

**Flint Hills Regional Council Board of Directors
Minutes of January 21, 2011**

**Flint Hills Regional Council Board of Directors
Meeting Minutes—January 21, 2011
Held at the Methodist Church Fellowship Hall, Woodbine, KS**

Present from Board of the Regional Council: **Vern Hay**, Morris County Commissioner; **David Shover**, Riley City Council; **Karen McCulloh**, Riley County Commissioner; **Sharon Brown**, Clay Center Mayor; **MarySue Roller**, Woodbine City Council; **Ervan Stuewe**, Wabaunsee County Commissioner; **Debi Schwerdtfeger**, Council Grove City Council; **Jim Sherow**, Manhattan Commissioner; **Dan Deiter**, Alma City Council; **Galen Johnson**, Dwight Mayor; **Joe Kormanik**, Alta Vista Council; **Stan Hartwich**, Pottawatomie County Commissioner; **Vic Enns**, Wamego City Commissioner; **Terry Heldstab**, Junction City Commissioner; **John Armbrust**, Governor's Military Council; **Linda Hoeffner**, Fort Riley.

Absent from the Board: **Ben Bennett** Geary County Commissioner; **Robby McGowan**, Onaga City Council; **Jackie Hartman**, Kansas State University.

Present from the greater Regional Council Membership: no additional members present

Present from Staff Support: **Ty Warner**, Executive Director; **Karen Davis**, City of Manhattan; **Kristina Hyland**, Regional Growth Coordinator.

Guests: **Bart Hettenbach**, Woodbine Mayor; **Jerry Volkman**, Woodbine Council; **Don Hostetter**, Hope Mayor; **Phil Weishaar**, Chapman Mayor; **Sheila Biggs**, Dickinson County Commissioner; **Cheryl Pauley**, Woodbine; **Sue Stout**, Woodbine City Clerk; **Amy Rutz**, Hope City Clerk; **Lynn Burns**, Council Grove/Morris County Chamber; **Traci Scott**, Fort Riley; **Julie Roller**, Pottawatomie County EDC; **Angie Schwerdtfeger**, TC Telco; **Dave Yearout**, Geary County/Junction City Planning; **Monty Wedel**, Riley County; **Bruce McMillan**, McMillan Architects; **Abby Amick**, Wabaunsee County EDC; **Todd Moore**, Junction City/Geary County Chamber; **Daryn Soldan**, Junction City Geary County Chamber; **Ashley Strahle**, Daily Union; **Stephanie Berry**, Herington Times.

Welcome – President Brown called the meeting to order at 9:10 a.m. and invited MarySue Roller to welcome the meeting to the City of Woodbine.

Approval of Minutes from December 17 – Member McCulloh moved to approve the minutes as presented. Member Hay seconded. Motion carried unanimously.

Accept and Seat the New Member from the City of Alta Vista – Member Shover moved to accept the City of Alta Vista as a new member. Member Heldstab seconded. Motion carried unanimously. Mr. Warner swore in the new member from Alta Vista, Joe Kormanik.

Legislative Strategy – The draft regional legislative program presented was created based on discussions at Board meetings in the past and from regionally-significant issues taken from the program Manhattan has created, with thanks to Lauren Palmer at the City of Manhattan. Mr. Warner stressed that this was not a document previously vetted by the Board, and is being provided this morning merely as a basis for discussion without any prior

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endorsement or review. He then walked the Board through the items listed for consideration on the proposed program.

Prairie Burning/Smoke Management Plan: Member Hay indicated that there would be a prescribed burning workshop in Council Grove on Jan 28 covering the proposed Kansas smoke management plan; information will be distributed and members are encouraged to attend. Member Sherow offered access to related studies done at K-State and Member McCulloh mentioned that getting the information out is as essential as understanding the process.

Tax Exemptions: Members Sherow and McCulloh would like to see a cost/benefit analysis of the current tax exemptions. Cutting funding for services like Pawnee Mental Health often just create more expense for law enforcement. Member McCulloh mentioned the state of Nebraska's approach was to revoke all tax exemptions and add them back one by one after careful consideration.

