



Regional Economic Area Partnership (REAP)

Meeting Agenda

8:00 a.m., March 12, 2012

Hughes Metropolitan Complex
5015 E. 29th Street North, (29th and Oliver)
Mayor Kristey Williams, Chair

1. Welcome and Introductions: Mayor Kristey Williams

2. News and Announcements: Mayor Kristey Williams

3. Consent Agenda and Committee Reports: Mayor Kristey Williams

The action items in the reports have been reviewed, discussed and acted upon at the Committee level. Members of the Board of Directors may request discussion on any of the action items at the meeting or the reports may be accepted as presented in a single motion.

- A. Review of REAP Minutes from January 9, 2012
- B. Review of REAP Minutes from February 13, 2012
- C. Review of REAP Executive Committee Minutes from February 13, 2012
- D. REAP Committees Report
- E. REAP Bylaws Taskforce Report
- F. Reports of Regional Committees and Organizations
- G. Report of the Chief Executive Officer

Recommended Action: Approve the consent agenda as presented.

4. Special Presentation by Visioneering: Suzie Ahlstrand

Visioneering has found that communities who are currently winning the competitive race for jobs and growth are not only setting long-term plans but choosing a few strategies to focus regional efforts. Ms. Ahlstrand has been invited to present an update on the Visioneering prioritization process that will help determine the top three priorities for the next three years.

5. REAP Sustainable Communities Planning Grant: Joe Yager and Dane Baxa

- A. Notes from January Table Discussions
At the January REAP Board meeting, Scott Wituk of WSU facilitated a discussion of members and partners on expectations for the grant. The notes from that process have been compiled by staff.
- B. Grant Update
REAP staff attended a Grantee Orientation designed to learn about award requirements and best practices. Highlights of the orientation and requirements for REAP will be provided.
- C. Draft Work Plan – Provided at meeting
Starting February 15, 2012 REAP is responsible for developing a work plan within 60 days. Staff has developed a draft work plan for discussion.

6. Member Discussion: REAP Members and Partners

7. Unscheduled Business Items and Updates: REAP Members and Partners

8. Adjourn

The next REAP Board meeting will be 8:00 a.m. on Monday, April 9, 2012.

Mission

Guide state and national actions that affect economic development in the region and adopt joint actions among member governments that enhance the regional economy.

REAP Meeting Minutes January 9, 2012

Eugene M. Hughes Metropolitan Complex, Wichita State University, Wichita, Kansas
Mayor Kristey Williams, Chairman

1. Welcome and Introduction.

Mayor Kristey Williams, City of Augusta, called the meeting to order; members, staff and guests introduced themselves.

2. News and Announcements

Mayor Williams reported that a REAP Bylaws Taskforce has been created. The taskforce will consist of 4-5 members and will be chaired by Commissioner Willis Heck, City of Newton. Volunteers are welcome to participate in this evaluation of how REAP will be affected by the Sustainable Communities grant among other revisions. The taskforce will have a goal of being done by the March meeting with the evaluation.

3. Consent Agenda and Committee Reports

A. Review of REAP Minutes from November 7, 2011

There was no discussion of this item.

B. Review of REAP Minutes from December 8, 2011

It was noted that this meeting was special meeting held during the 2011 REAP Legislative Policy Summit.

C. Reports of Regional Committees and Organizations

Mayor Williams noted that Committee reports, including a 4th quarter treasury report, were provided in the consent agenda for review.

Mayor Williams reported that a small delegation of REAP representatives met and received direction from the Department of Commerce regarding reporting for the Kansas Affordable Airfares Program. Recommendations included continuation of testimony, annual reporting, and the inclusion of an independent program audit was requested. The Garden City plan has now met all three requirements for the program and staff is working on processing the reporting and funds with Commerce.

The December 8th, 2011 Legislative Policy Summit and Year-end Celebration held at the Drury Broadview Plaza Hotel was a success with a large attendance.

D. Report of the Chief Executive Officer

Mr. Joe Yager, Chief Executive Officer of REAP, noted that every member should have received a packet with their 2012 invoice and 2011 Annual Report.

The next meeting will be at the Butler Community College Welcome Center, in El Dorado, KS. Staff is working on securing someone from the refinery to be a guest speaker.

Commissioner Chip Westfall, Harvey County, (Councilmember Jeff Longwell, City of Wichita) made a motion to approve the consent agenda. The consent agenda was approved unanimously.

4. REAP Grant Presentation

Mr. Joe Yager, Chief Executive Officer of REAP, and Mr. Dane Baxa, Executive Officer of REAP Water Resources, provided a presentation on the 2011 Sustainable Communities Planning Grant awarded by the

Department of Housing and Urban Development (HUD). The \$1,500,000 grant is meant to be utilized to establish a planning and engagement process to ensure that we develop our own sustainable vision and goals that reflect our unique regional values and identity. Mr. Yager and Mr. Baxa covered REAP's roles, process, content, and the budget of the grant. A workplan will be created with a three year time frame. The first action required by REAP is to approve the Cooperative Agreement which will be presented at the February 13th meeting.

5. Facilitated Discussion

Mayor Williams introduced Mr. Scott Wituk, Wichita State University Center for Community Support and Research. Mr. Wituk provided an opportunity for REAP members to participate within table discussions on the grant presentation, and expectations members have for their specific concerns and issues. Items discussed included what is the biggest challenge for communities to solve alone, how might efforts to create partnerships make the REAP region stronger, and biggest concerns in moving forward with efforts to work together to have a strong region. Information shared at the table discussions was collected by staff to report back to the board.

6. Unscheduled Business Items and Updates

No unscheduled items were discussed at this meeting.

7. Adjourn

Having no other business the meeting was adjourned.

REAP Attendance

Members/Alternates

Ms. Sasha Stiles, Andover
Mayor Kristey Williams, Augusta
Commissioner Jeff Masterson, Butler County
Ms. Diana Brooks, Colwich
Mayor Dion Avello, Derby
Ms. Kathy Sexton, Derby
Mr. Brian Silcott, Goddard
Commissioner Chip Westfall, Harvey County
Ms. Marge Roberson, Harvey County
Mr. David New, Haysville
Mr. John Deardoff, Hutchinson
Mr. Mark Tallman, Kechi
Mr. Tom Winters, Kingman County
Mr. Ron Loomis, McPherson County
Mayor Terry Somers, Mount Hope
Commissioner Willis Heck, Newton
Mr. Jim Nickel, Newton
Ms. Dana Walden, Park City
Mayor Keith DeHaven, Sedgwick
Commissioner Dave Unruh, Sedgwick County
Commissioner Richard Ranzau, Sedgwick
County
Mr. Gus Collins, Wellington
Commissioner Jeff Longwell, Wichita

Staff

Dr. Nancy McCarthy-Snyder, WSU
Ms. Misty Bruckner, WSU
Mr. Joe Yager, WSU
Mr. Dane Baxa, WSU
Mr. Taylour Tedder, WSU
Ms. Kate Flavin, WSU

Guests

Ms. Jennifer McCausland, Andover
Ms. Debra Teufel, GWEDC
Mr. John Waltner, Harvey County
Mr. Anthony Swartzendruber, Harvey County
Ms. Nancy A. Scott, Hutchinson
Ms. Irene Hart, Irene Hart Consulting
Mr. Harland Priddle, K-96 Corridor Association
Ms. Sue Schlapp, KS Department of Commerce
Mr. Jeff Usher, Kansas Health Foundation
Mr. Matt Jordan, Kansas Leadership Center
Mr. M. S. Mitchell, KWA
Mr. John Schlegel, MAPD
Mr. Scott Knebel, MAPD
Mr. Randy Riggs, Newton
Mr. Andy Solter, Ponder Connect
Mr. Kirk Hayden, Rose Hill
Mr. Marv Duncan, Sedgwick County
Ms. Renee Anderson, Visioneering Wichita
Mr. Wayne Chambers, Visioneering Wichita
Council Member Lavonta Williams, Wichita
Council Member Pete Meitzner, Wichita
Mr. Dale Goter, Wichita
Mr. Allen Bell, Wichita
Mr. Joseph T. Pajor, Wichita
Mr. Wess Galyon, WABA
Mr. Keith Lawing, Workforce Alliance
Ms. Amanda Duncan, Workforce Alliance
Ms. Angela Buzard, WSU
Ms. Kelly Bergeron, WSU
Mr. Schott Wituk, WSU
Ms. Sierra Jackson, WSU
Mr. John Todd
Ms. Shirley Koehn

REAP Meeting Minutes February 13, 2012
Butler Community College- Welcome Center 901 S Haverhill Rd, El Dorado, Kansas
Mayor Kristey Williams, Chair

Note: There was not a quorum, therefore there were no official actions taken.

