

JEDO Board of Directors

November 17th, 2010

3:00 p.m.

Greater Topeka Chamber of Commerce Board Room

1. Approval of July 6th, 2010 minutes – Chairman Ted Ensley
2. Utility line extensions to Kanza Fire Commerce Park – Doug Kinsinger/Steve Jenkins
3. Announcement and discussion of MEP/NIST Grant – Christa Moussa, MAMTEC/
Steve Jenkins
4. Discussion and approval of 2011 Federal Funding Priorities – Paul Hirsch
5. Consideration of incentive offers – Doug Kinsinger/Steve Jenkins
6. Regional Marketing Opportunity with Lawrence and Manhattan – Doug Kinsinger/Steve
Jenkins
7. Third Quarter 2010 progress Report – Steve Jenkins
8. Discussion and approval of 2011 Economic Development Business Plan and Budget –
Doug Kinsinger/Steve Jenkins
9. Renewal of GO Topeka Contract – Chairman Ted Ensley
 - a. Consideration of Carry-over Request – Doug Kinsinger/Steve Jenkins
10. Adjournment – Chairman Ted Ensley

Joint Economic Development Organization Board Minutes
November 17, 2010
3:00 p.m.

The Joint Economic Development Organization (JEDO) Board met at 3:00 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 Buntin, Deputy Mayor Deborah Swank, Council Member Jeff Preisner, Council Member John Alcalá (proxy for Council Member Sylvia Ortiz).

OTHERS PRESENT: City of Topeka Council Members Bob Archer, Larry Wolgast, Karen Hiller; Jim Langford, City of Topeka Finance Department; Jackie Williams, City of Topeka; Randy Speaker, Deputy City Manager; Rich Eckert, Shawnee County Counselor; Carol Borg; Greg Schwerdt, Schwerdt Design Group; Lucky DeFries, Coffman, DeFries & Nothern; James Davis, Custom Neon; Jeff Wietharn, Coffman DeFries & Nothern; Jack Hessian, Madison Government Affairs, Paul Hirsh, Madison Government Affairs; Eileen Caspers, Washburn Tech; Jeremiah Tillman, Allen Foods; Lonnie Williams, L & J Building Maintenance; Allen Towle, Fidelity Banks; Glenda Overstreet; Steve Briman, Bartlett & West; Scott Griffith, INTRUST Bank; Diana Ramirez, Express Professionals; Brad Owen, Mize Houser; Joe Ledbetter; Labone Grays, Otto Vaughn, Sylvester Weiss, Chad Manspeaker, Labor Unions; Marcus White, WIBW-TV; Chamber/GO Topeka Staff: Doug Kinsinger, Steve Jenkins, Ande Davis, Christy Caldwell, Marsha Sheahan, Cyndi Hermocillo-Legg, Nora Patton Taylor.

GO Topeka Representative Doug Kinsinger introduced Jeremiah Tillman, Plant Manager for the new Bimbo Bakery Facility under construction at Central Crossing and Commerce Park. Mr. Tillman said he looks forward to 2011 when the plant will be fully operational and will encourage community involvement from their associates.

County Commissioner Ted Ensley called roll.

ITEM NO. 1: The JEDO meeting minutes of July 6, 2010 were approved.

Mayor Buntin moved approval of the July 6, 2010 minutes, seconded by Commissioner Buhler. The motion carried unanimously; 7-0.

ITEM NO. 2: Utility line extensions to Kanza Fire Commerce Park.

Go Topeka Representative Doug Kinsinger said a year ago when the purchase of the Kanza Fire Commerce Park was finalized a little less than \$2.5 million was approved in last year's budget for engineering and utility line extension mainly for water, sewer and gas for this new park. That \$2.5 million was for this year's budget. It has taken awhile to get the

engineering done, work out the legal agreements and complete the bidding process. The City has been administering the bidding process for the water and sewer lines, and Bartlett & West in conjunction with the Kansas Gas Service has been handling the bids for the gas line. They are now in the process of finalizing those bids but wanted to give an update on the water, sewer and gas extensions which would not only support service to Kanza Fire but also open up utility availability more in the South Topeka region.

GO Topeka Representative Steve Jenkins said the water and sewer bids included alternates including coming through a proposed tank site over to a tie-in, and an alternate to go under Topeka Boulevard with sewer to Heartland Park. That alternate must be paid for by Heartland Park, not out of JEDO funds. It will be their option whether or not they take that alternative. The water and sewer will increase the capacity down to the park, and also provide a loop around this industrial area which includes Forbes Industrial Park, increase service at Forbes Field and also over to Heartland Park in addition to Kanza Fire. Bids have been opened and legal matters had to be gathered relative to the contractor to make sure the bids were correct, accurate and all the bonds were in place. The natural gas would be the same corridor as the water and sewer up to a point and then run along vacant land zoned for industrial use up to 57th Street, under 57th Street up Wenger and tying into an existing high pressure 12 inch main. This 12 inch high pressure main will serve the Kanza Fire Industrial area. The estimate for all these utilities is around 4.7 million dollars. They hope to see better bids considering construction downturn and contractors willing to bid well to get a good price. The gas pipeline will go out for bid early December and bids will be opened December 10. They want to get the gas, water and sewer particularly the area down toward Montara and across the golf course in winter season so it would be in the same corridor and disturb the ground one time. Estimated completion date is around June 2011.

Mr. Kinsinger said this agenda item was not for action or approval at this time. They would have discussion on the budget later.

Councilman Jeff Preisner asked what they anticipated having to pay the County for easement costs for right-of-way of the pipeline. Mr. Jenkins said they had no discussion relative to that. Their concern was getting through that fairway and re-seeded prior to golf season opening up in the spring. To their knowledge there would be no easement cost.

ITEM NO. 3: Announcement and discussion of MEP/NIST Grant.

Mr. Jenkins said at the last JEDO meeting they asked for approval of a \$250,000 allocation match to a grant proposal for funds from the National Institute of Standards and Technology and MEP (Manufacturers Extension

Partnership) which is a national program modeled somewhat after the agricultural extension service but focused only on the manufacturers in America. MAMTC is the MEP for Kansas.

