

Approved Ivan Sand Date 2/17/86

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT

The meeting was called to order by REPRESENTATIVE IVAN SAND at  
Chairperson

1:30 ~~xxx~~ p.m. on FEBRUARY 11, 19 86 in room 313-S of the Capitol.

All members were present except: Rep. Arthur Douville, excused  
Rep. Carl Holmes, excused  
Rep. Clinton Acheson, excused  
Rep. Rick Bowden, excused

Committee staff present:

Mike Heim, Legislative Research Department  
Mary Hack, Revisor of Statutes Office  
Gloria M. Leonhard, Committee Secretary

Conferees appearing before the committee:

Rep. Kenneth D. Francisco, New Legislation  
Rep. Joan Wagnon, HB's 2781, 2784, 2785, 2786  
Rep. Ginger Barr, HB 2781  
Mr. Tom Pickford, HB 2781  
Mayor Doug Wright, HB 2784  
Mr. Kevin Davis, League, HB 2785  
Rep. Donna Whiteman, HB 2785  
Mr. Henry Boaten, HB 2785  
Ms. Janet Stubbs, Homebuilders Assn., HB 2785  
Rep. Anthony Hensley, HB 2785  
Rep. Mike O'Neal, (written testimony, HB 2785)  
Mr. Darold Main, Intergovernmental Coordinator,  
HB 2786  
Mr. Tom Hanna, Shawnee Co. Commission, HB 2786  
Mr. Jim Davidson, Shawnee Co. Counselor, HB 2786  
Rep. Marvin Smith, HB 2786

Chairman Sand called for introduction of new legislation.

Rep. Kenneth D. Francisco requested new legislation concerning public building commissions; relating to petitions in opposition of revenue bond issues. (5RS 2395) (See Attachment I.)

Rep. LeRoy Fry made a motion to introduce the proposed legislation as a committee bill. Rep. Kenneth Francisco seconded the motion. The motion carried.

Chairman Sand called for hearings on the following House bills:

HB 2781, concerning townships; relating to the construction and maintenance of township roads;

Rep. Joan Wagnon, a co-sponsor of the bill, gave background and intent of HB 2781.

(See Staff Overview for HB 2781. Attachment II.)

Rep. Ginger Barr said HB 2781 clarifies the position of the state regarding the percentage of qualified electors of a township needed to sign a petition to have an election. (See Attachment III.)

Mr. Tom Pickford, Topeka resident, appeared and urged the committee to support HB 2781.

The hearing on HB 2781 was closed.

HB 2784, concerning certain political subdivisions; relating to appointments made by governing authorities thereof;

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT,  
room 313-S, Statehouse, at 1:30 ~~a.m.~~ p.m. on FEBRUARY 11, 1986.

Rep. Joan Wagnon, a co-sponsor of the bill, appeared to give background and intent of HB 2784. Rep. Wagnon said that the bill clarifies the appointment process we have had; that the bill was requested by the mayor and members of the city council; that there is strong support for the bill.

Mayor Doug Wright appeared and urged the committee to support HB 2784.

(See Staff Overview for HB 2784. Attachment IV.)

The hearing on HB 2784 was closed.

HB 2785, concerning cities; relating to zoning;

Rep. Joan Wagnon, a co-sponsor of the bill, requested the Committee to support HB 2785.

Mr. Kevin Davis, representing the League of Kansas Municipalities, appeared to support HB 2785. (See Attachment V.)

Committee discussion followed. The term, "reasonable regulation" was questioned.

Rep. Donna Whiteman testified in support of HB 2785. Rep. Whiteman described a unique problem in Hutchinson, Kansas, involving the Midwest Iron and Metal Co. (See Attachment VI.) Rep. Whiteman said removal cost for the iron would be from \$750,000 to \$1.5 million.

A committee member questioned whether the residences on the iron company occupied the location first.

Mr. Henry Boaten, President of The Forum, Inc., a corporation that operates a private club at 2436 Virginia, Topeka, Kansas, testified in opposition to HB 2785. (See Attachment VII.)

Ms. Janet Stubbs, Executive Officer, Homebuilders Association, said the Association Board opposes HB 2785; that they feel this is taking property without just compensation.

Rep. Anthony Hensley, a co-sponsor of HB 2785, urged the committee to support the bill. Rep. Hensley said that he believes the bill is the best solution for non-conforming use problems that result from community changes; however, that the bill may be too broadly written.

(See written testimony submitted by Rep. Mike O'Neal, dated 2/11/86, re HB 2785. Attachment VIII.)

(See Staff Overview for HB 2785. Attachment IX.)

The hearing on HB 2785 was closed.

HB 2786, concerning Shawnee county; relating to the issuance of bonds for the financing of the county jail.

Rep. Joan Wagnon, co-sponsor of HB 2786, gave background and intent of the bill.

Mr. Darold Main, Inter-Governmental Coordinator, urged the committee to support HB 2786. Mr. Main said the bill grants Shawnee County broad discretion in financing the court-ordered jail. (See Attachment X.)

Mr. Tom Hanna, Chairman, Shawnee County Board of Commissioners, further explained provisions of HB 2786. Mr. Hanna said the Board is asking for authority to seek the least expensive financing options.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT,  
room 313-S Statehouse, at 1:30 ~~xxx~~ p.m. on FEBRUARY 11, 19 86

Mr. Jim Davidson, Shawnee County Counselor, explained financing alternatives for the jail, including no fund warrants, private leasing, and county general obligation bonds. Mr. Davidson pointed out the "apples to apples" comparison of Public Building Commission Revenue Bonds to Shawnee County General Obligation Bonds. (See "Attachment 4" contained within Committee Attachment X.) Mr. Davidson said that the dollars savings substantiate support of HB 2786; that the bill gives the Commission great flexibility. Mr. Davidson said that Commissioner Kingman was present to answer questions.

Committee discussion followed. A committee member questioned the credibility of the contractor re the \$4 million deficit for the project. A member questioned why an appeal could not have been made to a higher court re the court order. Mr. Davidson said that he and a team of attorneys had examined the order and had concluded that an appeal would not be successful; that there had been a hearing to try to get the judge to overturn the decision.

Rep. Marvin Smith pointed out that the jail site value had not been determined; that HB 2786 also deals with acquiring the property.

The hearing on HB 2786 was closed. (See Staff Overview for HB 2786. Att. XI.)

The meeting was adjourned.



HOUSE BILL NO. \_\_\_\_\_

By Committee on Local Government

AN ACT concerning public building commissions; relating to petitions in opposition of revenue bond issues; amending K.S.A. 12-1767 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 12-1767 is hereby amended to read as follows: 12-1767. Any revenue bonds authorized by this act shall be issued as provided in K.S.A. 10-1201 et seq. and amendments thereto, except to the extent that such statutes are in conflict with this act. Before any revenue bonds are authorized or issued under the provisions of this act, the public building commission shall adopt a resolution specifying the amount of such bonds and the purpose of the issuance thereof. The resolution shall provide that if within 30 days after the last date of publication of the resolution a petition in opposition to the resolution, signed by not less than 5% of the electors of the city or by not less than 5% of the electors of the county or school district if the lease is with such entity, is filed with the county clerk, the board shall submit the question to the voters at an election called for that purpose or at the next general election. Such resolution shall be published once a week for two consecutive weeks in the official city newspaper or in a newspaper having general circulation in the county if the lease is with a county or school district.

Sec. 2. K.S.A. 12-1767 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

ATTACHMENT I  
2/11/86  
Hs. Local Gov.

MEMORANDUM

February 11, 1986

TO: House Local Government Chairmen  
FROM: Kansas Legislative Research Department  
RE: H.B. 2781

H.B. 2781 amends K.S.A. 68-560 dealing with the maintenance and construction of township roads in non county unit road system counties. The bill is cleanup in nature and was recommended by the Shawnee County Counselor's office.

ATTACHMENT II  
2/11/86  
Hs. Local Gov.

STATE OF KANSAS

GINGER BARR  
REPRESENTATIVE, FIFTY-FIRST DISTRICT  
SHAWNEE COUNTY  
P. O. BOX 58  
AUBURN, KANSAS 66402-0058



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
VICE CHAIRMAN GOVERNMENTAL ORGANIZATION  
MEMBER ENERGY AND NATURAL RESOURCES  
FEDERAL AND STATE AFFAIRS

Testimony by Representative Ginger Barr before the House Local Government Committee on House Bill 2781 on February 11, 1986 regarding the construction and maintenance of township roads.

