite gravity sewer that would extend on up to the Shunga interceptor.

Ms. Sharp said one other item was an extension of the gravity sewer since they are taking the public service from Kanza Fire up to the Shunga interceptor, with an extension to the East and under Topeka Boulevard so this could be provided to Heartland Park that is currently on a lagoon system. Another advantage to extending it to the East would be that a gravity sewer can be extended along the East edge of Kanza Fire to provide service to the eastern portion of Commerce Park as well.

Ms. Sharp said out of the \$80,000 approved for platting and zoning there's a contract for \$50,000 for the first phase. The zoning is completed and approved through the County and the final plat is in the last stages through the City. The \$30,000 for future work would be the second phase of the Industrial Park that is to the west of Highway 75.

Ms. Sharp said there is a portion of gravity sanitary sewer that will provide service to the southern portion of Kanza Fire that will go down to a pump station located off 85th Street. That will pump into a force main that takes it up to the new Innovation Parkway, the new street through Kanza Fire. There's a gravity sewer that would eventually tie into the other interceptor sewer that would come up to the Shunga interceptor.

Ms. Sharp said the offsite utilities are the sewer and water that extend up to the north side of Kanza Fire. The first portion was only the water line. The other line items were the \$7,000 to extend the design to extend the water line east towards Heartland Park which would eventually be a looping system along Topeka Boulevard that will provide better service to the entire Commerce Park and the additional gravity sewer. The last item is the future work. The 2 million gallon storage tank also includes the upgrading of the water pump station north of the golf course installed in the early 50's that needs upgraded. It also includes extension of water lines between what is currently designed up to where the new water tower would be. The railroad switch and stub has not been designed and probably won't be until there is a user so they know exactly what is needed. Mr. Jenkins said there is a major European prospect looking at a site here.

Ms. Sharp reviewed the Phase I construction cost estimates.

**KANZA FIRE COMMERCE PARK
PHASE I CONSTRUCTION COST ESTIMATES**

ITEM	ESTIMATED CONSTRUCTION COST
PUMP STATION FORCEMAIN & GRAVITY SEWER	\$285,000
SUB-TOTAL	\$655,000
	\$940,000
16" WATER LINE OFF SITE GRAVITY SEWER	\$1,068,000
SUB-TOTAL	\$480,000
	\$1,548,000
	\$2,488,000
EPA GRANT	-\$485,000
TOTAL	\$2,003,000
POSSIBLE ADD ALTERNATIVE GRAVITY SEWER TO HPT	\$990,000



Commissioner Miller asked if the EPA Grant amount was what the Board had to pay. Ms. Sharp said that was the match the EPA would pay. She said the possible add alternate in the amount of \$990,000 is the piece of gravity sewer that would extend from the north end of Commerce Park to the east down slightly under the railroad tracks and underneath Topeka Boulevard, over to Heartland Park. The reason it was chosen to go ahead and design that portion and the reason it would be a good idea to construct that is because that sanitary sewer is quite deep. There is a ridge that runs through the eastern portion of Kanza Fire. They were trying to retain as much land as they possibly could for development. In doing so they have all the utilities and utility corridor along the north side of Kanza Fire. They have the water line, sewer line and gas line compacted in. With the sewer being the deepest, if they do not extend the sanitary sewer over to Heartland Park now, they will in the future have to move it further to the south and into the developable property so they can construct it.

Ms. Sharp said an item not listed is for the portion of the gravity sewer that would serve the south side of Kanza Fire. That portion is \$650,000 and is another alternate in the contract that's under design. Commissioner Miller asked what "not funded as part of Kanza Fire" meant. He asked who was going to fund the \$990,000. Ms. Sharp said that is an alternate on the contract. She assumed that would be a match between the City and Go Topeka but she did not know. Mr. Jenkins said there had been conversation with Heartland Park because they have a severe issue over there with sewer. It also keeps the development of the land at bay. He said they didn't know who was going to pay for it but it was not a part of this project. Mr. Jenkins said with the bids they are receiving right now, if they receive good bids, as Ms. Sharp said, this is the time to put it in. Others have to come to the table to pay for it. Commissioner Miller said the answer was someone else.