Mr. Jenkins said they have created a very close working relationship with MAMTC over the last 12 months and have submitted an application. Fortunately they were funded on this and reviewed the project funding as follows:

Project Funding: NIST/MEP - \$500,000; JEDO/GO Topeka - \$250,000; Washburn University - \$200,000 (In-Kind); MAMTC Staffing/Support - \$150,000 with a total project cost of \$1.1 million.

Mr. Jenkins said this will be a year and a half program. Originally this was going to be a regional program but because of this communities desire to participate at this level it is only focused on Topeka, Shawnee County. They will be doing several things this coming year which are listed as follows:

Project Purposes: Stimulate Growth of Primary Employers; Create and sustain a globally competitive workforce; develop structured models to integrate innovation; create a unique, distinctive competitive advantage; market research to support primary employer's needs; develop and sustain an innovation minor at Washburn.

They had a prospect this week from Europe which was one of the things they were expecting, a globally competitive workforce.

Implementation: Innovation in the workforce delivery system; Two-Day innovation leadership institute for workforce; 70 Innovation "Jump Starts" with follow-up; Two three-day innovation leadership institutes (100 participants each); Innovation minor at Washburn University.

ITEM No. 4: Discussion and approval of 2011 Federal Funding Priorities.

Madison Government Affairs Representative Paul Hirsh gave a brief history of where they have been over the last 8 years with JEDO going back to Capitol Hill advocating for infrastructure and programs. Over the 8 year period from Fiscal Years 2003 to 2010 with the advocacy and assistance of the Congressional Delegation they have seen 33 million dollars worth of projects brought back to the community.

Mr. Kinsinger said most recently they received \$485,000 towards the utility work that will be going on towards the Kanza Fire Park which was received from an EPA grant through the assistance of Senator Brownback.

Mr. Hirsh said 7 projects had been cut for this year but none had been cut for FY 2011. One project has been authorized for appropriations; however Congress has not completed any bills for the 12 appropriation bills.

Mr. Hirsh said the \$33,698,000 received from FY 2003 through 2010 came through earmarking. The JEDO and community have been very vigilant to make sure the projects offered up to our delegation for funding have been projects that create jobs, produce infrastructure and are good community projects. The Topeka Boulevard Bridge Project was a \$40,000,000 project, 17,000,000 of that were earmarked dollars by the Congressional Delegation. Earmarking is a process that has gotten a tremendous amount of transparency in the last 6 years. Members have to put their names against a project. It is all printed in the congressional reports so citizens, lobbyists and communities know where each member stands and what they support. There is talk about reformation of the process. Forming the process to make it even more transparent to have oversight by the general accountability office that projects are being accomplished on time and within the scope projected. In that same regard they will still take projects to the Congressional Delegation.

Mr. Hirsh said Jack Hessian and himself will start to work the executive branch agencies and departments and offices where their projects in the past have been funded to try to figure out what they are going to do. During budgeting, an appropriations process, the Budget Committee sends allocations to each of the twelve appropriations committees to say how much money they have to spend. Regardless whether or not there is earmarking, those dollars will still be sent to those committees, and those committees will partition those dollars up, and send those dollars to the executive branch. So what you will have is a funding pot at different agencies within different offices. They need to find out what the rules of engagement are going to be for projects. They have been successful at Madison in going to agencies to look up dollars that are sitting unattached to projects because projects can be broken and have been successful in getting dollars sent for projects that are not specifically earmarked.

Mr. Hirsh discussed projects they would look at for FY11 and FY12 (listed on page 23 in meeting packet).

Mr. Kinsinger said the policy question to be made by JEDO is the list of projects on page 23, the projects they would want them to advocate at the Federal level this year or other changes they would like to see made to the list.

Commissioner Ensley asked if there was a cost associated with retaining the projects and doing what was before them. Mr. Kinsinger said there was in the proposed budget for this next year as close to what their annual

budget is, which was around \$66,000 this year and \$69,000 next year which was to cover the cost for Mr. Hirsh's firm in DC. The GO Topeka staff would be at no cost. Christy Caldwell and some of their Chamber staff developed the proposals on the individual requests at no cost to JEDO.

Councilman John Alcala said he had a chance to visit with Mr. Hirsh once on behalf of the Mayor and once lobbying for projects for the City and Mr. Hirsh's group does an excellent job. He was present when they were lobbying for money for the Topeka Boulevard Bridge. Councilman Alcala said it would be a tougher job because of the earmark issue but said Mr. Hirsh was worth every penny they pay him.

Councilman Preisner said during midyear there was a lot of rhetoric at the Hill about a second stimulus package and confined within that package would have been \$50 billion dollars earmarked for infrastructure and asked if they were still talking about that issue. Mr. Hirsh said the President had talked about an infrastructure package and the White House has found out what the business community and congressional community considers shovel-ready is not shovel-ready necessarily by White House definition. It has been tough to get those projects ongoing and get job creation, although you can see a lot of road construction. Mr. Hirsh said he didn't see in the lame duck session any movement to do another stimulus bill and infrastructure bill. There was a comment about spending, and thought that would be the mantra for the lame duck because everything they do is as little as possible in the spending areas and the appropriations is enough to get by.

Councilman Preisner said given the seven items they were looking at he would prioritize infrastructure first. Mr. Hirsh said there were several large major reauthorizations taking place next year if things go well along the lines of a new transportation authorization bill, water resources or development, a bill called MORTA and also the agriculture bill. There is going to be a debate because for example the transportation T-bill, there is an authorization and inherit procreation and historically what members have done is get a project into that bill authorized as long as, in our case KDOT, has that project on their list and that project will go into the bill for funding. There may be a new definition of what an earmark is or isn't, but that is a bill that hopefully the 112 Congress will be taking up next year. They will look for infrastructure like the I-70 to go into that T-bill and will push for that. There are going to be some mechanisms and a lot of unknowns and a lot of folks running away. There are a significant number of members who have no legislative experience at any level of government. It's going to be the speaker and the majority leader that are going to have a big job legislatively to inform people to what they feel is the right direction, which he thought would be opportunities at that time.