Special Count Day/School District Funding: Non-voting member Armbrust clarified that the Second Count Day is on the books for another 2 or 3 years, but the concern is that it not be cut during budgeting; at the same time, there may be value in not drawing overt attention to it in order to prevent it from being considered for elimination

T-WORKS Regional Transportation: Member Brown expressed some concern that the \$200 million taken from the T-WORKS highway budget would indeed affect the T-WORKS program expenditures over the next 10 years, even though the current reasoning is that savings from lower bidding for projects will allow the T-WORKS budget to be unaffected by this transfer. Member Deiter pointed out that is it lack of ARRA funds that have produced the gap in the state budget. Member Hartwich stated that infrastructure spending is key, and Member Sherow agreed that stripping funds from the highway budget was not sustainable. Member Sherow suggested the FHRC's stand be to urge lawmakers to stop stripping funds from the transportation budget. Member McCulloh suggested she would like to see pros and cons presented on long-term borrowing for bonded items as an aid to the Board, and that there may be some resource persons available to present this to the Board. Member Hay suggested the focus be on what the borrowing limit should be, as the counties are held to limits based on overall tax base, making it harder for smaller counties to borrow enough to work effectively.

Legislation for Regional Economic Development Organization to Place State Income Tax Credits: This is the legislative change needed to start the process suggested back in May 2010 by the Pottawatomie County EDC which could help fund the FHRC's overhead costs. More information needs to be obtained about the exact legislative changes needed, and the mechanism for creating this program.

Allocation of Housing Tax Credits with BAH Exemption: Armbrust pointed out that this item is actually two issues: one at the Federal level (Base Allowance for Housing as an exemption from the Low Income Housing Tax Credit program) and one at the state level (state tax credits for housing). Member McCulloh suggested someone familiar with the state housing credit program be invited to present the Board.

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Funding for the Bioscience Authority and Kansas Department of Commerce: Member Brown suggested this be investigated as a conduit for outlying communities interested in moving in the BioScience direction. Member Hartwich suggested the FHRC staff contact Lynn Parmer and begin discussions on joining the group at a regional level. Member McCulloh suggested it would benefit the region to spread out the bioscience related companies throughout the region. Armbrust mentioned that it might be appropriate to form an economic development task force made of EDC and Chamber members along with FHRC Board members to take the lead on this issue. Member McCulloh agreed that it is probably time for sub committees. She also suggested a sub committee be formed on legislative items to prepare more fully for the 2012 legislative session. Member Brown state the task force idea was back on the table.

Legislation or Administrative Studies that Encourage Regional Cooperation and Partnerships: General support for any legislation which would encourage formation of regional cooperation.

Revenue Distributions and Reimbursements to Local Governments: Member Hartwich mentioned the fuel tax and unfunded mandates like reduced or no funding for mental health agencies, which create large increases in funding need at the municipal level.

MPO Thresholds: Listed here as a reminder and talking point for Federal representatives, as increasing the threshold for creation of Metropolitan Planning Organizations will jeopardize the region's planning intentions and thereby the longer-term funding strategy for the Regional Council.

Mr. Warner asked for feedback regarding these issues, as well as overall direction on the shaping of this list, and on the overall timing and appropriateness of this program in the early life of the Regional Council.

Member McCulloh suggested supporting an effort for a Regional Heritage Area like the Freedom's Frontier National Heritage Area through the Flint Hills Tourism Council. Member McCulloh also suggested pursuing an Internet sales tax law for Kansas.

Dave Yearout suggested investigating a solution to the State lodging and restaurant inspection issue addressing those inspections through a regional program instead of individual jurisdictions.

Armbrust suggested that the legislative program be broken down into State and Federal issues, and within each of those, into those issues that require a fiscal note and those which do not. This will clarify some of the details of the program.

Member Brown directed that the Task Force be formed for economic development in order to help with some of the legislative work. Mr. Warner mentioned that an economic development task force's kernel had already been approved at the July meeting and that such a group will also be necessary for the production of the Comprehensive Economic Development

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Strategy for the EDA. Armbrust suggested with the continuing resolutions the FHRC keep watch on the EDA for cuts to the budget.

Member Schwerdtfeger stated that she would like to see presentations from Lynn Parmer on the BioScience issue and from a Housing Tax Credit authority at the February meeting.

Armbrust mentioned that the redistricting and reapportionment process following the latest election might also stay on the FHRC Board's radar -- not so much to take a position as to be aware that it is going on.

Mr. Warner asked how the Board would like to proceed with the legislative program. Member Brown said she'd like to move toward an economic development task force, presentations on the housing tax credit, bonding pros/cons, and cost analysis/fiscal analysis of tax exemptions. Member Hay asked that grant writing committee be formed to help in designated areas. Member McCulloh suggested the FHRC staff be the conduit for legislative information discovered by other entities which actually have dedicated staff watching such legislation which might apply to other regional partners. Member Brown agreed that this would allow the membership to ask informed questions of their local legislators. Member Steuwe asked if, once the Board is agreed on a format/contact for the legislative program, it could be sent as a letter to all legislators signed by the FHRC Board. There was general agreement on this as a good tack to take.

