

MINUTES OF THE SENATE ELECTIONS AND LOCAL GOVERNMENT COMMITTEE.

The meeting was called to order by Chairperson Barbara P. Allen at 1:30 p.m. on February 14, 2001 in Room 245-N of the Capitol.

All members were present except:

Committee staff present: Mike Heim, Kansas Legislative Research Department  
Dennis Hodgins, Kansas Legislative Research Department  
Ken Wilke, Office of the Revisor of Statutes  
Nancy Kirkwood, Committee Secretary

Conferees appearing before the committee: Brad Bryant, Deputy Assistant Secretary of State  
Trent LeDoux, Chairman, 2<sup>nd</sup> District Republican Party  
Jack & Pat Ranson, Wichita  
Woody Moses, Kansas Aggregate Producers  
Michael Lutz, President of Ashgrove Aggregates  
Gary Cullore, Landowner in Bourbon County, Kansas  
Bob Totten, Kansas Contractors Association  
Warren Harshman, Harshman Construction L.L.C.  
Randy Allen, Executive Director, Kansas Association of Counties

Others attending: See attached list.

**Hearing on: SB 218 - elections; counting of provisional ballots**

Dennis Hodgins, Kansas Legislative Research Department, reviewed **SB 218** for the committee. This bill is regarding contested elections. If one county counted provisional ballots and the other county didn't this bill would mandate County Board of Canvassers, after opening the ballots to determine which ballots in the final canvas of the election returns.

Brad Bryant, Deputy Assistant Secretary of State, testified in support of **SB 218** being a clarification of the sequence of events prescribed in law for the processing of provisional ballots (Attachment 1).

**Hearing on: SB 192 - campaign finance; defining party committee to include congressional district party committees**

Dennis Hodgins, Kansas Legislative Research Department, briefed the committee on **SB 192**; currently congressional district party committees are treated as PACS and this bill would take them out from under PAC designation and designate as party committee.

Trent LeDoux, Chairman, 2<sup>nd</sup> District Republican Party, testified in support of **SB 192**, which would add congressional district party committees to the list of other party committees as defined in current law. Trent offered an amendment to the bill "page 3, line 39, after the word "committee" to add "per congressional district" (Attachment 2).

Written testimony from Jack and Pat Ranson, Wichita, Kansas, was offered as testimony in support of **SB 192** (Attachment 3).

Carol Williams, Executive Director, Governmental Ethics Commission presented testimony stating the Commission does not take a position on **SB 192** (Attachment 4).

There being no others wishing to testify on **SB 192**, the hearing was closed.

CONTINUATION SHEET

February 14, 2001

**Hearing on: SB 210 - counties; requirements on purchases of goods or services in amounts exceeding \$100,000**

Mike Heim, Kansas Legislative Research Department, gave an overview of **SB 210** to the committee.

Woody Moses, Kansas Aggregate Producers' Association, testified before the committee in support of **SB 210** stating the purpose of **SB 210** is to provide a clear line of distinction between those areas of services that local government should be allowed to enter into and those areas that government should not enter (**Attachment 5**).

Mike Lutz, President of Ash Grove Aggregates, testified in support of **SB 210** (**Attachment 6**).

Testimony in support of **SB 210** was given by Gary Cullor, owner and resident from Bourbon County, Kansas (**Attachment 7**).

Bob Totten, Kansas Contractors Association, testified in support of **SB 210**, specifically, our association believes this measure is good public policy in that it requires a public hearing when a county considers spending over \$100,000 (**Attachment 8**).

Warren Harshman, Harshman Construction LLC, sent written testimony in support of **SB 210** (**Attachment 9**).

Randy Allen, Executive Director, Kansas Association of Counties testified in opposition of **SB 210**. Randy stated the bill would uniformly impose on all counties requirements which superfluous and unnecessary when existing safeguards are in place to protect the public's interest (**Attachment 10**).

There being no others wishing to testify on **SB 210** the hearing was closed.

The meeting adjourned at 2:30 p.m.

The next meeting is scheduled for February 15, 2001.