1. Welcome and Introduction.

Mayor Kristey Williams, City of Augusta, called the meeting to order; members, staff and guests introduced themselves.

2. News and Announcements

There were no news or announcements.

3. Special Welcome and Comments

Mr. Herb Llewelyn, City Manager of El Dorado provided a welcome on behalf of the City of El Dorado.

Ms. Carla Fisher, Vice President of Academics of Butler Community College, also welcomed the group. Ms. Fisher provided an annual report of BCCC and a brief overview of the college.

Ms. Linda Jolly, El Dorado Inc., provided handouts on El Dorado and their new capital investments downtown, at their lake, and at the Community College. Ms. Jolly welcomed the board to El Dorado and thanked all present for visiting.

4. Special Presentation on the Oil and Gas Industry

Mr. Josh Goodmanson, Refinery Manager for the HollyFrontier Companies, provided a discussion of the current state of the oil and gas industry on a local, state, and national basis. He provided a brief history of the El Dorado refinery and noted that it is one of the largest in the plains states, producing over 140,000 barrels a day. The plant employs 425 people on average, but with contractors there are a total of 550 people working there on a given day.

He noted that the trend in the oil industry is a reduction of the number of refineries through consolidation, which is making for larger refineries and larger capital investments for capacity. Increased capacity and regulations are driving most of the capital costs for the three refineries in Kansas (El Dorado, McPherson, and Coffeyville). He noted that there are large opportunities in Kansas to have additional oil production.

An overview of fracking methods was also provided, in particular an overview of how the process is conducted and the variation across the country of the methods due to differences in land formations.

5. Member Discussion of Presentation

Discussion and questions were directed towards Mr. Goodmanson. Some of the questions focused on the Keystone pipeline and renewable energies. Mr. Goodmanson noted that the pipeline would not include a new line in Kansas. He also noted that the oil industry is being realistic in regards to renewable energies and will operate under the system that is determined. He did note that there is a wall for the renewables and oil will remain a viable option. He also noted that you could see parallels in the oil industry and ethanol industry, he predicts that there could be similar contraction into larger facilities for the renewables as is the case with oil.

6. Consent Agenda and Committee Reports

Mayor Williams noted that due to the lack of quorum no action can be taken on the consent agenda. Members were asked to review and ask questions about items within the packet. It was noted that the Executive Committee would take action on necessary items at a special meeting of the Committee.

7. New Business: REAP Sustainable Communities Planning Grant

Mayor Williams noted that this item would be taken up by the Executive Committee due to the timing of the start date of the grant, scheduled for February 15, 2012. However, she also noted that the Executive Committee would appreciate discussion to help in its deliberations.

Mr. Joe Yager, Chief Executive Officer of REAP, provided a brief overview of notes from the table discussions from January 9. He also provided a background on the timeline and requirements that had been shown to the board at the last meeting.

He noted that signing the Cooperative Agreement is the first official deliverable and allows for REAP to proceed with the grant. On Page 24 and 25 of the agenda packet there were the specific Cooperative Agreement provisions.

Questions were raised regarding the "HUD Sustainable Involvement" portion on page 18. Mr. Dane Baxa, Executive Officer of REAP Water Resources, stated their involvement is dealing with key personnel changes, verifying new staff is qualified, and that we are meeting the priorities within the negotiated workplan. They provide their staff for assistance as well in budgeting and other issues that may arise. Mr. Yager noted that the agreement had been reviewed by staff at Sedgwick County and there were no unusual requirements or provisions.

The members present discussed the provisions and provided a general consensus of approval to the Executive Committee for consideration.

6. Unscheduled Business Items and Updates

Commissioner Dave Unruh, Sedgwick County, shared that on February 23, 2012 Commissioner Richard Ranzau, Sedgwick County, is giving a presentation to the Wichita Pachyderm Club about concerns of the HUD grant. Commissioner Ranzau noted that this lunch event was open to the public for a nominal cost.

Commissioner Jeff Longwell, City of Wichita, shared that REAP sponsored a lunch with the South Central Kansas Delegation in Topeka. He noted that attendance was great, with 25 legislators present, and that it was an excellent opportunity to share information about REAP in general, as well as the Legislative Agenda.

Mayor Williams stated business letters for Topeka in support of affordable airfares would be appreciated and requested members to help secure such letters.

7. Adjourn

Having no other business the meeting was adjourned.

REAP Attendance 2/13/2012

Members/ Alternatives

Mayor Kristey Williams, Augusta
Mr. Kent Brown, Clearwater
Mr. Herb Llewellyn, El Dorado
Commissioner Chip Westfall, Harvey County
Ms. Marge Roberson, Harvey County
Mayor Robert Jackson, Kechi
Mr. Tom Winters, Kingman County
Mayor Terry Somers, Mount Hope
Commissioner Willis Heck, Newton
Commissioner Jim Nickel, Newton
Commissioner Dave Unruh, Sedgwick County
Commissioner Richard Ranzau, Sedgwick County
Commissioner Jeff Longwell, Wichita
Mr. Gus Collins, Wellington

Guests

Mr. David Alfaro, Butler County
Ms. Carla Fisher, Butler Community College
Ms. Linda Jolly, El Dorado Inc.
Mr. John Waltner, Harvey County
Mr. Josh Goodmanson, HollyFrontier Companies
Mr. Harland Priddle, K-96 Corridor Association
Mr. Andy Solter, Ponder Connect
Mr. Wynn Ponder, Ponder Connect
Mr. Anthony Swartzendruber, Harvey County
Mr. Marv Duncan, Sedgwick County

Staff

Dr. Ed Flentje, WSU
Dr. Nancy McCarthy-Snyder, WSU
Mr. Joe Yager, WSU
Mr. Dane Baxa, WSU
Ms. Kate Flavin, WSU
Mr. Taylour Tedder, WSU

REAP Executive Committee Meeting Minutes February 13, 2012
Butler Community College- Welcome Center 901 S Haverhill Rd, El Dorado, Kansas
Mayor Kristey Williams, Chair

Note: At the February 13, 2012 REAP Board Meeting there was not a quorum present, therefore, due to the need to take action prior to a February 15 deadline and in accordance with the REAP Bylaws the REAP Executive Committee met to take action on two items.

1. Welcome and Introduction.

Mayor Kristey Williams, City of Augusta, called the meeting to order; members, staff and guests introduced themselves.

2. REAP Grant Agreement

It was noted that there were certain requirements for acceptance of the Sustainable Communities Grant, including REAP entering into a Cooperative Agreement with the U.S. Department of Housing and Urban Development (HUD). This item was forwarded to all REAP members as part of the February 13 Board Agenda Packet with a recommendation for approval. The Executive Committee was provided the details of the proposed agreement as well as a staff report. It was noted that the agreement was also reviewed by staff at Sedgwick County (the entity serving as the fiscal agent for the grant), who indicated that this is a standard HUD document that details the award implementation and program requirements and found no unusual requirements.

A motion was made by Commissioner Dave Unruh, Sedgwick County, moved (Commissioner Jeff Longwell, City of Wichita) to approve entering into the cooperative agreement with the US Department of Housing and Urban Development (HUD) for the Sustainable Communities Grant, and directed the Chief Executive Officer to execute the agreement. The motion passed unanimously.

3. REAP Senior Consultation

It was note that in order to continue Dr. Ed Flentje, Wichita State University, as senior consultant to REAP for 2012 to provide for “consultation and technical assistance” official action was required. This contract allows for up to \$10,000 for the term of the agreement (February 1, 2012 through December 31, 2012), with payments due upon receipt of an invoice. It was also noted that the amount would be prorated appropriately.

Commissioner Chip Westfall, Harvey County, moved (Commissioner Dave Unruh) to authorize the Chair of REAP to execute a contract with Dr. Ed Flentje as senior consultant to REAP for the current year. The motion passed unanimously.

4. Adjourn

Having no other business the meeting was adjourned.

REAP Attendance 2/13/2012

Members/ Alternatives

Mayor Kristey Williams, Augusta
Commissioner Chip Westfall, Harvey County
Mayor Terry Somers, Mount Hope
Commissioner Dave Unruh, Sedgwick County
Commissioner Jeff Longwell, Wichita

Staff

Dr. Ed Flentje, WSU
Dr. Nancy McCarthy-Snyder, WSU
Mr. Joe Yager, WSU
Mr. Dane Baxa, WSU
Ms. Kate Flavin, WSU
Mr. Taylour Tedder, WSU

**REAP Board Meeting
March 12, 2012
Item #6 D**

Item

REAP Committee Reports

Background

Due to a lack of quorum there was not an official February Board meeting. Since the January 9, 2012 Board meeting, the REAP Committees received information or acted upon the issues and projects listed below. Agendas and minutes from the committee meetings are available on the REAP website at <http://www.reap-ks.org>.

