

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON AUGUST 12, 2010

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, August 12, 2010 at 6:30 p.m.

Roll Call: Present: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

Absent: Henry Schwaller IV

Chairperson Channell 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 July 22, 2010; the minutes stand approved as presented.

3. CITIZEN COMMENTS: There were no comments.

4. CONSENT AGENDA: There were no items on the consent agenda.

NEW BUSINESS

5. RAYES, INC. – WHEELCHAIRS OF KANSAS PROPERTY TAX ABATEMENT – SCHEDULING OF PUBLIC HEARING: An application for economic incentives has been submitted by Rayes, Inc. – dba Wheelchairs of Kansas. Rayes, Inc. is a manufacturing business located in Ellis, Kansas. They have recently purchased both real and personal property in the Hays Industrial Park and seek to expand their existing operations. The 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.

Finance Director Kim Rupp stated that whatever action is taken by the Commission, it will also have an effect on the other two taxing entities, those

being Ellis County and USD 489. He presented information showing how an abatement with varying percentages would affect each entity.

Rod Taylor, tax accountant for Wheelchairs of Kansas, stated that Wheelchairs of Kansas is trying to stay as competitive as they can; if the full tax abatement is not granted, they will be able to manage. The company puts most of its profits back into the company; anything the City can do will help them grow faster than they might otherwise.

Commissioner Wasinger stated that it is hard to veer from policy. Everyone would like to have tax abatements or have this advantage. She is not sure that the policy should be changed or an exemption made to the policy in this case.

Troy Hickman moved, Christopher Channell seconded, that a public hearing date of August 26, 2010 be set to consider approval of a 100% property tax abatement for Rayes, Inc. – dba Wheelchairs of Kansas.

Vote: Ayes: Christopher Channell

Barbara Wasinger

Troy Hickman

Ron Mellick

6. A-1 SCAFFOLD MFG., INC. PROPERTY TAX ABATEMENT –

SCHEDULING OF PUBLIC HEARING: An application for economic incentives has been submitted by A-1 Scaffold Mfg., Inc. A-1 Scaffold is requesting a 100% abatement for a ten year period for the property they have purchased on Commerce Parkway. The current policy allows for a ten year abatement, but on a graduated scale, not 100% each year.

Jenny Allenbaugh, representing A-1 Scaffold, stated it is their intention to create 21 jobs in the first year and grow slowly. She appreciates the graduated scale; however, A-1 Scaffold is requesting a 100% abatement for ten years because this business is starting out during hard economic times and needs any help they can get.

Troy Hickman moved, Ron Mellick seconded, that a public hearing date of August 26, 2010 be set to consider approval of a 100% property tax abatement for A-1 Scaffold Mfg., Inc.

Vote: Ayes: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

7. 13th & CANTERBURY SIGNAL LIGHT UPGRADE: The traffic signal at 13th and Canterbury has been in need of an upgrade for many years, and the proposed 2011 Budget lists an upgrade of this traffic signal. It has recently been discovered that one of the underground wires is broken and the signal is not functioning properly. Staff has received quotes and developed a cost estimate of \$40,000 to upgrade the traffic signal now and requested permission to proceed with the upgrade to minimize the impact on school traffic. Additionally, staff requested permission to use Gades Sales as the sole source supplier for this project. Gades traffic camera equipment is utilized throughout the City.

Ron Mellick moved, Troy Hickman seconded, that the expenditure of up to \$40,000 for the upgrade of the traffic signal at the intersection of 13th and Canterbury using Gades Sales as the sole source for the necessary equipment be approved.

Vote: Ayes: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

8. 2009 AUDIT: As required by Kansas statute, the City hires an outside firm to conduct an annual audit of City finances. The audit represents an unbiased opinion of business practices and the financial soundness of all City funds.

Ken Beran and Melissa Romme of Adams, Brown, Beran and Ball, presented the 2009 Audit and reviewed it with the Commissioners.

Troy Hickman moved, Barbara Wasinger seconded, that the 2009 Audit be accepted as presented.