Mr. Chairman and Members of the Committee:

House Bill 2781 was introduced by the Shawnee County Delegation at the request of the Legal Department of Shawnee County.

There seems to be confusion in the present law on how to go about turning over township roads to the county. The bill was introduced to try to clarify the position of the state. Basically, the question is do you need 10% of the qualified electors of the township signing a petition to have an election or do you need to have 51% of the qualified electors to sign the petition?

Due to the confusion, it was suggestion to the Shawnee County Delegation that on line 35, the following words by deleted:

"or upon the filing of a petition signed by not less than 51% of the qualified electors of such township: Provided, That."

Thank you Mr. Chairman and Committe for your time on this matter. The sponsors would appreciate your support on House Bill 2781.

*ATTACHMENT III*

*2/11/86*

*Hs. Local Gov.*

MEMORANDUM

February 11, 1986

TO: House Local Government Chairmen  
FROM: Kansas Legislative Research Department  
RE: H.B. 2784

H.B. 2784 amends statutes dealing with the Metropolitan Topeka Transit Authority and Washburn University. The bill clarifies that the appointments for members of the governing boards of the Authority and the University shall be made by the mayor with the approval of the city governing body.

ATTACHMENT IV  
2/11/86  
Hs. Local Gov.





# League of Kansas Municipalities

**PUBLISHERS OF KANSAS GOVERNMENT JOURNAL / 112 WEST SEVENTH ST., TOPEKA, KANSAS 66603 / AREA 913-354-9565**

**TO:** House Committee on Local Government  
**FROM:** Kevin R. Davis, Attorney  
**DATE:** February 11, 1986  
**SUBJECT:** House Bill 2785

The League of Kansas Municipalities has an adopted policy statement which addresses this issue and reads as follows:

**I-4c. Local Planning.** (d) Cities should be granted clear authority by the 1986 legislature to cause the removal of non-conforming zoning uses after a reasonable period of time.

For background purposes it might be useful to identify that by definition a non-conforming use is a use which is not now allowed in the zoning district the use is now in. Zoning is the division of land into use districts with, presumably, only compatible land uses allowed in each district. Zoning is the exercise of the police power of the local government to protect the public health, safety, and welfare. It is also the primary implementation technique to effectuate a comprehensive plan in a community. Therefore, by definition, a non-conforming use is incompatible in the zoning district it is in and at conflict with the comprehensive plan.

What cities seek is simply the equality of authority which counties now enjoy under K.S.A. 19-2930 to deal with this planning and zoning issue. This statute was enacted in 1951 and provides that:

The powers of this act shall not be exercised so as to deprive the owner of any existing property of its use or maintenance

**President:** Ed Eilert, Mayor, Overland Park • **Vice Presidents:** John L. Carder, Mayor, Iola • **Past President:** Peggy Blackman, Mayor, Marion  
**Directors:** Robert C. Brown, Mayor, Wichita • Robert Creighton, Mayor, Atwood • Irene B. French, Mayor, Merriam • Donald L. Hamilton, City Clerk/Administrator, Mankato • Carl D. Holmes, Mayor, Plains • Paula McCreight, Mayor, Ness City • Jay P. Newton, Jr., City Manager, Newton • John E. Reardon, Mayor, Kansas City • David E. Retter, City Attorney, Concordia • Arthur E. Treece, Commissioner, Coffeyville • Dean P. Wiley, City Manager, Garden City • Douglas S. Wright, Mayor, Topeka • **Executive Director:** E.A. Mosher

*Hs. Local Gov.*

*ATTACHMENT II 2/11/86*

for the purpose to which it is then lawfully devoted, except that reasonable regulations may be adopted for the gradual elimination of nonconforming uses.

This language, "reasonable regulations may be adopted for the gradual elimination of nonconforming uses," is exactly what HB 2785 would provide for cities.

This statute, K.S.A. 19-2930, has been upheld in the Kansas Supreme Court in the case Spurgeon v. Board of Commissioners, 181 Kan. 1008. The operative language which the Court relied on is that the county "reasonably" exercised the police power in developing a regulation for the "gradual elimination" of non-conforming uses.

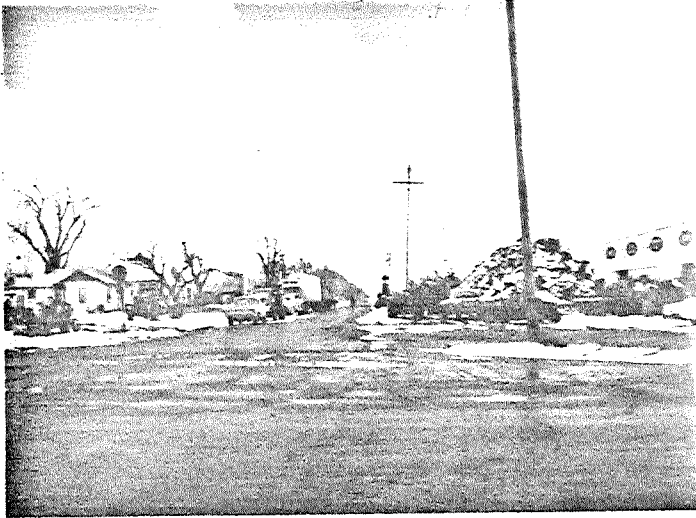
Owners of non-conforming uses are not without other protection and alternatives for the use of their property if this bill is passed. They can, at any time, petition the city for a change in zoning to a district in which their use would be allowed. They could also request the city to revise the zoning regulations to include their use in the zoning district their property is in. They could in certain circumstances petition for a special use permit. Lastly, they can convert their property to a use allowed within the zoning district. Therefor, even though a city could develop regulations providing for the reasonable and gradual elimination of non-conforming use the property owner is not without other recourse.

In summary, what the cities of Kansas seek is simply the enabling legislation and authority to deal with the local land use issues on the local level. The proposed legislation would provide this authority and has the constitutional safeguards

House Committee on Local Government  
February 11, 1986  
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of requiring reasonable regulations for the gradual elimination  
of non-conforming uses.

Please note the scale of the iron and metal piles (foreground or background) in relation to houses, vehicles and people. Numbered photos relate to location shown on the map.



1.



2.



3.



4.

ATTACHMENT VI  
2/11/86  
Hs. Local Gov.  
Page 1 of 2



5.



6.



7.

# Neighborhood meeting leads to vote on Midwest Iron issue

By Jerry Maxfield  
The Hutchinson News

Hutchinson city planners, like ancient mariners, can't seem to shed the albatross of Midwest Iron and Metal.

That issue — and a cat — followed planners to Grandview School Thursday night for the east side neighborhood meeting of the Comprehensive Plan Committee. A discussion about Midwest Iron and Metal surfaced almost immediately after the 6 p.m. meeting began.

On a lighter note, Mayor Frances Garcia, who was in attendance, demoted herself to temporary animal control officer. A stray cat wandered into the meeting room through an open door and offered several meows. Mrs. Garcia, who was seated near the door, ushered the yowling cat out.

The neighborhood meeting, second of five such meetings slated by

the City Planning Commission, allows public input for the development of a comprehensive plan, which will guide the city's growth.

Three weeks ago, the Midwest Iron issue occupied most of the south side neighborhood meeting at Lincoln School. Residents there were united in wanting the operation moved from their neighborhood, but favored negotiation with owner Ron Galler rather than legal condemnation or stricter zoning. Galler owns 40 acres east of the city and his business could be moved to that land.

Some of the south side neighbors were at the east side meeting.

East side residents agreed with their south side neighbors that the operation be moved out of town. Although the scrap metal operation is not in the east side neighborhood, Galler's trucks frequently pass through the area.

City Planner Carl Leivo told the group he had talked to Galler Thursday morning.

"Galler is willing to negotiate. He's ready to move now," Leivo said.

Leivo feels there may not be a better time than now to address the problem, and proposed moving ahead with preliminary steps to resolve it.

"I propose that the comprehensive plan committee recommend through the planning commission that we begin negotiations with Galler," he said.