Report of the Executive Committee

The REAP Executive Committee held a special meeting on February 13, 2012 due to the need to take action prior to a February 15 deadline and in accordance with the REAP Bylaws to take action on two items. In addition, the Committee was notified of issues of importance for review. The following is a report of various updates on behalf of the Committee:

REAP Senior Consultation

Prior to 2011, REAP budgeted \$15,000 (\$10,000 from REAP and \$5,000 from the REAP Water Resources Committee) for “consultation and technical assistance.” Dr. Ed Flentje served as senior consultant to REAP for this period and up until 2011 had been compensated through Wichita State University at the level of \$10,000 for each year (\$5,000 from REAP and \$5,000 from the REAP Water Resources Committee).

With his transition to phased retirement Flentje was informed that University rules do not allow supplemental compensation beyond that provided through phased retirement, which in his case is one-half time for nine months. In order to continue Flentje as senior consultant for 2011 REAP took action to enter into an independent contract with Flentje. REAP utilized Flentje’s services for the first two quarters in 2011, for a total of \$5,000, at which time a mutual agreement was reached to not incur additional expenses due to an assignment that made Flentje unavailable to REAP.

For 2012, staff proposed that REAP re-enter into a contract directly with Flentje and continue his compensation at \$10,000 for February 1, 2012 through December 31, 2012. Contract language for this purpose was drafted and reviewed by the Executive Committee.

The REAP Executive Committee took action to re-enter into an independent direct contract with Flentje. This contract allows for up to \$10,000 for the term of the agreement (February 1, 2012 through December 31, 2012), with payments due upon receipt of an invoice.

REAP Grant Agreement

At the January 9, 2012 REAP Board meeting it was noted that there were certain requirements for acceptance of the Sustainable Communities Grant, including REAP entering into a

Cooperative Agreement with the U.S. Department of Housing and Urban Development (HUD). It was noted that this item was forwarded to all REAP members as part of the February 13 Board Agenda Packet with a recommendation for approval. The Executive Committee was provided the details of the proposed agreement which is available on the REAP website (www.reap-ks.org/grant) as well as a staff report (available in the [February 13, 2012 REAP Board Agenda Packet](#)). The agreement was also reviewed by staff at Sedgwick County (the entity serving as the fiscal agent for the grant), who indicated that this is a standard HUD document that details the award implementation and program requirements and found no unusual requirements.

By entering into this cooperative agreement REAP officially begins the 36 month (February 15, 2012 to February 14, 2015) grant performance period making funds available for the purposes of the grant and negotiations with HUD regarding the expected work plan. Starting on February 15, 2012 REAP will be responsible for developing the work plan within 60 days and within 120 days must confirm with the consortium partners through a “consortium agreement.” This “consortium agreement” will be drafted through staff and legal assistance of several member jurisdictions.

The REAP Executive Committee approved entering into the cooperative agreement with HUD, and directed the Chief Executive Officer to execute the agreement.

REAP Treasurer’s Report

The Executive Committee is charged to serve as the treasury for REAP, collect all REAP revenues, make disbursements in accord with the budget adopted by REAP, and conduct financial management of REAP assets in accord with REAP fiscal procedures.

In accordance with the REAP Bylaws and REAP Fiscal Procedures, the annual fees for membership are assessed each calendar year and the official population figures used for state purposes, as recorded by the Kansas Secretary of State. Invoices for 2012 REAP annual members assessments were sent out in December. The attached charts details the 2012 assessment levels and payments received to date (pages 19-20). If there are any questions or invoices have been misplaced or not received by the proper individuals please let staff know.

Report of the Legislative Committee

The REAP Legislative Committee met on January 27 and February 24, 2012. The following highlights information from the Committee.

2012 Legislative Priorities Facts

The REAP Legislative Committee identifies legislative issues of regional concern and recommends to REAP legislative action at the state or federal level. On December 8, 2011 REAP adopted its 2012 Legislative Priorities. The Legislative Committee has compiled background information on each of the priorities for members to use as talking points only and not for distribution. This report has been provided in a separate document to REAP members.

Special Presentation and Discussion on S.B. 375

Jimmie Hammontree, Chesapeake Energy, provided the Committee with a short presentation on the process and legislation that was introduced by the Kansas Department of Health and

Environment that allows oil and gas exploration activities to land apply drill cuttings as an option for disposal. The presentation is on the REAP website: <http://www.reap-ks.org/meetings.html>.

2012 Legislative Priorities Update Report

Staff presented a report that provided an update to progress on each of the identified legislative priorities for 2012. This report can be found in the [Legislative Committee February 24, 2012 Agenda Packet on page 4](#).

The following are some of the highlights of that report:

- **Affordable Airfares** – Airfares is included in the Governor’s recommended budget at the full amount of \$5 million. The Budget Committee which handles the Department of Commerce has passed out the budget with the airfares money included. The Budget Committee report now moves to the Appropriations Committee for discussion.
- **ASR Funding** – The Governor has included ASR in his recommended budget for \$500,000 and there has been discussion and reporting on the savings from the environmental impact in the Equus Beds. On February 17th, the House Appropriations Committee approved the subcommittee (and Governor’s) recommendation of \$500,000. An additional \$600,000 as recommended by the Kansas Water Authority, will be reviewed during consideration of the Omnibus spending bill near the end of the 2012 session.
- **Sediment and Nutrient Removal Programs** – No funding was identified in the Governor’s budget to utilize the six million dollar general fund demand transfer to support a sediment and nutrient reduction program.
- **NIAR** – The Governor has included funding for the National Institute for Aviation Research (NIAR) in his recommended budget under the Department of Commerce at \$5,000,000.
- **CIBOR** – \$3,000,000 was awarded to CIBOR related to fiscal year 2012, running from July 1, 2011 to June 30, 2012. This award is inclusive of the modification of the State of Kansas House Bill 2383, which allocates \$1,000,000 of KBA funds to CIBOR through Wichita State University. There is no indication that the recent audit findings will have an impact on CIBOR funding, however, the Governor has proposed a moratorium on funding from the KBA. The audit will continue to be a focal point while there are unresolved legal issues.
- **State Water Plan Funding** – At the January Kansas Water Authority Meeting, the Kansas Water Office staff announced they will begin a process to update the state water plan, and will aim to align regional and state priorities and funding.
- **Renewable Energy** – There have been several bills regarding specific renewable energy types, most have been tax bills.
- **NCAT** – The Governor has included funding for the National Center for Aviation Training (NCAT) in his recommended budget under the budget for WSU at \$4.9 million.
- **WRC Legislation** – Three bills have been identified by the Water Resources Committee for evaluation:
 - House Bill 2678 would allow sand and gravel pit operators to bypass current water regulations. The issue is whether the operators should be required to obtain a water right to account for evaporation from the pits. Ground Water Management

District (GMD) 2, which oversees the Equus Beds, filed opposition testimony. The bill was heard in the House Agriculture and Natural Resources Committee.

- Senate Bill 272 flew through the House and Senate, bringing important changes that will assist agriculture. A side product of that debate is the concern over the water rights associated with the Equus Beds ASR project. The Governor told his weekly news conference that the Equus Beds concern would not be ignored. The Division of Water Resources in the Department of Agriculture is working with the City of Wichita and other parties to identify a possible resolution.
- Senate Bill 375 also raised Equus Beds issues as it sought a solid waste permit process for the oil drilling shavings that are spread on the ground. Sen. Carolyn McGinn raised the question of whether the chloride content of the shavings could add to the pollution concerns already associated with the aquifer. An amendment was added February 16th to address those concerns and was passed from the Senate Agriculture Committee. The amendments include:
 1. Limitation of the practice in areas where the water table is 10 feet or less.
 2. Limitation of the practice in areas with 25 inches or more rainfall each year.

Legislative Liaison Reports

Mr. Tom Bruno, REAP Legislative Liaison, provides the committee with updates on the 2012 legislative session. Mr. Bruno's reports in their entirety are available on the REAP website at www.reap-ks.org.

Kansas Affordable Airfares Program Update

Membership Request for Letters

REAP has maintained that the Kansas Affordable Airfares initiative is the number one REAP legislative priority because it works and we understand the value of the program to not only our region, but to the entire State.

REAP Chair, Mayor Kristey Williams has requested that all REAP communities help to educate legislators through an awareness of the importance of this initiative by identifying 2-4 (two to four) businesses in their community who would be willing to write letters of support for continued funding of the affordable airfares program. These letters would need to address why the business supports this initiative and why they think it is important for their business or community going forward. The letters should be sent to the individual legislators that represent that business location as well as to the Senate Ways and Means and House Appropriations Committees.

