

Mar. 14, 2016

TO: Chairman Masterson and Members
Senate Ways and Means Committee

FROM: James Jirak, GM/President, Pro-Ag Marketing
Vice Chair, Board of Directors – Kansas Cooperative Council
Member – Kansas Agribusiness Retailers Association

RE: Concerns with SB 499 – moving USD procurement to Kansas Dept. of Administration

Currently, our cooperative enjoys a good working relationship with our local school district. The school purchases both fuel and propane through our cooperative. In this area we are the primary provider of fuel services and maintain multiple fuel stations throughout the district. As a cooperative, one of our key beliefs is to provide services to our customers at the best competitive price possible. These proposed bills would remove the decision power from local board control in order to save money, which in the case of refined fuels and propane would only amount to a few pennies per gallon if there even is a lower price available. Our district and many other rural districts would be burdened by either going long distances to find providers or having to put up and maintain their own fuel tanks to even take advantage of any cost savings. Because of additional costs of transportation and infrastructure, it is doubtful there would be any cost savings for rural districts. In my 7 years as General Manager of this rural cooperative, we have gifted tens of thousands of dollars in support of the school and its activities. What we have contributed to the area district far surpasses any profit we have made from fuel and propane sales and I would hate to hurt the relationship that we have built over many years with our local school district. Please consider more than a negligible savings in making your decision on this bill.

Thank you!

James L. Jirak
General Manager / President
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