Mayor Bill Bunten said he had reservations about this. The City, County, State and certainly the Federal Government are all struggling with overspending. The republican party talked about doing away with earmarks which was billions of dollars every year. For us to go back and ask for earmarks again and put pressure on our elected representatives to do something that they have to recognize can be considered as part of their spending reduction efforts doesn't seem like the best policy. He said looking at the request; the I-70 Polk Quincy Viaduct is several years away. The Kanza Fire Infrastructure Improvements he would support. The low level dam is also several years away. The Kansas Avenue Streetscape would be very helpful if there was some assistance and the same for Washburn University. Mayor Bunten asked why the Preventative flood mitigation wouldn't be in the Corps of Engineers budget. Mr. Hirsh said this would be if it were in the word up which he alluded to earlier. This needs to get into the water resource and development act and that is where it would be placed. I-70 for example would go into a new transportation reauthorization bill.

Mayor Bunten said he thought they ought to be part of the solution of the financial problems that this nation has instead of being part of the problem. Mr. Hirsh said he presumed the allocations with the next Congress would be smaller than what they are today and talked about going to the FY08 levels, which is significantly less than what was being looked at for 2012. He pointed out what had been in the news, the earmarking programs today. The dollars expended, 99% of them which were well thought out projects comes to significantly less than 1% of the entire Federal budget. This is money that is going to go out to the executive branch for projects and will have to come out rather than be identified as an earmark. It would come out through a competitive process through quests for proposals, folks would have to pitch in and make a request. There are going to be some cuts, everyone is going to have to experience them but there are still pots of money that will be available for projects. He doesn't think they are going to stop doing infrastructure projects in the country. It will be on a smaller scale until they come out of the great recession.

Deputy Mayor Swank made a motion to approve the 2011 Federal Request list. Councilman Preisner seconded the motion for discussion.

Councilman Preisner asked if it was prudent to shorten the list. Mr. Kinsinger said if they shorten the list it would give a clear priority and easier job for the Congressional Delegation. As an alternate they could go to the executive branch and individual agencies. If they go to the Congressional Delegation they only have so many chips so to speak and have to spread their efforts amongst either the State or their Congressional District. Therefore if they wanted to be clear on what their priorities were to them, they could reduce the list. They have in the past started with 4 or 5 and the list has grown over the years.

Councilman Preisner made a substitute motion to list the I-70 Polk Quincy Viaduct - preliminary engineering; Kanza Fire Infrastructure Improvements; Low level dam/weir on the Kansas River for future riverfront development; and Preventative flood mitigation - Shunganunga Creek. Mayor Bunten seconded the motion.

Councilman Preisner - YES, Mayor Bunten - YES, Deputy Mayor Swank - YES, Commissioner Ensley - NO, Commissioner Buhler - NO, Commissioner Miller - NO, Councilman John Alcalá - NO. The motion failed 3-4.

Mr. Hirsh said there was going to be an agricultural bill hopefully in the next two years and there are pieces for education, vocational training and workforce development.

Commissioner Ensley called for a vote on the original motion to approve the list.

Commissioner Buhler - YES, Commissioner Miller - YES, Commissioner Ensley - YES, Councilman Alcalá - YES, Deputy Mayor Swank - YES, Councilman Preisner - NO, Mayor Bunten - NO. **Commissioner Ensley indicated the original motion carried 5-2.**

Mayor Bunten said he thought all of these projects were important and thought it was a good list. He said if they are going to have earmarks it would be beneficial to this community. He does believe, being a former chairman of the House Appropriations Committee, how difficult it is to cut spending and if they were going to be at the Federal level perhaps cutting social security benefits, the defense budget or Medicare/Medicaid budgets, it seemed inappropriate to fund Constitution Hall.

ITEM NO. 5: Consideration of incentive offers was pulled.

Mr. Kinsinger said they did not have a project to present to JEDO at this time.

ITEM NO. 6: Regional Marketing Opportunity with Lawrence and Manhattan.

Mr. Kinsinger said over the years there had been a lot of suggestions that they should figure out a more effective way, thinking outside the box, suggesting to our community that they rename themselves as Google, Kansas. From the benefit of that, they received hundreds of millions of hits around the world, thousands in the newspaper and other media articles about our community. One of the strategies that many communities are approaching is more of a regional approach to marketing their community. Many companies don't just pull from the media environ as one county or one city. The labor-shed area normally is multi-county. They utilize the

resources from larger regional areas and by doing that, companies begin to evaluate regions. Mr. Kinsinger said if they could think of the research triangle and many other areas around the nation those areas have grown in popularity and benefited from the synergy of all the resources available to them. From that they all have talked over the years of what they could do to better take advantage of our neighboring communities, both Lawrence and Manhattan and their higher-ed institutions and Washburn University, and how they could more effectively take advantage of that region. Mr. Kinsinger said they have worked very cooperatively with the Kansas City Area Development Council and that has been a very beneficial relationship. They have had many prospects brought to us from them, several of the buildings out in the Commerce Park are due to some of their systems, their initial marketing efforts as companies were looking at the region, and they were able to be included in those looks as they looked at our area.

Mr. Kinsinger said in the last 6 months there has been more concerted discussions whether our neighbors to our east and west, Lawrence and Manhattan. Today we have the results of a specific report that was generated on what would be an effective model to look at to market our region. The goal at the end of this was to hear their feedback as JEDO members if this was a concept they would want to pursue. Mr. Kinsinger said they do have in next year's budget proposal an amount of \$25,000 to consider participating in this for the next fiscal year. There have been a couple of meetings on this in the last six months. Mr. Jenkins said it was also important to note that in the last 12 months there has been close dialogue between the three chambers which is new. They have had new leadership through the Universities and are in dialogue with each other. Before they embarked on this they sat down with KCADC. They wholeheartedly supported this because they saw a sub-region within a larger region with a unique set of attributes that made the larger region be more successful and attractive. Kate McEnroe Consulting was contracted to do an assessment and made a report. Mr. Jenkins then showed a slide presentation on this report. (Information on this report included in packet.)