These letters are extremely important and the sooner they can be secured the better. It is asked that Joe Yager be notified on each of these letters so we have record of them. If any member needs additional information or materials please contact REAP staff. Finally, it is asked that members and partners provide feedback on the (any) contacts and of any desired follow-up that may be required.

Update on Topeka Team Efforts

Since the last REAP Board meeting in an official legislative plan has been created by the Affordable Airfares Partnering Stakeholders, consisting of the Wichita Chamber of Commerce, Sedgwick County, City of Wichita and REAP.

The plan calls for promotion of the KAAP provided by all stakeholders, and each with specific roles. The LEAD Topeka Representative will be REAP Legislative Liaison Tom Bruno, and he will be responsible for Senate, with assistance from Marv Duncan, Sedgwick County. Bruno will be assisted by Jason Watkins, Chamber, and Dale Goter, Wichita, who will focus on the House. Bruno will coordinate communication weekly between legislative liaisons and Kristi Zukovich, Sedgwick County Communications Director who will serve as the LEAD Local Representative. A complete written plan for the promotion of KAAP has been produced and supplied to key individuals working within the process. Thanks to our team in Topeka for their coordinated efforts and communication with legislators.

Testimony to the Senate Commerce Subcommittee

REAP Chair Mayor Kristey Williams (Augusta) provided testimony in support of affordable airfares on March 8, 2012 to the Senate Commerce Subcommittee in Topeka. Letters from local businesses, communities, economic development agencies and others were provided along with the Fiscal Year 2011 REAP report on the Kansas Affordable Airfares Program.

Review of Recent Outreach Activities

In an effort to guide state and national policies and engage stakeholders the REAP Legislative Committee has increased its efforts in outreach and engagement. Discussion was held on the Committee's involvement in several recent activities:

South Central Delegation Meeting in Topeka

REAP served as the sponsor of the weekly South Central Kansas Legislative Delegation luncheon on February 8, 2012. Twenty (20) legislators attended as REAP Chair Mayor Kristey Williams (Augusta), Commissioner Chip Westfall (Harvey County) and Council Member Jeff Longwell (Wichita) presented information about REAP, including: background on the history of REAP; the roles, work items and purpose of REAP; and overview of several REAP legislative priorities. Joe Yager, Dane Baxa, Tom Bruno, Dale Goter (Wichita) and Marv Duncan (Sedgwick) also attended.

Opposition Testimony to House Transportation Committee on HB2747

REAP Chair, Mayor Kristey Williams (Augusta) submitted written testimony on behalf of REAP at the House Transportation hearings on HB2747 on Thursday, February 16. REAP was alerted to possible negative consequences regarding the use of state transportation dollars as a means of financing a broad tax reform measure under HB2747. REAP Legislative liaison Tom Bruno noted that all the transportation interests had come out against the bill and he did not believe that portion would remain given the hit on the T-Works program, however, he also noted that it would not be harmful to submit written testimony expressing our concern about the negative impact the proposal could have on South-Central Kansas. REAP staff forwarded information regarding this measure to all members of the Committee.

February 11, 2012 SCAC Meeting

The February 11, 2012 Sedgwick County Association of Cities (SCAC) meeting was held at City Arts in Old Town, Wichita, KS and included a South Central Kansas Legislative Delegation panel. Dale Goter (Wichita) moderated a panel of: SCK Delegation Chair, Representative Pete DeGraff; Kansas State Senator Jean Schodorf; and Kansas State Representatives Jim Ward and Steve Brunk. The legislators provided insight into the session and answered questions from the audience. Several REAP members were in attendance, including: REAP Legislative Chairman, Council Member Jeff Longwell (Wichita); Mayor Dion Avello (Derby); Mayor Marcey Gregory (Goddard); Mayor Mike McNown (Valley Center); Mayor Terry Somers (Mount Hope); and Stephanie Knebel (Derby). Joe Yager also attended.

Membership Discussion

A top priority identified by the Committee for the 2011 work plan was to increase the engagement of REAP through identifying members to serve on the REAP Legislative Committee. Although there were no direct new invitees, the Committee did discuss methods for identifying and engaging REAP member jurisdictions to increase engagement. This item was asked to be carried over for 2012 for additional consideration and the Committee discussed that the REAP Legislative Committee is comprised of delegates from member jurisdictions that are self-appointed. There are no qualifications or restrictions included in the REAP bylaws for committee composition.

The Committee requests that all interested members or partners notify REAP CEO Joe Yager if they are interested in serving as a member of the Committee.

Next Legislative Committee Meeting

The next Legislative Committee monthly meeting is scheduled for ***Friday, March 30, 2012***, at Noon at the Workforce Alliance Administrative Offices.

Report of the Economic Development Committee

The REAP Economic Development Committee met on February 2 and February 23, 2012. The following highlights information from the Committee.

Local Area IV Chief Elected Officials Business

Through an agreement entered into by counties in Local Area IV as defined by the State of Kansas, the Economic Development Committee (EDC) has been designated to serve as the Chief Elected Officials Board (CEOB), as defined in the Workforce Investment Act of 1998 in Local Area IV, which includes Butler, Cowley, Kingman, Harper, Sedgwick and Sumner counties. All EDC members are asked to participate, however, only those designated elected officials of the CEOB shall have a vote.

On-the-Job (OJT) Agreement

Staff presented an agreement for an OJT project with Ametek Aircraft Parts & Accessories, Inc. D/B/A Ametek B & S Aircraft located in Wichita. The agreement was reviewed and the following was highlighted:

- Contract period = two years (will cover any individual OJT training plans within contract dates).

- Trainee limits = 1:6 ratio of OJT trainees to permanent full-time employees (employer has 43 FTEs; max. of 7 concurrent OJTs).
- Employer anticipates ten new hires over next two years.
- Cost information was not available at this time as cost information varies per trainee and their individual training plan.
- No trainees are enrolled at this time.
- OJT funds will not exceed \$8,000.00 per trainee.

The CEOB approved the additions to the eligible training provider list for on-the-job training and OJT contract with Ametek Aircraft Parts & Accessories, Inc. D/B/A Ametek B & S Aircraft.

On-the-Job Training, Customized and Employed Worker Training Policy Revision

As the economy recovers one of the most effective tools the Workforce Alliance has at its disposal is the ability to support businesses which are willing to expand their workforce through On-the-Job Training (OJT) projects. OJT is a useful tool in recruitment and placement activities, and it is crucial that the process be transparent, simple, and timely for all involved. To facilitate the placement of OJT participants in a timely fashion, WA staff recommended a review of the current policy and procedures.

The partnership between the parties involved on an OJT project (WA and an employer) is considered a procured contract subject to existing policy. Currently, any OJT contract in excess of \$5,000 must be brought to the WA Executive Committee and REAP for review and approval. Given the respective meeting schedules for these bodies, it could easily delay the implementation of an OJT project by weeks, impacting the ability of a job seeker to start earning income, or limiting the productivity of an employer.

It is recommended that the Executive Director be granted the authority to enter into OJT contracts with businesses if five or fewer participants and/ or less than \$40,000 are committed to training. This figure is consistent with the current cost limit for an Individual Training Account (ITA) of \$8,000 per job seeker previously approved by the Board of Directors.

All OJT contracts must be consistent with the requirements outlined in the policy including meeting the demand occupations determined by the Board of Directors. Additionally, the training must result in an introductory or gained wage at the current self-sufficiency rate determined by the Board (currently \$12.02 per hour). Any OJT project that would exceed the limits described above, or are outside the current demand occupation list, would be brought to the Executive Committee and REAP for approval in advance of execution. Recognizing the need for transparency, the Executive Committee and REAP will be informed by email of any OJT contract approved by the Executive Director and asked to affirm at their next scheduled meeting. Each OJT contract is posted as public information on the WA website as a supplement to the Eligible Training Provider list managed at KansasWorks.com.

The CEOB approved the revision to the policy as presented.

Workforce Center Operations and Performance Update

Keith Lawing, Executive Director of the Workforce Alliance provided an update on Workforce Center Operations and Performance noting that recent numbers for performance, hiring, and other job indicators have been positive. It was noted that a Facilities Taskforce met on February 9, 2012 to review a total of six proposals for the Leased Space Request for Proposals. The taskforce selected three finalists based on a costs comparison and staff is further reviewing the finalists and preparing site visits. Staff plans to continue with the RFP process pending the outcome of the situation with the current facility. In addition, the challenges with the Boeing announcement are being minimized thanks to working with the company and a strong need for the workers at other aviation companies. No other official actions were required.