**SENATE  
ELECTIONS AND LOCAL GOVERNMENT  
GUEST LIST**

Date Feb 14

Randy Allen	Kansas Association of Counties
Erath Hummel	Kansas Aggregate Producers' Assn
MIKE LUTZ	ASH GRAVE AGGREGATES
Tom DeGonia	Johnson County Aggregates
Brad Bryant	Sec. of State
Jackie Miller	Assoc. General Contr. of KS
Trent LeBoeuf	2nd Dist Republican Party
Bob Totten	KS Contractors Association
John Pinegar	Kansas Legislative Policy Group
Hera Gannaway	GBC
Ed Williams	GBC
Bruce Dimmitt	Independent
Chris Wilson	KGC

RON THORNBURGH  
Secretary of State



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## STATE OF KANSAS

### Senate Committee on Elections and Local Government

#### Testimony on Senate Bill 218

Brad Bryant, Deputy Assistant Secretary of State  
Elections and Legislative Matters

February 14, 2001

Madam Chairman and Members of the Committee:

Thank you for the opportunity to testify before the committee in support of Senate Bill 218. This is a bill proposed by the Secretary of State to recommend changes to address one of the concerns raised by Mr. Ed Bideau in his January 10, 2001 letter. As stated by Mr. Bideau, the election contest in the 8th District of the Kansas House of Representatives race pointed out some differences in the ways various counties process their provisional ballots. SB 218 would clarify that process.

This bill specifies that provisional ballots should not be opened before the county canvass on the Friday after the election, and at that time the county board of canvassers should review the sealed provisional ballots, determine which of them are valid, and count only those which are valid. This bill leaves with the county canvassers the authority to determine which provisional ballots are valid, which is appropriate and consistent with current law.

Simply put, this legislation clarifies the sequence of events prescribed in law for the processing of provisional ballots. We thank Mr. Bideau for raising the issue, and we appreciate this committee's willingness to consider reforms to address his concerns.

SB 218 will improve the canvassing process and promote uniformity among the counties in the way they handle provisional ballots. We recommend the committee pass the bill favorably.

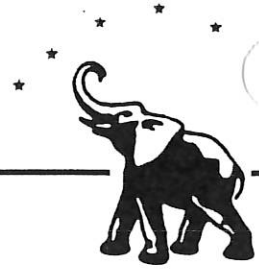
Thank you.

Senate Elec & Loc. Gov  
2-14-01  
Attachment 1



# 2<sup>na</sup> District Republican Party

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CHAIRMAN  
Trent LeDoux  
Jackson County

VICE CHAIR  
Marjorie Ensminger  
Allen County

SECRETARY  
Bette Lessen  
Crawford County

TREASURER  
Morey Sullivan  
Shawnee County

Testimony on Senate Bill 192  
Senate Elections and Local Government Committee  
February 14, 2001

Submitted by, Trent LeDoux

Chairman Allen and members of the committee:

Thank you for the opportunity to offer testimony in support of SB 192. In short, this bill seeks to add congressional district party committees to the list of other party committees as defined in current law.

Presently, the statute defines party committees as the following:

- A. State Committee of a political party
- B. County central committee
- C. Bona fide national organization or committee of a political party
- D. Not more than one political committee established by the state committee and designated as a recognized political committee for the each the senate and the house of representatives

Oddly enough, there is no mention of the congressional district party committee in this group. The party system begins at the county level and continues to the congressional district committee and then the state committee. The national committees equate to the highest level in this hierarchy. The omission of congressional district committees needs to be addresses, in my opinion.

Additionally, I would like to request an amendment to the bill on page 3, line 39, after the word "committee" to add *per congressional district* and continue the sentence as drafted. The purpose for this amendment is simple - there is a congressional district committee in each congressional district.

I hope that you will adopt this bill and add the congressional district committee to the list of party committees in the law. I believe that this is a non-controversial issue and would hope you can agree.

Jack & Pat Ranson  
3031 Benjamin Court  
Wichita, KS 67204

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Senator Barbara Allen  
State Capitol, Room 120-S  
Topeka, KS 66612

February 12, 2001

Dear Barbara,

We write in support of S.B. 192 which will give party district committees the same legal status as county central committees, state committees, ect..

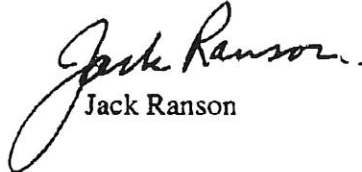
We have been active in the Republican Party for many years and feel it is the right thing to do.

Thank you for your consideration of this matter.

