

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON MARCH 22, 2012

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, March 22, 2012 at 6:30 p.m.

Roll Call: Present: Barbara Wasinger
Troy Hickman
Henry Schwaller IV
Ron Mellick

Absent: Kent Steward

Chairperson Wasinger declared that a quorum was present and called the meeting to order.

2. MINUTES: There were no corrections or additions to the minutes of the regular session held on March 8, 2012; the minutes stand approved as presented.

3. FINANCIAL STATEMENT: Finance Director Kim Rupp reported that month-to-date sales tax collections for the Sports Complex were \$284,614, which was an increase of \$6,291 when compared to last year. Total year-to-date collections are \$533,587 and inception-to-date collections total \$7,474,670. Month-to-date General Fund sales tax collections were \$702,298, up \$15,429 or up 6.80% as compared to last year. The six month running average on sales tax collections has increased to 8.90%

The Finance/City Clerk's Office invested \$2,500,000 of maturing or renewing certificates with a weighted average interest rate of .16%. The portfolio of certificates of deposit on February 29, 2012 totaled \$46,300,000 with a weighted average interest rate of .29%. The total balance of the Money Market account on February 29, 2012 was \$800,000 with a current yield of .20%. Total investments are up \$7,900,000 when compared to last year.

Ron Mellick moved, Henry Schwaller IV seconded, that the Financial Statement for the month of February 2012 be approved.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Henry Schwaller IV

Ron Mellick

4. CITIZEN COMMENTS: There were no comments.

5. CONSENT AGENDA: Troy Hickman moved, Ron Mellick seconded, that the following consent agenda items be approved:

A. Cereal Malt Beverage License for Sake2Me Sushi Rolls

B. The appointment of Henry Schwaller IV to the Public Wholesale Water Supply District #15 Board.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Ron Mellick

Abstain: Henry Schwaller IV

NEW BUSINESS

6. ECONOMIC DEVELOPMENT POLICY: At the November 17, 2011 work session, a revised Economic Development Policy was presented containing a recommended Industrial Revenue Bond (IRB) policy and associated section changes. The Commission gave staff guidance to develop an abatement matrix based on jobs and/or capital investment, set criteria for claw backs when performance standards are not met, create a high-tech business definition, option for Commission to deviate from policy, Community Improvement District renewal, and Option for Commission to grant sales tax exemption for IRB on a case by case basis.

Assistant City Manager Paul Briseno and City Attorney John Bird reviewed the changes to the document.

Ron Mellick moved, Troy Hickman seconded, that the Economic Development Policy, as presented, be approved.

Commissioner Schwaller stated that he felt the abatement matrix in the Policy should be re-written. Under the policy as currently written, companies could qualify for 25%, 50%, 75% or 100% tax abatements. The 75% and 100% abatements would be given to companies investing \$1 million to \$2 million or by creating 26 to 51 jobs. He feels the \$1-2 million threshold is not high enough to warrant either a 75% or 100% abatement.

Henry Schwaller IV moved to amend the matrix changing the 50% abatement for ten years to a higher threshold and remove the 75% and 100% tax abatement. Barbara Wasinger seconded the motion.

Vote: Ayes: Barbara Wasinger

Henry Schwaller IV

No: Troy Hickman

Ron Mellick

Henry Schwaller IV moved, Ron Mellick seconded, to table this item to the April 5, 2012 work session for additional discussion.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Henry Schwaller IV

Ron Mellick

7. WORKERS' COMPENSATION INSURANCE: City staff, through our risk management broker, Insurance Planning, solicited bids for work-comp coverage from 14 companies. Only two bids were received. Travelers Insurance, provider of the City's property and casualty insurance, submitted a bid of \$197,590. Berkshire-Hathaway bid \$171,495. Staff feels the bid from Berkshire-Hathaway is a competitive bid. The coverage and terms are the same as with our previous provider.

Henry Schwaller IV moved, Ron Mellick seconded, that the bid submitted by Berkshire-Hathaway, in the amount of \$171,495, for workers' compensation

insurance be accepted, and that the City Manager be authorized to obtain the necessary policy.

Vote: Ayes: Barbara Wasinger
Troy Hickman
Henry Schwaller IV
Ron Mellick

8. REPORT OF THE CITY MANAGER: Assistant City Manager Paul Briseno presented a monthly report of activities and projects undertaken by City employees during the month of February.

9. COMMISSION INQUIRIES AND COMMENTS: Commissioner Hickman commented on the great job the Parks Department employees are doing with the tree planting at the Sports Complex.

Chairperson Wasinger congratulated Commissioner Schwaller on being the first recipient of the Kansas Arts Advocate of the Year Award.

10. EXECUTIVE SESSION: Ron Mellick moved, Troy Hickman seconded, that the Governing Body recess to executive session at 7:07 p.m. for 15 minutes to discuss attorney/client privileged information. The executive session included the Commissioners, the Assistant City Manager, the Finance Director, and the City Attorney. K.S.A. 75-4319 authorizes the use of executive session for attorney/client privileged discussion.

Vote: Ayes: Barbara Wasinger
Troy Hickman
Henry Schwaller IV
Ron Mellick

Chairperson Wasinger called the meeting back to order at 7:22 p.m. She stated no action was taken during executive session.

The meeting was adjourned.

Submitted by: _____

City Clerk

