

**CITY OF HAYS COMMISSION MEETING  
THURSDAY, JUNE 13, 2013 – 6:30 P.M.  
AGENDA**

1. Call to order by Chairperson.
2. **MINUTES:** Consider approval of the minutes from the regular meeting held on May 23, 2013. (PAGE 1)
3. **CITIZEN COMMENTS:** (non-agenda items).
4. **CONSENT AGENDA:** (Items to be approved by the Commission in one motion, unless objections are raised).
  - A. **Cereal Malt Beverage License Application:** DHDC – Blues & Barbeque (PAGE 9)
  - B. **Mayoral Appointments for Approval:** Airport Advisory Committee (PAGE 15)
  - C. **Mayoral Appointment Recommendation:** Hays Beautification Committee (PAGE 19)

**UNFINISHED BUSINESS**

(No business to review)

**NEW BUSINESS**

5. **GO BONDS, SERIES 2013-A – PUBLIC HEARING FOR SPECIAL ASSESSMENTS:** Conduct a public hearing to consider proposed special assessments for public improvements for Golden Belt Estates 4<sup>th</sup> Addition and the Replat of 46<sup>th</sup> Street First Addition. (PAGE 23)
6. **GO BONDS, SERIES 2013-A – ORDINANCE LEVYING SPECIAL ASSESSMENTS:** Consider approving Ordinance No. 3863 levying special assessments for the costs of internal improvements to Golden Belt 4<sup>th</sup> Addition and the Replat of 46<sup>th</sup> Street First Addition. (PAGE 25)
7. **GO BONDS, SERIES 2013-A – RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2013-A:** Consider approving Resolution No. 2013-014 authorizing the offering for sale of General Obligation Refunding and Improvement Bonds, Series 2013-A. (PAGE 37)
8. **VIA CHRISTI – TEFRA PUBLIC HEARING FOR THE RETIREMENT OF HEALTH CARE FACILITY REVENUE BONDS, SERIES 2012-A:** Conduct a TEFRA public hearing to consider the retirement of Via Christi Health Care Facility Revenue Bonds, Series 2012-A,. (PAGE 61)
9. **VIA CHRISTI – TEFRA RESOLUTION:** Consider approving Resolution No. 2013-015 approving the issuance of Revenue Bonds by the Wisconsin Health and Educational Facilities Authority for the defeasance of Via Christi Health Care Facility Revenue Bonds, Series 2012-A. (PAGE 63)

10. **VIA CHRISTI – CONVEYANCE RESOLUTION:** Consider approving Resolution No. 2013-016 authorizing the conveyance of facilities back to the Via Christi Village Hays, Inc. and authorizing the execution of all necessary documents. (PAGE 71)
11. **CONTRACT SEWER CLEANING:** Consider accepting the low bid from Mayer Specialty Services, LLC to clean and video sewer lines in Hays with funding from the Wastewater Treatment and Collection Projects line item. (PAGE 105)
12. **WALKER MD MOWER PURCHASE FOR CEMETERY USE:** Consider approving the purchase of a Walker MD mower from Pro-Green Total Lawn Care with budgeted funds from the New Equipment Reserve. (PAGE 111)
13. **AIRPORT TERMINAL IMPROVEMENTS – HAYS REGIONAL AIRPORT:** Consider authorizing the City Manager to submit an application for federal assistance for the engineering of terminal improvements at the Hays Regional Airport. (PAGE 115)
14. **RESOLUTION TO ESTABLISH BENEFIT DISTRICT FOR LOTS 1-24 WITHIN THE REPLAT OF LOT 2, BLOCK 9, GOLDEN BELT 8<sup>TH</sup> ADDITION:** Consider approving Resolution No. 2013-017 authorizing the creation of a special benefit district for the construction of improvements to Lots 1-24 within the Replat of Lot 7, Block 9 of the Golden Belt 8<sup>th</sup> Addition. (PAGE 129)
15. **GOLDEN BELT ESTATES 5<sup>TH</sup> ADDITION – REZONING:** Consider approving Ordinance No. 3864 rezoning the property known as Golden Belt Estates 5th Addition from A-L (Agricultural District) to R-2 (Single-Family Dwelling District). (PAGE 137)
16. **GOLDEN BELT ESTATES 5<sup>TH</sup> ADDITION – FINAL PLAT:** Consider approving Resolution No. 2013-018 accepting the final plat known as Golden Belt Estates 5th Addition. (PAGE 147)
17. **GOLDEN BELT ESTATES 5<sup>TH</sup> ADDITION – ANNEXATION:** Consider approving Ordinance No. 3865 for the annexation of the proposed Golden Belt Estates 5<sup>th</sup> Addition as legally described within the ordinance. (PAGE 153)
18. **HOUSING STUDY GROUP REPORT:** Hear a report about the findings of the Housing Study Group. (PAGE 161)
19. **AMENDED ECONOMIC DEVELOPMENT POLICY – RURAL HOUSING IMPROVEMENT DISTRICT (RHID):** Consider approving the amended Economic Development Policy containing the Rural Housing Improvement District language. (PAGE 165)
20. **41ST STREET RIGHT-OF-WAY – SMOKY HILL COUNTRY CLUB:** Consider approving an offer for the acquisition of a temporary construction easement and a permanent drainage easement from the Smoky Hill Country Club for the proposed reconstruction of 41<sup>st</sup> Street from the US-183 Bypass to Hall Street. (PAGE 215)
21. **REPORT OF THE CITY MANAGER** (PAGE 223)
22. **COMMISSION INQUIRIES AND COMMENTS**

23. **EXECUTIVE SESSION (IF REQUIRED)**

24. **ADJOURNMENT**

**ANY PERSON WITH A DISABILITY NEEDING SPECIAL ACCOMMODATIONS TO ATTEND THIS MEETING SHOULD CONTACT THE CITY MANAGER'S OFFICE 48 HOURS PRIOR TO THE SCHEDULED MEETING TIME. EVERY ATTEMPT WILL BE MADE TO ACCOMMODATE ANY REQUESTS FOR ASSISTANCE.**



MINUTES OF A MEETING OF  
THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON MAY 23, 2013

**1. CALL TO ORDER BY CHAIRMAN:** The Governing Body of the City of Hays, Kansas met in regular session on Thursday, May 23, 2013 at 6:30 p.m.

Roll Call: Present: Kent Steward  
Henry Schwaller IV  
Eber Phelps  
Shaun Musil  
Ron Mellick

Chairperson Steward 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 May 9, 2013; 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 \$214,082, which was an increase of \$6,067 when compared to last year. Total year-to-date collections are \$978,690 and inception-to-date collections total \$10,904,539. Month-to-date General Fund sales tax collections were \$523,623, up \$13,678 or 2.68% as compared to last year. The six month running average on sales tax collections is up slightly at .19%.

The Finance/City Clerk's office invested \$3,750,000 of maturing or renewing certificates with a weighted average interest of .22%. The portfolio of certificates of deposit on April 30, 2013 totaled \$53,050,000 with a weighted average interest rate of .28%. The total balance of the Money Market account on April 30, 2013 was \$700,000 with a current yield of .20%. Total investments are up \$7,700,000 when compared to this time last year.

Ron Mellick moved, Shaun Musil seconded, that the Financial Statement for the month of April 2013 be approved.

Vote: Ayes: Kent Steward  
Henry Schwaller IV  
Eber Phelps  
Shaun Musil  
Ron Mellick

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

**5. CONSENT AGENDA:** Mayor Steward presented the following proposed mayoral appointments which will be voted upon for approval at the June 13, 2013 Commission meeting:

**Airport Advisory Committee**

Lyle Noordhoek - three-year term to expire April 30, 2016

Gary Wentling – three-year term to expire April 30, 2016

**NEW BUSINESS**

**6. SALE AND USE OF FIREWORKS IN 2013:** Chapter 32 of the City of Hays Municipal Code provides for the City Commission to make a final determination as to whether or not to suspend the sale and use of fireworks at its final regular meeting in May. City staff recommends suspending the sale and use of fireworks for 2013 due to the continuing drought. Staff feels fireworks could be allowed at the last minute if conditions are favorable and that vendors will have no problem finding a supply of fireworks if the sale and use is allowed at the last minute.

City Manager Toby Dougherty stated the Ellis County Commission voted to allow the sale of fireworks in Ellis County, but have not yet made a decision regarding the use of fireworks.

Dan Thyfault, owner of TAZ Fireworks, doesn't want the Commission to make a decision now. He would prefer the sale of fireworks be allowed and cancelled later if it is too dry.

Ron Mellick moved, Kent Steward seconded, to suspend the sale and use of fireworks in the city limits for 2013.

Commissioner Mellick stated he will vote to ban fireworks this year because of the drought and because after last years Fourth of July events, the vendors and non-profit organizations made it clear they wanted to know ahead of time and not have a last minute ban leaving them with fireworks they couldn't sell.

Commissioner Phelps suggested scheduling a special meeting the middle of June to lift the ban, still allowing vendors time to order their fireworks.

City Attorney John Bird pointed out that the ordinance states the decision on whether or not to ban fireworks has to be decided at the 2<sup>nd</sup> meeting in May. The ordinance would have to be amended and published if the Commission wants to make this determination at a meeting different than the 2nd meeting in May.

Commissioner Musil has heard from many citizens and most of them would like to have fireworks allowed this year.

Commissioner Schwaller would like to work with the Ellis County Commission to adopt a county wide policy. He feels a ban is important at this time, but will vote against a ban due to the County's decision to allow fireworks.

The chairperson called for the vote.

Vote: Ayes: Kent Steward

Eber Phelps

Ron Mellick

No: Henry Schwaller IV

Shaun Musil

**7. BICKLE-SCHMIDT SPORTS COMPLEX SHADE STRUCTURE:** The Bickle-Schmidt Sports Complex is in need of a shade structure for the southwest four-plex. The recommended shade structure was not part of the original construction project but has become one of the most requested items for the Bickle-Schmidt Sports Complex. An amount of \$26,900 is budgeted in the 2013 Bickle-Schmidt Sports Complex budget for this purpose. If approved, this structure will provide the same shade for visitors at the southwest four-plex that is available to visitors at the northeast four-plex and at the soccer concession

area. The recommendation from City staff is to approve the purchase of a 24'x50' shade structure from Athco, Lenexa, KS, for an amount of \$15,644 which is \$11,256 under budget.

Ron Mellick moved, Eber Phelps seconded, that the bid submitted by Athco in the amount of \$15,644 for the purchase of a 24'X50' shade structure to be funded from the Bickle-Schmidt Sports Complex budget, be approved.

Commissioner Schwaller stated he will be voting against the motion; he would like a more permanent shade structure installed.

Vote: Ayes: Kent Steward

Eber Phelps

Shaun Musil

Ron Mellick

No: Henry Schwaller IV

**8. REQUEST FOR REZONING (A-L TO C-2) – PROPOSED LUECKE**

**ADDITION:** The owners of the property located along and south of 41<sup>st</sup> St. east of Home Depot (proposed Leucke Addition) have submitted a request to rezone a portion of the property from A-L (Agriculture District) to C-2 (General Commercial and Service District). The Planning Commission, by a vote of 7-0, recommended approval of the rezoning as requested. However, staff recommended sending this item back to the Planning Commission for additional consideration of all eight factors required by the Kansas Supreme Court, including the character of the neighborhood and the zoning and uses of nearby properties and how they relate to the remaining agricultural zoned property.

Henry Schwaller IV moved, Ron Mellick seconded, that the rezoning request be returned to the Planning Commission for additional consideration of all eight factors required by the Kansas Supreme Court, including the character of the neighborhood and the zoning and uses of nearby properties and how they relate to the remaining agricultural zoned property.

Vote: Ayes: Kent Steward  
Henry Schwaller IV  
Eber Phelps  
Shaun Musil  
Ron Mellick

**9. REQUEST FOR REZONING (A-L TO R-3) – PROPOSED LUECKE**

**ADDITION:** The owners of the property located along and south of 41<sup>st</sup> St. east of Home Depot (proposed Leucke Addition) have submitted a request to rezone a portion of the property from A-L (Agriculture District) to R-3 (Two-Family Dwelling District). The Planning Commission, by a vote of 7-0, recommended approval of the rezoning as requested. However, staff recommended sending this item back to the Planning Commission for additional consideration of all eight factors required by the Kansas Supreme Court, including the character of the neighborhood and the zoning and uses of nearby properties and how they relate to the remaining agricultural zoned property.

Henry Schwaller IV moved, Eber Phelps seconded, that the rezoning request be returned to the Planning Commission for additional consideration of all eight factors required by the Kansas Supreme Court, including the character of the neighborhood and the zoning and uses of nearby properties and how they relate to the remaining agricultural zoned property.

Vote: Ayes: Kent Steward  
Henry Schwaller IV  
Eber Phelps  
Shaun Musil  
Ron Mellick

**10. SIDEWALK REPAIR ASSESSMENT ORDINANCE:**

Sidewalk repairs were completed for seven properties last fall per Commission approval. Four of the properties have paid for their repair costs and it is now necessary to assess the other three property owners for their repairs totaling \$1919.09. If the ordinance is approved, notices will be sent to the three property owners, giving them 30 days

after publication of the ordinance to pay. If they fail to pay, the sidewalk assessment plus four percent interest will be levied against the property.

Henry Schwaller IV moved, Shaun Musil seconded, that Ordinance No. 3862, being an ordinance assessing the cost of services rendered by the City benefitting the properties located at 421 West 5<sup>th</sup> Street, 307 West 6<sup>th</sup> Street, and 217 West 6<sup>th</sup> Street to be paid in one total installment for each, be approved.

Vote: Ayes: Kent Steward

Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

**11. RESOLUTION SETTING PUBLIC HEARING TO CONSIDER SPECIAL ASSESSMENTS:**

Special assessments for two special improvement districts within the City of Hays are ready to be finalized and assessed to the property owners. A public hearing is scheduled for June 13, 2013 to consider the proposed assessments against property located in:

- o Golden Belt Estates Fourth Addition – 21 lots
- o Replat of 46<sup>th</sup> Street First Addition – 7 lots

Henry Schwaller moved, Ron Mellick seconded, that Resolution No. 2013-013, being a resolution providing notice of a public hearing to consider proposed assessments as to the public improvements for: Golden Belt Estates Fourth Addition (Water, Sanitary Sewer, Storm Sewer and Streets); Replat of 46<sup>th</sup> Street First Addition (Water, Sanitary Sewer, Storm Sewer and Streets) be approved.

Vote: Ayes: Kent Steward

Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

**12. PROGRESS REPORT:** Assistant City Manager Paul Briseno presented a monthly report on projects and activities occurring in various City of Hays departments.

**13. REPORT OF THE CITY MANAGER:** The City Manager had no additional items to report on.

**14. COMMISSION INQUIRIES AND COMMENTS:** Commissioner Phelps clarified that the fireworks ban does not include the Wild West Fest fireworks display.

The meeting was adjourned at 7:39 p.m.

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

Doris Wing – City Clerk



**CITY OF HAYS**  
**AGENDA ITEM COVER SHEET**

**COMMISSION AGENDA ITEM NO. 4A**

**MEETING DATE: 6-13-13**

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**TOPIC:**

Cereal Malt Beverage License Application

**ACTION REQUESTED:**

Approve the Cereal Malt Beverage License for the Downtown Hays Development Corporation. This is for the annual downtown Blues and BBQ that will be held on 7/19/13 at 4:30 pm and will end on 7/20/13 at 12:00 am.

**NARRATIVE:**

None

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Kim Rupp, Director of Finance

**ADMINISTRATION RECOMMENDATION:**

None

**COMMITTEE RECOMMENDATION(S):**

None

**ATTACHMENTS:**

Cereal Malt Beverage Application

**PARTNERSHIP, FIRM OR ASSOCIATION  
APPLICATION FOR LICENSE TO SELL CEREAL MALT BEVERAGES**  
(This form has been prepared by the Attorney General's Office)

City or  County of Hays, Ellis County

<b>SECTION 1 - LICENSE TYPE</b>
Check One: <input checked="" type="checkbox"/> New License <input type="checkbox"/> Renew License <input checked="" type="checkbox"/> Special Event Permit
Check One: <input type="checkbox"/> License to sell cereal malt beverages for consumption on the premises <input checked="" type="checkbox"/> License to sell cereal malt beverages in original and unopened containers and not for consumption on the licensed premises

<b>SECTION 2 - APPLICANT INFORMATION</b>
Kansas Sales Tax Registration Number (required) <u>48-0216075</u>
Name of Partnership/Firm/Association <u>Downtown Hays Development Corporation</u> Phone No. <u>(785) 621-4171</u>
Place of Business Street Address <u>2700 Vine Street</u> City <u>Hays</u> Zip Code <u>67601</u>

<b>SECTION 3 - LICENSED PREMISE</b>	
<b>Licensed Premise</b> (Business Location or Location of Special Event)	<b>Mailing Address</b> (If different from business address)
DBA Name <u>DHDC</u>	Name <u>DHDC</u>
Business Location Address <u>Municipal Park</u>	Address <u>2700 Vine Street</u>
City <u>Hays</u> State <u>KS</u> Zip <u>67601</u>	City <u>Hays</u> State <u>KS</u> Zip <u>67601</u>
Business Phone No. <u>(785) 621-4171</u>	<input type="checkbox"/> I own the proposed business or special event location. <input checked="" type="checkbox"/> I do not own the proposed business or event location.
Business Location Owner Name(s) <u>City of Hays</u>	

<b>SECTION 4 - PARTNER AND FIRM/ASSOCIATION MEMBER INFORMATION</b>		
List each partner or member of a firm/association and their spouse, if applicable. Attach additional pages if necessary.		
Partner/Member Name <u>*See attachment</u>	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Partner/Member Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Partner/Member Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
Residence Street Address	City	State Zip Code

SECTION 4 – PARTNER AND FIRM/ASSOCIATION MEMBER INFORMATION (CONTINUED)		
Partner/Member Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Partner/Member Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Partner/Member Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
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Partner/Member Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Partner/Member Name	Title	Date of Birth
Residence Street Address	City	State Zip Code
Spouse Name	Title	Date of Birth
Residence Street Address	City	State Zip Code

SECTION 5 – MANAGER OR AGENT INFORMATION		
My place of business or special event will be conducted by a manager or agent.		<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, provide the following:		
Manager or Agent Name <i>Tom Joy</i>	Phone No <i>785-259-0246</i>	Date of Birth <i>11-9-55</i>
Residence Street Address <i>2073 250<sup>th</sup> Ave</i>	City <i>Hays</i>	State Zip Code <i>KS 67601</i>
<b>Manager or Agent Spousal Information</b>		
Manager or Agent Spouse Name <i>Fred Joy</i>	Phone No <i>785-259-7062</i>	Date of Birth <i>12-25-54</i>
Residence Street Address <i>2073 250<sup>th</sup> Ave</i>	City <i>Hays</i>	State Zip Code <i>KS 67601</i>