Sincerely,



Pat Ranson



Jack Ranson

Senate Elec + Loc Gov  
2-14-01

Attachment 3



**GOVERNMENTAL ETHICS COMMISSION**  
Testimony before Senate Committee on Elections and Local Government  
on Senate Bill 192

**By Carol Williams, Executive Director**

The Governmental Ethics Commission does not take a position on Senate Bill 192. I stand before you today to provide background information for your consideration when you work this bill.

Senate Bill 192 amends K.S.A. 25-4148, which is a provision of the Campaign Finance Act. Under current law, the definition of a party committee does not include congressional district party committees. Congressional district committees have been considered political committees. The distinguishing characteristics between a party committee and a political committee lie in the limitation on contributions received and expenditures made by each of these types of committees. A political committee is not limited by the dollar amount of contributions that can be made to the political committee. The political committee is limited, though, on how much it can contribute to a candidate for state or local office. A party committee, on the other hand, is subject to limitations on the dollar amount that it can receive from a contributor. A party committee does not, however, have a dollar limitation on the amount it contributes to a state or local candidate in any uncontested primary or in the general election.

Senate Bill 192 would define a congressional district committee as a party committee.

Senate Elec + Loc Gov  
2-14-01  
Attachment 4

# KAPA

Kansas Aggregate  
Producers' Association

Edward R. Moses  
Managing Director

**Testimony before the Senate Elections & Local Government Committee  
Regarding Senate Bill 210  
Kansas Aggregate Producers' Association - February 14, 2001**

Good Afternoon Madam Chair and Members of the Committee:

My name is Edward R. (Woody) Moses, Managing Director of the Kansas Aggregate Producers' Association. The Kansas Aggregate Producers' Association (KAPA) is an industry wide trade association comprised of over 250 members located in all 165 legislative districts in this state, providing basic building materials to all Kansans.

I am here today with members of my industry to provide you with our comments in support of SB 210, a bill introduced at our request. Our support of SB 210 is rooted in the very basic Jeffersonian philosophy of limited government which states "that which governs the least governs best." In other words, government should only perform those services that are not normally or customarily provided in the private sector.

In Kansas, especially since the passage of Home Rule, this philosophy has become clouded. The purpose of SB 210 is to provide a clear line of distinction between those areas of services that local government should be allowed to enter into and those that are not. SB 210 essentially would require a public hearing by counties prior to such county actually entering into the provision of a private sector service that would in effect hurt or economically injure a county resident or taxpayer. We believe that passage of SB 210 is necessary as our industry has been negatively affected by an increasing trend among government, especially county government, to assume that they can automatically provide services to the public cheaper than a private contractor or service provider can in the competitive marketplace.

Here with me today is Mr. Mike Lutz, president of Ash Grove Aggregates and Mr. Gary Cullor, a landowner from Ft. Scott, Kansas who will present to you information regarding the recent establishment of a county owned rock crushing operation in Bourbon County and the effect it has had on them.

For several years, the Kansas Aggregates Producers' Association has always understood and not objected to counties or cities purchasing equipment for the purpose of producing materials for their own use. This is sometimes necessary, as the private market does not always provide these services. However, with the passage and implementation of "County Home Rule", there has been a gradual trend, which now appears to be accelerating, whereby counties have been purchasing equipment and producing goods and services far in excess of their own needs. Thus obligating taxpayers to the unnecessary fixed costs associated with excess capacity and hurting private sector producers by flooding the market with unneeded inventory. We respectfully suggest this is not the appropriate role of government.

This especially seems to be true among counties, ironically that have the smallest markets available to them. In other words, this trend has not developed in counties that possess sophisticated financial analytical skills such as Johnson, Wyandotte, Sedgwick, Shawnee, Douglas, and others. Despite having a higher demand for building materials these counties have been unable in their analysis to come to the conclusion that they can produce rock more economically than the private sector. And, consequently for years have opted to purchase on the competitive market as opposed to trying to produce rock.

In closing, I urge the committee to carefully consider the merits of this bill, the related issues and to develop a strong policy statement with respect to counties entering the private sector. Passage of SB 210 will say to counties "Yes, you can enter the private sector, but only after you have fully considered the impacts of doing so". Your favorable consideration and action on SB 210 will be appreciated. Thank you.

