

**City of Sedgwick  
City Council Meeting  
December 4, 2024**

**TO:** Mayor and City Council

**SUBJECT:** Harvey County EDC Interlocal Agreement

**INITIATED BY:** Administration

**AGENDA:** New Business

---

**Recommendation:** Staff recommends approval of the interlocal agreement

**Background:** The Harvey County Economic Development Council (EDC) is funded by the cities of Harvey County. The board of EDC is comprised of representatives from all the funding partners and is a regional organization that focuses on economic development activities, being a resource for both current and prospective businesses and industries within the region. The City of Sedgwick has been a member of EDC for many years, with Mayor Chapman and City Administrator Nordick currently serving as Sedgwick representatives on the EDC Board of Directors.

This interlocal agreement is the product of several months' worth of work in creating a new formal document that lays out the relationship between EDC and the funding partners. The interlocal agreement includes describing the duties of the EDC (Section 1) and the duties of the funding partners (Section 2). The agreement term is for one year, and automatically will be renewed for additional one-year terms unless a party terminates their role in the agreement. Participation in the EDC allows the City of Sedgwick access to professional and robust economic development activities at a cost that would not be possible if a dedicated staff member for the city were pursuing the same sorts of economic development activities.

**Financial Considerations:** Sedgwick's budget contribution to the EDC is currently \$12,000 per year paid in monthly increments. This budget amount requested from the EDC has remained consistent since 2015.

**Recommendations/Actions:** Motion to approve the Economic Development Interlocal Agreement with the cities of Harvey County, Harvey County and the Harvey County Economic Development Council, Inc.

After recording, please return to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

## **ECONOMIC DEVELOPMENT INTERLOCAL AGREEMENT**

**THIS INTERLOCAL AGREEMENT** (the “Agreement”), this \_\_\_\_\_ day of November, 2024, with its entry into force being upon approval by the Kansas Attorney General pursuant to K.S.A. 12-2904(g) and subsequent filing with the Harvey County Register of Deeds and Secretary of State pursuant to K.S.A. 12-2905, by and between Harvey County, Kansas, a political subdivision of the State of Kansas (“Harvey County”) and the City of Newton, Kansas, the City of North Newton, Kansas, the City of Hesston, Kansas, the City of Halstead, Kansas, the City of Sedgwick, Kansas, the City of Burrton, Kansas, and the City of Walton, Kansas, each a city a municipal corporation (collectively with Harvey County, the (“Funding Partners”) and the Harvey County Economic Development Council, Inc. ("EDC"), a nonprofit Kansas corporation. Together the Funding Partners and EDC are referred to as (the “Parties”) and is as follows:

**WHEREAS**, the Funding Partners wish to grow the tax base and create jobs through economic development and growth; and

**WHEREAS**, the EDC is an entity dedicated to the growth and advancement of Harvey County’s economy and strives to maintain our community’s economic health by supporting the businesses and industry we have while continuing the recruitment of new industry; and

**WHEREAS**, the Funding Partners and the EDC have a long-established relationship whereby the EDC provided economic development services to the Funding Partners and the Funding Partners provide certain financial considerations to the EDC; and

**WHEREAS**, historically the Funding Partners have been compensating the EDC related to a formula that considered the population of the respective funding partner as well as the funding partner’s total commercial/industrial tax. Notwithstanding, the Parties agree and understand that the formula shall not be binding upon future funding requests, but that the funding requests as outlined in Section 19 of this Agreement shall be determined by the EDC, and subject to the approval of the respective funding partner.

**WHEREAS**, the Funding Partners and EDC desire to enter into a new contractual commitment by which such services will be provided under terms which have been revised through the current discussions and negotiations of the Parties;

**WHEREAS**, predictability of available funding will maximize the ability of EDC to help create growth and advancement opportunities; and

**WHEREAS**, each Funding Partner has passed an appropriate ordinance, resolution or other action pursuant to law of their respective governing bodies, as required by K.S.A. 12-2904(b).

**NOW, THEREFORE**, it is by the Parties agreed as follows:

**SECTION 1. Duties of the EDC.** In pursuit of their mission, the EDC will act as the administrator (“Administrator”), to be responsible for administering the undertaking described by this Agreement, and further to facilitate, staff, and support economic development within Harvey County toward the accomplishments of the following objectives:

- a. Increase promotion for job growth;
- b. Provide an annual report on the previous 12 months’ activities and accomplishments;
- c. Invest in business growth and retention;
- d. Market economic opportunities to interested parties in Kansas, nationally and globally.
- e. Act as a liaison with State Department of Commerce & other appropriate State and Federal agencies;
- f. Provide Return on Investment (ROI) analysis for prospective companies;
- g. Act as the first point-of-contact for industry/manufacturing related companies and any subsequent developments;
- h. Provide annual contacts to current businesses & report regarding staffing and upcoming changes to operations, expansions or closures;
- i. Assist with workforce development;
- j. Pursuant to K.S.A. 12-2904, Attend requested meetings;
- k. Review all applications for incentives; and
- l. Act as liaison with Center for Economic Development and Business Research (CEDBR) to provide ROI analysis.