<b>SECTION 6 – QUALIFICATION FOR LICENSURE</b>	
Applies to each partner or member of a firm or association AND their spouses.	
Are all persons identified in Sections 4 & 5 are Citizens of the United States <sup>1</sup> ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Have all persons identified in Sections 4 & 5 have been a resident of Kansas for at least one year prior to application <sup>2</sup> ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Have all persons identified in Sections 4 & 5 been residents of this county for at least six months <sup>3</sup> ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
All persons identified in Sections 4 & 5 are at least 21 years old <sup>4</sup> ?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Within 2 years immediately preceding the date of this application, have any of the persons identified in Sections 4 & 5 have been convicted of, released from incarceration for or released from probation or parole for any of the following crimes: (1) Any felony; (2) a crime involving moral turpitude; (3) drunkenness; (4) driving a motor vehicle while under the influence of alcohol (DUI); or (5) violation of any state or federal intoxicating liquor law.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the partnership, firm or association have a manager, officer or director who was an officer, manager, director or stockholder owning in the aggregate more than 25% of the stock of a corporation that had a CMB license revoked or was convicted of a violation of the Club and Drinking Establishment Act or the CMB laws.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has the spouse of any partner or member been convicted of any of the crimes identified in Section 6 during the time the spouse held a CMB license?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<b>SECTION 7 – DURATION OF SPECIAL EVENT</b>		
Start Date 7-19-2013	Time 4:30	<input type="checkbox"/> AM <input checked="" type="checkbox"/> PM
End Date 7-20-2013	Time 12:00	<input checked="" type="checkbox"/> AM <input type="checkbox"/> PM

I declare under penalty of perjury under the laws of the State of Kansas that the foregoing is true and correct and that I am authorized by the partnership/firm/association to complete this application. (K.S.A. 53-601)

SIGNATURE *Rama J. Jay* DATE 5-21-13

FOR CITY/COUNTY OFFICE USE ONLY:	
<input type="checkbox"/> License Fee Received Amount \$ _____ Date _____ ( \$25 - \$50 for Off-Premise license or \$25-200 for On-Premise license)	
<input type="checkbox"/> \$25 CMB Stamp Fee Received Date _____	
<input type="checkbox"/> Background Investigation <input type="checkbox"/> Completed Date _____ <input type="checkbox"/> Qualified <input type="checkbox"/> Disqualified	
<input type="checkbox"/> New License Approved Valid From Date _____ to _____ By: _____	
<input type="checkbox"/> License Renewed Valid From Date _____ to _____ By: _____	
<input type="checkbox"/> Special Event Permit Approved Valid From Date <u>7/19/13</u> to <u>7/20/13</u> By: _____	

A PHOTOCOPIY OF THE COMPLETED FORM, TOGETHER WITH THE STAMP FEE REQUIRED BY K.S.A. 41-2702(e), MUST BE SUBMITTED WITH YOUR QUARTERLY REPORT (ABC-301) TO THE ALCOHOLIC BEVERAGE CONTROL, 915 SW HARRISON STREET ROOM 214, TOPEKA, KS. 66625-3512.

<sup>1</sup> Spouse not required to be U.S. citizen. K.S.A. 41-2703(b)(9)  
<sup>2</sup> Spouse not required to be Kansas resident. K.S.A. 41-2703(b)(9)  
<sup>3</sup> Spouse not required to be a resident of the county. K.S.A. 41-2703(b)(9)  
<sup>4</sup> Spouse not required to be over 21 years of age. K.S.A. 41-2703(b)(9)

**DOWNTOWN HAYS DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS**

**2013**

(Terms to End Dec. 31 of designated year)  
(Three Year Term)

2013 (1 <sup>st</sup> )	Eddie Perrett Brungardt, Hower, Ward, Elliott & Pfeifer 209 E 13 <sup>th</sup> Street 785.259.3087 eddiep@bhcpa.com <b>Treasurer</b>	2013 (1 <sup>st</sup> )	Andrew Rupp Insurance Planning, Inc. 3006 Broadway Ave., PO Box 100 785.625.0845 ruppan@insurance-planning.com
2013 (1 <sup>st</sup> )	Michael Billinger Midwest Energy, Inc. 1330 Canterbury Road 785.625.1461 mbillinger@mwenergy.com	2013 (2 <sup>nd</sup> )	Michele Flax Bildschon Haus of Windows 1100 Main Street 785.342.4366 michele@info-tech-intl.com
2013 (2 <sup>nd</sup> )	Henry Schwaller Schwaller & Sons/FHSU 1500 Vine Street 785.628.6162 hschwaller4@yahoo.com	2014 (2 <sup>nd</sup> )	Bill Overbey Hays Medical Center 2220 Canterbury 785.650.2769 bill.overbey@haysmed.com
2014 (1 <sup>st</sup> )	Pam Joy Dreiling, Bieker & Hoffman 111 W 13 <sup>th</sup> Street 785.625.3537 fjoy@ruraltel.net <b>Secretary</b>	2014 (2 <sup>nd</sup> )	Chris Wente Golden Belt Bank 1101 E 27 <sup>th</sup> Street 785.625.7545 cwente@goldenbeltbank.com <b>Past-President</b>
2014 (2 <sup>nd</sup> )	Stacey Smith FHSU 600 Park Street 785.628.4696 slgsmith@fhsu.edu <b>Vice-President</b>	2015 (1 <sup>st</sup> )	Karen Dreiling The Furniture Look 1000 Main Street 785.628.6263 furniturelook@yahoo.com
2015 (2 <sup>nd</sup> )	Sandy Jacobs Sunflower Bank 1010 E 27 <sup>th</sup> Street 785.623.6003 sandyj@sunflowerbank.com <b>President</b>	2015 (2 <sup>nd</sup> )	Elodie Jones Community Volunteer 1414 W 45 <sup>th</sup> Street 913.961.7002 elodiejones@hotmail.com
2015 (1 <sup>st</sup> )	Sarah Cearley Bella Luna Boutique 1013 Main Street 785.621.4929 bellaluna.hays@gmail.com		Traci Konrade DHDC Executive Director 2700 Vine Street 785.621.4171 tracik@downtownhays.com



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 4B

MEETING DATE: 6-13-13

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**TOPIC:**

Mayoral Appointments for Approval

**ACTION REQUESTED:**

Consider approving Mayoral appointments to the Airport Advisory Committee.

**NARRATIVE:**

The following appointments were recommended by Mayor Steward at the May 23, 2013 City Commission meeting and are now being presented for approval.

Airport Advisory Committee

Lyle Noordhoek – 3-year term to expire 4-30-16 (5<sup>th</sup> term)

Gary Wentling – 3-year term to expire 4-30-16 (2<sup>nd</sup> term)

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Mayor Steward

**ADMINISTRATION RECOMMENDATION:**

N/A

**COMMITTEE RECOMMENDATION(S):**

N/A

**ATTACHMENTS:**

Applications

CITY OF HAYS  
APPLICATION FOR SERVING ON A CITY BOARD OR COMMITTEE

Email: [Noordhoek@media-net.net](mailto: Noordhoek@media-net.net)

Date: 3/31/2013

Name: Lyle Noordhoek

Address: 2509 Felten

Day Time Phone Number: 785 650 2819

Evening Phone Number: 785 625 3933

Place of Employment: Hays Med Center and Ellis CO Coroner

How long have you been a Resident of Hays: 26 years

Name of Board(s) you are interested in serving on: Airport Board my Term is expiring April 2013

How much time could you devote per month: as required

Are you related to anyone who is currently serving on a Board/Committee?: No

If Yes, Explain:

Briefly describe why you are interested in serving on a Board/Committee for the City of Hays: I have an interest in seeing continued growth of Hays and the airport is a vital part of the city. I have enjoyed sharing my perspectives with the airport management and the city of Hays commissioners. Look forward to continuing the relationship.

Please list any groups or activities that you participate in, or have previously participated in, that demonstrates your involvement in the community: Rotary ,Optimus member and Hays Hurricane Swim Team volunteer and at times coach.

CITY OF HAYS  
APPLICATION FOR SERVING ON A CITY BOARD OR COMMITTEE

Email: [gwentling@bankofhays.com](mailto:gwentling@bankofhays.com)

Date: 4/17/2013

Name: Gary E. Wentling

Address: 2706 walnut

Day Time Phone Number: 785-621-2265

Evening Phone Number: 7856281621

Place of Employment: Bank of Hays

How long have you been a Resident of Hays: It will be 36 years June of this year

Name of Board(s) you are interested in serving on: Airport Advisory committee

How much time could you devote per month: 12 hrs

Are you related to anyone who is currently serving on a Board/Committee?: No

If Yes, Explain:

Briefly describe why you are interested in serving on a Board/Committee for the City of Hays: I'm currently serving my first 3 year term and would like to see some projects completed that was initiated during my present term. I would like to see the airport continue to grow in boardings and expansion of physical plant. I've found it to be very interesting working with the city staff and the members of our committee the past three and feel like I can continue to benefit this committee with my involvement.

Please list any groups or activities that you participate in, or have previously participated in, that demonstrates your involvement in the community: Chamber of Commerce board, Hays municipal golf course advisory board, Ellis county extension council chairman & board member, Hays Medical Center fund drive, KBA consumer credit committee chairman, FHSU Tiger club president, FHSU athletic auction chairman, Optimist club.....more if needed



**CITY OF HAYS**  
**AGENDA ITEM COVER SHEET**

**COMMISSION AGENDA ITEM NO. 4C**

**MEETING DATE: 6-13-13**

---

**TOPIC:**

Mayoral Appointment Recommendation

**ACTION REQUESTED:**

Receive Mayor Steward's proposed appointment to the Hays Beautification Committee.

**NARRATIVE:**

The following proposed appointment will be presented for approval at the June 27, 2013 City Commission meeting.

Hays Beautification Committee

Joni Phelps – 3-year term to expire 8-1-16 (3<sup>rd</sup> term)

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Mayor Steward

**ADMINISTRATION RECOMMENDATION:**

N/A

**COMMITTEE RECOMMENDATION(S):**

N/A

**ATTACHMENTS:**

Applications Received for this Committee

CITY OF HAYS  
APPLICATION FOR SERVING ON A CITY BOARD OR COMMITTEE

Email: [jphelps1004@gmail.com](mailto:jphelps1004@gmail.com)

Date: 6/5/2013

Name: Joni Phelps

Address: 3103 Olympic Drive

Day Time Phone Number: 785-623-9752

Evening Phone Number:

Place of Employment: Eagle Community Television

How long have you been a Resident of Hays: 20 years

Name of Board(s) you are interested in serving on: Hays Beautification Committee

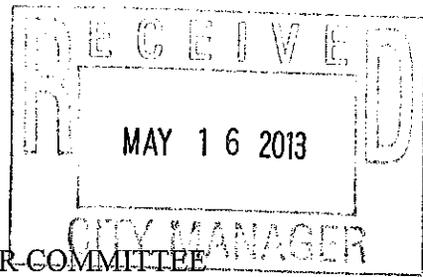
How much time could you devote per month: 5

Are you related to anyone who is currently serving on a Board/Committee?: No

If Yes, Explain:

Briefly describe why you are interested in serving on a Board/Committee for the City of Hays: I have been on the Hays Beautification Committee for several years and have enjoyed working with fellow committee members as we have continued to beautify & educate our fine City of Hays. I would like to continue to be a part of this committee as they evaluate current and future opportunities.

Please list any groups or activities that you participate in, or have previously participated in, that demonstrates your involvement in the community: Hays BID, Chamber of Commerce, Humane Society of the High Plains, Relay for Life, United Way, Girl Scouts



CITY OF HAYS  
APPLICATION FOR SERVING ON A CITY BOARD OR COMMITTEE

NAME: Carol J. Heiman

ADDRESS: 1319 Agnes Dr. Hays, KS

DAY TIME PHONE NUMBER: 785-628-3356 EVENING PHONE NUMBER: same

E-MAIL ADDRESS: heimancarol@gmail.com

PLACE OF EMPLOYMENT: Retired

HOW LONG HAVE YOU BEEN A RESIDENT OF HAYS? 14 yrs.

NAME OF BOARD(S) YOU ARE INTERESTED IN SERVING ON: \_\_\_\_\_

Hays Beautification Committee

HOW MUCH TIME COULD YOU DEVOTE PER MONTH? \_\_\_\_\_

ARE YOU RELATED TO ANYONE WHO IS CURRENTLY SERVING ON A BOARD/COMMITTEE? no

IF YES, EXPLAIN: \_\_\_\_\_

BRIEFLY DESCRIBE WHY YOU ARE INTERESTED IN SERVING ON A BOARD/COMMITTEE FOR THE CITY OF HAYS. \_\_\_\_\_

I have served on this committee for 5 yrs. and am asking to renew my term.

PLEASE LIST ANY GROUPS OR ACTIVITIES THAT YOU PARTICIPATE IN, OR HAVE PREVIOUSLY PARTICIPATED IN, THAT DEMONSTRATE YOUR INVOLVEMENT IN THE COMMUNITY. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SIGNATURE: Carol Heiman DATE: 5-16-13

Thank you for your interest in serving on a Board/Commission. It is rewarding to see individuals who are willing and able to commit their time and energy to make the City of Hays a better place to work, live and play.



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 5

MEETING DATE: 6-13-13

---

**TOPIC:**

Public Hearing to Consider Proposed Special Assessments

**ACTION REQUESTED:**

Conduct a public hearing to consider proposed assessments as to public improvements for Golden Belt Estates 4<sup>th</sup> Addition and Replat of 46<sup>th</sup> Street First Addition.

**NARRATIVE:**

Property owners have petitioned for improvements, resolutions have been passed authorizing the improvements; the improvements have been completed, a resolution setting a public hearing date of June 13, 2013 has been approved, and it is now time to assess the cost of the improvements to the property owners in the following special assessment districts:

- Golden Belt Estates 4th Addition – Water, Sanitary Sewer, Storm Sewer & Street improvements
- Replat of 46th Street 1st Addition – Water, Sanitary Sewer, Storm Sewer & Street improvements

Such an action requires a public hearing as well as the passage of an ordinance enacting the same.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Kim Rupp, Finance Director

**ADMINISTRATION RECOMMENDATION:**

Conduct a public hearing.

**COMMITTEE RECOMMENDATION(S):**

n/a

**ATTACHMENTS:**

n/a



**CITY OF HAYS**  
**AGENDA ITEM COVER SHEET**

**COMMISSION AGENDA ITEM NO. 6**

**MEETING DATE: 6-13-13**

---

**TOPIC:**

Ordinance Levying Special Assessments

**ACTION REQUESTED:**

Approve Ordinance No. 3863 levying special assessments for the costs of internal improvements to Golden Belt 4<sup>th</sup> Addition and Replat of 46<sup>th</sup> Street 1<sup>st</sup> Addition.

**NARRATIVE:**

After hearing comments at the public hearing the Commissioners are requested to approve Ordinance No. 3863 levying assessments for the costs of internal improvements to Golden Belt 4<sup>th</sup> Addition and Replat of 46<sup>th</sup> Street 1<sup>st</sup> Addition.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Kim Rupp, Finance Director

**ADMINISTRATION RECOMMENDATION:**

Approve Ordinance No. 3863 levying special assessments for the costs of internal improvements to Golden Belt 4<sup>th</sup> Addition and Replat of 46<sup>th</sup> Street 1<sup>st</sup> Addition

**COMMITTEE RECOMMENDATION(S):**

n/a

**ATTACHMENTS:**

Staff Memo  
Ordinance No. 3863

# Commission Work Session Agenda

## Memo

**From:** Doris Wing, City Clerk  
**Work Session:** June 6, 2013  
**Subject:** Ordinance Levying Special Assessments  
**Person(s) Responsible:** Kim Rupp, Finance Director  
Toby Dougherty, City Manager

### Summary

After hearing comments at the public hearing that is to be held during the June 13, 2013 Commission meeting, the Commissioners will be requested to approve an ordinance levying assessments in two special assessment districts.

### Background

Property owners have petitioned for improvements, resolutions have been passed authorizing the improvements; the improvements have been completed, a resolution setting a public hearing date of June 13, 2013 has been approved, and it is now time to assess the cost of the improvements to the property owners in the following special assessment districts:

- Golden Belt Estates 4<sup>th</sup> Addition – Water, Sanitary Sewer, Storm Sewer & Street improvements
- Replat of 46<sup>th</sup> Street 1<sup>st</sup> Addition – Water, Sanitary Sewer, Storm Sewer & Street improvements

### Discussion

A “Notice of Assessment” will be mailed to each property owner responsible for the cost of the improvements on June 17, 2013, allowing the property owner 30 days to pay the assessment in full. If they choose not to pay the assessment, the cost of the improvement plus interest charges, will be placed on the tax rolls of Ellis County. The first installment will be included with the 2013 tax statements issued by the Ellis County Treasurer’s Office in November 2013. The ordinance allows for the assessments to be paid over a 15-year period.

### **Legal Consideration**

Bond Counsel for the City has approved all documents and proceedings and there are no known legal obstacles to proceeding as recommended by staff.

### **Financial Consideration**

The total cost for the improvements in the two special assessment districts is as follows:

#### **GOLDEN BELT ESTATES FOURTH ADDITION – WATER, SANITARY SEWER, STORM SEWER & STREETS**

##### **RESOLUTION NO. 2011-019**

ENGINEERING	\$35,800.00
CONSTRUCTION	431,210.05
COSTS OF ISSUANCE	9,107.83
<b><i>TOTAL</i></b>	<b><i><u>\$476,117.88</u></i></b>
<i>City Share</i>	<i><u>\$0.00</u></i>
<i>Amount to be Assessed</i>	<i><u>\$476,117.88</u></i>

#### **REPLAT OF 46<sup>TH</sup> STREET FIRST ADDITION – WATER, SANITARY SEWER, STORM SEWER & STREETS**

##### **RESOLUTION NO. 2011-002**

ENGINEERING	\$9,200.00
CONSTRUCTION	139,718.60
COSTS OF ISSUANCE	1,947.21
LESS UP-FRONT PAYMENT BY DEVELOPER	(43,896.78)
<b><i>TOTAL</i></b>	<b><i><u>\$106,969.03</u></i></b>
<i>City Share</i>	<i><u>\$0.00</u></i>
<i>Amount to be Assessed</i>	<i><u>\$106,969.03</u></i>

Golden Belt Estates Fourth Addition will be a fifteen year assessment split equally among 21 lots. Replat of 46<sup>th</sup> Street First Addition will be assessed for fifteen years with costs shared equally among the 7 lots.

### **Recommendation**

Staff recommends approving the ordinance assessing the cost of the improvements to the property owners in the two special assessment districts.

### **Action Requested**

Approval of ordinance No. xxxx assessing the cost of the improvements.