Senate Elec + Loc Gov  
2-14-01  
Attachment 5



Planning Committee Meeting 10/13/99 - A Survey

(This opinion survey has been developed by the Bourbon County Strategic Planning Committee)

**Bourbon County Personal Opinion Survey**

10/13/99  
OM @ University

Please put a check or "X" in the column for your response beside each question

Combined Tally - 409 surveys returned	Agree	Disagree	No Opinion
1. Asphalt roads in the county are well maintained.	28%	56%	13%
2. Bourbon County should have a professional administrator to manage day-to-day operations.	34%	47%	17%
3. The County Road & Bridge Department operates efficiently.	28%	36%	32%
4. Bourbon County should be zoned for land use.	39%	34%	21%
5. The county should play a role in economic development.	80%	8%	9%
6. The county has a serious flood problem in many places.	87%	9%	3%
7. Ft. Scott and Bourbon County governments should be consolidated with an administrator and volunteer commissioners.	30%	56%	11%
8. The County should only offer incentives for job opportunities that pay more than minimum wage.	58%	29%	16%
9. Brush control along county roads is a problem.	77%	11%	11%
10. The Road & Bridge Department could operate better from a central location.	36%	21%	39%
11. The county should operate its own quarry to save money on rock and asphalt.	51%	29%	18%
12. The Board of County Commissioners should be five or more persons instead of three.	44%	42%	13%
13. County employees are responsive to the needs of our citizens.	46%	26%	26%
14. The Sheriff's Department should have a greater presence in the rural areas of the County.	75%	9%	15%
15. Gravel roads should be graded as needed instead of on a set schedule.	72%	20%	7%
16. The County spends our tax dollars efficiently.	26%	45%	25%
17. Bourbon County has adequate rural water services.	58%	15%	24%
18. Property tax breaks should be given to new businesses.	42%	45%	10%
19. The County judicial system should have additional funding for stricter law enforcement.	57%	26%	14%
20. Bourbon County has a good solid waste program.	43%	22%	32%
21. Our County Commissioners listen to the citizens.	43%	33%	22%
22. The rural fire districts provide adequate fire protection.	68%	10%	20%
23. Gravel road maintenance in the county is adequate.	31%	53%	15%



(This opinion survey has been developed by the Bourbon County Strategic Planning Committee)

	Agree	Disagree	No Opinion
24. Small cities in the county need a way to enforce local codes through the judicial system.	69%	10%	18%
25. Bourbon County is a good place to live.	83%	8%	6%
26. Investigate the consolidation of Ft. Scott and Bourbon County services.	48%	39%	10%
27. County Commissioners should be elected at large instead of by district.	29%	58%	12%
28. The County Commission should meet once a week with a pre-published agenda.	69%	16%	14%
29. Bourbon County has a good recycling program.	48%	23%	25%
30. The county rural fire districts should be consolidated.	24%	37%	34%
Kansas law (K.S.A. 12-3901) allows for the elected offices of register of deeds, county treasurer, and county clerk to be consolidated into one or more non-elected offices. If this were done, the county commission would use a selection process to hire the individual(s) to fill the position(s). Do you think that Bourbon County should make use of this law to:			
31. Consolidate all three offices.	26%	49%	16%
32. Consolidate just the register of deeds and treasurer.	5%	57%	17%
33. Consolidate just the register of deeds and clerk.	8%	54%	17%
34. Consolidate just the treasurer and clerk.	7%	54%	17%
35. Leave the offices just the way they are.	55%	20%	12%
The cost of providing the same level of county government services continues to increase. County commissioners are faced with increasing taxes or reducing services. What do you think they should do?			
36. The level of services should be reduced to keep taxes from going up.	24%	55%	10%
37. Cost increases should be paid by increasing property taxes.	10%	76%	3%
38. A sales tax should be passed to cover general costs.	55%	33%	4%
39. A sales tax should be passed for judicial system costs only.	14%	62%	14%
40. A sales tax should be passed to reduce property taxes.	55%	28%	7%
41. A sales tax should be passed to fund the road and bridge department.	30%	45%	14%

For the questions below, please check the response that most appropriately describes you:

a. Your gender: 44% Female 52% Male

b. Age: 5% 18-29 10% 30-39 18% 40-49 27% 50-64 29% 65-79 10% 80+

c. Length of residence in Bourbon County: 84% 10+ Years d. Property owner: 85% Yes 8% No

e. Do you live in: 47% Ft. Scott 7% Another town 43% Rural area

h. Do you have any additional comments? Please write them below or on the back of this page. Thank you for your time.