Mr. Kinsinger said the proposal for the Board's consideration is in next year's budget which they had allocated \$25,000. The model budget, \$167,500 plus a onetime start up cost of about \$20,000. What has been suggested by the three chambers is that each community raises \$25,000 and then ask the Universities to basically match that with some in-kind research support from their entities. That is what each community is trying to determine. If one community could not participate, they will either step back and see if the two communities that remain, if they are contiguous and if that region wants to consider something. Most likely it's probably something all three communities would need to participate in.

Commissioner Ensley asked if this was in the budget. Mr. Kinsinger said it was in the proposed budget. It is a different marketing direction for

them. If they were to be spending efforts on this on a regional basis they wanted to make sure the Board understood the concept why and supported that before they put any resource in that area. Mr. Jenkins said it was important to note this was not to supplant the local programs. It only allows them to promote at a higher level, a region. It is still their responsibility if a company says they are interested in locating in their region of Lawrence, Topeka and Manhattan to present a proposal that is attractive enough for that company to locate in their community. They are not giving that up under any circumstances.

Mr. Kinsinger said Chris Robbins came up with this term years ago when they first started their discussion if they should be working with Kansas City or be competing. The term was crafted as "coopetition" which means when it is to their advantage you cooperate, when it gets down to the final competition you compete. In this case what they are trying to do is get more looks, more interest, more awareness to our general region and when it came time for individual opportunities they will compete as best as each of their communities can. Obviously if their region was more successful they are all individually going to be more successful. Councilman Larry Wolgast said he would acknowledge the leadership of bringing this together. Mr. Kinsinger said he would like the JEDO Board's blessing or support for this.

ITEM NO. 7: Third Quarter 2010 Progress Report.

Mr. Jenkins reviewed the third quarter progress report in detail. He said in the last week to week and a half they had had three really good visits by companies ready to make some investments and one of those would be a significant impact on this community particularly since it has average wages of \$45,000 in about a \$400,000,000 investment. They just received word of a potential investment that will push it above the \$100,000,000 not counting the three that are very heavily looking at us currently. Mr. Jenkins said regarding the Entrepreneurial/Minority Business Development, the CDFI certification was obtained but they did not get the allocation. They came back and said we didn't have enough loans on the books so that situation is being addressed. They want to see more of a track record. The allocation will be applied for again next year. Mr. Jenkins said he believed they will have a greater chance of success. The CDE certification was obtained which allows them to go for an allocation on new market tax credits which would have a community-wide benefit.

ITEM NO 8: Discussion and approval of 2011 Economic Development Business Plan and Budget.

Mr. Jenkins said the JEDO Board had been provided a copy of a Strategic 2015 framework. Their original plan was done in 2002 and a lot has happened to change the landscape. They are seeing a greater increase in

the compaction of technology and because of that they see greater opportunity for success. But they have to change the way they go after those various new sectors that are evolving. Competing globally raises the bar. They are raising the bar both in terms of activity to garner new businesses here but also increase the impact.

Brad Owen with Mize Houser reviewed the proposed budget for 2011 and approved 2010 budget. He said expenditures will increase during 2011 and that combined with lowering interest rates and securities causes smaller investment revenue. Expenses, salaries, payroll taxes and benefit numbers do not include DBE salaries and benefits. The budget is pretty much flat in terms of salaries, a very minor increase. Payroll taxes and benefits had the most significant increase due to the anticipated increase in health insurance somewhere around 14% about midway through the year. Under Departmental activities, the Minority Women business category, the contract with JEDO provides for 10% of the monies going for this purpose which would be \$500,000. In any year they don't reach \$500,000 in expenditures it's recorded and the liability will be carried over to the next year.

Mr. Jenkins reviewed the Component Budget Summary and said New Business Attraction and Marketing and Promotions are basically the same. To make it easier to manage it was combined into one category called "Attraction." Last year's budget in those two categories was \$1,096,535 and has dropped to \$1,019,353. This year they are focusing on impact not activity. This year is the first time they will be marketing in Europe because that is where our international prospects come from. Most particularly they come from Great Britain and Germany. Last year 50% of our prospects were international. The company visiting this week is an international company. They have to go where their leads are being generated and for international companies right now it is in Europe. They will be putting increased focus in marketing to site consultants, marketing to targeted sectors. The consultant is coming back with a revised list of target sectors at the end of this month. They will also be putting together the marketing message for each one of those sectors. They will go after individual companies within those sectors, identify those companies growing and have capital plans. Site consultants are important in that process. They will be doing a lot of trade marketing, journal marketing as it relates to those sectors. The other thing different this year is they are going to have someone on the road a lot making a case to those companies and to those site consultants, this is the place to be. Mr. Jenkins said under Research there is a reduction because one of the staff member's is no longer with them. He will continue to say the research component is very important to their success. Over time they need to revisit that and make sure they have enough money in research to do the job that keeps them on the leading edge so they know where they are going

and what is happening in the market place. Mr. Jenkins said the net or increase over last year for the program budget is a little over \$6,000.

Commissioner Miller referred to the Business Plan, section B, Expansion and Retention on page 20 and asked Mr. Jenkins to provide the Board with the baseline data and the source of those goals. Commissioner Miller noted a 25% increase. Mr. Jenkins said they need to get the most current data which is lagging two months. They will plug that in the first of the year when the new data is in.

Citizen Glenda Overstreet said she understood that citizens have not had a forum to ask questions. She asked the JEDO Board if they would entertain questions. Commissioner Ensley said historically there has not been an agenda item for public comment. He said he would continue that unless the majority of this Body would like to change it. Commissioner Ensley said the question before the JEDO Board was whether or not they would like to have public comment. Mayor Bunten said they cannot have public comment unless all the information that someone might want was made available. He said many of the companies they deal with require confidentiality agreements. Mayor Bunten said he would like to hear from staff on this matter. He asked if someone were to come in and get information and then makes it public, how that affects their efforts to attract companies.

Commissioner Miller made a motion to allow public comment for any individual not to exceed 3 minutes unless extended by a majority of the Body on any one agenda item. Commissioner Buhler seconded the motion.

