

MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON JULY 11, 1996

**1. CALL TO ORDER BY CHAIRMAN:** The Governing Body of the City of Hays met in regular session, Thursday, July 11, 1996, at 7:30 p.m.

Roll Call: Present: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Mayor Rupp declared that a quorum was present and called the meeting to order.

**2. MINUTES:** Eber Phelps moved, Sharon Leikam seconded, that the minutes of the June 27, 1996, regular session, be approved.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

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

**4. COMMISSION INFORMATIONAL MEMORANDUM:** Commissioner Clarke mentioned there were 510 enplanements at the Airport during June, 1996, and asked what the projected figure was. City Manager Hannes Zacharias said the number of enplanements is very close to the projected figure. He noted that U. S. Air Express will no longer service Goodland, Kansas, and Lamar, Colorado. The recently added third flight out of Hays appears to be paying off.

**5. CONSENT ITEMS:** Errol Wuertz moved, Sharon Leikam seconded, that Cheryl Ermoian, be appointed to the Hays Recreation Commission to fill the unexpired term ending August 1, 1999, of Annette Hammeke.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Eber Phelps moved, Jayne Clarke seconded, that a Lease Agreement between the City of Hays and the High Plains Street Machines for the use of park land, located south of the National Guard Armory, from July 19 through July 21, 1996, be approved.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

**6. SPECIAL ASSESSMENT DISTRICT:** Sharon Leikam moved, Jayne Clarke seconded, that Resolution No. 207, being a Resolution determining the advisability of creating a special assessment district in 41st Street Plaza First Addition for the installation of a water line along 41st Street and Madison Drive, be approved.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Jayne Clarke moved, Eber Phelps seconded, that Resolution No. 208, being a resolution authorizing the special assessment district for construction of a water line along 41st Street and Madison Drive in 41st Street Plaza First Addition, be approved:

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

**7. WATER LINE CONSTRUCTION:** City Manager Zacharias presented a

\$41,329.95 Change Order, and a \$3,500 Amendment to an Engineering Contract with Bucher, Willis and Ratliff for the placement of a water line along 41st Street and Madison Drive. This will make the total project cost \$44,829.95. Of this amount, the City will be responsible for \$24,937.95. The balance (\$19,892.00) will be paid by special assessments on the west nine lots in 41st Street Plaza First Addition.

Under the current Development Policy, the City is responsible to pay for the extension of major water supply lines, with developers being responsible for distribution lines within the development area. Thus, the City is responsible for a large portion of this project. Funds for this project are expected to come from Water Capital Reserves.

Sharon Leikam moved, Jayne Clarke seconded, that an Amendment to an existing Engineering Agreement with Bucher, Willis and Ratliff to provide design and inspection services for an additional water line along 41st Street and Madison Drive, be approved.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Jayne Clarke moved, Eber Phelps seconded, that Change Order No. 1 to the 41st Street Plaza First Addition, Phase 2, Construction Contract to include a water line along 41st Street and Madison Drive, be approved.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

**8. ANNEXATION:** Mike Phillion, Chief Financial Officer for Yuasa Exide, and Jack Cutright, Plant Manager, appeared before the Commission with a request for annexation.

In addition to the annexation request, Yuasa Exide is

requesting a ten year tax abatement effective in 1997 for all machinery and equipment purchased from January 1, 1992 to June 30, 1996, estimated to be \$13,000,000 of assets. Yuasa Exide also intends to request an additional ten year tax abatement effective in year 2000 for all machinery and equipment purchased from July 1, 1996 to December 31, 1999, estimated to be \$9,000,000 in assets.

Mr. Phillion said that even with an abatement, Yuasa Exide will still pay approximately \$1,000,000 in real estate and personal property tax over the next five years. Without an abatement, the tax bill paid by Yuasa would be approximately \$1,700,000.

Mr. Phillion said the request for tax abatement is being made to improve Yuasa Exide's competitive position in it's "New Product business", which will preserve current jobs in Hays, and increase long-term prospects of increasing future jobs by NP business expansion. In the past two years Yuasa Exide's competitive position has slipped due to increased competition and lower prices for products.

Mr. Phillion said one competitive choice available to Yuasa Exide is to invest more dollars in the Hays plant equipment to significantly improve overall cost competitiveness. This would be the Company's first choice. Another choice would be to invest more dollars in other Yuasa Exide manufacturing locations, who offer various tax incentives and advantages. He cited examples of other states that give industries a much better personal tax break. The state of Pennsylvania offers a total tax abatement for manufacturers.

Mr. Phillion said Yuasa Exide has exceeded all "promises" from the original 1989 tax abatement in regard to the job requirement and average wage. Their future commitment is to maintain and continue to exceed the 300 jobs originally promised in 1989. Their plan is to invest additional capital to provide needed equipment to improve cost competitiveness, up to \$15,000,000 over a five year period.

Commissioner Leikam asked Mr. Phillion if he would

guarantee that Yuasa Exide will make a \$15,000,000 capital investment and 300 jobs. Mr. Phillion said he could guarantee the 300 jobs, but he could not guarantee a capital investment of \$15,000,000. He said we are very optimistic, but cannot foresee the future.

Commissioner Leikam asked if you do not get the tax abatement, what will you do; will you remain in Hays? Mr. Phillion said he did not want this viewed as a threat. If we do not get the support we need, we will "slug it out", however, our success will be handicapped.