# ASH GROVE AGGREGATES, INC.



HIGHWAY 52 WEST, P.O. BOX 70  
BUTLER, MISSOURI 64730  
PHONE 660-679-4128

## TESTIMONY

Before: The Senate Elections & Local Government Committee

By: Mike Lutz, President, Ash Grove Aggregates

Regarding: Senate Bill No. 210

Good Afternoon Madam Chair and Members of the Committee:

My name is Mike Lutz, President of Ash Grove Aggregates. I thank you for the opportunity to appear before you today with our comments in support of Senate Bill #210. Ash Grove's history, spanning over 116 years, includes a strong presence in Kansas with our corporate headquarters in Overland Park and cement plant in Chanute; and my particular company Ash Grove Aggregates operates 18 quarries in Eastern Kansas and Western Missouri. In the course of our operations, we employ over 50 people and produce over 2 million tons of rock per year in Kansas, providing an affordable and reliable source of road and paving materials for counties, cities, townships, and our state government. We have done this for many decades and we would like to do this for many more.

However the ever increasing intrusion of government into our business has now grown to a point that our future and that of our employees is threatened with permanent damage if not outright extinction. A good example of this can be found in our recent experience with Bourbon County.

Up until 1999, Ash Grove Aggregates, along with Hunt Midwest Mining and Nelson Quarries, had been routinely and competitively supplying the Bourbon County Road Department with crushed aggregate products in the amount of 50,000 - 60,000 tons annually. In 1999, the Bourbon County Commission, in an attempt to reduce their road rock expense, purchased \$2.2 million worth of rock crushing and asphalt equipment and financed it over a 10-year period through a lease/purchase agreement. This equipment has 175,000 tons of rock crushing capability per year, or in essence, almost 3 times what Bourbon County has ever actually used in the past.

Prior to 1999 the county was spending approximately \$266,500 (65,000 x \$4.10 per ton) on road rock. As a result of obligating themselves to a lease/purchase of the equipment the county now spends \$290,000 plus labor and other costs, or \$4.46 + per ton to produce the same rock. Yet when justifying their actions to the public the commission divides their cost by the capacity of 175,000 tons per year, not actual production. In the private sector, this does not add up. In addition to this, three quarries have been idled in Bourbon County. Surrounding cities and townships have been forced to pay higher prices for rock through higher haulage prices and higher unit costs due to lower demand.

Senate Elec + Loc Gov  
2-14-01  
Attachment 6

## Continued

As a result of the Bourbon County decision to purchase equipment, every man, woman, and child in the county were obligated to \$2,900,000 worth of **debt** and 3 quarries were idled, all so the county could raise its mill levy in order to pay more for rock not less. Frankly, we do not think this makes good sense. And that is why we appear before you today in support of SB 210.

Senate Bill 210 is a measure designed to bring more sanity to the process of county purchasing especially when those purchases result in a substantial obligation being passed on to the taxpayers and residents of that county. SB 210 would simply require a county to notify affected parties and hold a **public hearing** to weigh the merits of such a proposal prior to adoption. A process, similar in nature to the one in use here today before this committee.

On November 22, 1999 the Bourbon County Commission spent almost one years budget on rock crushing and asphalt equipment. Prior to that action no rock producers were contacted, no property (royalty) owners were contacted, no notice of public sale of bonds was issued (in fact only one bank was allowed to submit a proposal), no public agenda was posted. No one was allowed to come before the commission and voice their concerns on the proposal. As a matter of fact, most Bourbon County residents and taxpayers were unaware of this decision until it was published in the Fort Scott Tribune on December 3, 1999. Your positive action on SB 210 will aid in preventing such abuses of power from occurring in the future. Thank for you for your time and consideration.



# Gary Cullor

Ironwood Road, Ft. Scott, KS 66701 Phone: (316) 223-4441 Fax: (316) 223-4255

## Testimony before the Senate Elections & Local Government Committee Regarding Senate Bill 210 - February 14, 2001 by Gary Cullor

Good Afternoon Madam Chair and Members of the Committee:

My name is Gary Cullor, and I am a property owner and resident from Bourbon County, Kansas. My family has been living and working in Bourbon County since the 1940's. In addition to other business interests I own and lease three quarries in Bourbon County. I am happy to appear before you today in support of SB 210, a measure that, if adopted, should bring a greater level of light to local government proceedings.