**SECTION 2. Duties of the Funding Parties.** Subject to compliance in all respects to the provisions of the Kansas Budget Law (K.S.A. 79-2925, *et seq.*) and the Kansas Cash Basis Law (K.S.A. 10-1101, *et seq.*), the Funding Partners hereby agree to distribute to the EDC annually throughout the term of this Agreement, an approved and requested budget amount to be utilized by the EDC to perform the duties as outlined herein. The funding partners shall provide the funding through monthly payments invoiced by the EDC. The Funding Partners shall have no further financial obligations to the EDC annually.

**SECTION 3. Term of the Agreement.** The Agreement is effective for a period of one year. In absence of termination as hereinafter provided, this Agreement shall automatically renew for additional, successive one-year, calendar-year terms. Any Party may cause this Agreement to terminate at the end of the initial term or any extended term with respect to that Party, without cause, by giving written notice to all Parties on or before September 1<sup>st</sup> of the year in which such termination is to occur. A Party may at any time and with such advance notice, if any, and without the consent or agreement of the other Parties, terminate its participation in the Agreement provided, however, that prior to such termination a reasonable notice of the cause for termination may be given and, if appropriate, a reasonable time allowed for remediation of the cause. Upon termination of this Agreement, the EDC shall deliver to the terminating party any funds paid in advance to EDC. Notwithstanding, this Agreement may be terminated by any Party, and shall be deemed terminated if the requisite funding is not appropriated. -

**SECTION 4. Use of Funding.** The funds provided in this Agreement shall be used by the EDC in the manner and for the purposes described in this Agreement. Parties will not acquire, hold, or dispose of real and personal property used in the joint or cooperative undertaking provided for under this Agreement.

**SECTION 5. Independent Contractor.** The EDC shall operate as an independent contractor as to all duties and activities under this Agreement. The EDC is not an officer, agent or servant of the Funding Partners. The EDC shall have exclusive control of its operations and performance of its activities and services hereunder, and of such persons, entities, or organizations performing on the EDC's behalf. The EDC shall not be considered a partner or joint-venturer with the Funding Partners, nor shall the EDC be nor in any manner hold itself out as an agent or official representative of the Funding Partners.

**SECTION 6. Revision or Re-Negotiation of Agreement.** The provisions of this Agreement notwithstanding, any Party may request the revision or re-negotiation of the terms of the Agreement due to a substantial change in circumstances. Notwithstanding, the EDC shall initiate any request for an increase in funding amount prior to June 1<sup>st</sup> of the year prior to the upcoming term, to coincide with the Funding Partners' annual budgetary process.

**SECTION 7. Financial Accounting and Reporting Requirements.** In order to ensure proper financial accountability, the Funding Partners reserve the right to impose reasonable requirements regarding the segregation and handling of all funds distributed to the EDC under the terms of the Agreement, and the EDC agrees to abide by all such requirements. In addition, at least annually, the EDC shall provide the Funding Partners with its financial statements which

shall be prepared according to generally accepted accounting principles and shall, at a minimum, encompass all aspects of the operation of the EDC. The Funding Partners may request a copy of the annual audit be provided for compliance with terms of this Agreement.

**SECTION 8. Choice of Law and Venue.** The terms of this Agreement shall be governed by the laws of the State of Kansas. Any action to enforce or for breach of this Agreement shall be brought exclusively in the Harvey County District Court of Kansas.

**SECTION 9. Severability.** If any provisions of this Agreement, or any portion thereof, is held to be unconstitutional, invalid or otherwise unenforceable, the remainder of the Agreement shall be deemed severable and shall remain in full force and effect.

**SECTION 10. Cash Basis and Budget Law.** By virtue of the provisions of the Kansas Budget Law (K.S.A. 79-2925, *et seq.*) and the Kansas Cash Basis Law (K.S.A. 10-1101, *et seq.*), the obligation and liability of each city as to each of the commitments contained within this Agreement shall be subject to the Funding Partners' governing body taking action to include such obligations in each budget year and to appropriate the funds to pay such obligations. Should the Funding Partners fail to take such actions, any obligation or liability will not extend beyond the budget year for which such funds were budgeted and appropriated.