Workforce Alliance E-News

The WA has created a portal and dissemination of information electronically with the redesign of the website. One of the features allows people to receive notification via email pertaining to the calendar of events and job notifications. In addition there is a feature that allows you to subscribe to electronic versions of the newsletter, press releases, or labor market information. If you are interested please visit: <http://www.workforce-ks.com/index.aspx?page=98>,

2012 Wichita/Kansas Economic Outlook Revisions

Jeremy Hill, Director of the Center for Economic Development and Business Research (CEDBR) at Wichita State University provided a review of recent revisions to the 2012 Wichita and Kansas Economic Outlooks. To read the complete 2012 revised forecast for Wichita, [click here](#). To read the complete 2012 revised forecast for Kansas, [click here](#).

K-96 Corridor Presentation

Harland Priddle, Director of the K-96 Corridor Association was invited to provide a review of several happenings along the K-96 Corridor. His presentation included community development in South Hutchinson, Haven, Maize, Mount Hope, and Colwich. He also discussed a new opportunity that the corridor is exploring but could be a huge potential for the entire region and eastern portion of the state, biomass renewable energy program. Biomass is renewable energy using biomass (grasses, wheat straw, corn stalks) as an input source for producing energy products (pellets, liquid fuel) and even building board products.

Recent Regional News

In the REAP Strategic Plan it was identified that dialogue on regional economic development and understanding of what is happening in our region will allow us to provide a unified voice to promote regional economic development.

In a January 22, 2012 *Wichita Eagle* article about competitiveness for our region and what it will take to compete for projects moving forward focused on where the South Central Kansas region is currently in regards to economic development. The full article can be found at: [Why Isn't Wichita Winning Projects?](#)

Although the article above focuses on many of the concerns within the region, there have been several significant factors (like the Boeing announcement) and even wins over the past year that the Committee highlighted: such as Siemens; Tindall, New Millennium, and KDOT

infrastructure investment at the Newton Logistics Park; Newell Rubbermaid expansion and Galaxy Technologies helicopter contract in Winfield; and the Kansas Star Casino.

The Committee determined that there needs to be education and a higher level of coordination for marketing the region. The Committee also noted that evaluation of this issue would be a high priority for the Committee this year.

Review of EDC Purpose

In the 2012 EDC work plan it was identified to review the current purpose of the REAP Economic Development Committee and develop a Committee mission/purpose statement. The Committee evaluated the 2012 EDC Work Plan; Sustainable Communities Planning Grant; Role of the Chief Elected Officials Board; and the Alternative Energy Task Force.

The most pressing issue for the Committee was identified as the role the EDC maintains in serving as the CEOB. The Committee determined that there was a need to evaluate the current functions and identify potential efficiencies, including the evaluation of different delivery models and alternatives to providing the CEOB functions. Staff was directed to work with WA staff to bring forth proposed alternatives for discussion.

Next Economic Development Committee Meeting

The next Economic Development Committee monthly meeting is scheduled for **Thursday, March 29, 2012**, at Noon at the Workforce Alliance Administrative Offices.

Report of the Water Resources Committee

The REAP Water Resources Committee met on January 9, 2012. The following highlights information from the Committee. Additional information and presentations are available on the REAP website: www.reap-ks.org/water.

Water, Wastewater, and Storm Water Rate Survey

WRC staff has begun collecting water, wastewater, and storm water rate information from REAP member communities, and will have a report of findings available at the March 12th, REAP WRC Meeting.

Governor's Budget Includes Changes to Water Plan Budget for FY 2013

At the January meeting, the Kansas Water Authority (KWA) reviewed the Governor's recommended budget and discovered differences from what the KWA had requested and what was in the Governor's recommendations. The Governor's budget had removed funding for water resource education, weather modification, and aquatic nuisance species programs, and added funding to water rights purchasing, stream gaging, reservoir sustainability, and abandoned well plugging programs. The Governor's budget recommendations for the Kansas Water Plan can be found on pages 116-118 of the following KWA agenda materials from their January Meeting. http://www.kwa.org/about_us/KWA_Mtg_Materials/January2012/Rpt_Entire_Jan2012_Meeting_Materials.pdf

S.B. 272 Multi-Year Water Right Flex Accounts on the Fast Track

Senate Bill 272 proposes to amend the multi-year flex account program to give irrigators expanded capabilities to manage their crop water over a five year period. After being considered by the Senate Agriculture Committee, the bill was passed out of committee with an amendment, which allows those who filed for a drought emergency term permit to convert to a multi-year flex account, without having their flex account reduced by the amount of water they pumped above their authorized quantity (overage) during 2011. Also, those who did not file drought emergency term permits will be allowed to file for a multi-year flex account to avoid DWR enforcement, but the flex account quantity must be reduced by any 2011 overage. This amended bill was considered and passed by the full Senate. The bill was heard and passed by the House Committee on Agriculture and Natural Resources next week. It must be passed by the Kansas House of Representatives and signed by Governor Brownback before becoming law.

Kansas Water Issues Forum in Wichita on February 29th

The Kansas Water Issues Forum is an annual event that brings together experts and citizens to learn and discuss current topics in water and the related fields of energy, climate, economy and the environment. To learn more visit www.kwo.org.

Water has always been key to Kansas' economy, and that is especially true with oil and gas development. This year's forum: Just Add Water: Kansas and the Economy will explore the energy development in Kansas, particularly the new technologies of horizontal drilling and hydraulic fracturing (fracking) and its potential impact on water supplies. The economic boom from the new development is welcome, yet there are questions as to the impacts on water and land.

Industry experts and state agencies will present fact based information on oil and gas development, its trends and potential in Kansas, water-related issues and the permitting processes. Oklahoma will share their experiences with the recent boom of the shale gas development.

Next Water Resources Committee Meeting

The WRC will meet **Monday, April 9, 2012** following the REAP Board meeting.

REAP Treasurers Report

Assessments of REAP Members for Calendar-Year 2012 (as of 3/7/12)

Jurisdiction	Population	Assessment	Paid Assessment
Andover	11,791	\$3,766	\$3,766
Augusta	9,274	\$1,603	\$1,603
Bel Aire	6,769	\$1,440	\$1,440
Bentley	530	\$234	\$234
Benton	880	\$257	\$257
Butler County	65,880	\$4,647	
Cheney	2,094	\$336	\$336
Clearwater	2,481	\$361	\$361
Colwich	1,327	\$286	\$286
Conway Springs	1,272	\$283	\$283
Derby	22,158	\$4,440	
El Dorado	13,021	\$3,846	\$3,846
Garden Plain	849	\$255	\$255
Goddard	4,344	\$1,282	\$1,282
Halstead	2,085	\$336	\$336
Harvey County	34,684	\$2,367	\$2,367
Haysville	10,826	\$3,704	\$3,704
Hesston	3,709	\$1,241	\$1,241
Hutchinson	42,080	\$5,735	\$5,735
Kechi	1,909	\$324	\$324
Kingman County	7,858	\$1,696	\$1,696
Maize	3,420	\$1,222	\$1,222
McPherson County	29,180	\$2,230	\$2,230
Mount Hope	813	\$253	\$253
Mulvane	6,111	\$1,397	\$1,397
Newton	19,132	\$4,244	\$4,244
Park City	7,297	\$1,474	
Reno County	64,511	\$4,613	\$4,613
Rose Hill	3,931	\$1,256	\$1,256
Sedgwick	1,695	\$310	\$310
Sedgwick County	498,365	\$15,459	\$15,459
Sumner County	24,132	\$2,103	
Valley Center	6,822	\$1,443	\$1,443
Wellington	8,172	\$1,531	\$1,531
Wichita	382,368	\$27,854	\$27,854
Total		\$103,831	\$91,164

REAP Treasurers Report

Assessments of Water Resources Committee for Calendar-Year 2012

(as of 3/7/12)

Jurisdiction	Population	Assessment	Paid Assessment
Andover	11,791	\$3,884	\$3,884
Augusta	9,274	\$1,696	\$1,696
Bel Aire	6,769	\$1,508	\$1,508
Benton	880	\$366	\$366
Butler Co.	65,880	\$800	
Clearwater	2,481	\$486	\$486
Conway Springs*	1,272	\$395	\$395
Derby	22,158	\$5,662	
El Dorado	13,021	\$3,977	\$3,977
Goddard	4,344	\$1,326	\$1,326
Harvey Co.	34,684	\$800	\$800
Hesston	3,709	\$1,278	\$1,278
Hutchinson	42,080	\$7,156	\$7,156
Kechi	1,909	\$443	\$443
Kingman Co.	7,858	\$800	\$800
Maize	3,420	\$1,257	\$0
McPherson	13,155	\$3,987	\$0
McPherson Co.	29,180	\$800	\$800
Mount Hope	813	\$361	\$361
Newton	19,132	\$4,435	\$4,435
Park City	7,297	\$1,547	
Rose Hill	3,931	\$1,295	\$1,295
Sedgwick	1,695	\$427	\$427
Sedgwick Co.	498,365	\$800	\$800
Sumner Co.	24,132	\$800	
Valley Center	6,822	\$1,512	\$1,512
Wellington	8,172	\$1,613	\$1,613
Wichita	382,368	\$32,678	\$32,678
Total		\$82,087	\$68,036

* The City of Conway Springs became a member for 2012 and was not originally accounted for in previous assessments.