Because a large number of the planning committee members were in attendance, planning commission chairman Jim Davis called for a motion. Leivo's recommendation was adopted.

Neighbors also asked Leivo about vacant houses and weed-grown lots. Leivo outlined procedures, but

said they are cumbersome to enforce and lengthy to prosecute.

"Also, city commission policy prohibits staff from bringing problems to the commission, even if we see them. Orders are to wait for a complaint," he said.

Rep. Donna Whiteman, D-Hutchinson, was in the audience and asked if perhaps the policy should be reviewed.

Also attending the meeting at the invitation of the plan committee were Thaine Woolsey, vice president and general manager of Cesana Fluid Power Group, and Howard Woodward, special projects director for the Greater Hutchinson Chamber of Commerce.

Regarding the all-but-complete buyout of Cesana by General Dynamics of St. Louis, Woolsey said, "There's no danger of us selling off the place out there. It would not be logical for General Dynamics to move us out."

Woolsey also explained to the east side residents the nature of the Eastside Industrial District.

"We're actually a small community made up of businesses only," Woolsey said.

He said the district contains 25 businesses employing 2,500 people. Some of the larger businesses are Cesana, Dillons and Farmland Industries.

"Our objective is to create jobs," he said.

Woolsey told the residents of the district's attempts to secure a non-annexation agreement with the city.

"We just don't want another layer of government," he said.

He conceded the district enjoys a better tax situation than city residents, but said "We're all in a real competitive situation out there."

Woodward explained his role as a part of the Reno County Economic Development Council.

"Our job is to attract new industry, but one of the questions is where do you put them?" he said.

Woodward said there is a shortage of prime industrial sites in and around the city. The ones available are either small or have no city services, he said.

In addition, industrial revenue bonds as an economic development tool may be doomed if the federal government carries out its stated intent of removing the tax exemptions for the IRBs Jan. 1, 1986, he said.

Other issues discussed Thursday evening were:

- An alternate truck route for both the neighborhood and the city.
- The condition of neighborhood streets, alleys and sidewalks.
- The possibility of re-introducing city buses.
- Railroad crossings.

# Railroads take the heat during latest neighborhood meeting

By Jerry Maxfield  
The Hutchinson News

Debbie Little is not happy with the Santa Fe Railroad.

"Why, as a community, can't we have more clout than a lousy railroad?" she asked during Thursday night's west central neighborhood meeting of the Comprehensive Plan Committee.

"If you think government is a bureaucracy, try dealing with a railroad," replied City Planner Carl Leivo.

At issue was the condition of railroad grade crossings in Hutchinson, the number of intersections blocked by trains, hazardous rail cars stored in residential neighborhoods and the apparent lack of response from the railroad.

The neighborhood gathering, held at Liberty Middle School, was the third in a series of Comprehensive Plan Committee meetings seeking

resident input to develop a plan to guide the city's growth.

Railroads took the brunt of comments Thursday night.

Mrs. Little said she called the railroad to complain of anhydrous ammonia tank cars parked within her neighborhood.

"All I got was a real runaround. I talked to six people and wound up with the person I started with," she said.

Local fire, police and city government officials have been sympathetic, she said, but all confessed an inability to move the railroad off dead center.

Recalling the railroad tank car fire in recent years that destroyed a bridge over the Arkansas River, Mrs. Little said the fire could have happened in her neighborhood.

"Does somebody have to be killed first?" she asked.

Rough grade crossings and long

delays at crossings also were a sore spot with the neighbors.

"I've seen the train guys block our crossing and go to lunch at Hickory Gables (restaurant)," Mrs. Little said.

Attorney Charles Orcutt (formerly municipal court judge) lives in the west central neighborhood and had some advice for Mrs. Little and the others.

"Have your car fixed and send the bill to the railroad," he said, noting that such a move was more likely to get a response than just a complaint.

Orcutt said, "The city attorney (Phil Alexander) needs to review the ordinance. It says crossings can be blocked for just five minutes. It doesn't apply to just the downtown crossings. I don't want to be the attorney that takes your case if your son dies because the fire department was blocked."

Orcutt said that during his tenure as municipal court judge he refused to act on traffic citations issued to persons charged with going around railroad crossing gates. The railroad has been just as guilty as residents about crossing violations, according to Orcutt.

City Public Works Director Dennis Clennan told neighbors he has had some success in getting the railroad to take care of a few Hutchinson crossings, but it takes time.

"They say they just don't have the manpower," he said.

Other committee members noted that the railroads are economically important to the city, but need to be responsive to complaints.

Other complaints voiced by the neighborhood included the conditions of streets, alleys and sidewalks.

control problems and abandoned houses.

Several city staff members addressed the group on specific issues.

Leivo explained the city's policies and procedures on unsafe structures.

"City policy is that staff is to respond on a complaint basis only," he said.

Leivo passed out a stack of files more than a foot thick of unsafe structure cases, noting that the procedure for rectifying a problem structure is both lengthy and frustrating for city staff. Years can pass without action because of delays, time extensions and building permits obtained as a subterfuge, Leivo said.

One neighborhood lady said such a process was unacceptable.

"I may be cynical, but

bill at a department store and just let it slide for five years," she said.

Clennan reviewed the functions of the public works department, sidewalk repair procedures and alley care policies.

"We have 240 miles of streets and 50 miles of alleys to maintain. We spend an inordinate amount to time maintaining about 14 of those alleys because of businesses and apartments," he said.

Assistant City Planner Paul Greeley set forth procedures for dealing with junk cars, weed problems and animal control matters.

Leivo added that sanitarians are often threatened in the course of their work.

"These poor guys are out there without the authority of a policeman, and they're being physically threatened. The assistant city manager

Handwritten notes at the bottom of the page, including: "p.m. Thursday at city hall", "Discussions will focus on 10", "job interviews, scheduled", "only last week, scheduled", "Councilman and", "I may be cynical, but", "Leivo said", "One neighborhood lady said such a process was unacceptable.", "Other complaints voiced by the neighborhood included the conditions of streets, alleys and sidewalks.", "Other committee members noted that the railroads are economically important to the city, but need to be responsive to complaints.", "They say they just don't have the manpower," he said.

About 30 south side residents were on hand Thursday night at Lincoln Elementary School for a second town meeting. Much of the evening was spent discussing Midwest Iron and Metal.

## South side residents say scrap metal operation

By Jerry Maxfield  
The Hutchinson News

South side residents met Thursday night with members of the City Planning Commission's Comprehensive Plan Committee to exchange ideas and discuss neighborhood problems. Midwest Iron and Metal, 700 South Main led the list of problems.

The meeting at Lincoln Elementary School was attended by 25 people. It is the first of several neighborhood meetings following the committee's Aug. 24 town gathering.

The south side residents said they object to the unsightly nature of Midwest's operation, which is owned by Ron Galler. They also said they object to heavy truck traffic, drainage problems, metal in the streets and reduced property values.

The residents at the meeting said the operation should be removed.

City Planner Carl Leivo, who has worked closely with Galler on bringing the operation into compliance with city ordinances and codes, said there are four options in dealing with the problem:

- Do nothing.
- Pass stricter ordinances to regulate such operations.
- Exercise the city's power of eminent domain, which condemns property for a public purpose and compensates the owner for property's fair market value.
- Reach a workable agreement with Galler, which might include moving the operation to a 4-acre site he owns on the city's east side.

"Galler has shown a willingness to cooperate. Right now he's hav-

ing trouble operating. He has 40 acres out east but he needs buildings and equipment," Leivo said.

Bob Boyd, a member of the comprehensive plan committee, told the group he had taken a personal and unofficial initiative to discuss options with Galler.

"The city has an investment in the south end, and that's being impaired by the scrap operation. Yet Galler has rights, too," Boyd said. "That thing's been there since 1902. Maybe now is the best time we've ever had to deal with it."

By a show of hands, the neighbors voted unanimously that a negotiated agreement was the best alternative.

Mike Shields, president of the Olde Towne Merchants Association, recommended lighter industry as a replacement, vowing to use a proposed \$9 million industrial revenue bond issue to assist in such development.

"We'll fill it up with light industry. Scrap yards don't belong on Main Street," he said.

Jim Davis, planning commission chairman, asked "What would you like to see there if Midwest moves out?"