Councilman John Alcalá opposed the motion and said he had a problem with public comment but if they were going to do that he thought there should be notice prior to the meeting to the general public so everyone would know about the public comment session and have the opportunity to participate. Commissioner Miller said they never actually said people couldn't comment. Commissioner Ensley said they had never actually addressed the issue and it had never been an agenda item.

Councilman Preisner said he agreed with Mr. Alcalá and made a substitute motion to amend the JEDO operational rules to allow the stated motion by Commissioner Miller for meetings going forward.

Deputy Mayor Swank said she agreed with Mr. Alcalá and didn't disagree with Mr. Preisner but she thought if they were going to say give notice, they were going to need a few more specifics.

Mayor Bunten said he did not have an answer to his question and asked if an action like this authorized the disclosure of all information of JEDO or not. Commissioner Miller said he didn't know what the connection was between someone making a public comment and opening up confidential

records. Commissioner Miller said his motion was to allow comments up to three minutes for any individual on any agenda item. If it's not about the agenda item it's within the purview of the Chair to rule it not germane and out of order. He assumed when the citizen raised the point at this time, it was to comment on the agenda item. Commissioner Buhler asked if there were opportunities for public comment at the GO Topeka meetings. Commissioner Miller said GO Topeka was not an open meeting; it's closed to the Board. This is a public Body as opposed to the GO Topeka Board.

Commissioner Ensley called for a vote on the original motion to allow public comment.

Commissioner Buhler - YES, Commissioner Miller - YES, Commissioner Ensley - YES, Councilman Preisner - YES, Mayor Bunten - YES, Deputy Mayor Swank - NO, Councilman Alcalá - NO. **The motion carried 5-2.**

Ms. Overstreet said she was specifically sharing a statement with respect to the budget summary provided as it relates to minority and business development. She realized it is a very broad summary, but wanted to see the information that provides the categories and very specific breakdown as to where those funds were going. Ms. Overstreet was referred to the more detailed business plan on page 23 to 25.

Citizen Joseph Ledbetter said he was able to get an advanced copy of the budget. He had a concern the budgets were not being handed out with approximately 30 days of public comment period in the Clerk's Office so the public could look at them. He has concerns these budgets are incredibly skimpy. The explanation is many times ambiguous to the average person looking at this, the average taxpayer, the average citizen. He would like to see a hundred pages of detail to go with about \$10,000,000.

Mr. Ledbetter said in the budget there were site options for Kanza Fire. He prepared comments to be placed into the record. He would like to see arms length certified appraisals done on the values of those lands before they're closed on. He understands the Board has an option and they have a contract but that doesn't mean they have to close on them. Mr. Ledbetter said he would like the public to know we are getting real value for the money with real appraisals. He would like a policy of JEDO to be amended that in the future they never buy any land, real estate without arms length certified appraisals being done. If the amount is over \$500,000.00 he would like to see more than one appraisal done. And the certification brought into the meeting so other people could scrutinize to make sure they are in fact bonafide appraisers, and that the deals are arms-length.

Mr. Ledbetter said he would like the quarterly financial reports that are due from GO Topeka placed in a public place such as a Clerk's Office so the public can review those quarterly, which is called for in the

contract. The plan to redo 49th street, he has questions about. He has given some of the members documentation that will go into the court that when the 49th street land, 75 acres was bought in 2006 that there was \$750,000.00 approximately paid for it. He was told it was done without an appraisal. His concern is in the budget item of \$1.5 million is they are earmarking money and yet he has a letter from Mr. Kinsinger saying that land can't be developed. Mr. Ledbetter was wondering why they are setting aside \$1.5 million for that road and he would like an explanation of that in light of the fact that he has a letter that is in the record that says they can't develop that 75 acres.

Councilman Preisner made a motion to approve the 2011 Economic Development Business Plan and Budget. Commissioner Buhler seconded the motion. Motion carried unanimously 7-0.

ITEM No. 9: Renewal of GO Topeka Contract No. C-1-2010 and Cash Carry-Forward Agreement C-2-2010.

Mr. Kinsinger said County Counselor Rich Eckert, legal counsel for JEDO this year, worked in conjunction with Attorney Jeff Wietharn and reviewed by City Attorney Jackie Williams the agreement for services which defines GO Topeka's independent contract for this upcoming year for economic development. In addition, there is a carry-over, cash carry forward agreement. Basically these are the cash balances for the obligations that GO Topeka has made. He said there was only one minor wording change in the contract. Because of the timing of receipt of the bank statement they cannot meet the requirement to provide their financial statements in 30 days. Their request to change it to 45 days should enable them to get the statements to the Board.

Citizen Joseph Ledbetter said he did not believe it should be granted. He believes there should be competition for these public monies and he didn't believe there has ever been competition. He has a concern that a site plan was not delivered to the JEDO members before asking them to vote last year on the land. He said to him that is a breach of the agency. Mr. Ledbetter said he has a lot of concerns about the proposed development at Kanza Fire. He thought it said 150 acres of wetlands in that site. He has concern with photos he has seen of not only wetlands but also exposed hazardous pipelines, a number of easements running through the property which cannot be developed on. He has concerns about looking at the 2008 IRS 990 that this organization submitted to the IRS under oath. It says they transferred 1.2 million dollars in GO Topeka money to the Chamber of Commerce. He is concerned about the high rent. It says they are paying approximately \$80,000.00 of public monies to pay for rent to the Greater Topeka Chamber of Commerce from GO Topeka. He is concerned that item is extremely high and not competitive for the market place. He wants all conflicts of interest to be disclosed as part of any contract with GO

Topeka. That would include any board members with the Chamber of Commerce, (since by the By-laws of GO Topeka the Chamber of Commerce pretty much manages GO Topeka). You can look those up by putting them in the City Clerk's office. Mr. Ledbetter said he would like a disclosure of all incorporators. He would like a disclosure of any people from the Chamber or Go Topeka who have gotten more than \$75.00 worth of public funds from GO Topeka as part of their contract in the last five years. These disclosures are important to have transparency to know if we are having objective standards applied. He would also like a clause in the contract that says GO Topeka and the Chamber of Commerce will not participate in any local elections, either general or otherwise since they receive \$5,000,000.00 a year in public funds, since they are related, according to the 990's.