Vote: Ayes: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

9. ADDENDUM TO THE AGREEMENT BETWEEN THE CITY OF HAYS AND THE FIREFIGHTERS LOCAL 2119 (IAFF):

The Memorandum of Agreement between the City of Hays and the IAFF contains annual openers for Section 10 Health Insurance, Section 15 Wages, and Section 27 Administration of the Pay Plan. The bargaining units for the City of Hays and IAFF have reached an agreement for an Addendum to the Memorandum of Agreement for 2011. The agreement provides for no wage increases for 2011. The City agrees to budget \$9,500 per employee for the health insurance program and eliminate the spousal carve-out provision.

Barbara Wasinger moved, Ron Mellick seconded, that the Addendum to the Memorandum of Agreement for 2011 between the City of Hays and Hays Firefighters Local 2119, be approved.

Vote: Ayes: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

10. ADDENDUM TO THE AGREEMENT BETWEEN THE CITY OF HAYS AND THE FRATERNAL ORDER OF POLICE LODGE 48:

The FOP Memorandum of Agreement between the City of Hays and the FOP contains annual openers for Section 10 Health Insurance, Section 16 Wages, and Section 28 Administration of the Pay Plan. The bargaining units for the City of Hays and FOP have reached an agreement for an Addendum to the Memorandum of Agreement for 2011. The agreement provides for no wage increases for 2011. The City agrees to budget \$9,500 per employee for the health insurance program and eliminate the spousal carve-out provision.

Troy Hickman moved, Ron Mellick seconded, that the Addendum to the Memorandum of Agreement for 2011 between the City of Hays and the Fraternal Order of Police Lodge 48 be approved.

Vote: Ayes: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

11. 2011 BUDGET PRESENTATION, PUBLIC HEARING AND APPROVAL OF

BUDGET: Chairperson Channell opened the public hearing to hear comments regarding the 2011 Budget.

Assistant City Manager Paul Briseno gave the 2011 Budget presentation. Total spending in 2011 is estimated to be \$34,478,437; the total mill levy is set at 25 mills. The 2011 Budget is a maintenance budget; however staff feels that it is essential to fund necessary projects for safety, communication, and community involvement.

There being no comments from the public, Troy Hickman moved, Barbara Wasinger seconded, that the public hearing be closed.

Vote: Ayes: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

Chairperson Channell thanked City staff for putting together a budget that maintained the mill levy and will still provide the services that the City is expected to provide.

Troy Hickman moved, Barbara Wasinger seconded, that the 2011 Budget be approved.

Vote: Ayes: Christopher Channell
Barbara Wasinger
Troy Hickman
Ron Mellick

12. BUDGET ORDINANCE: State statute requires the adoption of an ordinance authorizing the increase in total dollars levied in any year it will exceed the previous year's dollars levied. The projected mill levy in dollars for the 2011 Budget will increase \$66,095 over the 2010 amount for a total of \$4,563,712. The total mill rate will remain at 25 mills for 2011.

Ron Mellick moved, Barbara Wasinger seconded, that Ordinance No. 3810, being an ordinance regarding tax revenues for budget year 2011 for the City of Hays, Kansas, be approved.

Vote: Ayes: Christopher Channel

Barbara Wasinger

Troy Hickman

Ron Mellick

13. REPORT OF THE CITY MANAGER: City Manager Toby Dougherty thanked Finance Director Kim Rupp, Assistant City Manager Paul Brisenso, and Andrea Windholz, Executive Assistant, for the work they did on the 2011 Budget. He also thanked the Department Heads for trimming as much as they did from their budgets without reducing services to the public. Additionally, the City Manager thanked the IAFF and FOP for coming to an agreement with the City during union negotiations.

14. COMMISSION INQUIRIES AND COMMENTS: Commissioner Mellick echoed the City Manager's comments about the good work that was done by City staff during the 2011 budget process and union negotiations.

Commissioner Hickman thanked current staff and the former city manager who came up with the current system of using additional sales tax monies to fund a portion of the general fund activities, which in turn keeps the general fund mill levy down. Some of these sales tax monies have also been set aside in a reserve fund intended to be used during hard economic times.

Commissioner Wasinger agreed with the Commissioner Mellick and Commissioner Hickman. She also thanked the fire and police unions for their excellent support of our town, their hard work and their desire to work with the

City. She also congratulated Eric Norris for being appointed the new Hays Public Library Director.

The meeting was adjourned at 7:23 p.m.

Submitted by: _____

City Clerk