Ordinance No. xxxx

## **Supporting Documentation**

(Published in the *Hays Daily News*, on June 17, 2013)

**ORDINANCE NO. 3863**

**AN ORDINANCE LEVYING SPECIAL ASSESSMENTS ON CERTAIN PROPERTY TO PAY THE COSTS OF INTERNAL IMPROVEMENTS IN THE CITY OF HAYS, KANSAS, AS AUTHORIZED BY RESOLUTION NOS. 2011-019 AND 2011-002 OF THE CITY; AND PROVIDING FOR THE COLLECTION OF SUCH SPECIAL ASSESSMENTS.**

**WHEREAS**, the governing body of the City of Hays, Kansas (the “City”) has authorized certain internal improvements (the “Improvements”) to be constructed pursuant to K.S.A. 12-6a01 *et seq.* (the “Act”); and

**WHEREAS**, on this date, the governing body has conducted a public hearing in accordance with the Act and desires to levy assessments on certain property benefited by the construction of the Improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS:**

**Section 1. Levy of Assessments.** For the purpose of paying the costs of the following described Improvements:

**Golden Belt Estates Fourth Addition – Water, Sanitary Sewer, Storm Sewer & Streets**

**Resolution No. 2011-019**

The installation of water lines, sewer lines, storm sewers, and grading, paving, curbing and guttering of Larned Circle and Tam Court.

**Replat of 46<sup>th</sup> Street First Addition – Water, Sanitary Sewer, Storm Sewer & Streets**

**Resolution No. 2011-002**

The installation of water lines, sewer lines, storm sewers, and grading, paving, curbing and guttering for Hoover Drive and Jefferson Drive, all in the Replat of 46<sup>th</sup> Street First Addition.

there are hereby levied and assessed the amounts (with such clerical or administrative amendments thereto as may be approved by the City Attorney) against the property described on *Exhibit A* attached hereto.

**Section 2. Payment of Assessments.** The amounts so levied and assessed in *Section 1* of this Ordinance shall be due and payable from and after the date of publication of this Ordinance. Such amounts may be paid in whole by July 17, 2013.

**Section 3. Notification.** The City Clerk shall notify the owners of the properties described in *Exhibit A* attached hereto insofar as known to said City Clerk, of the amounts of their respective

assessments; and, said notice shall further state that unless such assessments are paid by July 17, 2013, bonds will be issued therefor, and the amount of such assessment will be collected in installments with interest.

**Section 4. Certification.** Any amount of special assessments not paid within the time prescribed in *Section 2* hereof shall be certified by the City Clerk to the Clerk of Ellis County, Kansas, in the same manner and at the same time as other taxes are certified and will be collected in 15 installments, all together with interest on such amounts at a rate not exceeding the maximum rate therefor as prescribed by the Act. Interest on the assessed amount remaining unpaid between the effective date of this Ordinance and the date the first installment is payable, but not less than the amount of interest due during the coming year on any outstanding bonds issued to finance the Improvements, shall be added to the first installment. The interest for one year on all unpaid installments shall be added to each subsequent installment until paid.

**Section 5. Effective Date.** This Ordinance shall take effect and be in force from and after its passage, approval and publication once in the official City newspaper.

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**PASSED** by the governing body of the City on June 13, 2013 and signed and **APPROVED** by the Mayor.

(SEAL)

\_\_\_\_\_  
Kent L. Steward, Mayor

ATTEST:

\_\_\_\_\_  
Doris Wing, City Clerk

**EXHIBIT A**

**ASSESSMENT ROLL**

**GOLDEN BELT ESTATES FOURTH ADDITION –  
WATER, SANITARY SEWER, STORM SEWER & STREETS**

**RESOLUTION NO. 2011-019**

<b><u>Description of Property</u></b>	<b><u>Amount of Proposed Assessment</u></b>
Lot 1, Block 1, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 2, Block 1, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 3, Block 1, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 4, Block 1, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 5, Block 1, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 1, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 2, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 3, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 4, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 5, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 6, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 7, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 8, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 9, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 10, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 11, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 12, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 13, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 14, Block 2, in the Golden Belt Estates 4th Addition to the City of	\$22,672.28

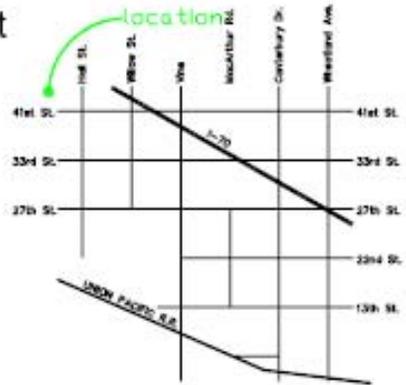
Hays, Ellis County, Kansas.	
Lot 15, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
Lot 16, Block 2, in the Golden Belt Estates 4th Addition to the City of Hays, Ellis County, Kansas.	\$22,672.28
<b>TOTAL ASSESSMENTS =</b>	<b>\$476,117.88</b>
<b>CITY-AT-LARGE SHARE =</b>	<b><u>0.00</u></b>
<b>TOTAL COST =</b>	<b>\$476,117.88</b>

**REPLAT OF 46<sup>TH</sup> STREET FIRST ADDITION –  
WATER, SANITARY SEWER, STORM SEWER & STREETS**

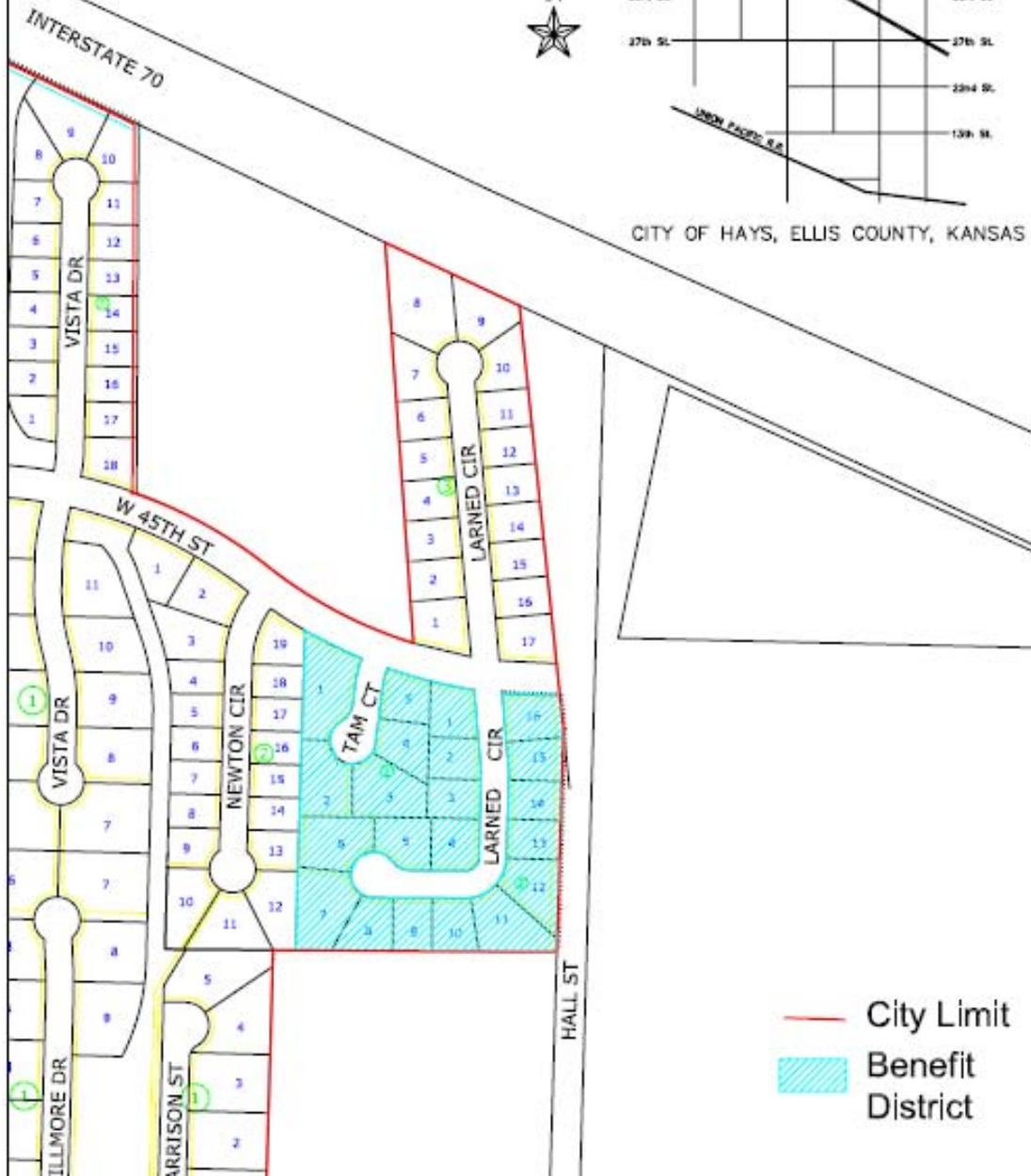
**RESOLUTION NO. 2011-002**

<u>Description of Property</u>	<u>Amount of Proposed Assessment</u>
Lot 6, Block 1, in the Replat of Replat of 46th Street First Addition to the City of Hays, Ellis County, Kansas.	\$15,281.29
Lot 2, Block 3, in the Replat of Replat of 46th Street First Addition to the City of Hays, Ellis County, Kansas.	\$15,281.29
Lot 3, Block 3, in the Replat of Replat of 46th Street First Addition to the City of Hays, Ellis County, Kansas.	\$15,281.29
Lot 12, Block 3, in the Replat of Replat of 46th Street First Addition to the City of Hays, Ellis County, Kansas.	\$15,281.29
Lot 13, Block 3, in the Replat of Replat of 46th Street First Addition to the City of Hays, Ellis County, Kansas.	\$15,281.29
Lot 2, Block 4, in the Replat of Replat of 46th Street First Addition to the City of Hays, Ellis County, Kansas.	\$15,281.29
Lot 3, Block 4, in the Replat of Replat of 46th Street First Addition to the City of Hays, Ellis County, Kansas.	\$15,281.29
<b>TOTAL ASSESSMENTS =</b>	<b>\$106,969.03</b>
<b>CITY-AT-LARGE SHARE =</b>	<b><u>0.00</u></b>
<b>TOTAL COST =</b>	<b>\$106,969.03</b>

City of Hays, Public Works Department  
 Golden Belt Estates, Fourth Addition  
 Benefit District



CITY OF HAYS, ELLIS COUNTY, KANSAS



-  City Limit
-  Benefit District

# 46th St. 1st Addition





# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 7

MEETING DATE: 6-13-13

---

**TOPIC:**

Resolution No. 2013-014 Authorizing the Offering for Sale of General Obligation Refunding and Improvement Bonds, Series 2013-A

**ACTION REQUESTED:**

Approve Resolution No. 2013-014 authorizing the offering for Sale of General Obligation Refunding and Improvement Bonds, Series 2013-A in the amount of \$1,990,000.

**NARRATIVE:**

City Staff, City Financial Advisor, George K. Baum & Company, and City Bond Counsel, Gilmore and Bell, P.C. have been working on documentation in preparation for the sale of General Obligation (GO) Refunding and Improvement Bonds, Series 2013-A. The Series 2013-A Bonds will reimburse the City for expenditures related to Golden Belt 4th Addition and Replat of 46th Street 1st Addition and refund the City's General Obligation Internal Improvement Bonds Series 2002-A and Series 2003-A to achieve interest cost savings. The approximate principal amount of bonds to be issued is \$1,990,000, and the bonds are scheduled to mature in 15 years.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Kim Rupp, Finance Director

**ADMINISTRATION RECOMMENDATION:**

Approve Resolution No. 2013-014.

**COMMITTEE RECOMMENDATION(S):**

n/a

**ATTACHMENTS:**

Resolution No. 2013-014  
Staff Memo  
Sale Documents  
Sizing Calculation Worksheet

**G.O. SALE DOCUMENTS**

- A. Excerpt of Minutes of Meeting authorizing offering for sale of Bonds
  - B. Resolution for a Public Sale
  - C. Certificate Deeming Preliminary Official Statement Final
  - D. Notice of Bond Sale
  - E. Kansas Register Form
  - F. Summary Notice of Bond Sale
  - G. Official Bid Form
-

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON JUNE 13, 2013**

The governing body met in regular session at the usual meeting place in the City, at 6:30 p.m., the following members being present and participating, to-wit:

\_\_\_\_\_

Absent: \_\_\_\_\_

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

\* \* \* \* \*

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Refunding and Improvement Bonds, Series 2013-A, came on for consideration and was discussed.

Commissioner \_\_\_\_\_ presented and moved the adoption of a Resolution entitled:

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL  
OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2013-A,  
OF THE CITY OF HAYS, KANSAS.**

Commissioner \_\_\_\_\_ seconded the motion to adopt the Resolution. Thereupon, the Resolution was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye: \_\_\_\_\_.

Nay: \_\_\_\_\_.

The Mayor declared the Resolution duly adopted; the Clerk designating the same Resolution No. \_\_\_\_\_.

\* \* \* \* \*

(Other Proceedings)

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**CERTIFICATE**

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Hays, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

\_\_\_\_\_

Clerk

**RESOLUTION NO. 2013-014**

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2013-A, OF THE CITY OF HAYS, KANSAS.**

---

**WHEREAS**, the City of Hays, Kansas (the “Issuer”), has heretofore authorized certain internal improvements described as follows (collectively, the “Improvements”):

<u>Project Description</u>	<u>Ord./Res. No.</u>	<u>Authority</u>	<u>Assessed Amount</u>
Golden Belt 4 <sup>th</sup> Addition	Res. 2011-019	K.S.A. 12-6a01 <i>et seq.</i>	\$476,117.88
46 <sup>th</sup> Street 1 <sup>st</sup> Addition	Res. 2011-002	K.S.A. 12-6a01 <i>et seq.</i>	106,969.03
		<b>Total:</b>	<b>\$583,086.91</b>

**WHEREAS**, the Issuer proposes to issue its general obligation bonds to pay a portion of the costs of the Improvements; and

**WHEREAS**, the Issuer has heretofore issued and has outstanding general obligation bonds; and

**WHEREAS**, due to the current interest rate environment, the Issuer has the opportunity to issue its general obligation refunding bonds in order to achieve an interest cost savings on all or a portion of the debt represented by such general obligation bonds described as follows (collectively the “Refunded Bonds”):

<u>Description</u>	<u>Series</u>	<u>Dated Date</u>	<u>Years</u>	<u>Refunded Amount</u>
General Obligation Internal Improvement Bonds	2002-A	April 15, 2002	2014 to 2022	\$655,000
General Obligation Internal Improvement Bonds	2003-A	October 15, 2003	2014 to 2018	725,000

; and

**WHEREAS**, the Issuer has selected the firm of George K. Baum & Company, Kansas City, Missouri (“Financial Advisor”), as financial advisor for one or more series of general obligation bonds of the Issuer to be issued in order to provide funds to permanently finance the Improvements and to refund the Refunded Bonds; and

**WHEREAS**, the Issuer desires to authorize the Financial Advisor to proceed with the offering for sale of said general obligation bonds and related activities; and

**WHEREAS**, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation refunding and improvement bonds; and

**WHEREAS**, the Issuer desires to authorize the Financial Advisor and Bond Counsel, in conjunction with the Clerk, to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation bonds.

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS, AS FOLLOWS:**

**Section 1.** The Issuer is hereby authorized to offer for sale the Issuer’s General Obligation Refunding and Improvement Bonds, Series 2013-A (the “Bonds”) described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the governing body this date

**Section 2.** The Mayor and Clerk in conjunction with the Financial Advisor are hereby authorized to cause to be prepared a Preliminary Official Statement, and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Bonds.

**Section 3.** The Clerk, in conjunction with the Financial Advisor and Gilmore & Bell, P.C., Kansas City, Missouri (“Bond Counsel”), is hereby authorized and directed to give notice of said bond sale by publishing a summary of the Notice of Bond Sale not less than 6 days before the date of the bond sale in a newspaper of general circulation in Ellis County, Kansas, and the *Kansas Register* and by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in said Notice of Bond Sale, and shall be delivered to the governing body at its meeting to be held on such date, at which meeting the governing body shall review such bids and shall award the sale of the Bonds or reject all proposals.

**Section 4.** For the purpose of enabling the purchaser of the Bonds (the “Purchaser”) to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Mayor and Clerk or other appropriate officers of the Issuer are hereby authorized: (a) to approve the form of said Preliminary Official Statement and to execute the “Certificate Deeming Preliminary Official Statement Final” in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official’s signature thereon being conclusive evidence of such official’s and the Issuer’s approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

**Section 5.** The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 6.** The Mayor, Clerk and the other officers and representatives of the Issuer, the Financial Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds. Such officials are also directed and authorized to make provision for payment and/or redemption of the Refunded Bonds from proceeds of the Bonds and other available funds.

**Section 7.** The officers and representatives of the Issuer are hereby authorized and directed to take such action as may be necessary, after consultation with the Financial Advisor and Bond Counsel, to provide for notice of redemption of the Refunded Bonds.

**Section 8.** This Resolution shall be in full force and effect from and after its adoption.

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**ADOPTED** by the governing body on June 13, 2013.

(SEAL)

\_\_\_\_\_  
Kent L. Steward, Mayor

ATTEST:

\_\_\_\_\_  
Doris Wing, Clerk

**EXHIBIT A**

**CERTIFICATE DEEMING  
PRELIMINARY OFFICIAL STATEMENT FINAL**

June 13, 2013

To: \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

Re:     \$[Principal Amt] City of Hays, Kansas, General Obligation Refunding and Improvement  
       Bonds, Series 2013-A

The undersigned are the duly acting Mayor and Clerk of the City of Hays, Kansas (the “Issuer”), and are authorized to deliver this Certificate to the addressee (the “Purchaser”) on behalf of the Issuer. The Issuer has heretofore caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the above-referenced bonds (the “Bonds”).

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the “Rule”), the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

**CITY OF HAYS, KANSAS**

By: \_\_\_\_\_  
Title: Mayor

By: \_\_\_\_\_  
Title: Clerk

**NOTICE OF BOND SALE**

**[\$[Principal Amt]\***

**CITY OF HAYS, KANSAS**

**GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS  
SERIES 2013-A**

(GENERAL OBLIGATION BONDS PAYABLE  
FROM UNLIMITED AD VALOREM TAXES)

**Bids.** Written and electronic (as explained below) bids for the purchase of the above-referenced bonds (the “Bonds”) of the City of Hays, Kansas (the “Issuer”) herein described will be received on behalf of the undersigned Clerk of the Issuer at the address hereinafter set forth in the case of written bids, and via PARITY® in the case of electronic bids, until \_\_:\_\_\_.m., Central Time (the “Submittal Hour”), on

**July 25, 2013**

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of the Bonds to the successful bidder (the “Successful Bidder”) will be acted upon by the governing body at its meeting to be held at 6:30 p.m. on the Sale Date. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Bonds.