Labor Union Representative Chad Manspeaker said he concurs with Mr. Ledbetter. He has no access to information about this organization, which is very important in the work he does. Unfortunately tax dollars are being spent with very little oversight and he thought that was a terrible thing to happen.

Commissioner Miller moved approval of the GO Topeka Contract and the carryover request. Councilman Preisner seconded the motion. The motion carried unanimously 7-0.

Commissioner Miller said he believed GO Topeka continues to do an excellent job carrying out the mission they have been assigned. He added it was not a given that GO Topeka receive this money. They ask for it and it is up to the JEDO Board whether to allocate it. It may be the perception of some but it's a misperception that it is money exclusively held for them. Commissioner Miller said he talked to individuals in the past and told them if they in fact have something to offer in a competitive vein they were welcome to do so because he would give them every consideration he gave to their current contractor and would make a determination based on where he thought the money was best spent. Commissioner Miller said he didn't want the perception that GO Topeka receives this money because they are entitled to it. They get it because they earn it, and so far he has been very pleased with the results.

Commissioner Ensley asked if GO Topeka put private money into this. Mr. Kinsinger said roughly \$400,000.00.

Citizen Carol Borg said she is a small business owner. She said the budget is going to increase a little less than \$100,000.00 in 2011, and requested access to what that budget is. Mr. Kinsinger said he would see if they could help her.

The meeting adjourned.

Go Topeka
2011 Budget - Public

	Proposed Budget 2011	Approved Budget 2010
Revenues:		
Sales tax	5,000,000	5,000,000
Investment Income & other(excl. dba)	30,000	70,000
Total Revenues	<u>5,030,000</u>	<u>5,070,000</u>
Expenses:		
Salaries	529,811	526,722
Payroll taxes and benefits	133,174	124,824
Total Staffing ⁽³⁾	<u>662,985</u>	<u>651,546</u>
Departmental activities ⁽⁵⁾:		
Existing Business	84,200	87,936
New business attraction	519,353	532,259
Marketing and promotion	500,000	564,276
Workforce development	65,150	63,880
Government relations	69,100	66,100
Small Business Innovation Center	31,600	22,160
Research	26,000	42,250
Minority/Women Owned Business Dev. (MWBD) ⁽¹⁾⁽²⁾	739,361	649,848
Total Departmental	<u>2,034,764</u>	<u>2,028,709</u>
Other operating expenses	345,700	330,200
Total Operating Expenses	<u>3,043,449</u>	<u>3,010,455</u>
Total Revenues over Operating Expenses	1,986,551	2,059,545
Heartland Visioning ⁽⁴⁾	60,000	60,000
Incentives and Site Expenditures:		
Anticipated expenditures on current commitments	1,300,000	891,453
Industrial Park Maintenance/Property Taxes	24,000	22,720
Master Plan for Science and Innovation Park		20,000
New incentives	1,500,000	1,500,000
Site Improvements - Central Crossing/Com Park ⁽⁶⁾	50,000	173,000
Site Improvements - 49th St.	1,500,000	1,500,000
Site Improvements - Kanza Fire	4,742,675	2,358,000
Site options Kanza Fire	14,225	14,225
Grant expense	250,000	
Total Incentives and Site Expenditures	<u>9,380,900</u>	<u>6,479,398</u>
Transfer from (to) cash, investments and land held for development	7,454,349	4,479,853
Net revenues over expenses and incentives	<u>0</u>	<u>0</u>

- (1) Includes salaries and benefits budgeted for 1.5 FTEs, \$102,270 in 2011 and \$99,036 in 2010.
 (2) Amount exceeds 10% of budgeted revenues; excess will be charged against any remaining carryover funds. Also, this amount includes MWBD direct salaries as well as MWBD income programs.
 (3) Budget for 2011 is based on 7 FTEs. This excludes MWBD.
 (4) Potential equal contributions on behalf of the City and County, subject to their approval.
 (5) Includes direct departmental expenses only.
 (6) \$153,000 in 2010 is matching share to EPA grant.

TOPEKA, KANSAS

2010 NOV 16 A 11:18

RECEIVED
CITY CLERK

Ledbetter

Handout @ meeting

TO JEDO MEMBERS/ MEETING NOV.17TH 2010, UNDER KOMA / KORA

Comments, Joseph Ledbetter citizen

NOV 17 2010
SHAWNEE COUNTY CLERK

I asked for several weeks through County Clerks office, County Commission office (including Jane Rezac) and Ted Ensley, JEDO Chair, and also a Shawnee County Commissioner to speak to my concerns on Nov.17th,2010 JEDO agenda items, Public GoTopeka Budget, GoTopeka contract, et al. I was informed by phone call from Ted Ensley at 12:02 PM Sat. Nov.13th, 2010 that my verbal comments on record would NOT be allowed, or ANY members of public allowed to speak on these items. I told him JEDO is under KOMA/ KORA and there is OVER \$5million dollars of PUBLIC funds being discussed and the public and citizens have a right to speak to these matters. He said "it is not happening", ...and" Why don't you get off it Joe". I am appalled that the public free speech is chilled by such behavior. JEDO has not provided an ample, alternative channel of communication, open to public and on record.

I reference the KOMA KS Statutes, Ks. 75-4317 to 75-4320, and Kansas Prudent Investment Act, Ks. 58a-1001 through 1013, GoTopeka2011 "Budget-Public", Letter concerning 75 acres bought from McClure, and JEDO minutes of March 30,2006 ref. same land purchase(75 acres).Ref. 2008 Growth Organization of Topeka (GoTopeka) IRS 990 @ Guidestar.org Some of my concerns and proposed reforms are as follows.

Minutes. of 3-2006 ref. interest from companies to use that land, language, *present tense* (vacant today)...and Doug Kinsinger President of GoTopeka states GoTopeka is a fiduciary agent for JEDO. Land purchased for approx. \$750,000. Also, please note Letter from Kinsinger to me in June 2009 about that 75 acres cannot now be developed. (attached)

I have asked repeatedly for the quarterly financial reports due from GoTopeka, per contracts with JEDO. I would like to see those reports for the past 9 years, and view them without charge. They should have been sent to County Clerk, or City of Topeka Clerk, or both, as part of their contract duties.