**SECTION 11. Entire Agreement.** This Agreement contains the entire understanding of the Parties.

**SECTION 12. Notices.** All notices required by this Agreement shall be in writing and sent either by regular U.S. mail, postage prepaid, effective when received, or mailed by certified U.S. mail, effective upon mailing, to the following:

County: County Administrator  
800 N. Main Street  
Newton, KS 67114

Newton: City Manager  
PO Box 426  
Newton, KS 67114

North Newton: City Administrator  
PO Box 87  
North Newton, KS 67114

Hesston: City Administrator  
115 East Smith  
Hesston, KS 67062

Halstead: City Manager  
303 Main Street  
Halstead, KS 67056

Sedgwick: City Administrator  
PO Box 131  
Sedgwick, KS 67135

Burrton: City Clerk  
203 N. Burrton Ave  
Burrton, KS 67020

Walton: City Clerk  
PO Box 200  
Walton, KS 67151

EDC: Executive Director  
500 N Main, Suite 109  
Newton, KS 67114

**SECTION 13. Representations and Warranties.** The Parties each certify that they have the power and authority to execute and deliver this Agreement and to perform the obligations within this Agreement in accordance with its terms.

**SECTION 14. Authority to Execute Agreement.** The Parties expressly warrant that they have full and current legal authority to act and contract herein.

**SECTION 15. Nondiscrimination.** EDC will not, on the grounds of race, religion, color, sex, disability, national origin or ancestry, discriminate or permit discrimination against any person in the management or operation of any program or activity under this Agreement.

**SECTION 16. Recitals.** The recitals set forth above are incorporated herein by reference as if fully set forth in the body of this Agreement.

**SECTION 17. Amendment.** No amendment to this Agreement shall be effective unless in writing and signed by authorized representatives of all Parties.

**SECTION 18. Assignment.** No Party shall assign this Agreement, or any of the rights and obligations contained herein, without the prior written approval of all the Funding Partners.

**SECTION 19. Annual Funding Requests.** A copy of this Interlocal Agreement will accompany EDC's Budget request to each of the parties by EDC in advance of the parties' annual budgeting process.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be duly executed by their respective appropriate representatives.

**BOARD OF COUNTY COMMISSIONERS OF**

# HARVEY COUNTY, KANSAS

Becky Reimer, Chair	date
---------------------	------

Don Schroeder, Commissioner                      date

Randy Hague, Commissioner	date
---------------------------	------

ATTEST:

Rick Piepho, County Clerk

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. CITY OF NEWTON  
SIGNATURES TO FOLLOW]

**CITY OF NEWTON, KANSAS**

\_\_\_\_\_  
Rod Kreie, Mayor

\_\_\_\_\_  
date

ATTEST

\_\_\_\_\_  
Denise R. Duerksen, City Clerk

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. CITY OF NORTH  
NEWTON SIGNATURES TO FOLLOW]*



**CITY OF NORTH NEWTON, KANSAS**

\_\_\_\_\_  
Ron Ratzlaff, Mayor

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Pat Redding, City Clerk

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. CITY OF HESSTON  
SIGNATURES TO FOLLOW]*

**CITY OF HESSTON, KANSAS**

\_\_\_\_\_  
David K. Kauffman, Mayor

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Jason Thrasher, City Clerk

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. CITY OF HALSTEAD  
SIGNATURES TO FOLLOW]*

**CITY OF HALSTEAD, KANSAS**

\_\_\_\_\_  
Dennis Travis, Mayor

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Julie Wait, City Clerk

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. CITY OF SEDGWICK  
SIGNATURES TO FOLLOW]*

**CITY OF SEDGWICK, KANSAS**

\_\_\_\_\_  
Bryan Chapman, Mayor

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Shelia Agee, City Clerk

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. CITY OF BURRTON  
SIGNATURES TO FOLLOW]*

**CITY OF BURRTON, KANSAS**

\_\_\_\_\_  
Missy Ducimetiere, Mayor

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Kim Ryan, City Clerk

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. CITY OF WALTON  
SIGNATURES TO FOLLOW]*

**CITY OF WALTON, KANSAS**

\_\_\_\_\_  
Barry Wentz, Mayor

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Stephanie Ashby, City Clerk

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EDC SIGNATURES TO FOLLOW]*

**HARVEY COUNTY ECONOMIC  
DEVELOPMENT COUNCIL**

---

Beth Shelton, Executive Director

Date

ATTEST:

---

Ron Lang, Secretary of the Board

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. ATTORNEY GENERAL  
APPROVAL TO FOLLOW]*

ATTORNEY GENERAL APPROVAL:

The foregoing Agreement is hereby approved this \_\_\_\_ day of \_\_\_\_\_,  
202\_\_ in accordance with the provisions of K.S.A. 12-2901 *et seq.*, as amended.

---

Attorney General for the State of Kansas