

Great Plains seeks trade zone status

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OSWEGO — The Great Plains Industrial Park is seeking a foreign trade zone designation that could open opportunities for jobs and tenants in the park.

Brad Reams, park director, updated Labette County commissioners on the trade zone process on Monday. Greater Kansas City Foreign Trade Zone Inc., which operates FTZs on both sides of the state line in the metropolitan area, is helping Great Plains with the process. The company helped Bagcraft Packaging in Baxter Springs receive the designation, Reams said. If the Great Plains application is received at the international trade office by the end of the month, the FTZ designation could come as soon as Feb. 1, Reams said.

Great Plains would be a public multi-tenant FTZ that would be housed on 2,500 acres of the 6,800-acre footprint that Great Plains controls in the 14,000-acre industrial park. Reams said most FTZs in Oklahoma, Kansas and Missouri are private, which could create a niche for Great Plains because of its public designation.

Reams said Great Plains would likely work with a third party logistics company, such as Watco in Pittsburg, to manage the trade zone. Reams said Great Plains wants to provide any help it can to companies importing products, and “this will be a great way to assist them.”

A foreign trade zone is considered outside of U.S. Customs and Border Protection territory for the purposes of collecting duties and fees. Foreign goods and merchandise are admitted to an FTZ, where they can be stored, processed, repackaged, transformed, destroyed or otherwise handled by company employees before leaving the FTZ.

Goods that move from one FTZ to another can remain exempt from tariffs, in case a manufacturer wants to move something from the Port of Catoosa, for example, and store it at Great Plains for a couple of months before moving it on to the customer. Great Plains also has buildings available in the FTZ for manufacturing, offering another option to business.

Reams gave product examples of bulk grain, metal or chemicals that could be warehoused at Great Plains.

FTZs admitted \$794 billion in foreign and domestic goods in 2018, according to the U.S. General Accountability Office, which reviews operations of federal agencies. There were 262 FTZs in the U.S. in 2019 that employed 450,000 people, and there were 5,383 FTZs in the world, although they may be known by other names in other countries.

A 2018 Congressional Research Service report showed that goods entering the U.S. through FTZs accounted for almost 10% of total U.S. imports, a quarter of them oil and petroleum goods. A majority of goods entering FTZs are used in production (63%), while the remaining are used in warehouse and other logistical activities (37%), the report said. Most goods (86%) arriving through FTZs were consumed in the United States, the rest exported.

Reams said the income potential is still under investigation for Great Plains as potential users are identified. Great Plains would earn income from getting new leases in the FTZ. Watco, if it provides logistics, would set up required security for the companies but Watco or the companies would bear these costs.

KDOT grant

Reams also updated commissioners on the Kansas Department of Transportation grant Great Plains received. The \$500,000 grant required a \$100,000 local match from Great Plains. The city of Parsons loaned this money to Great Plains.

He said he sent requests for proposals to seven contractors for the work on 22000 Road in the park footprint. The project will improve the intersection with Scott Road by adding 10 inches of concrete to accommodate the heavy loads coming into and leaving the Transportation Partners and Logistics laydown yard that stores wind turbine parts and transports them to wind farms being built in the area, including Neosho Ridge in Neosho County.

Reams said he hopes the road work is done by the end of the year. In other matters, the commission: Discussed meeting with Neosho County commissioners to discuss the potential of sharing an appraiser when the contract for appraisers expires in June in Kansas.

Met with Jim Zaleski, city of Parsons economic development director, and Laura Moore, city of Parsons community development director, to discuss the status of SPARK program spending. Zaleski and Moore are managing the program for the county, but the county commission approves spending and spending priorities. Moore said the senior/child care program started with \$226,889 and has \$7,171 left; the business program started with \$205,000 and has \$103,536 left; the food service started with \$161,911 and has \$120,788 left; the connectivity started with \$305,700 and has \$227,160 left.

Discussed rebuilding the 18,500-square-foot county barn and salt shed in Oswego and replacing the wood-framed structure with a metal-framed building, depending on cost. The building, damaged in the July wind and hail storm, would have to be taller, 16 to 18 feet walls instead of about 12 foot walls, to accommodate work on dump trucks. The county has \$69,273.44 to spend on the building and the cost of a metal building likely would be significantly more.

Heard that early voting has kept the county clerk's office busy since last Wednesday, the first day for early voting. In the primary, the clerks saw about 50 early voters. Early voters surpassed that number in two days of early voting last week. As of 11 a.m. Monday, the clerk's office recorded 86 early voters filling out ballots for the Nov. 3 general election.

Approved a contract for a postage machine for Public Works at a cost of \$47.62 a month.