Currently, the capability of counties to obligate their taxpayers with little or no consideration for the expenses involved or parties affected is lamentable. For example, I cite the recent action taken in Bourbon County where its citizens were obligated to \$2.9 million in debt over the next ten years in order to finance and conduct a rock crushing and asphalt production operation. This was done under our current laws without the benefit of a public hearing or the completion of a professionally rendered cost-benefit analysis to determine if Bourbon County taxpayers would actually save money. In many ways a county's ability to obligate their citizens to higher mill levies is even easier than this legislature's. Especially, since they are not required to publish agendas or keep minutes of meetings. At least in this arena, affected parties have the ability to present our viewpoint, to you, through testimony and receive the benefit of public debate prior to action being taken.

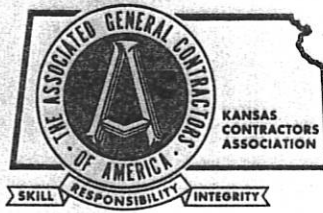
Due to the Bourbon County action, I have suffered a loss of royalty revenue from quarries that I own and lease. As a result, I, a county taxpayer and resident, have been forced by my own county to take less money yet at the same time I have not received a comparative reduction in my property taxes. As a matter of fact, my property taxes have gone up. This is a consequence of screwy math that was used to forecast the **potential** savings to Bourbon County by entering the rock crushing business. I do not understand why any county, or private entity for that matter, consuming only 60,000 - 80,000 tons of rock per year, can afford or need a crushing operation three times the size of the annual rock used. As far as I know, I am unaware of any plans to expand our road program in Bourbon County and I know, for sure, there are no new roads being built.

As both a citizen and a taxpayer, I would like to see that these types of suspicious activities do not occur in the future. Toward that end I appear before you today in support of SB 210, a measure that would require a proposal of this or similar magnitude be considered by public hearing prior to its implementation. I urge all of you to support this measure. I will be happy to respond to any questions you may have at this time. Thank you for your time and consideration.

Senate Elec & Loc. Gov  
2-14-01  
Attachment 7



# THE KANSAS CONTRACTORS ASSOCIATION, INC.



## OFFICERS

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Wichita, Kansas

DICK KISTNER, Vice President  
Marysville, Kansas

JOHN WALTERS, Treasurer  
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## STAFF

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BOB TOTTEN, Public Affairs Director  
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Kansas City, Kansas

DAVID WITTEWIER  
Wichita, Kansas

## Testimony

By the Kansas Contractors Association before the Senate Local

Government and Elections Committee regarding County Contracts---S 210

February 14, 2001

Madame Chairman and members of the Senate Elections and Local Government Committee, I am Bob Totten, Public Affairs Director for the Kansas Contractors Association. Our organization represents over 400 companies who are involved in the construction of highways and water treatment facilities in Kansas and the Midwest.

Today, I want to voice our support for Senate Bill 210. Specifically, our association believes this measure is good public policy in that it requires a public hearing when a county considers spending over \$100,000.

Contracts for large sums of money do impact the public and could cause indirectly taxes to be increased. Although information about a county's business is most likely available through the minutes of a county commission meeting, the requirement to hold a public hearing would give added safety to our citizens so they could get a chance to review how our government plans to spend its money.

Senate Elec + Loc. Gov  
2-14-01

Attachment 8

We believe the taxpaying public has the right to have its funds spent in the most efficient economical manner possible. When the county's business is not highlighted, it just adds to the public's fear that some thing is done behind their back.

I have heard time after time from members of our industry who are dismayed that a county has bought another piece of large construction machinery...machinery they believe is unnecessary especially when it is machinery that duplicates what is already available in the private sector.

When government gets into the business of buying heavy equipment to use on their own road projects, our industry becomes upset since it is another intrusion of the government getting into our business.

Our organization believes the first tenet of county procurement must be the reliance on free and open competition. We believe construction contracts should be let on an open competitive bid basis, with awards being made to the lowest responsible bidder.

When counties spend money on large equipment it is the precursor to counties doing construction work with their own forces...a policy we believe is not cost effective and not in the state's best interest.

The measure before you will still allow counties to purchase large construction equipment to do what they want with it however it will allow the citizens of those counties to have the opportunity to know fully what their money is spent on and whether it is a good idea.

I will stand for questions.