REAP Board Meeting
March 13, 2012
Item #3 E

Item

REAP Bylaws Review Taskforce Report

Background

At the January 9 REAP Board meeting REAP Chair Mayor Kristey Williams (Augusta) announced that Commissioner Willis Heck (Newton) would serve as chair of a REAP Bylaws Review Taskforce. Staff was directed to assemble members for this group to meet and provide recommendations at the March REAP Board meeting. The intent of the taskforce is to review the current Bylaws and determine any needs to make revisions in regards to the new sustainable communities grant and to review other structure pieces (such as committee roles and responsibilities, composition, etc.).

Commissioner Heck requested that the taskforce be kept small and utilize staff support. Following these directions the following were appointed to the taskforce:

- Commissioner Willis Heck, Newton (Chair)
- Mayor Keith DeHaven, Sedgwick
- Kathy Sexton, Derby
- Mayor Kristey Williams, Augusta (REAP Chair and ex officio)

In addition, the taskforce will be assisted by staff and advisors as follows:

- Joe Yager, REAP CEO
- Dane Baxa, REAP EO-WRC
- Dr. Ed Flentje, WSU (REAP Senior Consultant)
- Mike Pepoon, Sedgwick County (REAP Legal Consultant – as needed)

The taskforce met on March 5, 2012 for a preliminary review and discussion to determine process. At this initial meeting the taskforce identified several areas that should be reviewed and considered for revisions. The taskforce is also reviewing the REAP Fiscal Procedures and will provide possible revisions to this guiding document as well. It was also determined that the process would take longer than first expected and several of the potential revisions will be dependent upon the REAP Committees and structure requirements under the grant.

The taskforce requested staff to prepare several revisions for consideration and will continue to meet to discuss these revisions. There is no official timeframe for completion at this time.

REAP Board Meeting
March 12, 2012
Item #3 F

Item

Reports from REAP Representation on Regional Committees and Organizations

Background

REAP strives to be a regional leader through coordination and collaboration by partnering with organizations that help to shape economic development in South Central Kansas. The following are regional organizations REAP has an appointment on.

Greater Wichita Economic Development Coalition *Submitted by: Mayor Kristey Williams*

- There is no written report available. An update will be provided at the meeting.

Mid-Continent Airport Advisory Board *Submitted by: Commissioner Willis Heck*

- Targets for the new terminal:
 - Bid opening was scheduled for February 17th
 - Ten Vendors submitted bids for the new terminal. The low bid was about \$97.5M for the new terminal building.
 - Staff is reviewing the bid information and the next step is for FAA to review information.
 - Ground breaking planned for June of 2012
 - Completion of the terminal-late fall 2014
- Staff is reviewing ordinances that affect Mid-Continent.
- The Hilton at Mid-Continent is changing its name to the Doubletree by Hilton.

Visioneering Wichita *Submitted by: Mr. Joe Yager*

- The Visioneering Steering committee concluded its organizational review and determined an aggressive prioritization process to outline the organizational goals for the next three years.
- Visioneering and its prioritization process have recently been featured in the news: [Groups receive grant from Knight Foundation](#) and [Community Engagement Focus of New Knight Foundation Grants](#).
- Visioneering Wichita has named Wayne Chambers and Sommer Keplar as co-chairs of the group. Chambers is president and CEO of technology firm High Touch, and Keplar is manager of design, development and learning for Via Christi Health. They replace Jon Rolph, president of Sasnak Management, who completed a three-year stint as Visioneering chairman.

Wichita Area Metropolitan Planning Organization *Submitted by: Mr. Joe Yager*

- The Technical Advisory Committee (TAC) held [meetings on January 23](#) and [February 27](#) to receive several updates, including:
 - Funding from the Bus Livability Initiative Endorsement
 - 2012 Unified Planning Work Program
 - 2011 Transportation Planning Studies Endorsements
 - Transportation Improvement Program (TIP)

- Job Access Reverse Commute (JARC) and New Freedom Advisory Group
- Overview of WAMPO
- Bicycle-Pedestrian Count Program
- Project progress report and annual listing of federally obligated projects

KansasBio *Submitted by: Mr. Joe Yager*

- The KansasBio Executive Committee released a statement to KansasBio Members noting that they have been closely monitoring the events surrounding the recently released forensic audit of the Kansas Bioscience Authority. They have noted that with the promise of additional hearings and ongoing efforts relative to the audit, the ultimate impact of the inquiry is unknown. *“However, after due consideration, it does not appear that the findings reported to date should deter KansasBio from staying the course in pursuing its important mission. We are confident in and grateful for the leadership of organization president, Angela Kreps, who has exhibited professionalism and dedication in guiding KansasBio and supporting the biosciences in Kansas. We will continue to monitor this matter and report to you on future developments that might impact our organization.”*

For additional information or more timely updates on any of the Regional Committees or Organizations please visit their websites:

- GWEDC: www.gwedc.org
- Mid-Continent Airport: www.flywichita.com
- Visioneering Wichita: www.visioneeringwichita.com
- WAMPO: www.wampoks.org
- KansasBio: www.kansasbio.org

REAP Board Meeting
March 13, 2012
Item #3 G

Item

Report of the Chief Executive Officer

Background

The REAP Chief Executive Officer submits the following updates and report on relevant information to the REAP organization.

REAP Community Presentations

REAP staff is scheduling community presentations to members and other organizations. If you would like to request a presentation please contact staff to schedule. Recent presentations include the City of Augusta, Park City Chamber of Commerce, and the City of Derby (scheduled for March 13).

REAP Assessments for 2012

Please check the update on assessments in the Treasurers Report of this agenda packet. Invoices were forwarded to each member jurisdiction. Members were forwarded a packet that included a letter, invoice for 2012, copy of the 2011 annual report, 2012 legislative priorities, 2012 budget, and 2012 meeting schedule. In addition, a copy of the letter and invoice were forwarded to the manager, administrator, or clerk of each jurisdiction. Please contact me if you did not receive the information.

Reports Online

REAP staff has placed the official 2011 Annual Report as well as the 2011 South Central Kansas Legislative Policy Summit information on the REAP website: www.reap-ks.org.

REAP Meeting Schedule

Meeting schedules for 2012 are available on the REAP website, www.reap-ks.org. Please note that the next REAP meeting is scheduled for **Monday, April 9, 2012** at 8:00 AM. The location of the meeting will be at the **Hughes Metropolitan Complex, 5015 E. 29th Street North, (29th and Oliver)**. This meeting will focus on regional water issues and planning.

**REAP Sustainable Communities Planning Grant
Facilitated Discussion Notes
January 9, 2012**

At the January 9, 2012 REAP Board meeting, Scott Wituk from the Center for Community Support and Research at Wichita State University facilitated a discussion of REAP members and partners on expectations for the Fiscal Year 2011 Sustainable Communities Planning Grant. The 60 participants were asked three questions then given time to discuss the questions in groups of 6-8. One participant from each table was asked to record the discussion and report any consistent messages to all the meeting participants. Consistent messages that were heard from each of the three questions were recorded or reported during the meeting are below. This is followed by all of the recorded discussions.

Consistent Messages

Question 1. What is your community's biggest challenge related to these five areas (transportation, natural resources, workforce development, business development, and housing) that you are finding not able to solve alone?

- A general lack of housing, especially affordable housing
- Expanding infrastructure and costs for each community
- Need for expanded tax base, through business development

Question 2. How might these efforts strengthen REAP and the member communities?

- Decrease internal competition and promote cooperative efforts
- Make region more competitive for economic development
- Encourage partnerships between neighboring communities

Question 3. What are your biggest concerns about the grant moving forward?

- Consistent leadership/political will
- Maintaining engagement of stakeholders
- Unplanned or unexpected costs/regulations

Discussion Notes from Individual Tables

Table 1

What is your community's biggest challenge related to these five areas that you are finding not able to solve alone?