Neighborhood shopping was the most common answer.

"Would moving Midwest Iron give the neighbors a better sense of pride and willingness to maintain property?" asked Margaret Mock-McKee, a south neighborhood committee representative.

The residents said "yes" in the most emphatic answer of the evening.

- Other issues discussed were:
- Empty houses that pose a fire hazard.

By Larry Caldwell



Jim Davis

- Bad streets and railroad grade crossings.
- Livestock within city limits.
- Preservation of Convention Hall.

Committee member George Madelen asked what objections there were to the recently defeated arts center proposal. In general, the crowd said the center should have been more of a community center and located nearer to them.

Other neighborhood meeting dates and locations are:

- Sept. 26, East Central Neighborhood Meeting, Grandview School.
- Oct. 7, West Central Neighborhood Meeting, Liberty Middle School.
- Oct. 10, Northeast Neighborhood Meeting, Graber School.
- Oct. 17, Northwest Neighborhood Meeting, Wiley School.

All meetings are scheduled to begin at 6 p.m.

Other officials at the meeting included planning commissioners Kay Brada and Dave Claxton; south neighborhood committee representatives Paul Johnson and Tony Florez; city planning staffer Paul Greeley; planning commissioner Wayne Colburn; and Rep. Donna Whiteman, D-Hutchinson.

## Plan addresses city's role in development

By Jerry Maxfield  
The Hutchinson News  
Business Writer

Development of an industrial park, assistance to new businesses and some new approaches to marketing are the basic components of a plan prepared for the City Planning Commission's Comprehensive Plan Committee.

The plan, developed by the Reno County Economic Development Council, will be submitted to the committee Thursday at the 5:30 p.m. meeting at city hall.

The council, an arm of the Greater Hutchinson Chamber of Commerce, was approached Oct. 28 by planning commission chairman Jim Davis, City Planner Carl Leivo and comprehensive plan committee member Jim Fee.

The three asked for assistance in formulating that part of the city's comprehensive plan, which addresses city government's role in economic development.

"The fundamental question they posed to us was one of economic development," chamber president Jon Daveline said. "We set about to develop some approaches that we see as ways to create jobs."

The industrial park question was discussed at length at the Oct. 28 meeting. Council members cited the lack of such a prime industrial site as the major stumbling block to local economic development.

Assistance to new businesses in the form of an "incubator business" also was discussed and is expected to be part of the council's plan.

Daveline would not reveal specifics of the plan except to say that part of the plan will lead to "development assistance for newer, smaller businesses."

An incubator business provides a sheltered environment in which a new business can grow before moving out on its own. It is designed to reduce the failure rate among new businesses. Such shelters typically include lowered rent and administrative assistance.

"We've tried to tie the plan to what we think could be done over a five-year period," Daveline said. "It's going to stimulate some thinking."

## Town meeting focuses on teens

By Larry Caldwell  
The Hutchinson News

A portion of the agenda for Thursday night's Comprehensive Plan Committee meeting dealt with plans to make Hutchinson attractive to retirees.

However, much of the discussion centered on the needs of young people.

At the town meeting, Jim Parsons spoke about his facility to an audience of about 40 persons Thursday night at Wiley School. Participants discussed the need for more retirement homes and skilled nursing facilities as well as increased public transportation and better police response time.

During the discussion, Mrs. Tucker discussed the city's role in helping the elderly was also discussed. She said the city is being its part in providing for young people.

He said that young Hutchinson residents should tell the committee what they want for the city because they are the community's future leaders.

"Maybe we ought to make up a survey for them," said committee member Kay Brada, who headed the meeting for Chairman Jim Davis.

Mrs. Brada referred to a community needs questionnaire that is being distributed throughout the city.

Thursday night's discussion focused on developing programs for youths after school, creating new career-oriented jobs to keep local high school graduates in town, and having area schools, recreation centers and churches develop a master list of activities for children.

"Maybe we should have an activity fair," Mrs. Brada said.

Highways into the city of Hutchinson also were discussed Thursday night. Art Collins, co-chairman of the Four-Lane Road Committee, outlined his group's efforts to build

a four-lane highway from Wichita to Hutchinson. Collins also explained the committee's hope that the highway would some day extend to Great Bend and Hays.

The problems of access at 11th and Lorraine extending east to K-61 and traffic counts on 30th Avenue also were discussed.

Downstream development was an additional item as the committee member urged downtown promoters that have similar goals to work together.

"If you want to get a business down there right now everybody you talk to has to sit down and talk to somebody else," committee member Dick Hutcheson said. "Hiring Kevin Walker, downtown development director, was a great idea. He's working really hard, because right now we have committees on committees."

The Comprehensive Plan Committee has scheduled its next meeting for 6 p.m. Thursday, Oct. 24, at city hall. Members will discuss economic development.

## Neighborhood meet set

Hutchinson's Comprehensive Plan Committee will hold a meeting for the northwest neighborhood Thursday night at 6 p.m. at Wiley School, 21st and Tyler.

Among topics for discussion will be the proposed four-lane highway between Hutchinson and Wichita as well as promotion of Hutchinson as a retirement community.

The final 90 minutes of the meeting will be devoted to citizen comments.





I am here to testify on the House Bill 2785. My name is Henry Boaten, President of the Forum, Inc., a corporation that operates a private club at 2436 Virginia, Topeka, Kansas. I oppose the enactment of this bill for several reasons:

1. The amendment will permit the taking of private property without just compensation.
2. There are adequate remedies available to local governmental entities to deal with non-conforming uses.
3. Inadequate standards in the bill for its application.
4. Serious financial impact would likely result on property owners and businesses.
5. Proliferation of legal actions to test reasonableness of application of ordinances enacted by localities based on the authority this bill would grant.
6. A permanent impairment of private property for private purposes without clearly demonstrated public benefit and use.

Non-conforming uses appear wherever an existing activity violates the restrictions of a newly enacted or amended zoning law. Not uncommonly will one see a gas station or corner grocery occupying a parcel within a residential zone, from which all new non-dwelling uses are barred.

ATTACHMENT VII  
2/11/86  
Hs. Local Gov.

The irony of the foregoing is that the uses now deemed non-conforming had been compatible land-use activity until the operation of a newly enacted or amended zoning law. Because of this fact, most zoning ordinances contain a provision which grandfathers non-conforming use. Normally, no structural alterations are allowed and a discontinued use for a period of time will subject the property to the superimposed zoning regulations. In this way, planners believe time and obsolescence would force most of these businesses - in the manner of the proletariat - to wither away. Unfortunately, non-conforming uses have thrived and been exacerbated by issuance of variances by zoning boards.

Frustrated by ~~this~~ expectation, some communities have tried varried techniques, among them is th principle of "amortization" which this bill proposes. This device proponent they argue would allow the owner to operate long enough to recoup his original investment then shut down the non-conforming use.

The obvious problem presented is uniform application of the ordinances enacted visa vis the multiple amortization schedule that can be developed for multiples of businesses that may be located in conflicting zones. If the amortization

principle is applied, most non-conforming property owners will lose money on their investments. In effect, a taking of private property for the convenience of a few surrounding private property owners without just compensation. An act totally contrary to the 5th and 14th amendments of the United States Constitution and the similar provisions of the Constitution of the State of Kansas.

One must be mindful of the application of this House Bill. It has a state-wide effect. It does not only affect business owners but can also be used against residential property owners. The bill does not contain adequate standards for its application and can have a devastating effect on citizens that the bill was not intended. Failure to so apply will constitute selective enforcement of laws.

A survey of other states will reveal that the provisions being considered here have generated much litigation in those states. The general principles have been that a zoning ordinance may not deprive an owner of a vested rights. The issues have been, what constitutes "reasonableness" as applied to a particular property and indeed every nonconforming property owner will resist amortization in the courts. You may be aware of the litigation that eminent domain actions generate. However, you haven't seen anything yet--wait until this bill becomes law.

It should be obvious, for you are talking about some compensation versus no compensation.

There are existing remedies which local communities can apply and avoid some of the problems with this bill, such as:

--Eliminating nonconforming uses via the power of eminent domain;

--Application of the principles of common law nuisance to undesirable land uses;

--Using community development grants to relocate these uses; etc.

