

City of Hays  
City Commission  
Work Session Notes  
August 5, 2010

Present: Christopher Channell, Troy Hickman, Henry Schwaller IV, Ron Mellick, John Bird, Toby Dougherty

Absent: Barbara Wasinger

**Rayes, Inc./Wheelchairs of Kansas – Property Tax Abatement**

Section 3 of the City's Economic Development Policy outlines the City of Hays policy on exemptions for real property being added to the tax rolls by a manufacturing business. Under this program, an employer that is either new or expanding its business within the city can request an abatement of real property taxes.

An application for economic development incentives has been submitted by Rayes, Inc., dba Wheelchairs of Kansas. Their request is for a 100% abatement for a ten-year period. The current policy allows for a ten-year abatement, but on a graduated scale, not 100% each year.

Brian Frickey, president of Rayes, made a presentation to the Commissioners about their products and their business plans for expansion on Commerce Parkway.

At the August 12, 2010 Commission meeting, the Commissioners will be requested to set the date of August 26, 2010 for a public hearing concerning Rayes' request for a property tax abatement.

**A-1 Scaffold Mfg., Inc. – Property Tax Abatement**

Section 3 of the City's Economic Development Policy outlines the City of Hays policy on exemptions for real property being added to the tax rolls by a manufacturing business. Under this program, an employer that is either new or

expanding its business within the city can request an abatement of real property taxes.

An application for economic incentives has been submitted by A-1 Scaffold Mfg., Inc. Their request is for a 100% abatement for ten-years. The current policy allows for a ten year abatement, but on a graduated scale, not 100% each year.

Dwight Allenbaugh, president, and Jennifer Allenbaugh, secretary/treasurer of A-1 Scaffold Mfg., Inc. discussed with the Commissioners their plans for purchasing real and personal property in the Hays Industrial Park to establish their operations.

Commissioner Hickman stated that he feels the Commissioners should consider granting ten-year 100% abatements for both Wheelchairs of Kansas and A-1. These two businesses have been in Ellis County for a long time and have proven track records.

Commissioner Schwaller stated he is not opposed to granting a ten-year 100% abatement, but doing so puts the Economic Development Policy in jeopardy and the Commissioners will have to explain to other manufacturing concerns why an exception was made to the Policy.

At the August 12, 2010 Commission meeting, the Commissioners will be requested to set the date of August 26, 2010 for a public hearing concerning A-1 Scaffold's request for a property tax abatement.

### **Addendum to Agreement between the City of Hays and the Firefighters Local 2119 (IAFF)**

The City of Hays and the Firefighters Local 2119 have negotiated an agreement for 2011 on health insurance, wages, and administration of the pay plan.

The Commissioners will be requested to approve the Addendum at the August 12, 2010 Commission meeting.

### **Addendum to Agreement between the City of Hays and the Fraternal Order of Police (FOP)**

The City of Hays and the Fraternal Order of Police have negotiated an agreement for 2011 on health insurance, wages, and administration of the pay plan.

The Commissioners will be requested to approve the Addendum at the August 12, 2010 Commission meeting.

City Manager Toby Dougherty reported on the negotiations with the Service Employees International Union which are at an impasse at this point in time.

### **13<sup>th</sup> and Canterbury Signal Light Upgrade**

The traffic signal light at 13<sup>th</sup> and Canterbury has been in need of an upgrade for many years. The proposed 2011 Budget list an upgrade for this signal light. It has recently been discovered that one of the underground wires is broken and the signal is not functioning properly causing complications with the traffic flow at the intersection. Staff has received quotes and developed a cost estimate of \$40,000 to upgrade the traffic signal now.

The Commissioners will be requested to authorize the upgrade of the traffic signal and authorize the expenditure of up to \$40,000 for this project at the August 12, 2010 Commission meeting.

### **Sports Complex – Field Naming Rights**

The City Manager stated that several businesses in the community have expressed interest in securing naming rights at the Sports Complex. Enough interest has been shown that the City Manager feels that some additional revenue could be generated from these naming rights, which would allow for construction of more facilities while the contractors are still on-site.

A date of August 31, 2010 has been set for businesses to submit their proposal for a ten-year naming right contract.

### **2011 Budget Review**

Since the Service Employees International Union has not come to an agreement with the City, discussion was held about how this would affect the 2011 Budget. The City Manager stated that if the 2011 Budget is increased, it would be necessary to pass a budget amendment ordinance, which would involve publishing costs.

### **Other Items for Discussion**

The City Manager listed the local contractors that are being used in the construction of the Sports Complex. There have been rumors that no local contractors have been used, which is not true.

### **Executive Session**

Ron Mellick moved, Troy Hickman seconded, that the Governing Body recess to executive session at 7:25 p.m. for 30 minutes to discuss attorney-client privileged information and property acquisition. The executive session included the Commissioners, the City Manager, the Convention & Visitors Bureau Director, and the City Attorney. K.S.A. 75-4319 authorizes the use of executive session for the topics stated in the motion.

Vote: Ayes: Christopher Channell

Troy Hickman

Henry Schwaller IV

Ron Mellick

Chairperson Channell called the work session back to order at 7:55 p.m. He stated no action was taken during executive session.

The work session was adjourned.

Submitted by: \_\_\_\_\_

City Clerk