**Terms of the Bonds.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). The Bonds will be dated August 1, 2013 (the “Dated Date”), and will become due in principal installments on September 1 in the years as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>
2014	\$	2022	\$
2015		2023	
2016		2024	
2017		2025	
2018		2026	
2019		2027	
2020		2028	
2021			

The Bonds will bear interest from the Dated Date at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2014 (the “Interest Payment Dates”).

**Adjustment of Issue Size.** The Issuer reserves the right to increase or decrease the total principal amount of the Bonds, depending on the purchase price and interest rates bid and the offering prices

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\* Preliminary; subject to change. See “Adjustment of Issue Size” herein.

specified by the Successful Bidder. The principal amount of any maturity may be adjusted by the Issuer in order to properly size the Bond issue based on the discount and interest rates bid on the Bonds. The Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Bonds or principal of any maturity as described herein. If there is an increase or decrease in the final aggregate principal amount of the Bonds or the schedule of principal payments as described above, the Issuer will notify the Successful Bidder by means of telephone or facsimile transmission, subsequently confirmed in writing, no later than 3:00 p.m., central time, on the Sale Date. The actual purchase price for the Bonds shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the Bonds, as adjusted, plus accrued interest from the date of the Bonds to the date of delivery.

**Place of Payment.** The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The principal of each Bond will be payable at maturity [or earlier redemption] to the owner thereof whose name is on the registration books (the “Bond Register”) of the Bond Registrar (the “Registered Owner”) upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the “Record Date”) (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

**Bond Registration.** The Bonds will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas (the “State”). The Issuer will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Owners.

**Book-Entry-Only System.** The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Bonds. The Bonds will initially be issued exclusively in “book entry” form and shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the Issuer will make payments of principal of, premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The Issuer will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the Issuer will discontinue the book-entry-only form of registration with DTC. If the Issuer fails to identify another qualified securities depository to replace DTC, the Issuer will cause to be authenticated and delivered to the beneficial owners replacement Bonds in the form of fully registered certificates. Reference is made to the Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

### **Redemption of Bonds Prior to Maturity.**

**General.** Whenever the Issuer is to select Bonds for the purpose of redemption, it will, in the case of Bonds in denominations greater than the minimum Authorized Denomination, if less than all of the Bonds then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered Bond as though it were a separate Bond in the minimum Authorized Denomination.

**Optional Redemption.** At the option of the Issuer, Bonds maturing on September 1 in the years 20[\_\_\_], and thereafter, will be subject to redemption and payment prior to maturity on September 1, 20[\_\_\_], and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

**Mandatory Redemption.** A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds (the "Term Bonds") scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form or completing the applicable information on PARITY<sup>®</sup>.

**Notice and Effect of Call for Redemption.** Unless waived by any owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar, and the Successful Bidder. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the registered owners of said Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the date fixed for redemption. All notices of redemption shall state the date of redemption, the redemption price, the Bonds to be redeemed, the place of surrender of Bonds so called for redemption and a statement of the effect of the redemption. The Issuer shall also give such additional notice as may be required by Kansas law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

**Authority, Purpose and Security.** The Bonds are being issued pursuant to K.S.A. 10-101 *et seq.*, K.S.A. 10-427 *et seq.* and K.S.A. 12-6a01 *et seq.* as amended, and an ordinance and a resolution adopted by the governing body of the Issuer (collectively the "Bond Resolution") for the purpose of paying a portion of the cost of certain public improvements (the "Improvements") and refunding certain outstanding bonds of the Issuer. The Bonds shall be general obligations of the Issuer payable as to both principal and interest in part from special assessments levied upon the property benefited by the construction of said Improvements, and if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal and interest on the Bonds as the same become due.

**Submission of Bids.** Written bids must be made on forms which may be procured from the Clerk or the Financial Advisor and shall be addressed to the undersigned, and marked "Proposal for General Obligation Refunding and Improvement Bonds, Series 2013-A." Written bids submitted by facsimile

should not be preceded by a cover sheet and should be sent only once to (785)628-7323. Confirmation of receipt of facsimile bids may be made by contacting the Financial Advisor at the number listed below. Electronic bids via PARITY<sup>®</sup> must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice of Bond Sale. If provisions of this Notice of Bond Sale conflict with those of PARITY<sup>®</sup>, this Notice of Bond Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which may be submitted separately, provided such Deposit is received by the Issuer or the Financial Advisor prior to the Submittal Hour on the Sale Date. The Issuer shall not be responsible for any failure, misdirection or error in the means of transmission selected by any bidder.

**PARITY<sup>®</sup>.** Information about the electronic bidding services of PARITY<sup>®</sup> may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

**Conditions of Bids.** Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Bonds of the same maturity year; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by **THE BOND BUYER**, in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 6%; and (c) no supplemental interest payments will be considered; and (d) each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. [The difference between the highest rate specified and the lowest rate specified cannot exceed [\_\_\_\_]%.] No bid for less than [100%][\_\_\_\_%] of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the Bonds on the basis of such bid, [the discount, if any, ]the premium, if any, offered by the bidder, the net interest cost (expressed in dollars) on the basis of such bid, and an estimate of the TIC (as hereinafter defined) on the basis of such bid. Each bidder shall certify to the Issuer the correctness of the information contained on the Official Bid Form; the Issuer will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Bonds, it will provide the certification as to initial offering prices described under the caption “Certification as to Offering Price” in this Notice.

**Good Faith Deposit.** Each bid shall be accompanied by a good faith deposit (the Deposit”) in the amount of \$[\_\_\_\_\_] payable to the order of the Issuer to secure the Issuer from any loss resulting from the failure of the bidder to comply with the terms of its bid. The Deposit, ***which must be received by the Issuer prior to the Submittal Hour***, may be submitted in any of the following forms:

- (a) certified or cashier’s check drawn on a bank located in the United States of America;
- (b) financial surety bond as hereinafter described (the “Surety Bond”); or
- (c) wire transfer in Federal Reserve funds, immediately available for use by the Issuer (wire transfer information may be obtained from the Financial Advisor at the addresses set forth below.)

Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Issuer and Financial Advisor at the email addresses set forth below, including the following information: (a) notification that a wire transfer has been made; (b) the amount of the wire transfer; and (c) return wire transfer instructions in the event such bid is unsuccessful. All Surety Bonds must be from an insurance or surety company rated “AA” by Standard and Poor’s Ratings Services, a division McGraw Hill Financial, Inc., or “Aa” by Moody’s Investors Service and licensed to issue such a surety bond in the State. The Surety Bond must identify each bidder whose deposit is guaranteed by such Surety Bond. Good Faith checks submitted by unsuccessful bidders will be returned; wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received on the next business day following the Sale Date. The Issuer reserves the right to withhold reasonable charges for

any fees or expenses incurred in returning a wire transfer Deposit. If the sale of the Bonds is awarded to a bidder utilizing a Surety Bond, the Successful Bidder is required to submit to the Issuer a cashier's or certified check or wire transfer of immediately available federal funds to such financial institution requested by the Issuer, not later than 2:00 p.m., Central Time on the next business day following the Sale Date. If such funds are not received by such time, the Surety Bond may be drawn on by the Issuer to satisfy the Deposit requirement. No interest on the Deposit will be paid by the Issuer. If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the Issuer until the Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price at the option of the Issuer. If a bid is accepted but the Issuer fails to deliver the Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the Issuer as and for liquidated damages.

**Basis of Award.** Subject to the timely receipt of the Deposit set forth above, the award of the Bonds will be made on the basis of the lowest true interest cost ("TIC"), which will be determined as follows: the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds, from the payment dates to the Dated Date, produces an amount equal to the price bid, including any adjustments for premium [or discount,] if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to provide a calculation of the TIC for the Bonds on the Official Bid Form, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the Issuer or the bidder. The Issuer [or its Financial Advisor] will verify the TIC based on such bids. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the governing body of the Issuer will determine which bid, if any, will be accepted, and its determination is final.

The Issuer reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date will be returned to the bidder. Any disputes arising hereunder shall be governed by the laws of the State, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within Kansas with regard to such dispute.

The Issuer's acceptance of the Successful Bidder's proposal for the purchase of the Bonds in accordance with this Notice of Bond Sale shall constitute a contract between the Issuer and the Successful Bidder for the purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") and Rule G-32 of the Municipal Securities Rulemaking Board ("Rule G-32") and a bond purchase agreement for purposes of the laws of the State. The method of acceptance shall be determined solely by the governing body of the Issuer.

**Bond Ratings.** The Issuer has applied to [Moody's Investors Service][, Fitch Ratings][and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.] for a rating on the Bonds herein offered for sale.] [The Issuer has **not** applied for a rating on the Bonds herein offered for sale.]

**CUSIP Numbers.** CUSIP identification numbers will be assigned and printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in

accordance with the terms of this Notice. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the Issuer.

**Delivery and Payment.** The Issuer will pay for preparation of the Bonds and will deliver the Bonds properly prepared, executed and registered without cost on or about **AUGUST 13, 2013** (the “Closing Date”), to DTC for the account of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be made in federal reserve funds, immediately available for use by the Issuer. The Issuer will deliver one Bond of each maturity registered in the nominee name of DTC.

**Reoffering Prices.** To provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), the Successful Bidder will be required to complete, execute and deliver to the Issuer prior to the delivery of the Bonds, a written certification (the “Issue Price Certificate”) containing the following: (a) the initial offering price and interest rate for each maturity of the Bonds; (b) that all of the Bonds were offered to the public in a bona fide public offering at the initial offering prices on the Sale Date; and (c) on the Sale Date the Successful Bidder reasonably expected that at least 10% of each maturity of the Bonds would be sold to the “public” at prices not higher than the initial offering prices. For purposes of the preceding sentence “public” means persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Bonds for sale to the public.

***Subsequent to the Submittal Hour, such initial offering prices to the public shall be provided to the Issuer or the Financial Advisor not more than 20 minutes after requested by the Issuer or the Financial Advisor.***

At the request of the Issuer, the Successful Bidder will provide information explaining the factual basis for the Successful Bidder’s Issue Price Certificate. This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the Issuer requests the information in connection with an audit or inquiry by the Internal Revenue Service (the “IRS”) or the Securities and Exchange Commission (the “SEC”) or (b) the information is required to be retained by the Issuer pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

**Preliminary Official Statement and Official Statement.** The Issuer has prepared a Preliminary Official Statement dated June 13, 2013, “deemed final” by the Issuer except for the omission of certain information as provided in the Rule, copies of which may be obtained from the Clerk or from the Financial Advisor. Upon the sale of the Bonds, the Issuer will adopt the final Official Statement and will furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder’s proposal, with a sufficient number of copies thereof, which may be in electronic format, in order for the Successful Bidder to comply with the requirements of the Rule and Rule G-32. Additional copies may be ordered by the Successful Bidder at its expense.

**Continuing Disclosure.** In the Bond Resolution, the Issuer has covenanted to provide annually certain financial information and operating data and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. This covenant is for the benefit

of and is enforceable by any Registered Owner of the Bonds. For further information, reference is made to the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

**Assessed Valuation and Indebtedness.** The total assessed valuation of the taxable tangible property within the Issuer for the year 2012 is as follows:

Equalized Assessed Valuation of	
Taxable Tangible Property .....	\$
Tangible Valuation of Motor Vehicles.....	
Equalized Assessed Tangible Valuation	
for Computation of Bonded Debt Limitations .....	\$

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is \$[\_\_\_\_\_]

**Legal Opinion.** The Bonds will be sold subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, which opinion will be furnished and paid for by the Issuer, will be printed on the Bonds, if the Bonds are printed, and will be delivered to the Successful Bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond Counsel relating to the interest on the Bonds being excludable from gross income for federal income tax purposes and exempt from income taxation by the State of Kansas. Reference is made to the Preliminary Official Statement for further discussion of federal and Kansas income tax matters relating to the interest on the Bonds.

**Additional Information.** Additional information regarding the Bonds may be obtained from the undersigned, or from the Financial Advisor, at the addresses set forth below:

**DATED: June 13, 2013.**

**CITY OF HAYS, KANSAS**  
By Doris Wing, Clerk

***Written and Facsimile Bid and Good Faith Deposit Delivery Address:***

1507 Main Street  
Hays, Kansas 67601  
Phone No.: (785)628-7300  
Fax No.: (785)628-7323  
Email: dwing@haysusa.com

***Financial Advisor:***

George K. Baum & Company  
4801 Main Street, Suite 500  
Kansas City, Missouri  
Attn: Dave Arteberry  
Phone No.: (816)474-1100  
Fax No.: (816)283-5326  
Email:

arteberry@gkbaum.com

**KANSAS REGISTER**

DOCUMENT NO. \_\_\_\_\_

(Above space for Register Office Use)

Submission Form  
Municipal Bond Sale Notice  
(K.S.A. 10-106 as amended)

TITLE OF DOCUMENT                      SUMMARY NOTICE OF BOND SALE  
Re:    City of Hays, Kansas, General Obligation Refunding & Improvement  
       Bonds, Series 2013-A, Dated August 13, 2013.

NUMBER OF PAGES \_\_\_\_\_ DESIRED PUBLICATION DATE \_\_\_\_\_

BILL TO:                                  Doris Wing, Clerk  
    1507 Main Street  
    Hays, Kansas 67601

Please forward 3 Affidavits of Publication of same to Julie  
Cassmeyer, Gilmore & Bell, P.C., 2405 Grand Blvd., Suite 1100,  
Kansas City, MO 64108 at your earliest opportunity.

Any questions regarding this document should be directed to:

NAME Gina M. Riekhof                      PHONE (816) 221-1000

Certification

I hereby certify that I have reviewed the attached and herein described document, and that it conforms to all applicable **Kansas Register** publication guidelines. I further certify that submission of this item for publication in the **Kansas Register** is authorized by the municipality which has issued the notice.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Typed Name of Signer

\_\_\_\_\_  
Position

TRANSMIT TO:                      Kansas Register; Secretary of State; State Capitol, Topeka, KS 66612  
PHONE: (785) 296-3489; FAX: (785) 291-3051; EMAIL: [nancyr@kssos.org](mailto:nancyr@kssos.org)

THIS SPACE FOR REGISTER OFFICE USE ONLY

## SUMMARY NOTICE OF BOND SALE

**[\$[Principal Amt]\***  
**CITY OF HAYS, KANSAS**  
**GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2013-A**

(GENERAL OBLIGATION BONDS PAYABLE FROM UNLIMITED AD VALOREM TAXES)

**Bids.** SUBJECT to the Notice of Bond Sale dated June 13, 2013, written and electronic bids will be received on behalf of the Clerk of the City of Hays, Kansas (the “Issuer”) in the case of written bids, at the address set forth below, and in the case of electronic bids, through **PARITY**® until \_\_:\_\_ .m., Central Time, on **July 25, 2013** for the purchase of the above-referenced bonds (the “Bonds”). No bid of less than [100%][\_\_%] of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered.

**Bond Details.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated August 1, 2013, and will become due on September 1 in the years as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>
2014	\$	2022	\$
2015		2023	
2016		2024	
2017		2025	
2018		2026	
2019		2027	
2020		2028	
2021			

The Bonds will bear interest from the date thereof at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2014.

**Book-Entry-Only System.** The Bonds shall be registered under a book-entry-only system administered through DTC.

**Paying Agent and Bond Registrar.** Treasurer of the State of Kansas, Topeka, Kansas.

**Good Faith Deposit.** Each bid shall be accompanied by a good faith deposit in the form of a cashier’s or certified check drawn on a bank located in the United States of America, a qualified financial surety bond or a wire transfer in Federal Reserve funds immediately available for use by the Issuer in the amount of \$[\_\_\_\_\_].

**Delivery.** The Issuer will pay for preparation of the Bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or about **August 13, 2013**, to DTC for the account of the successful bidder.

**Assessed Valuation and Indebtedness.** The Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations for the year 2012 is \$[\_\_\_\_\_]. The total general obligation indebtedness of the Issuer as of the Closing date, including the Bonds being sold but excluding bonds being refunded, is \$[\_\_\_\_\_].

**Approval of Bonds.** The Bonds will be sold subject to the legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, whose approving legal opinion as to the validity of the Bonds will

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\* Preliminary; subject to change as provided in the Notice of Bond Sale.

be furnished and paid for by the Issuer, printed on the Bonds and delivered to the successful bidder as and when the Bonds are delivered.

**Additional Information.** Additional information regarding the Bonds may be obtained from the undersigned, or from the Financial Advisor at the addresses set forth below:

**DATED: June 13, 2013.**

***Written and Facsimile Bid and Good Faith Deposit Delivery Address:***

City of Hays, Kansas  
1507 Main Street  
Hays, Kansas 67601  
Phone No.: (785)628-7300  
Fax No.: (785)628-7323  
Email: dwing@haysusa.com

***Financial Advisor:***

George K. Baum & Company  
4801 Main Street, Suite 500  
Kansas City, Missouri  
Attn: Dave Arteberry  
Phone No.: (816)474-1100  
Fax No.: (816)283-5326  
Email: arteberry@gkbaum.com

**OFFICIAL BID FORM**  
 PROPOSAL FOR THE PURCHASE OF CITY OF HAYS, KANSAS  
 GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS

TO: Doris Wing, Clerk  
 City of Hays, Kansas

July 25, 2013

For \$[Principal Amt]\* principal amount of General Obligation Refunding and Improvement Bonds, Series 2013-A, of the City of Hays, Kansas, to be dated August 1, 2013, as described in the Notice of Bond Sale dated June 13, 2013, said Bonds to bear interest as follows:

<u>Stated Maturity September 1</u>	<u>Principal Amount*</u>	<u>Annual Rate of Interest</u>	<u>Stated Maturity September 1</u>	<u>Principal Amount*</u>	<u>Annual Rate of Interest</u>	<u>[Initial Offering Price</u>
2014	\$ _____	_____ %	2022	\$ _____	_____ %	_____ %
2015	_____	_____ %	2023	_____	_____ %	_____ %
2016	_____	_____ %	2024	_____	_____ %	_____ %
2017	_____	_____ %	2025	_____	_____ %	_____ %
2018	_____	_____ %	2026	_____	_____ %	_____ %
2019	_____	_____ %	2027	_____	_____ %	_____ %
2020	_____	_____ %	2028	_____	_____ %	_____ %
2021	_____	_____ %				

the undersigned will pay the purchase price for the Bonds set forth below, plus accrued interest to the date of delivery.

Principal Amount .....	\$[Principal Amt]
Less Discount (if any, not to exceed [\$ _____][ _____ %]) .....	- _____
Plus Premium (if any) .....	_____
Total Purchase Price .....	\$ _____
Total interest cost to maturity at the rates specified .....	\$ _____
Net interest cost (adjusted for Discount and/or Premium) .....	\$ _____
True Interest Cost .....	_____ %

The Bidder elects to have the following Term Bonds:

<u>Maturity Date</u>	<u>Years</u>	<u>Amount*</u>
September 1, _____	_____ to _____	\$ _____
September 1, _____	_____ to _____	\$ _____

\*subject to mandatory redemption requirements in the amounts and at the times shown above.