Councilman Preisner said the identified revenue source for the debt service of this project is the quarter cent sales tax. Mr. Kinsinger said for everything so far for the economic development portion. He said this

is what was approved in the budget the Board gave them at the end of last year for infrastructure.

Ms. Sharp reviewed the Proposed Schedule for Water and Sanitary Sewer Projects Off-Site and Onsite. She indicated the only caveat to the date for obtaining the easements was there are seven privately owned property owners they are conversing with that if they have to go to condemnation that could take another couple of months to go through the condemnation process. The plan approval on September 3, 2010 is contingent upon the EPA review.

**Proposed Schedule for Water & Sanitary Sewer Projects
North of Kanza Fire**

Task	Target Date
Submit Final Plans to COT, SC, Go Topeka & EPA(?)	7/26/2010
Submit Easements to COT	6/11/2010
Obtain Easements	8/31/2010
Plan Approval	9/3/2010
Advertise for Bids	9/20/2010
Bid Opening	10/20/2010
Begin Construction	12/10/2010
End Construction	5/31/2011



**Proposed Schedule for Sanitary Sewer Projects in Kanza Fire
COT Project No T-401020.00**

Task	Target Date
Submit Plans to City Engineering	5/27/2010
City of Topeka Plan Approval	7/15/2010
KDHE Plan Approval	7/15/2010
Bid Opening	8/16/2010
Start Construction	9/6/2010
End Construction Gravity Sewer	12/6/2010
End Construction Pump Station and Force Main	12/23/2010



Commissioner Ensley asked who approves the bids and signs the contracts. Ms. Sharp said these are going to be City projects.

ITEM NO. 5: The First Quarter 2010 GO Topeka Progress Report was reviewed.

Steve Jenkins briefly reviewed the key accountabilities that JEDO holds them accountable for. Mr. Jenkins said they set an ambitious goal of 1,000 new leads. In the first quarter which ended in March, there were 139. The end of May figures push it above the half way mark. On the new qualified projects they have 2 in the first quarter, out of their goal of 100. They are seeing softening on that because of one factor, the credit market. Companies are not making decisions until they figure out what's going to happen with the credit market. Projects now being funded are being funded out of company's reserves. Mr. Jenkins said the hope is the latter part of this year there will be some positive changes in the credit market. He said they are seeing apprehensions now that if the oil spill is not controlled and there's significant clean up, what kind of impact that's going to have.

Mr. Jenkins said the Capital investment goal was \$100 million and they bid \$64,400,000 million in the first quarter. With the Allen Foods project it's pushing it closer to the \$100 million goal. On the Entrepreneurial/Minority Business Development, they are pursuing the creation of a microloan fund called First Opportunity fund. It will be a Certified Community Development Finance Institution which they received in January from the Department of Treasury. They have capitalized that fund with the combination of DBE funds and the Chamber Foundation at \$403,000 and they have a request into Treasury to match those dollars. He said they anticipate hearing something mid June in terms of the Treasury's infusion of capital. Mr. Jenkins said the goal is modest for private capital, which could be local banks or investors of \$25,000. The goal was to have a microloan revolving fund that's going to range between \$750,000 and \$1 million. If they can do that it's going to be substantial for this community for those disadvantaged small businesses.

Mr. Jenkins made note of having a CDFI, certified by the Department of Treasury allows them also to become a CDE or Community Development Entity. If their requests are successful, it will bring new market tax credits. So that is being pursued. Another goal is to increase the capabilities of the Disadvantaged Business Enterprise population by having four First Step FastTrac and two childcare FastTrac programs. They are working on webinars for small businesses and workshops to continue to support that particular clientele in helping them be successful and create jobs as well as economic activity for that particular sector.

Meeting adjourned.