In conclusion, I will borrow a quotation from the United States Supreme Court in the case of Town of Hempstead vs Romano where it was stated:

"Municipalities have a legitimate interest in preventing the perpetual continuance of prior non-conforming uses. However, constitutional protections should not be lightly cast aside nor should the desire for complete conformity demand unreasonable individual sacrifices". Citizens with properties located in the conflicting zones have well-recognized legal property rights which must be protected by the legislature.

Thank you

STATE OF KANSAS

MICHAEL R. (MIKE) O'NEAL  
REPRESENTATIVE, 104TH DISTRICT—HUTCHINSON  
RENO COUNTY  
P.O. BOX 1868  
HUTCHINSON, KANSAS 67504



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
MEMBER: JUDICIARY  
LABOR AND INDUSTRY  
PUBLIC HEALTH AND WELFARE

MEMORANDUM

TO: House Local Government Members  
FROM: Representative Mike O'Neal  
DATE: February 11, 1986  
RE: House Bill 2785

I wish to add my support for passage of House Bill 2785, which would give local governments some ability to gradually eliminate "nonconforming uses". Hutchinson, like many other communities I'm sure, has a present need for such authority.

MO/bs

ATTACHMENT VIII  
2/11/86  
Hs. Local Gov.

MEMORANDUM

February 11, 1986

TO: House Local Government Chairmen  
FROM: Kansas Legislative Research  
RE: H.B. 2785

H.B. 2785 amends city zoning statutes to provide that a city may adopt reasonable regulations for the gradual elimination of nonconforming uses in a zone or district.

ATTACHMENT IX  
2/11/86  
Hs. Local Gov.

PROPOSAL TO FINANCE THE  
SHAWNEE COUNTY ADULT DETENTION FACILITY

I. OVERVIEW.

Shawnee County requests that you consider favorably House Bill 2786 which allows Shawnee County to build the Court-ordered jail at minimum expense. The bill as drafted provides enough flexibility to choose the least costly method of financing.

II. HISTORY OF THE JAIL PROJECT.

In 1974, inmates of the Shawnee County Jail sued the County claiming the jail was grossly overcrowded. The case proceeded through discovery until, in May, 1983, the County and Legal Aid entered into a Consent Decree. Part of the Decree required the County to build a new jail.

The Public Building Commission approved a resolution of intent to issue bonds in the amount of \$15,937,000. The size of the first issue was based on the architect's original estimate for acquisition of the site and construction costs. On June 20, 1985, the Public Building Commission opened bids for construction. All bids exceeded available funds. (See Attachment 1).

ATTACHMENT X  
2/11/86  
Hs. Local Gov.

On August 1, 1985, the Court ordered the Board of Shawnee County Commissioners to fund the shortfall "by any lawful means available". (See Attachment 2). The Public Building Commission, at the County's direction, adopted a resolution for an additional \$3,988,000 in bonds. The bonds were successfully protested and the Public Building Commission withdrew its resolution. On November 15, 1985, the Court refused to hear the County's request to reduce the cost of the jail or to lift the mandate to fund the shortfall. The Commissioners are therefore ordered to fund the jail regardless of the total expense.

Since that time, the Commissioners surveyed the financing tools available. The most economical of those tools is a general obligation bond.

### III. PROVISIONS OF HOUSE BILL 2786.

House Bill 2786 allows Shawnee County to issue general obligation bonds, without an election, in an amount sufficient to fund the shortfall or to refinance the existing Public Building Commission's issue. The bill removes the County's issue from the bonded debt limitation. These provisions merit separate discussion.

1. Removal From Debt Limitation. This bill removes the bonds from the County's bonded debt limitation. Without



this provision, the County could not refinance the entire project as it would exceed bonded debt limitations, prescribed by K.S.A. 1985 Supp. 10-306. (See paragraph 2 for a discussion of refinancing).

2. Refinancing of the Public Building Commission Bonds. House Bill 2786 provides the option of funding only the shortfall or funding the entire project while refinancing the Public Building Commission's issue. The purpose of providing this option is to minimize the tax increase in Shawnee County.

The Commissioners do not intend to refinance the Public Building Commission's issue if the effect is to increase costs and thus raise taxes. If interest rates fall below the rate paid on the Public Building Commission's issue, the County could save money by refinancing the entire project. The average interest rate of the Public Building Commission's issue is 8.33 percent. Current general obligation issues average 8.10 percent. (See Attachment 3). However, Shawnee County's bond rating is so strong that we can reasonably expect our interest to be lower than the average. George K. Baum & Company, underwriter for the Public Building Commission's issue, estimates that Shawnee County could obtain an interest rate of 7.83 percent for general obli-

gation bonds. This results in a savings of \$1,479,562 in today's market. (See Attachment 4). CAVEAT: This example is intended only for comparative purposes and does not include the administrative expense of refinancing, or the additional savings from refinancing techniques. Without the refinancing option, the County could pay higher interest on the Public Building Commission's issue than they pay to fund the shortfall. The effect could be to increase taxes unnecessarily.

Due to market fluctuations, it is impossible to pinpoint the prevailing interest rate until the County issues bonds. The County does not wish to foreclose this opportunity to minimize cost. However, the County would agree to use the refinancing option only if it minimizes a tax increase. This would guarantee to you and the taxpayer that the County would build the jail as ordered without unduly inflating taxes.

The Public Building Commission owns the jail facility until the County retires the bonds. As owner, the Public Building Commission must consider requests from other entities who wish to use the facility. This represents a potential loss of control for County Commissioners. Refinancing

the Public Building Commission's issue would give the Commissioners exclusive authority for the jail.

3. Election Requirement. House Bill 2786 does not require an election prior to issuing the bonds. The Board of Shawnee County Commissioners is under Court order to fund the jail (see Attachment 1) regardless of the taxpayer's expense. The Board of Shawnee County Commissioners seeks to comply with the Court's order and minimize taxes.

An election would add at least \$40,000 to the cost of funding the jail. Since the Commissioners have no alternative but to fund it, an election would only increase the total costs. An election also delays the final decision as to which method of financing to use. The Board of Shawnee County Commissioners must provide additional funding before October 1, 1986, as that is when the Public Building Commission funds are exhausted. (See Attachment 3).

4. Similar Requests Granted. In 1982, Geary County requested authority to issue bonds to construct a jail and law enforcement center. The Legislature enacted what became K.S.A. 1985 Supp. 19-15,143 which authorized bonds in excess of the debt limitation.

In 1983, the Legislature enacted K.S.A. 1985 Supp. 19-15,139 authorizing bonds for civic centers in Seward,

Shawnee and Wyandotte counties. Those bonds were also exempted from debt limitations.

These statutes admittedly do not exactly parallel House Bill 2786, but they are indicative of the Legislature's willingness to modify the law to adapt to unique circumstances.

#### IV. FUNDING ALTERNATIVES AVAILABLE.

Any County's liability to fund public buildings is restricted by Kansas statutes. No-fund warrants, private leasing and general obligation bonds are the most viable options available to Shawnee County. Each of these methods is examined separately.

1. No-Fund Warrants. K.S.A. 19-15,116(e) allows the County to issue no-fund warrants in an amount sufficient to fund the shortfall. A weighted average of five Kansas no-fund issues in 1985 indicates a market rate of 8.26 percent. CAVEAT: General market rates were higher at the time of these issues. The County could expect lower rates on its own no-fund warrants in the current market.

If the County utilizes no-fund warrants, they must raise the County's tax rates by 9 to 10 mills in 1987. This represents a County tax increase in excess of 27 percent compared to the 1986 levy. Shawnee County would pay less

interest with no-fund warrants because they must be redeemed from 1987 funds. No-fund warrants depart from customary financing methods and compel an unprecedented tax increase. It also requires the County to "pay cash" for 25 percent of the project, while amortizing the other 75 percent over 26 years.

2. Private Leasing. Private leasing involves securities similiar to other revenue bonds. The County may pledge general fund revenues to retire "participating shares" in the lease. These investors would hold a "second mortgage" on the jail as the Public Building Commission lease requires those bonds to retain priority. A "second mortgage" position adds risk to the investment and drives up the interest rate.

Even if the interest rate were the same as the County's revenue bond rate, there are additional expenses for a private lease. The leasing company has land survey and administrative costs which the County must pay in addition to the cost of selling the securities.