This proposal is subject to all terms and conditions contained in said Notice of Bond Sale, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in said Notice. A cashier's or certified check, a wire transfer or a qualified financial surety bond in the amount of \$[\_\_\_\_\_] payable to the order of the Issuer, accompanies this proposal as an evidence of good faith. The acceptance of this proposal by the Issuer by execution below shall constitute a contract between the Issuer and the Successful Bidder for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission and a bond purchase agreement for purposes of the laws of the State of Kansas.

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

(LIST ACCOUNT MEMBERS ON REVERSE)

By: \_\_\_\_\_  
 Telephone No. (\_\_\_\_\_) \_\_\_\_\_

\* Preliminary; subject to change as provided in the Notice of Bond Sale.

**ACCEPTANCE**

Pursuant to action duly taken by the Governing Body of the City of Hays, Kansas, the above proposal is hereby accepted on July 25, 2013.

Attest:

\_\_\_\_\_

Clerk

\_\_\_\_\_

Mayor

**NOTE:** No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Sealed bids may be filed with the Clerk, Doris Wing, 1507 Main Street, Hays, Kansas 67601, facsimile bids may be filed with the Clerk, Fax No. (785)628-7323 or electronic bids may be submitted via **PARITY**<sup>®</sup>, at or prior to \_\_: \_\_ \_\_.m., Central Time, on July 25, 2013. Any bid received after such time will not be accepted or shall be returned to the bidder.

# Commission Work Session Agenda

## Memo

**From:** Kim Rupp, Director of Finance

**Work Session:** June 6, 2013

**Subject:** Resolution Authorizing the Offering for Sale of General Obligation Refunding and Improvement Bonds, Series 2013-A

**Person(s) Responsible:** Kim Rupp, Director of Finance  
Toby Dougherty, City Manager

### Summary

City Staff, City Financial Advisor, George K. Baum & Company, and City Bond Counsel, Gilmore and Bell, P.C. have been working on documentation in preparation for the sale of General Obligation (GO) Refunding and Improvement Bonds, Series 2013-A. The Series 2013-A Bonds will reimburse the City for expenditures related to Golden Belt 4<sup>th</sup> Addition and Replat of 46<sup>th</sup> Street 1<sup>st</sup> Addition and refund the City's General Obligation Internal Improvement Bonds Series 2002-A and Series 2003-A to achieve interest cost savings. The approximate principal amount of bonds to be issued is \$1,990,000, and the bonds are scheduled to mature in 15 years. Based on current market conditions, it is anticipated that the City could save approximately \$130,000 in future debt service payments by refunding the Series 2002-A and 2003-A Bonds. The Commission is being asked to approve a resolution authorizing the offering for sale of general obligation refunding and improvement bonds, series 2013-A.

### Background

The Golden Belt 4<sup>th</sup> Addition and Replat of 46<sup>th</sup> Street 1<sup>st</sup> Addition improvement district projects are complete and ready to be financed. City staff will complete the special assessment process, as required by state law, and the assessment ordinance to be considered by the Commission also on June 13.

A summary of the bonds to be issued for these projects is as follows:

<u>Project Description</u>	<u>Ord/Res No.</u>	<u>Authority</u>	<u>Principal Amount</u>
Golden Belt 4 <sup>th</sup> Addition	2011-019	K.S.A. 12-6a01 <i>et seq.</i>	\$476,117.88
46 <sup>th</sup> Street 1 <sup>st</sup> Addition	2011-002	K.S.A. 12-6a01 <i>et seq.</i>	<u>106,969.03</u>
<b>Total Bonds to be Issued:</b>			<b>\$583,086.91</b>

In addition to financing project costs, the City has the option to refinance the following general obligation bonds on September 1, 2013, and achieve interest cost savings for taxpayers:

<u>Series</u>	<u>Years</u>	<u>Refunded Amount</u>	<u>Average Rate</u>	<u>Final Maturity</u>
2002-A	2014 to 2022	\$655,000	4.897%	2022
2003-A	2014 to 2018	725,000	3.855	2018

Based on current market conditions, it is anticipated that the City could save approximately \$130,000 in future debt service payments by refunding the Series 2002-A and 2003-A Bonds. New Bonds that are issued for refunding purposes will be structured to have final maturity dates identical to the Series 2002-A and 2003-A Bonds.

Below is a timeline staff expects to follow to issue the Series 2013-A Bonds.

<b><u>MAY</u></b>	23	<b>City Council Approves Assessment Hearing Date</b>
	24	Notice of Assessment Hearing Forwarded to Local Paper Mail Notice of Hearing to Property Owners
	29	Publish Notice of Assessment Hearing
	23	Draft of Resolution Approving Preliminary Official Statement and Authorizing Sale of Bonds (“Sale Resolution”) Distributed
<b><u>JUNE</u></b>	13	<b>City Passes Resolution Approving Preliminary Official Statement and Authorizing Sale of Bonds</b>
	14	Distribute Final Assessment Statements Assessment Ordinance Forwarded to Local Paper
	17	Publish Assessment Ordinance Begin Prepayment Period
	21	Preliminary Official Statement and Draft Bond Documents Distributed for Comment
	28	Deadline for EMMA Filing
<b><u>JULY</u></b>	3	Notice of Sale Sent to Local Paper and to Kansas Register
	11	Notice of Sale Published in Kansas Register and Local Paper
	17	Comments Due on Preliminary Official Statement; Prepayment Period Ends
	19	Preliminary Official Statement Distributed to Bidders Finalize Bond Issue Size Comments Due on Draft Bond Documents
	<b>25</b>	<b>Bond Sale Date</b> <b>Pass Bond Ordinance and Resolution</b>
	26	Bond Ordinance Forwarded to Local Paper Transcript Assembly Begins
	29	Final Official Statement Compiled
	31	Final Official Statement Distributed Bond Ordinance Published in Local Paper
<b><u>AUG</u></b>	5	Registration Instructions to State Treasurer Bond Printing Complete – Forward to State Treasurer Transcript Assembly Complete Transcript Forwarded to Attorney General

- 6 Closing Memorandum Distributed
- 8 Transcript Approved
- Bond Registration Complete – Forward to DTC
- 13 Closing and Delivery of Funds
- 25 Final day to certify Assessments to Ellis County Clerk
- SEPT* 1 Refund 2002-A and 2003-A Bonds

### **Discussion**

All costs for the improvement district projects have been paid for out of idle funds. It has been our practice, given the poor interest rate environment, to run all projects through one capital projects fund. Staff determined it wasn't economically feasible to issue temporary financing for projects that idle funds can easily handle. However, to comply with state statute reimbursement requirements it is now time to pay the capital projects fund back. Also, it is required by state statute that special assessment projects be bonded. There is no option to fund those out of something such as the Commission's Financial Policy Projects.

City Staff and the Financial Advisor have been monitoring the City's outstanding debt for refunding opportunities. The City's Series 2002-A and 2003-A Bonds have been identified as ideal candidates to refund due to their relatively high interest rates and the ability to call the bonds on September 1, 2013.

### **Legal Consideration**

There are no known legal obstacles to proceeding as proposed by staff.

### **Financial Consideration**

Total bond issue will be approximately \$1,990,000.00.

The portion of the bonds issued to finance the improvement districts equal approximately \$583,000.00. These bonds will be paid from special assessment revenues received by the City as property owners within the improvement district pay their tax bills.

The portion of the bonds issued to refinance the Series 2002-A Bonds equals approximately \$668,000.00. At interest rates as of May 22, 2013, projected interest cost savings to the City is approximately \$91,500. These bonds will be structured to have the same payment schedule as the Series 2002-A Bonds, with a final maturity in 2022.

The portion of the bonds issued to refinance the Series 2003-A Bonds equals approximately \$740,000.00. At interest rates as of May 22, 2013, projected interest cost savings to the City is approximately \$38,900. These bonds will be structured to have the same payment schedule as the Series 2003-A Bonds, with a final maturity in 2018.

Total cost of issuance is approximately \$35,000.00. This covers the paying agent, Kansas Attorney General, CUSIP service bureau, Bond Counsel, Financial Advisor, the Rating Agency and Publication and Printing. More detail is provided in the attached sizing calculation document provided by George K Baum & Company.

## **Options**

Several options exist for the City Commission to consider.

- 1) Approve the attached resolution authorizing the bond sale
- 2) Direct City Staff to issue bonds for the special assessment portion only and not move forward with refunding the Series 2002-A or Series 2003-A Bonds.
- 3) Provide staff with further direction

## **Recommendation**

Staff recommends approving the resolution authorizing the sale of General Obligation Refunding and Improvement Bonds Series 2013-A in the amount of \$1,990,000.

## **Action Requested**

Approve Resolution No. xxxx-xxx authorizing the offering for sale of General Obligation Refunding and Improvement Bonds, Series 2013-A in the amount of \$1,990,000.

## **Supporting Documentation**

Resolution No. xxxx-xxx

Sale Documents

Sizing Calculation Worksheet

# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 8

MEETING DATE: 6-13-13

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**TOPIC:**

TEFRA Public Hearing for retirement of Health Care Facility Revenue Bonds, Series 2012-A

**ACTION REQUESTED:**

Conduct a TEFRA Public Hearing to consider the retirement of Via Christi Health Care Facility Revenue Bonds, Series 2012-A.

**NARRATIVE:**

On September 20, 2012, the City of Hays, Kansas issued \$13,000,000 of its Kansas Health Care Facility Revenue Bonds, Series 2012-A (St. John's, Inc.) for the construction of the new St. John's care center located on Canterbury (now known as Via Christi Village Hays, Inc.). Effective this April, Via Christi's sole member and owner has been changed to "Ascension Health" through the Sisters of St. Joseph sponsorship. Accordingly, Via Christi is exercising its option to purchase back St. John's under the IRB Lease and is requesting the City hold a TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) public hearing to consider whether Ascension may use proceeds from its Wisconsin Health and Educational Facility Revenue Bonds to pay off all the debt on St. John's.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Kim Rupp, Finance Director

**ADMINISTRATION RECOMMENDATION:**

Conduct the TEFRA Public Hearing

**COMMITTEE RECOMMENDATION(S):**

NA

**ATTACHMENTS:**

NA



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 9

MEETING DATE: 6-13-13

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**TOPIC:**

Resolution No. 2013-015 Approving the Issuance of Revenue Bonds by the Wisconsin Health and Educational Facilities Authority for the Defeasance of Via Christi Health Care Facility Revenue Bonds, Series 2012-A

**ACTION REQUESTED:**

Approve TEFRA Resolution No. 2013-015 approving the issuance of Revenue Bonds by the Wisconsin Health and Educational Facilities Authority for the defeasance of Via Christi Health Care Facility Revenue Bonds, Series 2012-A.

**NARRATIVE:**

Recently, Ascension Health Alliance (“Ascension”) became the 100% member of Via Christi Health, Inc. In connection with this change in control, Ascension intends to have the Wisconsin Health and Educational Facilities Authority issue revenue bonds (the “New Bonds”) in an amount not to exceed \$888,000,000, a portion of the proceeds of which will be used to redeem, provide for the payment of, and/or defease, all of the outstanding Via Christi Health Care Facility Revenue Bonds, Series 2012-A. The City Commission is being asked to approve TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) Resolution No. 2013-015 to execute the above request.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Kim Rupp, Finance Director

**ADMINISTRATION RECOMMENDATION:**

Approve Resolution No. 2013-015

**COMMITTEE RECOMMENDATION(S):**

NA

**ATTACHMENTS:**

TEFRA Resolution No. 2013-015  
Staff Memo

RESOLUTION NO. 2013-015

OF THE

CITY OF HAYS, KANSAS

RELATING TO:

APPROVAL OF NOT TO EXCEED  
\$888,000,000  
WISCONSIN HEALTH AND EDUCATIONAL FACILITIES AUTHORITY  
REVENUE BONDS  
(ASCENSION HEALTH ALLIANCE SENIOR CREDIT GROUP)  
SERIES 2013

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RESOLUTION NO. 2013-015

A RESOLUTION OF THE CITY OF HAYS, KANSAS, APPROVING THE ISSUANCE OF NOT TO EXCEED \$888,000,000 IN REVENUE BONDS BY THE WISCONSIN HEALTH AND EDUCATIONAL FACILITIES AUTHORITY.

WHEREAS, the City of Hays, Kansas is a municipal corporation and city of the second class organized under the laws of the State of Kansas (the “City”); and

WHEREAS, the Wisconsin Health and Educational Facilities Authority (the “Issuer”) is a multi-state issuer of revenue bonds for health care and educational facilities; and

WHEREAS, the Issuer has indicated its intent to issue revenue bonds in an aggregate principal amount of not-to-exceed \$888,000,000 (the “Bonds”) for the purpose of financing and refinancing the purchase, acquisition, construction, furnishing, improvement, renovation and equipping of facilities owned and operated by affiliates of Ascension Health Alliance located in the States of Kansas, Wisconsin, and Oklahoma; and

WHEREAS, the facilities located in the City which are to be financed and refinanced with proceeds of the Bonds include certain hospital and related facilities located generally at 2225 Canterbury in the City, operated by, and owned or to be owned by Via Christi Village Hays, Inc. or Via Christi Health, Inc., each a Kansas not-for-profit corporation and an organization described in Section 501(c)(3) of the Code (the “Project”) to which the maximum amount of Bond proceeds to be allocated will be \$16,000,000; and

WHEREAS, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Issuer must be approved by the City because the Project is located within the territorial limits of the City; and

WHEREAS, the City Commission (the “Commission”) is the elected legislative body of the City and constitutes an applicable elected representative required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, as required by Section 147(f) of the Code, the City has caused a notice of its consideration of the approval of the Bonds and of a public hearing to be held on this day to be published in the official City newspaper at least fourteen (14) days prior to the date hereof and an affidavit of publication from said newspaper with respect to said notice is attached hereto; and

WHEREAS, the City has conducted a public hearing on the issue of approval of the Bonds and all persons present were afforded the opportunity to be heard on such matters.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS, AS FOLLOWS:

Section 1. Approval of Bonds. The issuance of the Bonds by the Issuer to finance or refinance the above described Project is hereby approved for the purposes of Section 147(f) of the Code. This approval does not impose any liability on the City or in any way involve the City in the proposed Bonds or the facilities financed or refinanced thereby, but is an accommodation by the City to satisfy the requirements of the Code.

Section 2. Authority. The Mayor, members of the Commission, and officers of the City are hereby authorized and directed to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the Bonds approved hereby.

Section 3. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the City.

*[Remainder of Page Intentionally Left Blank]*

PASSED, ADOPTED AND APPROVED by the governing body of the City of Hays, Kansas  
this 13th day of June, 2013.

CITY OF HAYS, KANSAS

[seal]

By \_\_\_\_\_  
Kent L. Steward, Mayor

ATTEST:

By \_\_\_\_\_  
Doris Wing, City Clerk

# Commission Work Session Agenda

## Memo

**From:** Kim Rupp, Director of Finance

**Work Session:** June 6, 2013

**Subject:** Resolution approving the issuance of Revenue Bonds by the Wisconsin Health and Educational Facilities Authority for the defeasance of Via Christi Health Care Facility Revenue Bonds, Series 2012-A

**Person(s) Responsible:** Kim Rupp, Director of Finance  
Toby Dougherty, City Manager

### Summary

Recently, Ascension Health Alliance (“Ascension”) became the 100% member of Via Christi Health, Inc. In connection with this change in control, Ascension intends to have the Wisconsin Health and Educational Facilities Authority issue revenue bonds (the “New Bonds”) in an amount not to exceed \$888,000,000, a portion of the proceeds of which will be used to redeem, provide for the payment of, and/or defease, all of the outstanding Via Christi Health Care Facility Revenue Bonds, Series 2012-A. The City Commission is being asked to approve TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) Resolution #XXXX-XXX to execute the above request.

### Background

In September 2012, the City issued its Health Care Facility Revenue Bonds, Series 2012-A (St. John’s, Inc.) (the “2012 Bonds”) which are the only bonds currently outstanding with respect to these facilities. St. John’s, Inc. is now known as Via Christi Village Hays, Inc., a wholly-owned subsidiary of Via Christi Health, Inc. Effective this April, Via Christi's sole member and owner has been changed to "Ascension Health" through the Sisters of St. Joseph sponsorship. Marion Health is no longer an owner/sponsor. Ascension Health has elected to retire and defease all outstanding indebtedness of Via Christi.

## **Discussion**

Pursuant to Section 147(f) of the Internal Revenue Code, prior to the issuance of the New Bonds, the City must hold a public hearing regarding the issuance thereof by the Wisconsin Health and Educational Facilities Authority and the City must specifically approve by resolution said issuance because the Via Christi Village Hays facility is located within the territorial limits of the City.

## **Legal Consideration**

Section 147(f) of the Internal Revenue Code requires a public hearing and the approval by the City of the issuance of the New Bonds before the Wisconsin Health and Educational Facilities Authority can issue the New Bonds. Notice of the public hearing was published in *The Hays Daily News* on May 28, 2013, which was at least 14 days prior to the date of the public hearing. J.T. Klaus of Triplett, Woolf & Garretson, LLC has prepared a Resolution for the Board to approve the issuance of the New Bonds. The Resolution has also previously been provided Gina Riekof, the City's Bond Counsel, for her review and comment. The City Attorney has reviewed the proceedings and there are no known legal obstacles to proceeding as recommended by City staff.

## **Financial Consideration**

The 2012 Bonds are special limited obligations of the City payable only from revenues received from Via Christi Village Hays, Inc. and its facilities. The proposed New Bonds will not impose any obligation on the City to pay the principal of, premium or interest on the New Bonds whatsoever. Ascension will pay any and all costs associated with the New Bonds.

## **Options**

- 1) The City Commission can approve the TEFRA Resolution as presented
- 2) Do Nothing
- 3) Provide staff with further direction

## **Recommendation**

Staff recommends the approval of the TEFRA Resolution as presented.

## **Action Requested**

Approve TEFRA Resolution #XXXX-XXX approving the issuance of Revenue Bonds by the Wisconsin Health and Educational Facilities Authority for defeasance of Via Christi Health Care Facility Revenue Bonds, Series 2012-A.

## **Supporting Documentation**

TEFRA Resolution #XXXX-XXX



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 10

MEETING DATE: 6-13-13

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**TOPIC:**

Resolution No. 2013-016 approving the conveyance of facilities back to the Via Christi Village Hays, Inc and authorizing the execution of all necessary documents.

