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Testimony on House Bill 2165 to Senate Committee Local Government

By: H. Douglas Pfalzgraf Attorney for Sumner County

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Sumner County via its County Commission appreciates this opportunity to provide testimony related to HB No. 2165. The Peck Improvement District (PID) was created in 2003 to provide sewer services to its members. PID is located in both Sumner and Sedgwick counties and serves approximately 110 tracts.

Pursuant to K.S.A. 19-2759 the District is to have three directors elected from within the District. In the event of a vacancy K.S.A. 19-2761 allows for a vacancy on the Board of Directors to be filled by the remaining directors via appointment, with the present requirement therein being that director must be a resident of the improvement district.

As required by law, K.S.A. 19-2760, the most recent election for the District occurred in November, 2014. Three candidates were elected, two on the ballot, and one write-in candidate.. Approximately one month later the two directors whose names were on the ballot submitted their respective resignations. Notwithstanding County efforts to informally assuage the concerns of the write-in candidate, since our testimony was presented to the House Local Government Committee, the write-in candidate has now confirmed in writing what at the time of that testimony appeared likely, which is that he will not assume office, including for the function of appointment to fill the vacancies created by the resignations. The needs of the district to continue basic operation of the sewer improvements continue notwithstanding the lack of a Board. K.S.A. 19-2786g prohibits for one year a county commission from assuming control of an improvement district. Moreover, neither Sumner nor Sedgwick counties have any desire to assume control over the PID other than as a last resort. PID has continued operations unaffected by the present circumstances based upon informal assurances by Sumner County, with the assistance of Sedgwick County as needed, that while the matter is legislatively addressed basic functions such as payment of bills can continue. That is not however a sustainable long term solution.

If this legislation does not successfully become law, legal action involving most

likely a request for receivership, will have to be instituted by one, or both, of the involved Counties, as all options other than legal action will have been exhausted. Such an action would appear to be a case of first impression under the involved statutes with no assurance of success, including given the language of K.S.A. 19-2786g above referenced.

Both the Sumner and Sedgwick County Commissions have endorsed this proposed legislation.

HB No. 2165 is an attempt, in the least intrusive manner possible, to allow continued operation of the PID by allowing the Sumner County Commission to make appointment of Board members to PID, with approval powers over any such appointment being retained by Sedgwick County. That capability, however, could only be exercised in the event of vacancy after statutorily mandated elections, which vacancies if HB No. 2165 is adopted into law, could be filed by any qualified elector residing in either County. The broader county, versus district eligibility to serve, is requested due to the substantial concern that amendment allowing only a district member to be appointed may well be ineffectual based upon the facts giving rise to this proposed legislation.

Thank you for the opportunity to present this testimony.