Mr. Warner clarified that the FHRC staff would take information from the Board discussion and solidify the program, send this new version out for Board feedback, and use that to create a final document for FHRC Board endorsement. Member McCulloh suggested work for the 2012 legislative session should start in May with a goal of meeting with all area legislators in November. This years' communication to legislators will basically be an introduction to the Regional Council and its interests, preparing for a more detailed legislative program in the future.

Domestic Leasing Review – A copy of the current template for housing information collection was handed out as a place to begin the discussion. Non-voting member Hoeffner discussed the process of pursuing the Domestic Leasing program with the Army and indicated that if the FHRC could collect fairly complete pictures of both the rental and for-sale markets (both planned and available properties) within 6 months, this would be a timely start for the process, especially considering that we are 9 months from 2012 Homecoming already. Mr. Warner indicated he and Hoeffner would set a date for the first meeting of the Housing Task Force by Monday. Hoeffner expressed great appreciation for the support for the additional 450 homes on post that the FHRC Board gave in July. She said the Army approved the 313 homes already indicated by the Housing Market Analysis, but that Fort Riley was allowed to not demolish the other 137 but without full rehab. The situation will be reviewed in the future and the additional homes may then be remodeled as planned. Member Deiter asked if there was any legal issue in having a municipal employee collect the information requested. Member Brown indicated that as long as there was full council support for having community staff do that, she was not aware of any issues that should raise. Member Sherow pointed out that Manhattan has a database of rental

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information and reviewed any possible legal problems thoroughly before starting down that path. Ms. Hyland pointed out that most of the information is publically available already. Mr. Warner reminded the Board that the impact of this housing task force and the survey will go beyond Fort Riley's need and has implications for each jurisdiction in workforce development, economic development and schools. Member G. Johnson indicated he had put the request for information in the city newsletter as part of the envision USD 417 and had had some responses already. Members Sherow and McCulloh indicated accurate information on this topic would help communities gage need for various housing types and help developers make informed decisions. Mr. Warner indicated that part of the Housing Task Force's charge was to review the form and process.

Bylaws Change for Seating of Board – A copy of the change to the Bylaws changing the date of the seating of the Board from January to July was handed out (and is included herewith). Member McCulloh moved that the change be accepted as presented. Member Shover seconded. Motion passed unanimously.

Year End Financial Statement – A copy of the year end financial statement of expenses and revenues for the FRHC was distributed to the Board. Member Sherow moved to accept the statement as presented. Member Hartwich seconded. Motion passed unanimously.

Hiring Update – Mr. Warner conducted 4 interviews and is in the process of reference checks on the top candidate. He expects to make an offer next week for the Administrative Manager.

Logo and Website Design Update – A selection of four options for the new FHRC logo was distributed. Mr. Warner indicated that staff and New Boston were working on content for the new website. Participants were invited to rank the four logo options on the sheets and make and notes they would like to. Votes will be tallied and the final logo will be confirmed at the February meeting.

2011 Member Assessment – the 2011 member assessment invoices were distributed to those present and will be mailed to those who could not make the meeting. The 2011 assessment was set by the Board at \$.50 per capita in early 2010. Mr. Warner indicated that the Board would need to begin discussions on the 2012 assessment level soon.

Other Business:

Member McCulloh indicated that she appreciates the mini-dispatches sent to the Board by Mr. Warner. She also mentioned her attendance at the KDOT Breakthrough Team and the revelation from that meeting that the regional transit service to and from Fort Riley was set up and ready to start on approval from Fort Riley. Non-voting member Hoeffner indicated that she would look into the MOU necessary to begin service. She also indicated that they were still working on the funding necessary for after KDOT stops fully funding the program. Several options are being considered for funding sources.

Member Hay mentioned that the state was deregulating gas. This may provide potential for utility cost savings or the formation of a coalition to buy

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gas direct from well-heads also for a savings. Something the FHRC might want to keep an eye on.

Member McCulloh reminded the Board that the first of the classes on energy savings (complete with an energy audit of the communities that participate) is being held this month at the Riley County Shops. Mr. Warner indicated that he would send the information on how to sign up back out the Board as all communities are encouraged to apply. Member Brown and Dave Yearout both indicated that their cities were doing energy audit or the follow up to them. Information on who did those audits was also requested by the Board.

Member Deiter asked if any other communities had been accidentally under-billed by Westar. There were none, though Member Enns indicated that they had seen a 67% increase in their costs.

February Meeting – The regular February 18 meeting will be held in Riley County, location: Riley County Shops (tentative), from 9am to noon.

Member Heldstab moved to adjourn; member Sherow seconded. Motion passed unanimously.

Adjourned at 11:28am