Eber Phelps moved, Errol Wuertz seconded, that Resolution No. 207, being a Resolution authorizing the annexation of property owned by Yuasa Exide, be approved.

City Manager Zacharias said since this property is not contiguous to the City, the County Commission is required to pass a resolution stating the County has no objections to the annexation. Once the County has approved the annexation, an Annexation Ordinance will be prepared for approval.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

**9. TRAFFIC ADVISORY COMMITTEE RECOMMENDATIONS:** City Manager Zacharias said the Traffic Advisory Committee has made several recommendations regarding problem traffic areas.

Errol Wuertz moved, Jayne Clarke seconded, that stop signs be placed on Western Plains, Agnes, and Anthony at 17th Street.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Sharon Leikam moved, Errol Wuertz seconded, that the criteria for the placement of school zone flashing lights, be approved.

Assistant City Manager Bartlett pointed out that funding is limited for the placement of school zone flashing lights. Written requests for a flashing light should be sent to the City Manager's Office. The Traffic Advisory Committee will study and prioritize each request, and make a recommendation to the City Commission.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Jayne Clarke moved, Eber Phelps seconded, that flashing lights be placed on Oak Street near Wilson Elementary School.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Mayor Rupp said there are other dangerous intersections in the City. He encouraged the Traffic Advisory Committee to investigate other potentially dangerous traffic areas.

**10. HOUSING AUTHORITY PAYMENT:** Charlene Barber, Hays Housing Authority Director, was present and requested the City Commission to waive the annual payment of 10 percent of the collected dwelling rent known as "Payment in Lieu of Taxes". The amount of payment for 1996 is \$3,271.54. She stated that according to the HUD representative, it is not unusual for cities to waive this payment in order to allow the Housing Authority to use these funds for acute and pressing needs. She said two air conditioners need to be replaced, and several repairs have been required on the aging appliances.

City Manager Zacharias said City records indicate the Housing Authority has been making this annual payment. However, other nonprofit organizations, such as churches, hospitals, etc., are tax exempt, and to exempt the Housing Authority would be in line with that philosophy.

Eber Phelps moved, Sharon Leikam seconded, that the "Payment in Lieu of Taxes" for the Hays Housing Authority be waived in 1996, and the Agreement be modified to eliminate the "Payment in Lieu of Taxes".

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

**11. COMPUTERIZED MAPPING:** City Manager Zacharias said the proposed Agreement with Bucher, Willis, and Ratliff is for the update and computerization of base maps, zoning maps, lots and blocks maps, sanitary sewer maps, water line maps, storm sewer maps and also provides for sixteen hours of training for City staff.

Assistant Public Works Director Brenda Cary said this map system will be compatible with a GIS system, with some minor modification.

City Attorney John Bird said he would like an opportunity to review the contract language in regard to reuse of documents, ownership of documents, and insurance requirements.

Error Wuertz moved, Jayne Clarke, seconded that a Contract with Bucher, Willis and Ratliff, totaling \$40,950, for update and computerization of City maps, be approved, subject to review and approval by the City Attorney.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

**12. CDBG APPLICATION:** Mayor Rupp opened a Public Hearing to receive comments concerning the submitting of a Community Development Block Grant application for replacement and installation of water lines in the south area of the City.

Specific improvements include: 1)replacement of a 4" and 6" water line along Vine Street between 8th Street and the 183 Bypass with a 12" line, 2)the installation of a new water line from approximately 1,400 feet east of the intersection of Vine and the 183 Bypass west to Vine Street, and 3)the installation of a new water line running south from the intersection of Vine Street and the Bypass along Reservation Road to the entrance to Countryside Estates.

The total estimated cost for this work would be \$370,000, with the City requesting a 50 percent match from CDBG Grant funds. The City's portion is included in Water Capital Outlay for 1997.

Eber Phelps moved, Sharon Leikam seconded, that the Public Hearing, be closed.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Jayne Clarke moved, Sharon Leikam seconded, that Resolution No. 211, being a Resolution authorizing the City to submit an application to the Kansas Department of Commerce for a \$370,000 CDBG Grant, be approved.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

**13. ADD-ON ITEMS:** City Manager Zacharias said in lieu of issuing Temporary Notes for Canterbury Road improvements, the costs of the improvements will be included in the upcoming Bond Sale scheduled for August 8, 1996. The total cost of the

improvements to Canterbury is estimated to be \$840,000.

Eber Phelps moved, Errol Wuertz seconded, that Resolution No. 209, being a Resolution initiating proceeding by the Governing Body for the improvement of a portion of Canterbury Road in the City of Hays, Kansas, be approved.

Vote: Ayes: Daniel Rupp  
Eber Phelps  
Jayne Clarke  
Errol Wuertz  
Sharon Leikam

Assistant Public Works Director Cary announced that the Recycling Program is celebrating its first birthday this week. The Program has been very successful with a participation rate of approximately 75 percent. She credited the citizens of Hays for the success of the Recycling Program. She said booths will be set up at the Sidewalk Bazaar, July 20, 1996, and the Ellis County Fair. Ms. Cary mentioned the City has applied for a Solid Waste Grant to help with the Recycling Program.

The Commissioners commended City staff, members of the Wild West Fest Committee, and all the citizens of Hays who worked together to make the Wild West Fest a great success.

Thereupon the Governing Body adjourned.

Submitted by: \_\_\_\_\_  
Clerk of the Board