

MINUTES OF A MEETING OF  
THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON  
OCTOBER 28, 2004

**1. CALL TO ORDER BY CHAIRMAN:** The Governing Body of the City of Hays, Kansas met in regular session on Thursday, October 28, 2004 at 7:30 p.m.

Roll Call: Present: Sunell Koerner  
Kent Steward  
Wayne Billinger  
Henry Schwaller IV  
Troy Hickman

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

**2. MINUTES:** There were no corrections to the minutes of the regular meeting held on October 14, 2004; they stand approved as written.

**3. FINANCIAL STATEMENT:** Troy Hickman moved, Kent Steward seconded, that the Financial Statement for the month of September 2004 be approved.

Commissioner Schwaller was out of the room during the vote.

Vote: Ayes: Sunell Koerner  
Kent Steward  
Wayne Billinger  
Troy Hickman

Not Voting: Henry Schwaller IV

**4. CITIZEN COMMENTS:** There were no comments.

**5. CONSENT AGENDA:** Troy Hickman moved, Henry Schwaller IV seconded, that Resolution No. AR-18, Series 2004, being a resolution expressing appreciation for establishing a new business in the City of Hays to Darrell Christen, Advanced Land Surveying and Drafting, LLC, be approved.

Vote: Ayes: Sunell Koerner

Kent Steward  
Wayne Billinger  
Henry Schwaller IV  
Troy Hickman

## **NEW BUSINESS**

### **6. ENGINEERING SERVICE AGREEMENT – 55<sup>TH</sup> STREET IMPROVEMENT**

**PROJECT:** In July 2004, KDOT approved a Corridor Management Grant for the improvement of 55<sup>th</sup> Street from US-183 (Vine Street) east to the proposed reverse access road (General Hays Road). The grant covers 2/3 of the cost of construction and right-of-way costs. The Commission was asked to formally approve an addendum to the existing Engineering Service Contract with BG Consultants to prepare the plans and specification for an amount not to exceed \$8,600.

Wayne Billinger moved, Troy Hickman seconded, that Addendum No. 2 to the Agreement for Engineering Services with BG Consultants for engineering services related to the 55<sup>th</sup> Street Improvement Project for an amount not to exceed \$8,600 be approved.

Vote: Ayes: Sunell Koerner

Kent Steward  
Wayne Billinger  
Henry Schwaller IV  
Troy Hickman

### **7. ANNEXATION AGREEMENT – 806 A COMMERCE PARKWAY:**

The proposed annexation agreement has been requested by the owner of the property at 806 A Commerce Parkway. The owner wishes to tie a single family residence onto the City of Hays public sanitary sewer system that extends along Commerce Parkway.

Henry Schwaller IV moved, Wayne Billinger seconded, that the Agreement for Annexation and Provision of Sanitary Sewer Services for the property located at 806 A Commerce Parkway be approved.

Vote: Ayes: Sunell Koerner  
Kent Steward  
Wayne Billinger  
Henry Schwaller IV  
Troy Hickman

**8. PETTY CASH FUND:** Sections 13.04.050 and 13.04.060 of the Code of Ordinances establishes and maintains a petty cash fund for the water and sewer department for paying miscellaneous expenses related to utility accounts. This fund is no longer needed as the City's current financial system can readily track the expense and automatically generates refunds as set out by the ordinance. Staff recommended that Sections 13.04.050 and 13.04.060 be repealed.

Wayne Billinger moved, Kent Steward seconded, that Ordinance No. 3662, being an ordinance repealing certain provisions of the Code of Ordinances of the City of Hays, Kansas, be approved.

Vote: Ayes: Sunell Koerner  
Kent Steward  
Wayne Billinger  
Henry Schwaller IV  
Troy Hickman

**9. HOME DEPOT PROJECT – TRANSPORTATION DEVELOPMENT DISTRICT (TDD) BONDS RESOLUTION:** The Commission was asked to approve a resolution which authorizes the City to proceed with the offering of Transportation Development District Bonds by Stern Brothers. The City would then approve the pricing and authorize the issuance of the bonds by ordinance and resolution at the November 9<sup>th</sup> Commission meeting.