One private leasing company (Security Leasing of Wichita) presented a proposal to the Shawnee County Commissioners on November 26, 1985. (See Attachment 5). Security Leasing's proposal assumes that interest rates and costs are

similar to existing bonds. Even with that assumption, the only way they could decrease total costs was to shorten the repayment period by two years. Their proposal also increases the lease payments by \$148,465 per year for the lease term. Security Leasing's representative admitted that a private lease is more expensive when compared with government revenue bonds. General obligation bonds have even lower rates than revenue bonds. (See Attachments 3 and 4).

3. County General Obligation Bonds. These represent the least expensive securities for the County. General obligation bonds are backed by the general fund revenues of the County. They are stable, safe investments offering a guaranteed return for an extended period. Investors normally demand lower interest rates for these securities. (See Attachment 3).

An examination of past and current interest rates indicates that general obligation bond interest is approximately 1/2 percent less than other revenue bonds. (See Attachment 3). A 1/2 percent interest differential saves Shawnee County \$100,000 in bond payments, the first year. Total savings, in today's market, are estimated at \$1,500,000. (See Attachment 4).

V. CONCLUSION.

House Bill 2786 grants Shawnee County broad discretion in financing the Court-ordered jail. Shawnee County is not adverse to placing reasonable restrictions on this authority, so long as the bill provides enough flexibility that we, as Commissioners, may select the most appropriate means of funding.

We are convinced that the bill, in its present form, provides sufficient authority so that Shawnee County taxpayers will not be forced to accept an unnecessary tax increase.



SLEMONS ASSOCIATES  
ARCHITECTS, P.A.  
SUITE 1515, 1 TOWNSITE PLAZA  
TOPEKA, KS 66603 813/235-9244

# SHAWNEE COUNTY ADULT DETENTION FACILITY

## BID TABULATION FORM

Bids Received  
2:00 P.M.  
June 20, 1985

	B.B. Andersen Construction Co., Inc. Topeka, Kansas	R.D. Andersen, Inc. Topeka, Kansas	Martin K. Eby Construction Co., Inc. Wichita, Kansas	Harrison Construction Co., Inc. Oklahoma City, OK	McCarthy/Tinkum Joint Venture Topeka, Kansas	Universal Construction Co., Inc. Kansas City, Kansas	Architects Estimate
Bid Bond Received	✓	✓	✓	✓	✓	✓	
Addendum's #1, #2 Received	✓	✓	✓	✓	✓	✓	
Base Bid	\$14,177,777	\$14,860,000	14,900,000	16,045,000	14,890,000	19,050,000	13,258,775
Alternate #1 Flexible Sheet Roofing	-40,000	-42,000	-144,700	+129,000	-40,000	-40,000	-6,880
Alternate #2 Emergency Generator System	-86,534	-225,000	-218,000	-132,000	-126,200	-220,000	-440,000
Alternate #3 Snow-Melting System Ground-Level	-27,200	-39,000	-37,000	-28,000	-27,700	-38,000	-31,250
Alternate #4 Pneumatic Tube System	-244,568	-254,000	-285,800	-284,000	-245,500	-43,000	-280,000
Alternate #5 Single-Story Southwest Wing	-789,892	-850,000	-1,390,000	-864,000	-915,200	-1,104,000	-800,000
	12,989,583	13,450,000	12,864,600	14,866,000	13,535,600	17,655,000	11,700,645
BASE MINUS ALT #1, 3 and 4	13,866,009	14,525,000		15,862,000	14,576,800	18,959,000	12,940,645



SLEMMONS ASSOCIATES ARCHITECTS, P.A. //  
1515. 1 Townsite Plaza  
Topeka, Kansas 66603

Shawnee County Adult Detention Facility  
Modified Budget \* August 1, 1985

<u>LINE ITEM</u>	<u>SUGGESTED BUDGET</u>
Acquisition/Relocation	\$ 3,125,628
Architectural/Engineering Fees	970,000
Construction Cost	13,514,509
Fee for Bond Counsel	53,000
Fee for Financial Consultant	45,000
Fee for Trustee	12,000
Furniture/Equipment	725,000
No-Fund Warrant	175,000
Tests and Surveys	23,500
Utility Relocation	75,000
Miscellaneous	80,000
Contingency	<u>278,363</u>
TOTAL	\$ 19,077,000
Original Budget	<u>15,937,000</u>
Shortfall	3,140,000

FILED BY CLERK  
KS DISTRICT COURT  
3RD JUDICIAL DIST.

AUG 9 12 38 PM '85

GENERAL JURISDICTION  
TOPENA KANSAS

"ATTACHMENT 2"

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS  
FIRST DIVISION

WINSLOW BEAVER and  
KENNETH E. GOODMAN,  
Individually and on behalf  
of all others similarly situated,

Plaintiffs,

vs.

VELMA PARIS, TOM HANNA, and  
WINIFRED KINGMAN, Commissioners  
of Shawnee County Kansas; and  
MICHAEL BARBARA, Secretary of  
Corrections, State of Kansas,

Defendants.

JOURNAL ENTRY AND ORDER

NOW, on this 1st day of August, 1985, the above matter comes before the Court for a review and determination of compliance by all parties with the terms and conditions of the Court's Journal Entry and Order of February 27, 1985, the Honorable Robert L. Gernon, presiding. Plaintiffs appear by and through their attorneys, Larry R. Rute and John H. House of Kansas Legal Services, Inc. The Board of County Commissioners of Shawnee County, Kansas appears by James P. Davidson, Shawnee County Counselor, and Joseph W. Zima, Assistant Shawnee County Counselor.

WHEREUPON, the following persons are each called to the stand, and after being duly sworn under oath, give testimony: Tom Hanna, Winifred Kingman, and Velma Paris, Board of County Commissioners, Shawnee County; Robert Slemmon, Project Architects; Jean Schulte, Shawnee County Financial Auditor; Earl Hindman, Administrator, Adult Detention Division, Department of Corrections, Shawnee County; B. B. Anderson and Tom Cook, B. B. Anderson Company.

THE COURT, after having heard all the testimony and the statements of counsel, makes the following findings of fact:

1. That all bids received by Shawnee County on June 20, 1985, exceeded the architect's estimate of \$13,258,775.00 and exceeded the funds left available for construction, out of the Public Building Commission's then standing bonding authority, of \$10,925,072.00.

MICROFILMED  
3rd JUDICIAL DISTRICT

7-20-  
CASE NO. 126,540

2. That counsel for the parties have met and agreed to certain deletions from the design of the jail facility as previously approved by the Court on February 27, 1985. These deletions are recorded in the attached documents identified as Exhibits 1 and 2.

3. That construction of the jail was not begun on or before July 1, 1985, as was ordered by this Court within its approval of the timetables submitted by the Board of County Commissioners in its Compliance Report filed with the Clerk September 2, 1983, and as modified several times thereafter by agreement of all parties and as finally approved by this Court in its Order of February 27, 1985; that this delay has been caused by, at least in part, circumstances beyond the control of the Board of County Commissioners, and for that reason this Court's Order of February 27th is hereby vacated to the extent of its requirement that construction begin on or before July 1, 1985. However, the Court further finds that any further delays beyond this point would be unreasonable and will not be tolerated.

4. That redesign of the jail to come within the current Public Building Commission's construction budget would take an unreasonable length of time. The Court, accordingly, totally rejects any proposal of redesign as being a reasonable alternative.

5. That the time that would be required to "re-spec" and re-bid this project would also be unreasonable. The Court finds that the best public interest would not be served by re-bidding because the testimony was that the bids on re-bid would likely be higher, caused by the fact that construction would commence during probably the worst weather of the year. The Court is convinced that the effect of re-bidding would be that the jail would be more expensive and would likely be less of a building than it would be if we were to go forward at this time.

WHEREFORE, the Court, in order to avoid further delays in the construction of the jail and in order to maximize the use of the remaining construction time this year, will Order that:

1. The Board of County Commissioners of Shawnee County, Kansas make available whatever funds are necessary to fund the construction of this jail after utilization of funds available to the

Topeka Public Building Commission, including any funds raised by the issuance of additional revenue bonds in an amount reasonably calculated to be sufficient to pay the entire cost of this project.