- Partnering with someone on all five issues. Finding direction and funding since infrastructure costs exceed funding. Water district lines, treatment plants, distribution lines are very old. Water and sewer have more concerning issues than electric.
- Cannot supply everything we want. Partnerships with others and finding what they want are ways to fix infrastructure and increasing the tax base. Business development is a sustainable tax base partnership. Don't recommend raising taxes before reaching out to every other community.
- Communities coming to commerce asking for grants and help. We need to look at how individual communities can utilize small business to support your survival of small communities.
- Kechi is developing a plan and working with others to show we are trying. In Augusta we are having a regional plan effort, and see how our neighbors can work together.
- Workforce housing in Hutchison is our number one issue. How particularly can be provided to Siemens and others along with them. All strategies, transportation, adequate roads, are extremely important. Hutchinson is setting up a housing committee and supporting a fund to start this.
- In Wichita, business development has burden of being the center to attract companies and growth. Outside communities bring the area up, such as Mulvane. Supply transportation and basic

business development driving workforce development which in turn supports Wichita development. Outside limits are the key to success.

- Having the opportunity to look at the bigger picture of what together neighbors are doing in regards to planning in Oklahoma and Texas.
- Denver and Kansas City have been researched, and pulling together a resource for you could be possible. There is no forum for discussion of those issues and we can be consulted but cannot throw money at them. We want to make sure tax shifting is not occurring. Communication is the issues. Creating that center and juggling these issues and economic development can be key,
- Hutchinson leveraging resources for housing is an effort.

How might these efforts make the REAP region stronger?

- Biggest concern going forward is thinking of the Johnson County area, proximity is the key strategy working extensively together. South Central Kansas is both urban and rural enough, with the opportunity to be focused and strategic. REAP has that economic focus, being deliberate with communication and monetary cooperation.
- Twenty years ago, Kechi and Park City developments were private sector initiatives to create low cost housing. It uplifted the community and made it a place people wanted to live.
- Another problem is that we have no identity. Kansas City has the Missouri competition and we need to find something of that sort. Export capital is what we do best as a group. Planning, connectivity, and anything that makes us more competitive, little things like bike paths, can help with that regional planning aspect of equity.

Table 2

1. Biggest challenge was identified as Housing (#2 Built Environment).

- Realizations that there needs to be a plan in place for 30 minute housing developments outside Hutchinson and that coordination for traveling between cities within the region needs to be coordinated: Shortage for homes and appropriate housing for teachers, firefighters, etc. These were unintended consequences of Siemens coming to the town.
- One member suggested a tax incentive; another member thought that government should let the free market handle the issue because government is too involved. Another member mentioned that this it is much harder on a small community to let the market dictate and wait too long before having a few ideas of how to approach the topic.
- Another member from a small town also mentioned the need for small 400-500 dollar rent opportunities for residents. A member mentioned that the town should encourage developers where would be most cost effective to build, such as an area with infrastructure in place or close to existing infrastructure. The opposing member from prior mentioned that this should not be governments function. The other members disagreed because the problem with not having a plan ends up with people not wanting to move into the homes. This is not a cost effective measure.
- It was agreed that the region needed to get together and plan for housing and transportation to ensure that citizens' needs are being met. Also working together instead of against each other was viewed as the most beneficial way to move forward.

2. The effort will make this region competitive for economic development.

- The other thoughts were that the grant would assist in numerating assets, help uniting the region as a community (similar to KC), facilitate our region being economically stable and successful, and make a productive result.
- There needs to be broad easily enforceable regulations for future generations to be able to follow.

3. The problems were in the future cost.

- The hope is that this grant would help this region save money and still be mindful of the cost.

- There were cautions listed by one member:
 - Reduction in property rights
 - Increased housing cost
 - Increased taxes
 - Costly regulations

Table 3

- Business Development
- Industry Diversity
- We have medical but not promoting it
- General Technology
- Who do we recruit and where do we get them from?
- What ought to appeal to business is what does appeal to businesses
- Reaction time in regards to permits, land acquisitions, planning and zoning
- Do we market or do we develop land and facilities with transportation access
- In McPherson, MIDC (arm of public works) process flow vs. piece part production
- Training diversification and reaction time, key aspects
- “Commitment to consistency” “lead with speed”
- Concern- regulations that bind and disable small businesses
- Creation for an atmosphere where all business feel welcome
- Concern- talent pool/training and education (computer technology not related to aerospace, high school vo-tech)
- Must tie strategies to market forces to be competitive

Table 4

- Biggest challenge with Mt. Hope being a small community it is hard to compete and get messages out. Best way to address is to align with other groups like the K-96 Coalition and REAP
- Infrastructure issues cannot be afforded by themselves since they are in a rural vs. metro situation with an eroding population base.
- Colwich has similar issues west of Wichita. Finding a way to partner with other small communities. Senior housing and transportation for the elderly and attracting a dependable workforce are key issues.
- Need to stop being individual and think regionally.
- Butler has high taxes and housing near Andover in Sedgwick needs to have lower taxes. Paying attention to what constituents want and need a means for planning as a region for infrastructure.
- K-96 coalition is thinking regionally and working together to share ideas even if we don’t share financial resources. Business development is hard alone. Need more vision for marketing as a region.
- Wichita- Transportation is not just a Wichita issue. Public transit system needs to be improved. Air quality is an issue coming from EPA, and intervention of EPA and federal regulation will not be a pleasant ordeal. Business development with an available workforce includes working together as communities to build upon what we already have.
- People are willing to work in Wichita but there is no way of getting them there. Aging population transportation, process is invasive to screen for public transport. Sharing of intellectual capital and getting everyone to the table is a problem. Getting governmental bodies buying in to the dialogue for global competition is key.

Table 5

- Biggest challenges are controlling growth and dealing with planning issues along with shared boundaries with other jurisdictions, like Derby working with neighbors to plan for growth.
- Business development issues for Andover due to proximity to Wichita. Pressure to balance the tax base. Looking to spur growth in business park. Need to plan and develop new north-south corridor in Andover.
- Derby has transportation challenge connecting better to the turnpike. Looking at new interchange over the Arkansas River.
- Job creation is a huge issue for the entire region. The global economy requires regional cooperation and collaboration. The goal is to attract new businesses from outside our ten county labor shed. How to also grow existing jobs within the region. Boeing's move will impact others due to how many high paying jobs are leaving. Quality jobs are key.
- Key challenge is to understand how these issues are interrelated and impact each other and our overall quality of life.
- Water management is most important overall natural resources are an issue. Water is a competitive advantage now for business. Air quality standards and compliance is another important natural resource challenge for the region.
- The key issue is we need to educate stakeholders and the general public about these issues/ Also need to get past historical competitiveness within the region. Public awareness about how these issues are connected and require long term solutions. Use Rotary and Lions Clubs as great venues to engage civic leaders.
- "Coopetition" is the goal. How do we reduce competition and increase cooperation? Look at best practices.
- The Economic climate has fostered more cooperation. REAP has fostered more cooperation as well. Smaller communities recognize the need to cooperate.
- Concerns include needing consistent and engaged leadership by government officials, committee members within the grant. How do we all exercise leadership to make this successful? Are willing to try new things and take risks? Learn lessons from Visioneering trips and apply them here. Can we learn from other regions funded by the HUD grant? MARC is a good example of what REAP could become over time.

Table 6

- Transportation is a huge issue- Interstates, again bridges, lack of mass transit in the region
- Issues cannot be addressed alone due to state and federal cuts
- Water and stormwater is essential
- Recruiting new jobs- ties to others
- Need a bigger voice than as individuals
- Develop more public/private partnerships
- One stronger voice than many small
- Expertise we didn't know was among us will come out
- Sales taxes are a regional benefit
- Creating and maintaining a regional political will
- Competition and cooperation
- Management process of really engaging stakeholders will be difficult with their underrepresentation
- The Kansas City area strategically operates together because they have to. We have the opportunity to bring together, communicate, make an impact, through creative solutions in partnerships, thinking systematically rather than project by project. Forge an identity and embrace it, makes ideas more competitive globally and creates equity. Consensus will be a roadblock.

REAP Board Meeting
March 12, 2012
Item #5 B

Item

REAP Sustainable Communities Grant Update

Background

The U.S. Department of Housing and Urban Development (HUD) held a 2012 New Grantee Orientation designed to provide an opportunity to learn about award requirements that are expected from grantees, what is expected from HUD, best practices and peer to peer networking and training in Washington, DC on February 27-28. Over 100 individuals, representing 52 FY2011 HUD Sustainable Communities Initiative planning grant regions and communities, attended. Click [here](#) to learn about the FY'11 grantees.