Wayne Billinger moved, Troy Hickman seconded, that Resolution 2004-488, being a resolution authorizing the offering for sale of Transportation

Development District Sales Tax Revenue Bonds, Series 2004, of the City of Hays, Kansas, be approved.

Commissioner Schwaller commented that these bond revenues will be used to connect the development by building roads and other infrastructure that leads to the property. The bonds will be repaid by a sales tax that is collected from businesses within the development. The City has no obligation to pay these bonds if revenue should fall short.

Vote: Ayes: Wayne Billinger  
Henry Schwaller IV  
Troy Hickman  
No: Sunell Koerner  
Kent Steward

**10. HOME DEPOT PROJECT – HOME RULE ORDINANCE:** This ordinance authorizes the issuance of General Obligation Bonds for what has been termed the Home Depot Project for the purchase and acquisition of certain real property for use by the City as a business/commercial park. This follows the previously approved Memorandum of Understanding and Development Agreement.

City Manager Gustafson stated these bonds are issued by the City of Hays. Home Depot has agreed to unconditionally guarantee these bonds. This ordinance does not issue the bonds; it establishes the process. These bonds will be paid back by dedicating ½ cent of the sales tax generated within the development and the City's portion of the property tax.

Wayne Billinger moved, Troy Hickman seconded, that Ordinance No. 3661, being a Home Rule Ordinance of the City of Hays, Kansas, authorizing an Economic Development Grant to assist in the development of a retail shopping center; and authorizing the issuance of General Obligation Bonds of the City to pay the costs thereof, be approved.

Vote: Ayes: Wayne Billinger  
Henry Schwaller IV  
Troy Hickman  
No: Sunell Koerner

Kent Steward

**11. GENERAL OBLIGATION TEMPORARY NOTES:** It is necessary to approve a resolution authorizing the issuance and delivery of \$6,721,000 of General Obligation Temporary Notes for the purpose of temporarily financing a portion of the costs of various internal projects throughout the City.

Country Club Bank of Kansas City, MO, submitted the lowest proposal for the purchase of the Temporary Notes with an average annual net interest rate of 1.978035%.

Henry Schwaller IV moved, Wayne Billinger seconded, that Resolution No. 2004-489, being a resolution authorizing the issuance and delivery of \$6,721,000 principal amount of General Obligation Temporary Notes, Series 2004-1, of the City of Hays, Kansas, for the purpose of temporarily financing a portion of the costs of certain internal improvements of the City; and prescribing the terms and details of said notes, be approved.

Vote: Ayes: Sunell Koerner

Kent Steward

Wayne Billinger

Henry Schwaller IV

Troy Hickman

**12. REPORT OF THE CITY MANAGER:** City Manager Gustafson reported that he received some information from Lowe's Home Improvement Centers and requested the Commission recess to executive session for 20 minutes in order to get the Commission's direction on how to proceed with negotiations.

Wayne Billinger moved, Troy Hickman seconded, that the Governing Body recess to executive session at 8:10 p.m. for 20 minutes for the purpose of conferring with the City Manager and the City Attorney regarding negotiations with Lowe's Home Improvement Centers. The executive session is to include the City Commission, the City Manager, the Assistant City Manager, and the City Attorney.

Vote: Ayes: Sunell Koerner

Kent Steward

Wayne Billinger  
Henry Schwaller IV  
Troy Hickman

Chairperson Koerner called the meeting back to order at 8:25 p.m. She stated no action was taken during executive session.

**13. COMMISSION INQUIRIES AND COMMENTS:** Commissioner Schwaller stated that there is a street in Hays that is not paved, that street being 5<sup>th</sup> Street to the east of Milner Street. He requested staff check into the matter and see if anything can be done.

Commissioner Schwaller stated that in the Lincoln Draw area north of 33<sup>rd</sup> Street, the neighbors paid for the trees in that area. Many of the trees have died due to various reasons. He requested the Park Department replace some of the trees.

Commissioner Billinger commented that he felt it is important to meet with the Ellis County Commission. He proposed meeting quarterly with the Ellis County Commission and have one of those quarterly meetings be with all the governmental bodies in the county.

Thereupon the Governing Body adjourned.

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

Clerk of the Board