2. The Board of County Commissioners is directed to keep available the money allocated for the lease payment on the jail as contained in the County's proposed 1986 Budget, including the extra \$1 million contingency fund.

3. The Board of County Commissioners is directed to immediately guarantee to the Public Building Commission, by any lawful means available to them, that, should there be any successful protest of the additional bonding authority to be sought by the Public Building Commission, the County will pay to the Public Building Commission, by an increase in one or more lease payments or by a direct lump sum payment, funds sufficient to pay the construction costs of the jail. The exact nature of this guarantee is left to the discretion of the Board of County Commissioners and they may accomplish this guarantee by any budgetary process they may choose to utilize.

4. The Board of County Commissioners is directed to request forthwith that the Topeka Public Building Commission negotiate and award a construction contract for the construction of the jail to whomever it may determine to be the low bidder for an amount not to exceed the negotiated price as may be arrived at between the contractor and the Public Building Commission, and as approved by the project architect.

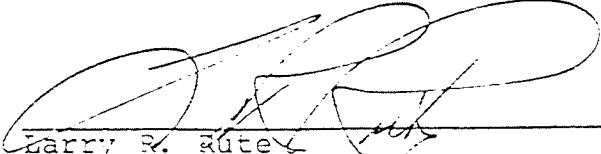
5. The Board of County Commissioners is directed to request forthwith that the Public Building Commission, by resolution, seek to issue an additional amount of revenue bonds in an amount necessary to be sufficient to pay the construction costs of the jail.

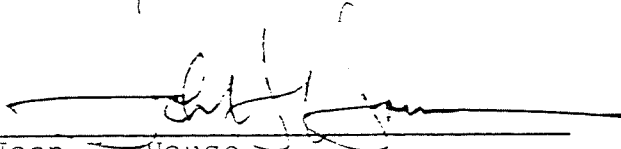
6. The Court further Orders that construction of the jail shall commence no later than September 15, 1985, unless timely application is made to this Court for a continuance and such is approved by this Court. This Court will not consider the mere moving of a construction trailer or a piece of machinery on to the site as commencement of construction.

7. The Court also Orders that a copy of the construction contract and the project architect's order to proceed with the work shall be filed with the Court.

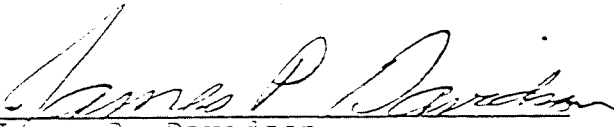
  
\_\_\_\_\_  
Judge of the District Court

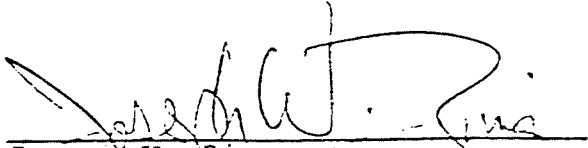
PREPARED AND APPROVED BY:  
FOR THE PLAINTIFFS:

  
\_\_\_\_\_  
Larry R. Rutek  
KANSAS LEGAL SERVICES, INC.  
712 South Kansas Avenue, 2nd Floor  
Topeka, Kansas 66603  
913/233-2068

  
\_\_\_\_\_  
John H. House  
KANSAS LEGAL SERVICES, INC.  
712 South Kansas Avenue, 2nd Floor  
Topeka, Kansas 66603  
913/233-2068

REVIEWED BY:  
FOR THE DEFENDANTS:

  
\_\_\_\_\_  
James P. Davidson  
SHAWNEE COUNTY COUNSELOR  
Shawnee County Courthouse  
Topeka, Kansas 66603  
913/295-4042

  
\_\_\_\_\_  
Joseph W. Zima  
ASSISTANT SHAWNEE COUNTY COUNSELOR  
Shawnee County Courthouse  
Topeka, Kansas 66603  
913/295-4042

SHAWNEE COUNTY ADULT DETENTION FACILITY

Status Report - Negotiations for Construction Contract  
August 1, 1985

Slemmons Associates Architects, PA  
Suite 1515, 1 Townsite Plaza  
Topeka, Kansas 66603

The Proposal of B.B.Andersen Const. Co., Inc., was low on the base bid, and low with Alternates #1, #3 and #4 deducted. Figures shown are from negotiations with that company. Time constraints have not allowed preparation of modification drawings and specifications. Some of the quotations are based on an imprecise understanding of the requirements of the modification. The net figure is an approximation of the amount anticipated as a final proposal.

Bids Received June 20, 1985

Base Bid (B.B.Andersen Const.Co.,Inc.)	\$14,177,777.00
Deduct Alt.#1 (Flexible Sheet Roofing)	(40,000.00)
Deduct Alt.#3 (Snow-Melt'g System - Grd)	(27,200.00)
Deduct Alt.#4 (Pneumatic Tube System)	<u>(244,568.00)</u>
Base Bid less approved Alternates	<u>\$13,866,009.00</u>

NEGOTIATED CHANGES IN REQUIREMENTS:

ITEM 1. Provide standard asphaltic sealants for joints in paving in lieu of sealants specified.	(5,000.00)
ITEM 2. Omit battered field-stone wall, southwest of building, and grade as required for lawn.	(20,000.00)

# RANSON & COMPANY, INC.



WICHITA  
SUITE 610, 120 SOUTH MARKET  
WICHITA, KANSAS 67202  
(316) 262-2651 • (800) 332-0199

TOPEKA  
1035 FIRST NATIONAL BANK TOWER  
TOPEKA, KANSAS 66603  
(913) 233-1173 • (800) 358-3079, EXT. 328

## KEY RATES

	<u>Last Week</u>	<u>Prev. Week</u>	<u>Year Ago</u>
20 G.O. Bond Index	8.10	8.04	9.51
25 Revenue Bond Index	8.54	8.51	9.95
Tax-Exempt Notes	5.25	5.15	4.70
3-Month Treasury Bills	7.10	7.25	7.73
30-Year Treasury Bonds	9.42	9.51	11.57
Aaa Utility Bonds	10.375	10.37	12.38

(Source: Credit Markets - 1/20/86)

PUBLIC BUILDING COMMISSION REVENUE BONDS

DATE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	FISCAL TOTAL
5/ 1/85			673,382.50	673,382.50	
11/ 1/86			673,382.50	673,382.50	1,346,765.00
5/ 1/87			673,382.50	673,382.50	
11/ 1/87			673,382.50	673,382.50	1,346,765.00
5/ 1/88			673,382.50	673,382.50	
11/ 1/88	187,000.00	9.500000	673,382.50	860,382.50	1,533,765.00
5/ 1/89			664,500.00	664,500.00	
11/ 1/89	200,000.00	9.500000	664,500.00	864,500.00	1,529,000.00
5/ 1/90			655,000.00	655,000.00	
11/ 1/90	225,000.00	9.500000	655,000.00	880,000.00	1,535,000.00
5/ 1/91			644,312.50	644,312.50	
11/ 1/91	250,000.00	9.500000	644,312.50	894,312.50	1,538,625.00
5/ 1/92			632,437.50	632,437.50	
11/ 1/92	275,000.00	9.500000	632,437.50	907,437.50	1,539,875.00
5/ 1/93			619,375.00	619,375.00	
11/ 1/93	300,000.00	9.500000	619,375.00	919,375.00	1,538,750.00
5/ 1/94			605,125.00	605,125.00	
11/ 1/94	350,000.00	9.500000	605,125.00	955,125.00	1,560,250.00
5/ 1/95			588,500.00	588,500.00	
11/ 1/95	400,000.00	9.500000	588,500.00	988,500.00	1,577,000.00
5/ 1/96			569,500.00	569,500.00	
11/ 1/96	400,000.00	9.500000	569,500.00	969,500.00	1,579,000.00
5/ 1/97			550,500.00	550,500.00	
11/ 1/97	450,000.00	8.400000	550,500.00	1,000,500.00	1,551,000.00
5/ 1/98			531,600.00	531,600.00	
11/ 1/98	500,000.00	7.900000	531,600.00	1,031,600.00	1,563,200.00
5/ 1/99			511,850.00	511,850.00	
11/ 1/99	525,000.00	8.000000	511,850.00	1,036,850.00	1,548,700.00
5/ 1/ 0			490,850.00	490,850.00	
11/ 1/ 0	575,000.00	8.100000	490,850.00	1,065,850.00	1,556,700.00
5/ 1/ 1			467,562.50	467,562.50	
11/ 1/ 1	625,000.00	8.200000	467,562.50	1,092,562.50	1,560,125.00
5/ 1/ 2			441,937.50	441,937.50	
11/ 1/ 2	675,000.00	8.250000	441,937.50	1,116,937.50	1,558,875.00
5/ 1/ 3			414,093.75	414,093.75	
11/ 1/ 3	750,000.00	8.300000	414,093.75	1,164,093.75	1,578,187.50
5/ 1/ 4			382,968.75	382,968.75	
11/ 1/ 4	825,000.00	8.300000	382,968.75	1,207,968.75	1,590,937.50
5/ 1/ 5			348,731.25	348,731.25	
11/ 1/ 5	900,000.00	8.400000	348,731.25	1,248,731.25	1,597,462.50
5/ 1/ 6			310,931.25	310,931.25	
11/ 1/ 6	975,000.00	8.400000	310,931.25	1,285,931.25	1,596,862.50
5/ 1/ 7			269,981.25	269,981.25	
11/ 1/ 7	1,075,000.00	8.400000	269,981.25	1,344,981.25	1,614,962.50
5/ 1/ 8			224,831.25	224,831.25	
11/ 1/ 8	1,175,000.00	8.400000	224,831.25	1,399,831.25	1,624,662.50
5/ 1/ 9			175,481.25	175,481.25	
11/ 1/ 9	1,300,000.00	8.400000	175,481.25	1,475,481.25	1,650,962.50
5/ 1/10			120,881.25	120,881.25	
11/ 1/10	1,425,000.00	8.400000	120,881.25	1,545,881.25	1,666,762.50
5/ 1/11			61,031.25	61,031.25	
11/ 1/11	1,575,000.00	7.750000	61,031.25	1,636,031.25	1,697,062.50
ACCRUED	15,937,000.00		24,604,257.50	40,541,257.50	
	15,937,000.00		24,604,257.50	40,541,257.50	

