

September 26, 2008

Nicole Pfannenstiel, Member Services Coordinator
Sunflower Electric Power Corporation
PO Box 1020
Hays, Kansas 67601

Re: Agency Review – Farrar Corporation Expansion, Norwich, Kansas

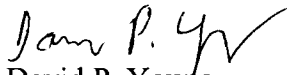
Dear Ms. Pfannenstiel,

The Kansas Geological Survey (KGS) has received your September 2, 2008 letter requesting us to review the above referenced project. The project consists of replacing equipment for a proposed business expansion in Norwich, Kingman County, Kansas. Farrar will replace its existing furnace with a more efficient unit and add jobs to its factory, located at 142 West Burns in Norwich. The proposed expansion will not require any additional construction to the facility, but will need some minor remodeling to accommodate the new equipment.

A review of regional geologic information and project information provided by you indicates that there are no unduly adverse geologic conditions that should affect this project. Environmental factors will likely be dependent on site-specific features (asbestos, USTs, etc.). WWC-5 well records at KGS indicate the possible presence of monitoring wells on the property. While KGS well records do not indicate the purpose of these wells, they are often used for environmental purposes and may indicate the presence of an existing environmental site at this facility. A completed agency review form is enclosed.

This letter is an assessment based on information about the regional geologic conditions available via the KGS and cannot be used in substitute of a detailed site characterization. Other geologic conditions, not discussed herein, or for which the KGS has no knowledge, may affect the viability of the project. It is the responsibility of the applicant to provide any necessary characterization, geotechnical or environmental testing, or design by a licensed professional geologist or engineer to complete the project.

Sincerely,


David P. Young,
Hydrologist

Encl

cc: Dan Suchy, KGS Data Resources Library

AGENCY REVIEW TRANSMITTAL FORM

Comments by: Kansas Geological Survey

Transmittal Date: 09.02.08

PROJECT TITLE: Farrar Corporation

Notification of
Intent

☒

Pre-application

CONTACT PERSON: Nicole M. Pfannenstiel, Corporate/Member Services Admin.

Final Application

Direct
Development

This form provides notification and the opportunity for your agency to review and comment on this proposed project as required by Executive Order 12372. Please complete Parts II and III as appropriate. Your prompt response will be appreciated.

RETURN TO:

Nicole Pfannenstiel
Member Services Coordinator
Sunflower Electric Power Corporation
PO Box 1020
Hays, KS 67601

PART I

REVIEW AGENCIES/COMMISSIONS

☒ Aging	☒ Education/Geological Survey, KS	☐ State Forester
☐ Agriculture - DWR	☐ Health & Environment	☐ Transportation
☐ Biological Survey, KS	☐ Historical Society	☐ Water Office, KS
☐ Conservation Commission	☐ Social & Rehabilitation Services	☐ Wildlife & Parks
☐ Corporation Commission	☐ Kansas Dept. of Commerce	☐ City/County
☐ Commerce	☐ Certified Development Company	☐ Human Resources

PART II (To be completed by review agency and returned to contact person)

AGENCY REVIEW COMMENTS

COMMENTS:

Please see cover letter

PART III (To be completed by review agency and returned to contact person)

RECOMMENDED ACTION COMMENTS

☐ Clearance of the project should be granted.	☐ Clearance of the project should not be delayed, but the Applicant should (in the final application) address and clarify the questions or concerns indicated below.
☐ Clearance of the project should not be granted.	
☐ Clearance of the project should be delayed until the issues or question have been clarified.	☐ Request the opportunity to review final application prior to submission to the federal funding agency.
☐ Request a State Process Recommendation in concurrence with the above comments.	

DIVISIONS/AGENCY/COMMISSION

Reviewer's Name: Dan P. Yur

Date: 9/26/08



SUNFLOWER ELECTRIC POWER CORPORATION

A Touchstone Energy[®] Cooperative 

September 2, 2008

William Harrison
Kansas Geological Survey
1930 Constant Ave
Lawrence, KS 66047

RE: Request for Intergovernmental and Environmental Comments on Application for Rural Economic Development Loan project for Farrar Corporation.

Pursuant to the above project, please be advised Wheatland Electric Cooperative, Inc. of Scott City, Kansas will be submitting a Rural Economic Development loan application for Farrar Corporation.

The purpose of the \$740,000 loan is to provide financing assistance to the company to replace equipment for its proposed business expansion in Norwich, Kingman County, Kansas. The total project cost is \$2,000,000. The company will provide the supplemental financing.

This project will comply with appropriate state laws concerning the application. The application will be sent to Brandon Prough, USDA Rural Development, 2715 Canterbury Drive, Hays, KS, 67601.

I request that you do the following:

1. Review the application information for program or environmental impacts.
2. Provide comments on attached Exhibit D form within 30 days.
3. Please mail or fax these responses to: Nikki Pfannenstiel
Sunflower Electric Power Corporation
PO Box 1020
Hays, KS 67601
VOICE (785) 623-3334
FAX (785) 623-3328

Please call me if you have any questions.

Sincerely,



Nicole M. Pfannenstiel
Member Services Coordinator

PROJECT OVERVIEW

Farrar Corporation, a Kansas corporation, is requesting funding from USDA Rural Development in the amount of \$740,000 through the Rural Economic Development Loan Program. Farrar is working with Wheatland Electric Cooperative to submit the application to USDA.

With the \$740,000 loan from RUS, Wheatland Electric will make a zero-interest loan to Farrar Corporation for a business expansion project. Farrar is a metal foundry located in Norwich, Kansas. Farrar will replace its existing furnace with a more efficient unit, and add jobs to its Norwich factory.

Farrar Corporation's current facility is located at 142 West Burns, in Norwich, Kingman county Kansas. The property is more specifically described as:

Lots 21, 22, 23, and 24 of Block 9 in the town of Norwich in Kingman County, Kansas, as shown by the recorded plat thereof.

The new equipment will be housed at its Norwich facility. The proposed expansion will not require any additional construction to the facility, but will need some minor remodeling to accommodate the new equipment. This higher efficient furnace will allow Farrar to increase metal production and create 10-15 new jobs in Kingman County. The total cost of the project is estimated to be \$2,000,000. Farrar will provide the additional funding for the project, which will include debt financing and equity. Farrar is also pursuing an Energy Efficiency Grant through USDA for the project.

An aerial photo of the property is included for reference.

The Kingman County does participate with the National Flood Insurance Program without a flood insurance study completed.

For more detailed information regarding this project, please contact:

Kraig Vondran
Chief Financial Officer
Farrar Corporation
142 West Burns
Norwich, KS 67118
620.478.2212
kraigv@farrarusa.com

Manhattan Address:
301 Levee Drive
Manhattan KS 66502
785.537.7733



142 West Burns
Norwich, KS 67118



125 250 500
Feet