**ACTION REQUESTED:**

Approve Resolution No. 2013-016 approving the conveyance of facilities back to the Via Christi Village Hays, Inc and authorizing the execution of all necessary documents

**NARRATIVE:**

Any time an industrial revenue bond is redeemed or defeased, the City is obligated to transfer the financed project to the bond tenant, upon the execution of its option to purchase. Approval of the Resolution and execution and delivery of the documents authorized therein will serve to convey title back to the Via Christi Village Hays facilities from the City to Via Christi Village Hays, Inc. and clear any real estate encumbrances associated with the 2012 Bonds.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Kim Rupp, Finance Director

**ADMINISTRATION RECOMMENDATION:**

Approve Resolution 2013-016.

**COMMITTEE RECOMMENDATION(S):**

NA

**ATTACHMENTS:**

Staff Memo  
Resolution 2013-016  
Transcript of proceedings  
Special warranty deed  
Bill of sale  
Termination and release of lease  
Satisfaction and discharge of indenture  
Termination and release of guaranties  
Trustee's closing certificate

# Commission Work Session Agenda

## Memo

**From:** Kim Rupp, Director of Finance

**Work Session:** June 6, 2013

**Subject:** Resolution approving the conveyance of facilities back to the Via Christi Village Hays, Inc and authorizing the execution of all necessary documents

**Person(s) Responsible:** Kim Rupp, Director of Finance  
Toby Dougherty, City Manager

### Summary

Recently, Ascension Health Alliance (“Ascension”) became the 100% member of Via Christi Health, Inc. In connection with this change in control, Ascension intends to have the Wisconsin Health and Educational Facilities Authority issue revenue bonds (the “New Bonds”), a portion of the proceeds of which will be used to provide for the payment of, and defease, all the outstanding Via Christi Health Care Facility Revenue Bonds, Series 2012-A issued by the City. The Commission is being asked to approve a resolution authorizing the conveyance of those facilities back to the Via Christi Village Hays, Inc. and authorizing the execution of all necessary documents.

### Background

Via Christi Village Hays, Inc. has provided notice that it intends to exercise its option to purchase the Via Christi Village Hays facility from the City, pursuant to the Lease Agreement executed in connection with the 2012 Bonds, upon the defeasance of the 2012 Bonds (which will occur by the deposit of government securities with an escrow trustee in an amount necessary to pay all principal of, interest on, and premium, if any, on the 2012 Bonds at their first available redemption date), which defeasance is scheduled to occur on or about June 18, 2013 or as soon thereafter as practicable (the “Closing Date”).

### Discussion

Any time an industrial revenue bond is redeemed or defeased, the City is obligated to transfer the financed project to the bond tenant, upon the execution of its option to purchase. Approval of the Resolution and execution and delivery of the documents authorized therein will serve to convey title back to the Via Christi Village Hays facilities

from the City to Via Christi Village Hays, Inc. and clear any real estate encumbrances associated with the 2012 Bonds.

### **Legal Consideration**

Via Christi Village Hays, Inc. has the right under the Lease Agreement to exercise its option to purchase the facilities if (1) provision for the payment of the principal of, interest on, and premium, if any, on the 2012 Bonds has been made by irrevocable deposit of government securities with an escrow trustee in the amount necessary for said payment, and (2) a fee in the amount of \$1,000 has been paid to the City. On the Closing Date, condition (1) will occur in connection with the issuance of the New Bonds by the out-of-state authority. Via Christi Village Hays, Inc. has already provided the \$1,000 fee to the City.

J.T. Klaus of Triplett, Woolf & Garretson, LLC has prepared a Resolution and the other necessary documents for the City to transfer title of the facilities to Via Christi Village Hays, Inc. The Resolution and these documents have all previously been provided to Gina Riekof, the City's Bond Counsel, for her review and comment. The City Attorney has reviewed the proceedings and there are no known legal obstacles to proceeding as recommended by City staff.

### **Financial Consideration**

The facilities are exempt from property taxes pursuant to its ownership by a 501(c)(3) entity and their nature as an adult care home. No property tax abatement was granted in connection with the 2012 Bonds; therefore, the redemption and/or defeasance of the 2012 Bonds will have no effect upon the taxation of the facilities.

The 2012 Bonds are special limited obligations of the City payable only from revenues received from the Via Christi Village Hays, Inc. and its facilities. The proposed New Bonds will not impose any obligation on the City pay the principal of, premium or interest on the New Bonds. Ascension will pay any and all costs associated with the New Bonds.

### **Options**

- 1) The City Commission can approve the Resolution as presented
- 2) Do Nothing
- 3) Provide staff with further direction

### **Recommendation**

Staff recommends the approval of the Resolution as presented.

### **Action Requested**

Approve Resolution #XXXX-XXX approving the conveyance of facilities back to the  
Via Christi Village Hays, Inc and authorizing the execution of all necessary documents

### **Supporting Documentation**

Resolution #XXXX-XXX

Transcript of proceedings

Special warranty deed

Bill of sale

Termination and release of lease

Satisfaction and discharge of indenture

Termination and release of guaranties

Trustee's closing certificate

RESOLUTION NO. 2013-016

OF THE

CITY OF HAYS, KANSAS

RELATING TO:

\$13,000,000  
HEALTH CARE FACILITY REVENUE BONDS  
SERIES 2012-A  
(ST. JOHN'S, INC.)

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RESOLUTION NO. 2013-016

A RESOLUTION OF THE CITY OF HAYS, KANSAS, APPROVING THE SALE OF A CERTAIN PROJECT FINANCED WITH THE PROCEEDS OF REVENUE BONDS OF THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF (1) A SPECIAL WARRANTY DEED, (2) A BILL OF SALE, (3) A TERMINATION AND RELEASE OF LEASE, AND (4) A SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE.

WHEREAS, the City of Hays, Kansas is a municipal corporation and city of the second class organized under the laws of the State of Kansas (the "Issuer"); and

WHEREAS, the Issuer is authorized pursuant to K.S.A. 12-1740 *et seq.*, as amended (the "Act") to issue its revenue bonds for the purpose of paying all or any portion of the cost of purchasing, acquiring, constructing and equipping facilities for commercial purposes and to enter into leases with any person, firm or corporation for such facilities; and

WHEREAS, pursuant to the Act, the Issuer has previously issued certain City of Hays, Kansas, Health Care Facility Revenue Bonds, Series 2012-A (St. John's, Inc.) (the "Bonds") for the purpose of paying a portion of the costs of (i) purchasing, acquiring, constructing, equipping, installing, and furnishing a skilled nursing facility and (ii) constructing, equipping, installing and furnishing improvements to an existing assisted living facility adjacent and connected thereto (collectively, the "Project") located in Hays, Kansas; and

WHEREAS, the Project is leased by the Issuer to Via Christi Village Hays, Inc., formerly St. John's, Inc., a Kansas not-for-profit corporation (the "Corporation") pursuant to a certain Lease Agreement, dated as of September 15, 2012 (the "Lease"); and

WHEREAS, the Bonds are payable from the Trust Estate created pursuant to a certain Trust Indenture, dated as of September 15, 2012 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri (the "Trustee"), which Trust Estate includes a pledge of the Project and revenue received from the fees charged and Basic Rent received pursuant to the Lease; and

WHEREAS, the payment of the principal of and interest on the Bonds is guaranteed by the Corporation, pursuant to the terms of certain Guaranty Agreement, dated as of September 15, 2012; and

WHEREAS, the payment of the principal of and interest on the Bonds is further guaranteed by Via Christi Health, Inc. (the "Additional Guarantor"), pursuant to the terms of certain Additional Guaranty Agreement, dated as of September 15, 2012; and

WHEREAS, Ascension Health Alliance intends to deposit funds or other government securities on or about June 18, 2013 or as soon thereafter as practicable (the "Closing Date") with the Trustee, or other qualified escrow agent, as necessary to provide for payment of the principal of,

interest, and premium, if any, on the Bonds, so as to completely defease the Bonds through and including their first available redemption date; and

WHEREAS, Section 16.1 of the Lease provides for the purchase of the Project by the Corporation upon the proper exercise of the Corporation's option to purchase and the payment (pursuant to Section 16.2) to the Trustee of the full amount necessary and incidental to the retirement and defeasance of the Bonds, plus the payment to the City of \$1,000; and

WHEREAS, the Corporation has provided notice of its election to purchase the Project on or about the Closing Date; and

WHEREAS, the Issuer finds it necessary to authorize the execution and delivery of (1) a Special Warranty Deed, (2) Bill of Sale, (3) Termination and Release of Lease, and (4) Satisfaction, Release and Discharge of Indenture in connection with the exercise by the Corporation of its option to purchase the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS, AS FOLLOWS:

Section 1. Definition of Terms. All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the Lease and Indenture.

Section 2. Sale of the Project. The Issuer is hereby authorized to convey the Project to the Corporation upon receipt by the Issuer of the \$1,000 to which it is entitled pursuant to Section 16.2 of the Lease and the provision of payment and defeasance of the Bonds in accordance with their terms and acknowledges proper notice or otherwise waives any additional notice requirement under the Lease.

Section 3. Authorization of Special Warranty Deed. The Issuer is hereby authorized to execute and deliver its Special Warranty Deed for the real property portions of the Project to the Corporation, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the deed before the governing body on this date.

Section 4. Authorization of Bill of Sale. The Issuer is hereby authorized to execute and deliver its Bill of Sale for the personal property portions of the Project to the Corporation, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Bill of Sale before the governing body on this date.

Section 5. Authorization of Termination and Release of Lease. The Issuer is hereby authorized to execute and deliver a Termination and Release of Lease (the "Lease Termination") by and between the Corporation, the Issuer and the Trustee, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Lease Termination before the governing body on this date.

Section 6. Authorization of Satisfaction, Release and Discharge of Indenture. The Issuer is hereby authorized to execute and deliver a Satisfaction, Release and Discharge of Indenture (the

“Indenture Release”) by and between the Issuer and the Trustee, upon satisfaction of the conditions contained in the Lease and set forth in Section 2 hereof, and in substantially the same form as the Indenture Release before the governing body on this date.

Section 7. Execution of Documents. The Mayor of the Issuer is hereby authorized and directed to execute the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release for and on behalf of and as the act and deed of the Issuer in substantially the forms as they are presented today with such minor corrections or amendments thereto as the Mayor of the governing body of the Issuer shall approve, which approval shall be evidenced by his execution thereof, and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Resolution, including specifically any applicable redemption notices and UCC Termination Statements. The City Clerk of the Issuer is hereby authorized and directed to attest the execution of the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release, on behalf of the Issuer and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 8. Delivery of Documents. The Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release shall be delivered by the Mayor, City Clerk or other appropriate staff member of the Issuer concurrently upon the satisfaction of the requirements set forth in the Lease and in Section 2 of this Resolution.

Section 9. Further Authority. The Issuer shall, and the officers, agents and employees of the Issuer are hereby authorized and directed to, take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Resolution and to carry out, comply with and perform the duties of the Issuer with respect to the Special Warranty Deed, Bill of Sale, Lease Termination and Indenture Release, all as necessary to carry out and give effect to the transaction contemplated hereby and thereby.

Section 10. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

*[Remainder of Page Intentionally Left Blank]*

PASSED, ADOPTED AND APPROVED by the governing body of the City of Hays, Kansas  
this 13th day of June, 2013.

CITY OF HAYS, KANSAS

[seal]

By \_\_\_\_\_  
Kent L. Steward, Mayor

ATTEST:

By \_\_\_\_\_  
Doris Wing, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Hays, Kansas met at the normal meeting place in the City on June 13, 2013 at 6:30 p.m. with the Mayor Kent Steward presiding, and the following members of the governing body present:

and the following members absent:

Thereupon, and among other business, there was presented to the governing body a Resolution entitled:

A RESOLUTION OF THE CITY OF HAYS, KANSAS, APPROVING THE SALE OF A CERTAIN PROJECT FINANCED WITH THE PROCEEDS OF REVENUE BONDS OF THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF (1) A SPECIAL WARRANTY DEED, (2) A BILL OF SALE, (3) A TERMINATION AND RELEASE OF LEASE, AND (4) A SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE.

Thereupon, the Resolution was considered and discussed; and on motion of \_\_\_\_\_, seconded by \_\_\_\_\_, the Resolution was adopted by a majority vote of all members present.

Thereupon, the Resolution having been adopted, it was given No. 2013-\_\_\_ and was directed to be signed by the Mayor and attested by the City Clerk.

\*\*\*\*\*

CITY CLERK'S  
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of the Minutes of the proceedings at the June 13, 2013 meeting of the governing body of the City of Hays, Kansas.

[seal]

---

Doris Wing, City Clerk



TRIPLETT, WOOLF & GARRETSON, LLC

---

L A W F I R M

TRANSCRIPT OF PROCEEDINGS

RELATING TO THE EXERCISE OF OPTION TO PURCHASE  
IN CONNECTION WITH THE  
CITY OF HAYS, KANSAS

\$13,000,000  
CITY OF HAYS, KANSAS  
HEALTH CARE FACILITY REVENUE BONDS  
SERIES 2012-A  
(ST. JOHN'S, INC.)

DATED JUNE \_\_, 2013

RELATING TO THE EXERCISE OF OPTION TO PURCHASE  
IN CONNECTION WITH THE  
CITY OF HAYS, KANSAS

\$13,000,000  
CITY OF HAYS, KANSAS  
HEALTH CARE FACILITY REVENUE BONDS  
SERIES 2012-A  
(ST. JOHN'S, INC.)

The documents set forth below represent the transcript evidencing the exercise of option to purchase in connection with the above-referenced Bonds for the City of Hays, Kansas. Copies of the transcript will be prepared and bound for later distribution to the following parties:

1. City of Hays, Kansas (“Issuer”)
2. Via Christi Village Hays, Inc. (“Corporation” and “Guarantor”)
3. Via Christi Health, Inc. (“Additional Guarantor”)
4. The Bank of New York Mellon Trust Company, N.A. (“Trustee”)
5. Glassman, Bird, Braun & Schwartz, L.L.P. (“Issuer’s Counsel”)
6. Gilmore & Bell, P.C. (“Issuer’s Special Counsel”)
7. Gary E. Knight, Esq. (“Corporation’s & Additional Guarantor’s Counsel”)
8. Triplett, Woolf & Garretson, LLC (“Special Local Counsel”)

Unless otherwise requested, the Issuer, Trustee, Additional Guarantor and Corporation & Additional Guarantor’s Counsel will receive bound copies of the transcript; all others will receive a CD-ROM.

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2. Resolution No. 2013-\_\_\_\_
  - (a) Excerpt of Minutes of June 13, 2013
3. Special Warranty Deed
4. Bill of Sale
5. Termination and Release of Lease
6. Satisfaction, Discharge and Release of Indenture
7. Termination and Release of Guaranties
8. UCC Financing Termination Statements
  - (a) Register of Deeds
    - (i) Corporation
    - (ii) City of Hays
  - (b) Secretary of State
    - (i) Corporation
    - (ii) City of Hays
9. Trustee's Closing Certificate
10. Corporate Resolution

\*\*\*\*\*

This Deed is exempt from filing a Real Estate Sales Validation Questionnaire pursuant to Exception No. 2 of K.S.A. 79-1437(e) and is made for the purpose of releasing an ownership interest in property which provided security for a debt or other obligation.

### SPECIAL WARRANTY DEED

THIS INDENTURE, made as of this \_\_\_\_ day of June, 2013, by the City of Hays, Kansas, a municipal corporation duly organized and existing under the laws of the State of Kansas and located in Ellis County, Kansas (the “Grantor”) in favor of Via Christi Village Hays, Inc., a Kansas not-for-profit corporation (the “Grantee”).

WITNESSETH: That Grantor, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does by these presents grant, bargain, sell and convey to Grantee, its successors and assigns, all of Grantor's interest in the real property situated in Ellis County, Kansas, specifically described on Schedule I attached hereto and incorporated hereby.

Grantor hereby covenants that its interest as conveyed hereby is conveyed free and clear of all liens and encumbrances except (i) those liens and encumbrances to which title to the described property was subject when conveyed to Grantor; (ii) those liens and encumbrances created by the Grantee or to the creation or suffering of which the Grantee has consented; (iii) those liens and encumbrances resulting from the failure of the Grantee to perform and observe any of the agreements on its part contained in the Lease under which it has heretofore occupied the described property; (iv) the rights of the public in and to any part of the described property lying or being in public roads, streets, alleys or highways; (v) any unpaid taxes or assessments, general or special; and (vi) the rights, titles and interests of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the described property; and further covenants that it will warrant and defend the same in the quiet and peaceable possession of Grantee, its successors and assigns, forever, against all persons claiming the same through Grantor.

After recording, return to:

TRIPLETT, WOOLF & GARRETSON, LLC  
Attn: J. T. Klaus  
2959 N. Rock Road, Suite 300  
Hays, Kansas 67226  
Telephone: (316) 630-8100

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Hays, Kansas for delivery as of the date first set forth above.

CITY OF HAYS, KANSAS

[seal]

By \_\_\_\_\_  
Kent Steward, Mayor

ATTEST:

By \_\_\_\_\_  
Doris Wing, City Clerk

“ISSUER”

ACKNOWLEDGMENT

STATE OF KANSAS            )  
  )        ss:  
COUNTY OF ELLIS         )

BE IT REMEMBERED that on this \_\_\_\_ day of June, 2013, before me, a notary public in and for said County and State, came Kent Steward and Doris Wing, Mayor and City Clerk, respectively, of the City of Hays, Kansas, a municipal corporation of the State of Kansas (the “City”), who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

SCHEDULE I

The following described real estate located in Ellis County, Kansas, to-wit:

Lots Fifteen (15), Sixteen (16), and Seventeen (17), Block Five (5), Golden Belt Fifth Addition to the City of Hays, Kansas

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that, as of June \_\_, 2013, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned, City of Hays, Kansas, a municipal corporation (the "Grantor"), does grant, sell, transfer and deliver unto Via Christi Village Hays, Inc., a Kansas not-for-profit corporation (the "Grantee"), all of its interest in the following goods and chattels, viz:

All buildings, improvements, machinery, furnishings, fixtures and equipment and other personal property purchased, financed or refinanced with the proceeds of the City of Hays, Kansas, Health Care Facility Revenue Bonds, Series 2012-A (St. John's, Inc.) (the "Bonds") and constituting the "Improvements" pursuant to the terms of a certain Lease Agreement, dated as of September 15, 2012, by and between the Grantor and Grantee (collectively, the "Lease").

To have and to hold, all and singular, the said goods and chattels forever. And the said Grantor hereby covenants with the said Grantee that the interest of Grantor conveyed hereby is free from all encumbrances except (i) those liens and encumbrances to which title to the described property was subject when conveyed to the Grantor, (ii) those liens and encumbrances created by the Grantee or to the creation or suffering of which the Grantee has consented; and (iii) those liens and encumbrances resulting from the failure of the Grantee to perform and observe any of the agreements on its part contained in the Lease under which it has heretofore leased such property; and that it will warrant and defend the same against the lawful claims and demands of all persons claiming through the Grantor.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Hays, Kansas for delivery as of the date first set forth above.