As a requirement of the grant award, the grantee primary Point of Contact and the principal administrative officer were required to attend this training. For REAP these positions have yet to be filled, therefore, Dane Baxa (REAP Executive Officer of Water Resources) and Joe Yager (REAP Chief Executive Officer) attended the orientation. This visit was included in the grant budget for two individuals as an allowable reimbursable expense since it is required.

The following are highlights of the orientation and updates on requirements for REAP:

Overview

- The basis of the grant program is the six Partnership Livability Principles which HUD stressed was meant to provide “Comprehensive Revitalization” in individual communities by empowering the local decision-making process in coordinating infrastructure investments that:
 - Provide more transportation choices (the mission of the US Department of Transportation);
 - Promote equitable, affordable housing (the mission of HUD);
 - Enhance economic competitiveness (support of a prosperous local economy);
 - Support existing communities (community based prioritization with an emphasis on reinvestment and sustaining current infrastructure);
 - Coordinate policies and leverage investment (allow for policies to interact, not be independent of one another to help create efficiencies and lessen duplication); and
 - Value communities and neighborhoods (have local community input to create a plan that is local in focus and direction: “The role of the Federal Government is not to determine what is best for the local communities”).
- The roles of each partner were clearly defined, with each partner independent but working together to offer alignment as seen fit by each local community:
 - HUD provides Community Development Block Grants, Regional Planning, Community Challenge, Choice Neighborhoods, and Affordable Housing Programs.
 - US Department of Transportation provides TIGER Grants, FTA Core Programs, FTA Livability Grants, Flex Funding, FHWA Discretionary Grants, United We Ride, State/Metro Planning, and Intermodal Connectivity.

- Environmental Protection Agency provides Brownfields Restoration, Smart Growth Technical Assistance, and Water Infrastructure Funds.
- US Department of Commerce/EDA and the US Department of Agriculture are aligning programs to support initiatives and provide technical assistance.

Substantial Involvement

- The Cooperative Agreement allows for substantial involvement of HUD staff to enhance the performance of REAP in the completion of the deliverables.
- Substantial involvement by HUD is in the form of two HUD staff assigned to each grant recipient, a Grant Officer and a Grant Technical Representative (GTR), (each of these individuals have several grants they are responsible for).
 - The Grant Officer (James Norsworthy) is responsible for processing and executing the grant award, changes in key personnel, changing budget, and any other modification to the cooperative agreement. They work with the GTR to monitor performance, track financial reports, and audit grantee reports.
 - The GTR (Stephen Cerny) serves as the person of first contact and is responsible for the technical administration of the cooperative agreement, evaluation of performance, and acceptance of deliverables. They provide guidance in developing the work plan and program implementation, review and approve the work plan, make budget recommendations, monitor performance, and approve requests for reimbursement.

Cooperative Agreement (February 15, 2012)

- The REAP Executive Committee approved entering into the cooperative agreement with HUD, and directed the Chief Executive Officer to execute the agreement.
- By entering into this cooperative agreement REAP officially begins the 36 month (February 15, 2012 to February 15, 2015) grant performance period making funds available for the purposes of the grant and negotiations with HUD regarding the expected work plan. Starting February 15, 2012 REAP is responsible for developing the work plan within 60 days and within 120 days must confirm with the consortium partners through a “consortium agreement.” This “consortium agreement” will be drafted through staff and legal assistance of several of our member jurisdictions.

Work Plan Development (April 13, 2012)

- The Office of Sustainable Housing and Communities will require four elements in order to approve a work plan for a Sustainable Communities Regional Planning grantee:
 - 1) **A 1-2 page abstract of the goals and overarching strategies of the project.** Each grantee developed this during the application phase of the project.
 - 2) **A written work plan that explains the objectives, major activities, specific steps, task responsibilities, and anticipated outcomes of the project.** This document should tie the activities and specific steps to the objectives in a clear, concise manner.
 - 3) **A worksheet that maps out the aforementioned elements of the work plan in summary form.**
 - 4) **A Gantt Chart of activities, deliverables, and milestones.** This is a standard timeline format that serves as an at-a-glance tool to review progress.

Logic Model (May 1, 2012)

- Each grantee is required to submit a HUD Logic Model. The initial Logic Model has been officially moved back and is due 60 days after March 1, 2012 for all grant recipients. There is internal discussion on the form and overall usefulness, however, as of the orientation the model would still be used in some form. Detailed instructions on filling in the Logic Model will be provided with the models themselves.

Consortium Agreement (Final June 15, 2012)

- While local and state contract laws will govern the specific mechanisms most appropriate to create a binding relationship between parties, HUD will be looking for the following essentials in official submissions from the grantees:
 - 1) **State the Goals for the Consortium**
 - 2) **Articulate Specific Roles to be Executed by Participating Entities**
 - 3) **Specify Accountability Mechanisms**
 - 4) **Clarify Decision-making Protocols**
 - 5) **Spell Out the Governance Structure**
 - 6) **Facilitate Joinability**
 - 7) **Create Individual Instruments where Appropriate**
 - 8) **Document Benefits and Expected Contributions**
 - 9) **Detail Special Conditions as Appropriate**
- The GTR will review draft consortium agreements to ensure that they have all of these elements and will work in a timely manner to execute finalized versions of the agreements within the 120-day timeline.

Semi-Annual Progress Reporting

- Due 30 days after the end of each calendar reporting period.
- Reports are submitted to the GTR.

Regional Fair Housing and Equity Assessment (FHEA) Grant Obligation

- The Fair Housing Act requires HUD and its grantees to develop information to complete the FHEA requirement.
- Components of a regional FHEA includes identification and assessment of the following:
 - Segregated areas and areas of increasing diversity and/or racial/ethnic integration
 - Racially/ethnically concentrated areas of poverty
 - Access to existing areas of high opportunity
 - Major public investments
 - Fair housing issues, services, and activities

In-Kind Match Requirements

- The process for In-Kind reporting has not been determined, however, staff is working on a common reporting mechanism for partners to track time and resources as appropriate for auditing purposes.

Preferred Sustainability Status (PSS)

- REAP has been awarded Preferred Sustainability Status allowing for our member communities to receive 2 bonus points on grant applicants that are working in conjunction with our grant efforts.

- To be eligible to receive bonus points, an applicant is required to obtain a certification from the Designated Point of Contact for the designated Preferred Sustainability Status Community (currently the REAP CEO).
- PSS consortia will be invited to participate in a range of training opportunities to be offered by the Partnership for Sustainable Communities.
- HUD discretionary grant programs will count two bonus points for applicants who include a team member that has PSS. USDOT and other agencies are currently working on allowing bonus points for PSS on their grant programs as well.

HUD Contacts for Region and State

- HUD is providing grantee support through a Field Grantee Liaison who will navigate local relationships, support by other Federal agencies, and identify opportunities. They will also stay informed of the grantee progress and coordinate any peer-to-peer learning opportunities in the region. It is the responsibility of the grantee to utilize these resources.
- For REAP, Natalie Simms-Patton in Kansas City, KS will be the liaison.
- In addition, Patricia Clark, State Director of USDA Rural Development in Kansas will be a resource for this as well.

Capacity Building Partners

- HUD and EPA joined together to identify intermediaries to provide additional assistance to the Sustainable Communities assistance recipients.
- The first purpose of the Capacity Building Program is to assemble a collection of capacity building service providers to work directly with grantees.
- The second purpose of the Program is to build a national coalition and leadership network to facilitate the exchange of successful strategies, lessons learned, emerging tools and public engagement strategies, and approaches for avoiding or minimizing pitfalls.
- The identified intermediary organizations will help build the capacity of Sustainable Communities Grantees to fulfill the goals of the Sustainable Communities program. Those identified are:
 - The Institute for Sustainable Communities (Montpelier, VT) will create a National Sustainability Learning Network;
 - The University of Louisville Research Foundation, Inc. (Louisville, KY) will address the need for incorporating water infrastructure planning and investments with other planning efforts;
 - The Coalition for Utah's Future/Project 2000 (Salt Lake City, UT) will work to build skills in Scenario Planning techniques and tools;
 - Reconnecting America (Washington, DC) will develop effective implementation strategies for economic development and local and regional plans;
 - PolicyLink (Oakland, CA) and Place Matters, Inc. (Denver, CO) will work with communities to advance social equity in planning, participation, and decision making; and
 - The NADO Research Foundation (Washington, DC) and the Minnesota Housing Partnership (St. Paul, MN) will target their efforts in strengthening sustainability practices for tribes, small towns, and rural places.
- Each grantee will be expected to deliver capacity building support to their communities through use of these resources and in the form of workshops, webinars, research, etc.