I want the 9-25-2009" Site Report" on Land purchases done in 2009 with JEDO monies, done by engineering firm for GoTopeka, (paid for with public monies), to be given to all current members *and* 2009 members of JEDO.I have a number of concerns about topography, proposed use, wet lands, exposed gas pipelines, easements, various photos in the report. I believe this report should have been given to all 2009 JEDO members before the purchase of that land with public monies. Five of those members told me they never saw it. I had to buy my copy(around\$200).

RECEIVED
CITY CLERK

I want accurate, objective arms length, certified appraisals done as matter of policy by JEDO on any land, or real estate purchased by JEDO or their agent, including land before it is purchased and if under option as of this day, before the sale is closed.

My complaint about this GoTopeka public budget are many, including sketchy details of where the monies are going, including an undefined \$500,000 marketing budget, and who gets that money, overly large compensation of staff salaries, excessive rent paid to Topeka Chamber of Commerce from public monies (approx. \$80,000 ref.2008 IRS 990), transfers of public monies to Topeka Chamber of Commerce (ref. 2008 IRS 990, et al.)I have numerous questions and concerns about staffing levels claimed by their public budget document.

I believe there should be fair completion for this \$5 million in tax money annually given to GoTopeka, and that the records of all their expenditures of public funds be open to the public in a prompt and inexpensive format (like online posted at least every month). I also believe they spend excessive amounts of money on travel, bonuses, and perks.

I also want to be made public, the records, minutes, and reports of their compensation committee, and any employee contracts.

I would like information to be open to public on staff qualifications (ref. their contact with JEDO)and all training given them.

I would like all conflicts of interest to be disclosed as part of the contract with JEDO, including Officers, GoTopeka board members and Greater Topeka Chamber of Commerce Board members(since by laws of GoTopeka ref. control by Greater Topeka Chamber of Commerce)and all incorporators. Also, I would like disclosed any members of either Greater Topeka Chamber or GoTopeka who have gotten benefits of \$75 or more from GoTopeka *public funds* in past five years.

I would like a bar in any contract to GoTopeka or its related organizations(ref their IRS 990's) to them involving themselves in ANY election, general or otherwise in Shawnee County since they get huge public funding. Also ref. excess benefits tax penalties IRS publications.

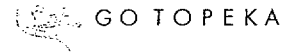
This is a small list of my concerns as a citizen. It is too bad public input into public budgets and expenditures is not wanted in this community about "economic development monies". I get it.

Pay the taxes and Shut Up about what we in Government or our agents do with *public* money.

Thank you so much!

Joseph Ledbetter
Citizen Shawnee County, Taxpayer, Veteran

June 4, 2010



Mr. Joe Ledbetter
8042 SE California
Topeka, KS 66409

120 SE 6th Avenue, Suite 110
Topeka, Kansas 66603-3515

P.785.234.2644 F.785.234 8656
www.topekachamber.org
topekainfo@topekachamber.org

Dear Joe,

In reference to the 500 acre Central Crossing Commerce Park, 236.55 acres have been sold, 23.2 acres optioned, 159.25 acres unsold, and 81 acres are in rights-of-way, easements, wetlands/environmentally sensitive areas, and permanent drainage areas. The suitability of the unsold sites is dependent upon two factors: topography and wetlands/environmentally sensitive areas.

The Park has numerous wetlands including a significant area running through the 75 acres north of 49th Street. The area north of 49th Street had a wetlands assessment conducted in June 2003 and the report indicated that there would be only minor problems associated with wetlands. Subsequently, the Home Depot project originally looked at the site which triggered an update of the Phase I environmental and since 2003, Federal regulations regarding wetlands disturbance became much more restrictive creating serious issues with development of the 75 acre site, even to the point that The Home Depot site was moved to the current location in the Park. Due to recent change in federal law, these wetlands areas cannot be developed without expensive mitigation.

Due to issues of new restrictive wetlands regulations, topography, some of which has been complicated by the new wetlands restriction, only small parcels remain scattered throughout the Park. Remaining are small parcels that do not meet the demands for which we are having requests that range from 100-200 acres each, which is a significant trend that has developed in the last three years. A map is enclosed indicating sites developed and the status of remaining land in Central Crossing.

Sincerely,

Douglas S. Kinsinger, President & CEO
Greater Topeka Chamber of Commerce

RECEIVED
CITY CLERK

Ref 4946 Ft. 75Ac Land Purchase Ref

Joseph Lelletter
Public Comments

8/24/10

JRK

JEDO

March 30, 2006 3:30 p.m.

2010 MAY 26 A 11:27

The JEDO Board met in the Chamber of Commerce Board Room with the following JEDO voting members present: Shawnee County Commissioner Ted Ensley, Shawnee County Commissioner Marice Kane, Shawnee County Commissioner Vic Miller, Topeka City Councilman Bill Haynes and City of Topeka Mayor Bill Bunten was present by speakerphone.

Also present were: Shawnee County Counselor Rich Eckert, David Kerr with AT&T, Mel Chapman and Kevin W. Beck with Cook, Flatt & Strobel Engineers P.A., Ed Carmona with ILC of Topeka and Lawrence, LLC, Richard Forester with the Topeka Convention & Visitors Bureau, Carl Koupal with GO Topeka, Brad Owen with GO Topeka/Mize Houser & Co., Topeka City Manager Norton Bonaparte, Kathy Moellenberndt with GO Topeka, Doug Kinsinger with GO Topeka and Shawnee County Deputy County Clerk Debbi Childers.

Item no. 1: The Minutes of November 30, 2005 were approved.

A motion was made by County Commissioner Marice Kane to approve the Minutes of the November 30, 2005 JEDO meeting. The motion was seconded by County Commissioner Miller. Motion carried unanimously.

Item No. 2: Exercising the option to purchase land located at the SW corner of the intersection of 49th Street and US Highway 75 (owned by Dana Anderson of California) for addition to the Central Crossing Commerce Park was approved.