CITY OF HAYS, KANSAS

[seal]

By \_\_\_\_\_  
Kent Steward, Mayor

ATTEST:

By \_\_\_\_\_  
Doris Wing, City Clerk

“ISSUER”

ACKNOWLEDGMENT

STATE OF KANSAS            )  
  )  
  )        ss:  
COUNTY OF ELLIS         )

BE IT REMEMBERED that on this \_\_\_\_ day of June, 2013, before me, a notary public in and for said County and State, came Kent Steward and Doris Wing, Mayor and City Clerk, respectively, of the City of Hays, Kansas, a municipal corporation of the State of Kansas (the “City”), who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

This Termination and Release of Lease terminates that certain Lease Agreement, notice of which was previously recorded with the Ellis County, Kansas Register of Deeds on September 21, 2012 in Book 805, Page 957 and an assignment of which was previously recorded with the Ellis County, Kansas Register of Deeds on September 21, 2012 in Book 805, Page 960.

### TERMINATION AND RELEASE OF LEASE

THIS TERMINATION AND RELEASE OF LEASE dated as of the \_\_\_\_ day of June, 2013, by and between the City of Hays, Kansas, a municipal corporation (hereinafter the “Issuer”), Via Christi Village Hays, Inc., formerly St. John’s, Inc., a Kansas not-for-profit corporation (the “Corporation”); and The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri, a national banking association duly organized and existing under the laws of the United States (hereinafter the “Trustee”).

WITNESSETH:

WHEREAS, the Issuer heretofore leased to the Corporation certain real property, together with improvements located thereon, pursuant to a Lease Agreement, dated as of September 15, 2012 (the “Lease”), notice of which Lease was duly recorded with the Register of Deeds of Ellis County, Kansas on September 21, 2012 in Book 805, Page 957; and;

WHEREAS, said Lease was assigned by the Issuer to the Trustee; and

WHEREAS, the property interests covered by the Lease consist of the property more specifically described in Schedule I attached hereto and incorporated hereby; and

WHEREAS, the Issuer previously had outstanding its Health Care Facility Revenue Bonds, Series 2012-A (St. John’s, Inc.) (the “Bonds”); and

WHEREAS, provision has been made for payment in full of all of the outstanding Bonds by deposit with The Bank of New York Mellon Trust Company, N.A., as Trustee, irrevocably in trust, of sufficient funds or government securities as necessary to pay the principal of, interest on, and premium, if any, on all of said Bonds through and including their first available redemption date; and

WHEREAS, in connection therewith, it is necessary to provide for the release and termination of the above-described Lease.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and in consideration of other good and valuable consideration, the parties hereto agree that the Lease is hereby terminated and released.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Hays, Kansas for delivery as of the date first set forth above.

CITY OF HAYS, KANSAS

[seal]

By \_\_\_\_\_  
Kent Steward, Mayor

ATTEST:

By \_\_\_\_\_  
Doris Wing, City Clerk

“ISSUER”

ACKNOWLEDGMENT

STATE OF KANSAS            )  
  )  
COUNTY OF ELLIS         )        ss:

BE IT REMEMBERED that on this \_\_\_\_ day of June, 2013, before me, a notary public in and for said County and State, came Kent Steward and Doris Wing, Mayor and City Clerk, respectively, of the City of Hays, Kansas, a municipal corporation of the State of Kansas (the “City”), who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

VIA CHRISTI VILLAGE HAYS, INC.

By \_\_\_\_\_  
David Karlin, Executive Director

“CORPORATION”

ACKNOWLEDGMENT

STATE OF KANSAS            )  
  )  
COUNTY OF \_\_\_\_\_)        ss:

BE IT REMEMBERED, that on this \_\_\_\_ day of June, 2013, before me, a Notary Public, in and for the County and State aforesaid, came David Karlin, Executive Director of Via Christi Village Hays, Inc., on behalf of said corporation and acknowledged to me that such person executed the same for the purposes therein expressed, acting for and on behalf of said corporation as Authorized Corporation Representative.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_



## SCHEDULE I

SCHEDULE I TO THE TRUST INDENTURE, DATED AS OF SEPTEMBER 15, 2012, BETWEEN THE CITY OF HAYS, KANSAS, AS ISSUER, AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., ST. LOUIS, MISSOURI, AS TRUSTEE, AND TO THE LEASE AGREEMENT, DATED AS OF SEPTEMBER 15, 2012 BY AND BETWEEN SAID CITY AND VIA CHRISTI VILLAGE HAYS, INC., FORMERLY ST. JOHN'S, INC.

### PROPERTY SUBJECT TO LEASE

(A) Land. The following described real estate located in Ellis County, Kansas, to wit:

Lots Fifteen (15), Sixteen (16), and Seventeen (17), Block Five (5), Golden Belt Fifth Addition to the City of Hays, Kansas

said real property described constituting the "Land" as referred to in said Lease.

(B) Improvements. All building improvements now constructed, located or installed on the Land, together with and including such buildings, improvements, machinery and equipment refinanced from proceeds of the Bonds, the same constituting the "Improvements" as referred to in said Lease and the Indenture, as amended, and including those items more specifically described as follows:

A 96-bed nursing home attached to the existing 41 assisted living apartments, which together with the freestanding, 10-unit independent living complex, will comprise a full Continuing Care Retirement Community. The nursing home portion of the Project will provide skilled nursing and long term care services for 96 residents within six defined neighborhoods. Each neighborhood offers twelve private and two semi-private rooms, surrounding an open living room, dining room, den and kitchen. A chapel, therapy room, themed activity spaces, consultation rooms, common areas, and secure outdoor spaces will also be available to residents and their guests. The central administrative and support areas of the facility will be available to residents and families as needed, but will remain "outside" the neighborhoods.

The assisted living portion of the Project will be renovated to upgrade interior and exterior finishes to support the creation of the Continuing Care Retirement Community. The consolidated campus will streamline departments and the delivery of services including dietary, activities, nursing, laundry, housekeeping and business offices functions. The Project includes adjacent parking and landscaping, as well as all furniture, equipment and fixtures to be located therein and thereon.

The property described in paragraphs (A) and (B) of this Schedule I, together with any alterations or additional improvements properly deemed a part of the Project pursuant to and in accordance with the provisions of Sections 11.1 and 12.1 of the Lease, constitute the "Project" as referred to in both the Lease and the Indenture.

SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE

THIS SATISFACTION, DISCHARGE AND RELEASE OF INDENTURE dated as of the \_\_\_\_ day of June, 2013, by and between the City of Hays, Kansas, a municipal corporation (hereinafter referred to as the “Issuer”), and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States (hereinafter referred to as the “Trustee”).

WITNESSETH:

WHEREAS, the Issuer has previously issued its Health Care Facility Revenue Bonds, Series 2012-A (St. John’s, Inc.) in the aggregate principal amount of \$13,000,000 (the “Bonds”); and

WHEREAS, such Bonds were secured by the pledge of a certain Trust Estate, as established by, and in accordance with the terms and provisions of, a Trust Indenture, dated as of September 15, 2012 (the “Indenture”), by and between the Issuer and the Trustee; and

WHEREAS, provision has been made for payment in full of all of the outstanding Bonds by deposit with the Trustee, irrevocably in trust, of sufficient funds or government securities as necessary to pay the principal of, interest, and premium, if any, on all of said Bonds through and including their first available redemption date; and

WHEREAS, in connection therewith, it is necessary to provide for the release and discharge of the lien of the Indenture upon the Trust Estate (excepting its lien upon such monies as are deposited with Trustee for the purposes of paying the principal of and interest on all the Bonds).

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and in consideration of other good and valuable consideration, the parties hereto agree that the special obligations of the Issuer under the terms of the Indenture are hereby deemed satisfied and discharged and the lien of the Trustee upon the Trust Estate is hereby terminated and released. Accordingly, the covenants and agreements of the Issuer and the Trustee (except to the extent the same govern or otherwise provide terms and provisions for the timely defeasance, satisfaction and payment of the Bonds and except to the extent the same survive termination in accordance with the terms of the Indenture) are hereby terminated and of no further force or effect.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the City of Hays, Kansas for delivery as of the date first set forth above.

CITY OF HAYS, KANSAS

[seal]

By \_\_\_\_\_  
Kent Steward, Mayor

ATTEST:

By \_\_\_\_\_  
Doris Wing, City Clerk

“ISSUER”

ACKNOWLEDGMENT

STATE OF KANSAS            )  
  )  
COUNTY OF ELLIS         )        ss:

BE IT REMEMBERED that on this \_\_\_\_\_ day of June, 2013, before me, a notary public in and for said County and State, came Kent Steward and Doris Wing, Mayor and City Clerk, respectively, of the City of Hay, a municipal corporation of the State of Kansas, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., St. Louis, Missouri

[seal]

By \_\_\_\_\_  
Name (Printed) \_\_\_\_\_  
Title \_\_\_\_\_

ATTEST:

By \_\_\_\_\_  
Name (Printed) \_\_\_\_\_  
Title \_\_\_\_\_

“TRUSTEE”

ACKNOWLEDGMENT

STATE OF MISSOURI     )  
  )  
CITY OF ST. LOUIS     )     ss:

BE IT REMEMBERED that on this \_\_\_\_ day of \_\_\_\_\_, 2013, before me, the undersigned, a Notary Public in and for said City and State, came \_\_\_\_\_ and \_\_\_\_\_, duly authorized \_\_\_\_\_ and \_\_\_\_\_, respectively, of The Bank of New York Mellon Trust Company, N.A. (the “Bank”), a national banking association duly organized under the banking laws of the United States of America, who are personally known to me to be the same persons who executed the within instrument on behalf of said Bank, and such persons duly acknowledged the execution of the same to be the act and deed of said Bank.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:  
\_\_\_\_\_

## **TERMINATION AND RELEASE OF GUARANTIES**

THIS TERMINATION AND RELEASE OF GUARANTIES (the “Release”) dated as of the \_\_\_\_ day of June, 2013 (the “Effective Date”), by The Bank of New York Mellon Trust Company, N.A., a national banking association organized under the laws of the United States, with an office in St. Louis, Missouri (the “Trustee”).

WITNESSETH:

WHEREAS, the City of Hays, Kansas, a municipal corporation organized and existing under the laws of the State of Kansas (the “Issuer”) previously issued its Health Care Facility Revenue Bonds, Series 2012-A (St. John’s, Inc.) (the “Bonds”); and

WHEREAS, the Bonds were payable solely and only from the Trust Estate created pursuant to the Indenture (hereinafter described), including money and revenue received from the fees charged and Basic Rent received pursuant to a certain Lease Agreement, dated as of September 15, 2012 (the “Lease”), with Via Christi Village Hays, Inc., formerly St. John’s, Inc., a Kansas not-for-profit corporation, as tenant (the “Guarantor”), for the use of a certain Project described in the Lease; and

WHEREAS, payment of the principal of and interest on the Bonds is unconditionally guaranteed by the Guarantor pursuant to the terms of a Guaranty Agreement, dated as of September 15, 2012 (the “Guaranty Agreement”); and

WHEREAS, payment of the principal of and interest on the Bonds is further unconditionally guaranteed by Via Christ Health, Inc. (the “Additional Guarantor”) pursuant to the terms of an Additional Guaranty Agreement, dated as of September 15, 2012 (the “Additional Guaranty Agreement”); and

WHEREAS, the Trustee has been designated as such pursuant to the terms of a certain Trust Indenture, dated as of September 15, 2012 (the “Indenture”), by and between the Issuer and the Trustee, and under which Indenture the Trustee is authorized and empowered to perform the duties of the Issuer and to make disbursements as required thereunder and to perform, insofar as it legally can, all acts otherwise required of the Issuer in connection with said Indenture and the Lease; and

WHEREAS, in accordance with the Indenture, all of the right, title and interest of the Issuer for the purpose of exercising the rights and performing and carrying out the duties and obligations of the Issuer under said Lease (to the extent that such rights and duties may be lawfully assigned by the Issuer and excepting the Issuer’s right to indemnity, and such other rights and duties which, in the context in which they appear in said Lease, are capable of being exercised or performed only by the Issuer) have been assigned to the Trustee to secure the payment of said Bonds; and

WHEREAS, pursuant to Sections 4.2 of the Guaranty Agreement, the Guarantor shall be discharged of its obligations upon the payment of the principal of, premium, if any, and interest on the Bonds to the Trustee, or provision for payment thereof having been made with the Trustee as provided in the Indenture; and

WHEREAS, pursuant to Sections 4.2 of the Additional Guaranty Agreement, the Additional Guarantor shall be discharged of its obligations upon the payment of the principal of, premium, if any, and interest on the Bonds to the Trustee, or provision for payment thereof having been made with the Trustee as provided in the Indenture; and

WHEREAS, provision has been made for payment in full of all of the outstanding Bonds by deposit with the Trustee, irrevocably in trust, of sufficient funds or government securities as necessary to pay the principal of, interest on, and premium, if any, on all of said Bonds through and including their first available redemption date; and

WHEREAS, in connection therewith, it is necessary to provide for the release and termination of the Guaranty Agreement and the Additional Guaranty Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and in consideration of other good and valuable consideration, the Trustee hereto agrees that the Guaranty Agreement and the Additional Guaranty Agreement are both and each hereby terminated and released and that the Guarantor and Additional Guarantor are discharged of their respective obligations thereunder.

*[Remainder of Page Intentionally Left Blank]*

ACKNOWLEDGMENT AND ACCEPTANCE OF TRUSTEE

The undersigned, \_\_\_\_\_, a duly authorized, qualified and acting \_\_\_\_\_ of The Bank of New York Trust Company, N.A., does hereby acknowledge, accept and agree to the above and foregoing Termination and Release of Guaranties.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., St. Louis, Missouri

By \_\_\_\_\_  
Name (Printed) \_\_\_\_\_  
Title \_\_\_\_\_

“TRUSTEE”

ACKNOWLEDGMENT

STATE OF MISSOURI     )  
  )  
CITY OF ST. LOUIS     )     ss:

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2013, before me, a notary public in and for said city and state, came \_\_\_\_\_, \_\_\_\_\_ of The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri, a national banking association duly organized, incorporated and existing under and by virtue of the laws of the United States (the “Bank”), who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said Bank, and such person duly acknowledged the execution of the same to be the act and deed of said Bank.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

## TRUSTEE'S CLOSING CERTIFICATE

The undersigned, The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri, (the "Trustee"), under the Trust Indenture, dated as of September 15, 2012 (the "Indenture"), between the City of Hays, Kansas (the "Issuer") and the Trustee and authorizing the issuance of Health Care Facility Revenue Bonds, Series 2012-A (St. John's, Inc.) (the "Bonds"), of the Issuer, does hereby certify and acknowledge, and release various documents, as follows:

1. The Trustee is a national banking association duly organized under the banking laws of the United States and has full power and authority to act as Trustee as provided in the Indenture.

2. As of June \_\_, 2013, no event of default had occurred, and no default was declared under the Lease executed in connection with the issuance of the Bonds.

3. The Trustee has been designated as Escrow Trustee under a certain Escrow Trust Agreement, dated as of June \_\_, 2013 (the "Escrow Trust Agreement"), which provides for the establishment of an Escrow Trust Account and the purchase of certain direct, non-callable, non-prepayable obligations of the United States of America (the "Escrowed Securities") for the purpose of paying all the outstanding Bonds. The Escrow Trustee is a national bank fully organized and existing under the laws of the United States and has the necessary trust powers and capacities to administer the trusts contemplated by the Escrow Trust Agreement.

4. As of the date of this Certificate, pursuant to the Escrow Trust Agreement and a reliance on that certain Escrow Verification Report of \_\_\_\_\_ dated \_\_\_\_\_, 2013, there are sufficient funds and Escrowed Securities on deposit pursuant to the Escrow Trust Agreement to pay the principal of, premium and interest on all the outstanding Bonds through and including the first available redemption date.

4. The Trustee hereby acknowledges receipt by it, or provision for payment, of all sums currently payable to it under the Indenture, including the fees, compensation and expenses of the Trustee and any paying agent under the Indenture pertaining to the Bonds.

5. Notice of Corporation's option to purchase was provided timely or is otherwise waived by the Trustee.

*[Remainder of Page Intentionally Left Blank]*

Dated: June \_\_, 2013.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., St. Louis, Missouri

By \_\_\_\_\_  
Name (Printed) \_\_\_\_\_  
Title \_\_\_\_\_



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 11

MEETING DATE: 6-13-13

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**TOPIC:**

Contract Sewer Cleaning

**ACTION REQUESTED:**

Accept the bid from Mayer Specialty Services, LLC to clean and video sewer lines at \$1.19 per linear foot not to exceed \$120,000 from the Wastewater Treatment and Collection Projects line item.

**NARRATIVE:**

The 2013 Budget included \$120,000 for contract cleaning of about 20 miles of sanitary sewer lines. Bids were received on May 22nd, with the low bid coming from Mayer Specialty Services, LLC Goddard, KS at a cost of \$1.19 per linear foot. Staff recommends awarding the bid to Mayer Specialty Services, LLC for a not to exceed \$120,000 as budgeted.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Bernie Kitten, Director of Utilities

**ADMINISTRATION RECOMMENDATION:**

Staff recommends accepting the low bid from Mayer Specialty Services, LLC with a not to exceed \$120,000.

**COMMITTEE RECOMMENDATION(S):**

NA

**ATTACHMENTS:**

Staff Memo  
Bid Tabulation  
Map of Area to be Cleaned and Televised

# Commission Work Session Agenda

## Memo

**From:** Kyle Sulzman, Assistant Utilities Director

**Work Session:** June 6, 2013

**Subject:** Contract Sewer Cleaning

**Person(s)** Toby Dougherty, City Manager

**Responsible:** Bernie Kitten, Director of Utilities

### Summary

The 2013 budget included funds for cleaning sanitary sewer lines. There is \$120,000 to contract this work. Bids were received on May 22<sup>nd</sup>, with the low bid coming from Mayer Specialty Services, LLC Goddard, KS at a cost of \$1.19 per linear foot. Staff recommends awarding the bid to Mayer Specialty Services, LLC for a not to exceed \$120,000 as budgeted.

Staff recommends accepting the low bid from Mayer Specialty Services, LLC with a not to exceed \$120,000.

### Background

Proper operation and maintenance of a collection system is required by the city's wastewater discharge permit. Problems caused by a lack of sewer cleaning include: sewer backups, manhole overflows, public exposure to raw sewage, and regulatory fines. On average, municipalities are cleaning approximately 29% of their sewer lines per year. In Hays our goal is to get 33%. (40 miles) per year

### Discussion

Bids were received from three (3) contractors, with the low bid coming from Mayer Specialty Service, LLC at \$1.19 per linear foot, which is below our \$2.00 per linear foot estimate.