**HARSHMAN CONSTRUCTION L. L. C.**  
**RR1 Box 21A**  
**Cedar Point, KS 66843**

**MEMO**

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**DATE:** February 14, 2001  
**TO:** Senate Committee on Election and Local Government  
**FROM:** Warren Harshman  
**SUBJECT:** SB 210

We began supplying rock products to Greenwood County in 1982. After approximately 6 years of supplying all of their aggregate needs, a commissioner was elected to a 4-year term that was determined that the county could produce their own crushed rock at a greatly reduced cost. He stated that they already had the loaders, trucks and employees so their production cost would be minimal. By the end of this commissioner's term, the county road and bridge department was out of money, out of rock and out of roads. At that time, we began producing rock for Greenwood County again, and have ever since.

We believe passage of SB 210 would serve to prevent the situation that I have described above from happening again. Generally, the private sector is where the needs of both taxpayers and citizens can be more economically met.

Sincerely



Warren Harshman  
Harshman Construction L.L.C.

wh:lh

Senate Elec + Loc. Gov  
2-14-01  
Attachment 9



**KANSAS**  
ASSOCIATION OF  
**COUNTIES**

**TESTIMONY**  
concerning Senate Bill No. 210  
**re. County Purchasing Procedures**

Presented by Randy Allen, Executive Director  
Kansas Association of Counties  
February 14, 2001

Madam Chairperson and members of the committee, my name is Randy Allen, Executive Director of the Kansas Association of Counties. I am here today to express strong opposition to Senate Bill No. 210, which imposes a series of additional requirements on counties purchasing goods and services in an aggregate amount over \$100,000.

Specifically, the bill would require 1) a public hearing of the board of county commissioners prior to awarding any contract or any lease-purchase agreement in excess of \$100,000 "for the purposes of considering the merits of the proposed expenditure"; 2) notice of such hearing; 3) notification by mail to "any county resident or taxpayer customarily providing goods or services"; and 4) an "independent professional cost benefit analysis prepared on the proposed expenditure".

The bill would uniformly impose on all counties requirements which are superfluous and unnecessary when existing safeguards are in place to protect the public's interest. For example:

- the Kansas Budget Law (K.S.A. 79-2929) requires county governing bodies to hold a public hearing on their proposed annual budget (from which such expenditures referenced in SB 210 would be financed), and notice of such hearing is published in advance in a weekly or daily newspaper of the county having general circulation therein. The optimal time for the public to question the expenditure of public monies is prior to the adoption of the annual budget, and not immediately prior to the purchasing process for any single set of goods or services.
  
- K.S.A. 10-1116c (a section of the Kansas Cash Basis Law) provides that if a proposed lease-purchase agreement involves the acquisition of land or buildings, is for a term exceeding the current fiscal year of the county and provides for annual payments which in the aggregate exceed \$100,000, the county board must adopt a resolution specifying its intent to enter into a lease-purchase agreement, the purpose of the agreement, and the total of all payments to be made pursuant to the agreement. The resolution must be published two times for two consecutive

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weeks in a newspaper of general circulation. If, within 30 days after the last publication, a petition opposed to the agreement signed by 5% of the qualified voters in opposition to the agreement is filed, the agreement cannot take effect without the voters approving the agreement. Lease-purchase agreements are often used by municipalities to finance both real and personal property acquisitions. K.S.A. 10-1119 affords protection to the public for lease-purchase agreements through the public notification requirements just like various bond laws provide advanced public notice requirements.

SB 210 would also require counties to have prepared an "independent professional cost benefit analysis" prior to the public hearing. Since county staff would not be likely perceived as "independent" in their analysis, outside consultants would be required. With outside consultants comes additional expense, all borne by the general property taxpayers of the county.

Finally, SB 210 would apply not only to goods purchased in excess of \$100,000 but also professional services in excess of \$100,000. This would include architectural, engineering, financial, and other consulting services. I cannot find any logic in having an "independent professional cost benefit analysis" conducted on the merits of spending public monies on the very kind of professional services performed by another independent analyst. This approach is overkill.

County officials are elected to make decisions in the best interests of their counties. If/when there is legitimate disagreement about the decisions made by the board of county commissioners, the ultimate solution is the electoral process.

For the above reasons stated, the Kansas Association of Counties urges the committee to report SB 210 unfavorably.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its member counties. Inquiries concerning this testimony should be directed to Randy Allen or Judy Moler by calling (785) 272-2585.