Doug Kinsinger-GO Topeka/Topeka Chamber of Commerce discussed showed (on a map) the location of the 75-acres they were considering. Mr. Kinsinger explained as they were having interest from companies, they had been able to obtain a 6-month option for that parcel at \$9,500 per acre. The option fee was \$15,000 which would apply toward the purchase price of the parcel. That left a balance short of \$700,000. Mr. Kinsinger reported this had been discussed by GO Topeka and it was their recommendation to proceed with acquiring that property. He said they were early in the process of doing some further due-diligence. They had begun doing some title search and recognized there were some easements. He said they were trying to make sure if there were any other restrictions to development of that land. He said they were having engineering, surveying and analysis that had not been completed. Mr. Kinsinger stated GO

Topeka would like JEDO's approval contingent upon those further reviews.

> Mr. Mel Chapman with Cook, Flatt & Strobel Engineers, P.A. gave a brief engineering report.

Shawnee County Commissioner Vic Miller asked what protection was there to the public that GO Topeka would not take the land and pocket the money for themselves. Mr. Kinsinger explained their contract stated they had to use it for the goals, missions and accomplishments of the job they (JEDO) had contracted with them (GO Topeka) to do. He advised if they were ever not to be the fiduciary agent to contract agent for economic development, all of their assets (acquired by the economic development sales tax) would return back to JEDO and the public sector. Mr. Kinsinger stated it was an asset of the sales tax and ultimately JEDO and the public entities.

Topeka City Councilman Bill Haynes asked if it was correct they had an option and could that option be extended. Mr. Kinsinger advised there were 4-months-left on the option to purchase. He explained the owners, at the time the option was negotiated and in conversations this week had told them their interest was to sell the property. He said they believed the price was reasonable and it was at a point where it made sense to acquire the property. Mr. Kinsinger cautioned that if they extended the option there could be some inflationary clause, or some increase over a period of time. He said compared to the other prices in the area, they felt it was a reasonable price. Commissioner Miller stated now that it was known that there was interest, speculators could drive up market value.

Commissioner Miller moved to exercise the option. The motion was seconded by Commissioner Marice Kane. Motion carried unanimously.

ITEM NO. 3: City of Topeka Mayor Bill Bunten and County Commissioner Vic Miller reported on the federal funding request trip to Washington DC.

Mayor Bunten reported they were able to speak with Senator Pat Roberts and US Congressman Jim Ryan personally. He said they provided the senator and congressman a list of six-(6) projects. Commissioner Miller added that Topeka City Manager Norton Bonaparte and Richard Forester were also with them to meet with

Kansas Legislature

[Home](#) > [Statutes](#) > Statute

[Previous](#)

[Next](#)

75-4317**Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES****Article 43.--PUBLIC OFFICERS AND EMPLOYEES**

75-4317. Open meetings declared policy of state; citation of act. (a) In recognition of the fact that a representative government is dependent upon an informed electorate, it is declared to be the policy of this state that meetings for the conduct of governmental affairs and the transaction of governmental business be open to the public.

(b) It is declared hereby to be against the public policy of this state for any such meeting to be adjourned to another time or place in order to subvert the policy of open public meetings as pronounced in subsection (a).

(c) K.S.A. 75-4317 through 75-4320a shall be known and may be cited as the open meetings act.

History: L. 1972, ch. 319, § 1; L. 1975, ch. 455, § 1; L. 1999, ch. 96, § 1; July 1.

Kansas Legislature

[Home](#) > [Statutes](#) > Statute

[Previous](#)

[Next](#)

75-4320

Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES Article 43.--PUBLIC OFFICERS AND EMPLOYEES

75-4320. Penalties. (a) Any member of a body or agency subject to this act who knowingly violates any of the provisions of this act or who intentionally fails to furnish information as required by subsection (b) of K.S.A. 75-4318, and amendments thereto, shall be liable for the payment of a civil penalty in an action brought by the attorney general or county or district attorney, in a sum set by the court of not to exceed \$500 for each violation. In addition, any binding action which is taken at a meeting not in substantial compliance with the provisions of this act shall be voidable in any action brought by the attorney general or county or district attorney in the district court of the county in which the meeting was held within 21 days of the meeting, and the court shall have jurisdiction to issue injunctions or writs of mandamus to enforce the provisions of this act.

(b) Civil penalties sued for and recovered hereunder by the attorney general shall be paid into the state general fund. Civil penalties sued for and recovered hereunder by a county or district attorney shall be paid into the general fund of the county where the proceedings were instigated.

(c) No fine shall be imposed pursuant to subsection (a) for violations of subsection (f) of K.S.A. 75-4318, and amendments thereto, which occur prior to July 1, 2009.

History: L. 1972, ch. 319, § 4; L. 1977, ch. 301, § 4; L. 2004, ch. 177, § 3; L. 2008, ch. 178, § 3; July 1.

Kansas Legislature

[Home](#) > [Statutes](#) > Statute

[Previous](#)

[Next](#)

58a-1002**Chapter 58a.--KANSAS UNIFORM TRUST CODE****Article 10.--LIABILITY OF TRUSTEES AND RIGHTS OF PERSONS DEALING WITH TRUSTEE**

58a-1002. Damages for breach of trust. (a) A trustee who commits a breach of trust is liable to the beneficiaries affected for the greater of:

- (1) The amount required to restore the value of the trust property and trust distributions to what they would have been had the breach not occurred;
- (2) the profit the trustee made by reason of the breach; or
- (3) if the trustee embezzles or knowingly converts to the trustee's own use any of the personal property of the trust, the trustee shall be liable for double the value of the property so embezzled or converted.

(b) Except as otherwise provided in this subsection, if more than one trustee is liable to the beneficiaries for a breach of trust, a trustee is entitled to contribution from the other trustee or trustees. A trustee is not entitled to contribution if the trustee was substantially more at fault than another trustee or if the trustee committed the breach of trust in bad faith or with reckless indifference to the purposes of the trust or the interests of the beneficiaries. A trustee who received a benefit from the breach of trust is not entitled to contribution from another trustee to the extent of the benefit received.

(c) The provisions of this section shall not exclude an award of punitive damages.

History: L. 2002, ch. 133, § 77; Jan. 1, 2003.