DATED 11/ 1/85 WITH DELIVERY OF 11/ 1/85  
 BOND YEARS 295,311.000  
 AVERAGE COUPON 8.332  
 AVERAGE LIFE 18.530  
 N I C % 8.331643 % USING 100.0000000



SHAWNEE COUNTY, KANSAS, GENERAL OBLIGATION BONDS

DATE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	FISCAL TOTAL
5/ 1/85			611,807.50	611,807.50	
11/ 1/85			611,807.50	611,807.50	1,223,615.00
5/ 1/87			611,807.50	611,807.50	
11/ 1/87			611,807.50	611,807.50	1,223,615.00
5/ 1/88			611,807.50	611,807.50	
11/ 1/88	187,000.00	5.750000	611,807.50	798,807.50	1,410,615.00
5/ 1/89			606,431.25	606,431.25	
11/ 1/89	200,000.00	6.000000	606,431.25	806,431.25	1,412,862.50
5/ 1/90			600,431.25	600,431.25	
11/ 1/90	225,000.00	6.250000	600,431.25	825,431.25	1,425,862.50
5/ 1/91			593,400.00	593,400.00	
11/ 1/91	250,000.00	6.500000	593,400.00	843,400.00	1,436,800.00
5/ 1/92			585,275.00	585,275.00	
11/ 1/92	275,000.00	6.700000	585,275.00	860,275.00	1,445,550.00
5/ 1/93			576,062.50	576,062.50	
11/ 1/93	300,000.00	6.900000	576,062.50	876,062.50	1,452,125.00
5/ 1/94			565,712.50	565,712.50	
11/ 1/94	350,000.00	7.000000	565,712.50	915,712.50	1,481,425.00
5/ 1/95			553,462.50	553,462.50	
11/ 1/95	400,000.00	7.100000	553,462.50	953,462.50	1,506,925.00
5/ 1/96			539,262.50	539,262.50	
11/ 1/96	400,000.00	7.200000	539,262.50	939,262.50	1,478,525.00
5/ 1/97			524,862.50	524,862.50	
11/ 1/97	450,000.00	7.300000	524,862.50	974,862.50	1,499,725.00
5/ 1/98			508,437.50	508,437.50	
11/ 1/98	500,000.00	7.400000	508,437.50	1,008,437.50	1,516,875.00
5/ 1/99			489,937.50	489,937.50	
11/ 1/99	525,000.00	7.500000	489,937.50	1,014,937.50	1,504,875.00
5/ 1/ 0			470,250.00	470,250.00	
11/ 1/ 0	575,000.00	7.600000	470,250.00	1,045,250.00	1,515,500.00
5/ 1/ 1			448,400.00	448,400.00	
11/ 1/ 1	625,000.00	7.700000	448,400.00	1,073,400.00	1,521,800.00
5/ 1/ 2			424,337.50	424,337.50	
11/ 1/ 2	675,000.00	7.750000	424,337.50	1,099,337.50	1,523,675.00
5/ 1/ 3			398,181.25	398,181.25	
11/ 1/ 3	750,000.00	7.800000	398,181.25	1,148,181.25	1,546,362.50
5/ 1/ 4			368,931.25	368,931.25	
11/ 1/ 4	825,000.00	7.850000	368,931.25	1,193,931.25	1,562,862.50
5/ 1/ 5			336,550.00	336,550.00	
11/ 1/ 5	900,000.00	7.900000	336,550.00	1,236,550.00	1,573,100.00
5/ 1/ 6			301,000.00	301,000.00	
11/ 1/ 6	975,000.00	8.000000	301,000.00	1,276,000.00	1,577,000.00
5/ 1/ 7			262,000.00	262,000.00	
11/ 1/ 7	1,075,000.00	8.000000	262,000.00	1,337,000.00	1,599,000.00
5/ 1/ 8			219,000.00	219,000.00	
11/ 1/ 8	1,175,000.00	8.000000	219,000.00	1,394,000.00	1,613,000.00
5/ 1/ 9			172,000.00	172,000.00	
11/ 1/ 9	1,300,000.00	8.000000	172,000.00	1,472,000.00	1,644,000.00
5/ 1/10			120,000.00	120,000.00	
11/ 1/10	1,425,000.00	8.000000	120,000.00	1,545,000.00	1,665,000.00
5/ 1/11			63,000.00	63,000.00	
11/ 1/11	1,575,000.00	8.000000	63,000.00	1,638,000.00	1,701,000.00
	15,937,000.00		23,124,695.00	39,061,695.00	
ACCRUED	15,937,000.00		23,124,695.00	39,061,695.00	
	=====		=====	=====	

DATED 11/ 1/85 WITH DELIVERY OF 11/ 1/85  
 BOND YEARS 295,311.000  
 AVERAGE COUPON 7.831  
 AVERAGE LIFE 18.530  
 N I C % 7.830624 % USING 100.0000000

C O M P A R I S O N

Bonds vs. Lease/Purchase  
for

Shawnee County, Kansas

November 26, 1985

	<u>Principal</u>	<u>Term</u>	<u>Average Annual Payment</u>	<u>Total Cost</u>
Existing Bonds	\$15,937,000	26 yrs.	\$1,559,462	\$40,546,000
New Bonds*	<u>4,000,000</u>	26 yrs.	<u>380,115</u>	<u>9,883,000</u>
Total	19,937,000		1,939,577	50,429,000
Lease/Purchase**	20,000,000	24 yrs.	2,088,042***	50,113,000***

\*Estimated based upon interest rates and costs similar to existing bonds.

\*\*Subject to the availability of Lease Insurance and the sale of  
Certificates of Participation on a best efforts basis.

\*\*\*Net amount after application of reserve fund earnings to principal  
and interest.

MEMORANDUM

February 11, 1986

TO: House Local Government Chairmen  
FROM: Kansas Legislative Research Department  
RE: H.B. 2786

H.B. 2786 authorizes Shawnee County to issue not to exceed \$20 million in general obligation bonds outside bonded debt limits for county jail purposes. The bill authorizes the county to cancel any lease agreement entered into with the Topeka Public Building Commission relative to the jail.

ATTACHMENT XI

2/11/86  
Hs. Local Gov.