The Utilities department has existing staff that does emergency call out for sewer backup removal. They also clean certain problem lines designated for flushing maintenance because of a history of backups each 4 months. There is not enough manpower to achieve the regular line cleaning goal of one third of the town. This summer the intent is to clean the "flushing maintenance route" and one sixth of the regular lines by using one Operator and one summer helper. The contractor will clean the one sixth, 19 miles. This will allow Utilities to reach the one third goal of cleaning for 2013.

Staff chose the North West section of town to start because it is the most distant section from the plant. Next year, we would continue on the next most distant and so on.

### **Legal Consideration**

There are no known legal obstacles to proceeding as recommended by City staff.

### **Financial Consideration**

The 2013 Budget included \$120,000 from the Water/Sewer Fund to clean sanitary sewer lines.

### **Options**

Options include the following:

1. Consider accepting the low bid from Mayer Specialty Services, LLC with a not to exceed \$120,000
2. Provide alternate direction to City Staff

### **Recommendation**

Staff recommends accepting the low bid from Mayer Specialty Services, LLC with a not to exceed \$120,000.

### **Action Requested**

Consider accepting the low bid from Mayer Specialty Services, LLC at \$1.19 per linear foot not to exceed \$120,000 from the Wastewater Treatment and Collection Projects line item.

### **Supporting Documentation**

Bid Tabulation

Map of area to be cleaned and televised

**Bid Tabulation Sheet**  
**Contract Sewer Line Cleaning**  
**Bid Opening Date 5-22-13**

Mayer Specialty Services, LLC 831 Industrial Road, PO Box 469 Goddard, KS 67052 316-794-1165 Todd Mayer	\$1.19 per linear foot
Ace Pipe Cleaning, Inc. 4000 Truman Road Kansas City, MO 64127 816-241-2891 Don Uberroth	\$1.50 per linear foot
Johnson Service Co. PO Box 1065 Kearny, NE 68845 308-237-6651 Lewis Hyatt	\$1.87 per linear foot





**CITY OF HAYS**  
**AGENDA ITEM COVER SHEET**

**COMMISSION AGENDA ITEM NO. 12**

**MEETING DATE: 6-13-13**

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**TOPIC:**

Walker MD Mower Purchase for Use at the Cemeteries

**ACTION REQUESTED:**

Approve the purchase of a Walker MD mower from Pro-Green Total Lawn Care for an amount of \$16,825.00 with budgeted funds from the New Equipment Reserve.

**NARRATIVE:**

The Parks Department is scheduled to replace a 2003 Walker mower with 1,510 hours on it. Funding for this mower is scheduled in the New Equipment Reserve Fund in 2013. This mower is used to maintain the Mt Allen and Memorial Garden Cemeteries.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Jeff Boyle, Director of Parks

**ADMINISTRATION RECOMMENDATION:**

As Director of Parks, I recommend purchasing a Walker MD mower from the lowest responsible bidder for an amount of \$16,825.00 which is \$675.00 under budget.

**COMMITTEE RECOMMENDATION(S):**

N/A

**ATTACHMENTS:**

Memo from the Director of Parks  
Attachment showing a picture of the proposed mower

# Commission Work Session Agenda

## Memo

**From:** Jeff Boyle, Director of Parks  
**Work Session:** June 6, 2013  
**Subject:** Walker Mower Purchase  
**Person(s) Responsible:** Jeff Boyle, Director of Parks  
Toby Dougherty, City Manager

### Summary

The Parks Department is scheduled to replace a 2003 Walker mower with 1,510 hours as part of the Vehicle Replacement Schedule. This mower is used to maintain the Mt Allen and Memorial Garden cemeteries. The Walker mowers are a very good mower to maintain the cemeteries with because of their size and maneuverability. In addition, we currently have a snow blower attachment and a rotary broom attachment that will interchange with the new proposed mower. City Staff recommends approving the purchase of a Walker MD mower from Pro-Green Total Lawn Care for an amount of \$16,825.00 with budgeted funds from the New Equipment Reserve.

### Background

The Parks Department is scheduled to replace a 2003 Walker mower that is used to maintain the Mt Allen and Memorial Gardens cemeteries. The mower that is scheduled to be replaced has 1,510 hours on it. The Walker mowers are a very good mower to maintain the cemeteries with because of their size and maneuverability. In addition, we currently have a snow blower attachment and a rotary broom attachment that will interchange with the new proposed mower.

### Discussion

In the 2013 Budget, an amount of \$17,500.00 is budgeted for the purchase of a new Walker mower for the cemeteries. City Staff solicited bids by sending out a Request For Bids, advertising in the newspaper and advertising on the City website with the following results:

Pro-Green Total Lawn Care, Great Bend, Ks.	\$16,825.00
Lawn Ranger Inc Great Bend, Ks	\$20,543.78

### **Legal Consideration**

There are no known legal obstacles to proceeding as recommended by staff.

### **Financial Consideration**

The low bid from Pro-Green Total Lawn Care is for a Walker model MD mower. The low bid (\$16,825.00) is \$675.00 below the budgeted amount.

### **Options**

This agenda item will be presented at the June 13, 2013 City Commission meeting for action. The City Commission has the following options:

**Option 1:** Approve the purchase of the low bid for a Walker MD mower for an amount of \$16,825.00 which is \$675.00 below budget from the New Equipment Reserve.

**Option 2:** Direct City Staff to explore other options.

### **Recommendation**

City Staff recommends purchasing a Walker MD mower from the lowest responsible bidder for an amount of \$16,825.00 which is \$675.00 under budget.

### **Action Requested**

Approve the purchase of a Walker MD mower from Pro-Green Total Lawn Care for an amount of \$16,825.00 with budgeted funds from the New Equipment Reserve.

### **Supporting Documentation**

- Visual of the proposed mower



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 13

MEETING DATE: 6-13-13

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**TOPIC:**

Airport Terminal Improvements

**ACTION REQUESTED:**

Motion authorizing the City Manager to submit an application for federal assistance for the engineering of Airport Terminal Improvements for the Hays Regional Airport.

**NARRATIVE:**

The existing terminal building was constructed in 1991 and requires multiple updates to be compliant with current code requirements. Improvements will include modernization of the existing heating/air conditioning (HVAC) system, utility closet and incorporating Americans with Disabilities Act (ADA) requirements to existing lavatory facilities. A larger secured passenger area and rest room installations would address changes in service since the inception of passenger screening. Office space construction, rest room remodel and upgrade in older systems would provide opportunity for business location at the Airport. Engineering to meet FAA match guidelines for assistance are estimated at \$250,000 with an estimated split: \$130,714 FAA and \$119,286 local match.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
ID Creech, Director Public Works

**ADMINISTRATION RECOMMENDATION:**

Staff recommends motion authorizing the City Manager to submit an application for federal assistance for the engineering of Airport Terminal Improvements for the Hays Regional Airport.

**COMMITTEE RECOMMENDATION(S):**

Airport Advisory Board sends no formal recommendation.

**ATTACHMENTS:**

Staff Memo  
Airport Capital Improvement Program  
Terminal Concept Drawing

# Commission Work Session Agenda

## Memo

**From:** ID Creech, Director Public Works

**Meeting:** June 13, 2013

**Subject:** Airport Terminal Improvements

**Person(s)** Toby Dougherty, City Manager

**Responsible:** ID Creech, Director Public Works

### Summary

Staff will seek an adopted motion to authorize City Manager to submit an application for federal assistance for the engineering of Airport Terminal Improvements for the Hays Regional Airport. A larger secured passenger area and rest room installations would address changes in service since the inception of passenger screening. Office space construction, rest room remodel and upgrade in older systems would provide opportunity for business location at the Airport.

### Background

The existing terminal building was constructed in 1991 and requires multiple updates to be compliant with current code requirements. Improvements will include modernization of the existing heating/air conditioning (HVAC) system, utility closet and incorporating Americans with Disabilities Act (ADA) requirements to existing lavatory facilities. Many of these improvements will also result in less energy consumption and lower utility and maintenance costs.

In addition, it has been frequently observed that there is a significant loss of public use space during circumstances caused by airline delays or similar situations. During these occurrences, all of the passengers located in the Transportation Safety Administration's (TSA) dedicated sterile area are required to return to the public gathering area. This situation creates overcrowding and in some instances results in violation of the occupancy requirement. It is proposed to expand the terminal building to eliminate this ongoing and unscheduled event. Improvements will include additional enclosed public use space and applicable modernizations to comply with the local code requirements.

## Discussion

The Airport receives allocations from the Federal Aviation Administration (FAA) based on the number of commercial boardings reported from the airport for improvement projects. It is important to understand that this is an allocation and not a competitive grant – the Airport will receive authorization for either \$150,000 or \$1,000,000 each year based on each year's boardings. To support the Airport, we need to support commercial boardings.

Should the Airport actively seek a commercial air service provider using aircraft with seating capacity over nineteen (19), the secured passenger area would not hold the flight capacity in a single screening. Staged security clearance and boardings would have to be incorporated or a larger portion of the current lobby area would have to become part of the secure area.

The Airport was contacted in 2012 by an FAA service area seeking a location for their office and base operations at our Airport. Other events involving both EAS and other funding contractions also brought inquiry from TSA concerning more space for passenger screening and office area. Using these as starting point, Staff reviewed the current terminal building for upgrade/improvement potential including larger security area; rest room facilities; office space; baggage area; and, building maintenance items. A note is made that the current facility has the same HVAC; plumbing; and, roofing systems installed at initial construction in 1991. The maintenance cost for these major components is beginning to mount.

Rest room facilities in the Terminal building are limited and once a passenger enters the secured area, no facilities are available until the aircraft disembarks in Denver. An upgrade to existing facilities to the latest Americans with Disability Act guidelines and construction of additional facilities in the secure area are considered very important to future airport use.

The numbers of leaks in the roofing system are beginning to mount and the heating and air conditioning units are adaptations of the initial installation of 1991. Major expenses are projected for 2014 and 2015 to provide much needed maintenance to these systems.

Our review with FAA Regional Staff engineers finds that parts of a major remodel and update project are eligible for the 90/10 funding match for the allocation money earned by boardings. Areas that are not eligible – like the FAA office area - would require full local funding. Those areas, though included in the design, would not be constructed unless the City had “contract in hand” for the area to be constructed. Staff will recommend that those areas be fully recoverable from rental fees assessed to occupants of the space. A diagram of the current proposal is included for review.

Space allocations with corresponding preliminary cost estimates and eligibility are identified below:

## HAYS REGIONAL AIRPORT TERMINAL REMODEL/EXPANSION

	<i>Total Costs</i>	<i>FAA Eligible</i>	<i>ProRated Eligible</i>	<i>Local Obligation</i>
Expand/Remodel Passenger Screening	122,325	122,325		
Expand/Remodel Passenger Hold Area	226,800	226,800		
Toilet Rooms in Hold Area	39,375	39,375		
Lobby/Waiting Area	95,235	95,235		
Lobby/Waiting Area Remodel Toilet Rooms - ADAAG Compliance	63,000	63,000		
Replace HVAC Units	46,686		16,761	29,925
Replace Interior Lighting	106,968		38,403	68,565
Replace Roof System	137,601		49,401	88,200
Acquisition New Emergency Generator	90,486		32,486	58,000
Construct FAA Offices	242,550			242,550
Relocated Airport Administrative Office	5,985			5,985
	<b>\$1,177,011</b>	<b>\$546,735</b>	<b>\$137,051</b>	<b>\$493,225</b>

<b>FAA Eligible</b>	546,735	<b>ProRated Eligible</b>	137,051
FAA 90%	492,062	FAA 90%	123,346
Hays 10%	54,674	Hays 10%	13,705
		<b>Local Obligation</b>	493,225
		FAA 0%	
		Hays 100%	493,225

## CONSTRUCTION

FAA	615,407
Hays	561,604
	<hr/>
	\$1,177,011

## DESIGN

FAA	130,714
Hays	119,286
	<hr/>
	\$250,000

### **Legal Consideration**

There are no known legal obstacles to proceeding as recommended by City Staff.

### **Financial Consideration**

Preliminary estimates for the engineering are estimated by FAA at \$250,000 with the construction percentage eligibility applied. Thus, the City's portion of design is estimated at \$119,286 to be financed from the Airport Reserve Fund.

Should the project move forward, more accurate estimates would be made in the engineering phase. The percentages will be applied to the estimates for further bidding or application and then, again for any contract that might result. The portion allocated for the FAA offices would be financed in total by an "in-hand" lease agreement of sufficient amount to make debt service payments under whatever conditions would exist at the time of financing.

Assumptive in this discussion is the award of allotted funds from the FAA for qualified projects under the Airport Improvement Program.

### **Options**

Options include the following:

1. Consider authorizing staff to submit an application for federal assistance for the engineering of Airport Terminal Improvements for the Hays Regional Airport.
2. Provide alternate direction to City Staff.
3. Do nothing.

### **Recommendation**

Staff recommends motion authorizing the City Manager to submit an application for federal assistance for the engineering of Airport Terminal Improvements for the Hays Regional Airport.

### **Action Requested**

Adopt motion to authorize City Manager to submit an application for federal assistance for the engineering of Airport Terminal Improvements for the Hays Regional Airport.

### **Supporting Documentation**

Airport Capital Improvement Program  
Terminal Concept Drawing

**Five - Year Capital Improvement  
Program (CIP)**

Airport Name: Hays Regional Airport Telephone No. 785-628-7350

Date Prepared: February 8, 2013

Project Description	Funding Source	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Terminal Building Rehab: Construction	Federal	\$ 1,000,000.00				
	State					
	Local	\$ 500,000.00				
	<b>Total</b>	<b>\$ 1,500,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Runway 4-22 Rehabilitation	Federal	\$ 471,803.00	\$ -			
	State	\$ -				
	Local	\$ 52,423.00	\$ -			
	<b>Total</b>	<b>\$ 524,226.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Apron Rehab-Drainage Improvements	Federal	\$ -	\$ 336,130.00			
	State					
	Local	\$ -	\$ 37,347.00			
	<b>Total</b>	<b>\$ -</b>	<b>\$ 373,477.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
New Fueling System	Federal	\$ -	\$ 534,394.00	\$ -		
	State					
	Local	\$ -	\$ 59,377.00	\$ -		
	<b>Total</b>	<b>\$ -</b>	<b>\$ 593,771.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Wildlife & Fencing Improvements	Federal		\$ -	\$ 990,000.00	\$ -	
	State					
	Local		\$ -	\$ 110,000.00	\$ -	
	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,100,000.00</b>	<b>\$ -</b>	<b>\$ -</b>
Reconstruct Taxiway I	Federal				\$ 411,487.00	\$ -
	State					
	Local				\$ 45,720.00	\$ -
	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 457,207.00</b>	<b>\$ -</b>
Parking Lot Improvements	Federal				\$ 90,000.00	\$ -
	State				\$ -	\$ -
	Local				\$ 10,000.00	\$ -
	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>
Acquire New Loader	Federal				\$ 135,000.00	\$ -
	State					
	Local				\$ 15,000.00	\$ -
	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000.00</b>	<b>\$ -</b>
Reconstruct Taxiway M: (From M2 - R/W 34): Design Only	Federal				\$ 222,833.00	\$ -
	State					
	Local				\$ 24,759.00	\$ -
	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 247,592.00</b>	<b>\$ -</b>
Reconstruct Taxiway M: (From M2 - R/W 34): Construction & Construction Services	Federal				\$ -	\$ 3,063,956.00
	State				\$ -	\$ -
	Local				\$ -	\$ 340,440.00
	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,404,396.00</b>
	Federal				\$ -	\$ -
	State				\$ -	\$ -
	Local				\$ -	\$ -
	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTALS</b>	<b>Federal</b>	<b>\$ 1,471,803.00</b>	<b>\$ 870,524.00</b>	<b>\$ 990,000.00</b>	<b>\$ 859,320.00</b>	<b>\$ 3,063,956.00</b>
	<b>State</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Local</b>	<b>\$ 552,423.00</b>	<b>\$ 96,724.00</b>	<b>\$ 110,000.00</b>	<b>\$ 95,479.00</b>	<b>\$ 340,440.00</b>
	<b>Total</b>	<b>\$ 2,024,226.00</b>	<b>\$ 967,248.00</b>	<b>\$ 1,100,000.00</b>	<b>\$ 954,799.00</b>	<b>\$ 3,404,396.00</b>

**Long Range Needs Assessment  
FFY 2019 - FFY 2023**

Airport Name: Hays Regional Airport

Telephone No. 785-628-7350

Date Prepared: February 8, 2013

Project Description	Funding Source	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Parallel Taxiway for Runway 4-22 (Design Only)	Federal	\$ 240,389.00	\$ -		\$ -	
	State					
	Local	\$ 26,710.00	\$ -		\$ -	
	Total	\$ 267,099.00	\$ -	\$ -	\$ -	\$ -
Parallel Taxiway for Runway 4-22 (Construction & C-Services)	Federal	\$ -	\$ 3,275,303.00	\$ -		\$ -
	State					
	Local	\$ -	\$ 363,923.00	\$ -		\$ -
	Total	\$ -	\$ 3,639,226.00	\$ -	\$ -	\$ -
Extend Runway 16-34	Federal	\$ -	\$ -	\$ 1,080,000.00	\$ -	
	State					
	Local	\$ -	\$ -	\$ 120,000.00	\$ -	
	Total	\$ -	\$ -	\$ 1,200,000.00	\$ -	\$ -
Apron Expansion	Federal		\$ -	\$ -	\$ 425,844.00	\$ -
	State					\$ -
	Local		\$ -	\$ -	\$ 47,160.00	\$ -
	Total	\$ -	\$ -	\$ -	\$ 473,004.00	\$ -
	Federal				\$ -	\$ -
	State					
	Local				\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -	\$ -
	Federal					\$ -
	State					
	Local					\$ -
	Total	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTALS</b>	<b>Federal</b>	<b>\$ 240,389.00</b>	<b>\$ 3,275,303.00</b>	<b>\$ 1,080,000.00</b>	<b>\$ 425,844.00</b>	<b>\$ -</b>
	<b>State</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Local</b>	<b>\$ 26,710.00</b>	<b>\$ 363,923.00</b>	<b>\$ 120,000.00</b>	<b>\$ 47,160.00</b>	<b>\$ -</b>
	<b>Total</b>	<b>\$ 267,099.00</b>	<b>\$ 3,639,226.00</b>	<b>\$ 1,200,000.00</b>	<b>\$ 473,004.00</b>	<b>\$ -</b>

# ACIP DATA SHEET

<b>AIRPORT</b>	Hays Regional Airport	<b>LOCID</b>	HYS	<b>LOCAL PRIORITY</b>	1A
<b>PROJECT DESCRIPTION</b>	Terminal Building Rehab.: Construction			<b>Identify FFY that you desire to construct (FFY: Oct 1 – Sept 30)</b>	2014

**SKETCH:**



**JUSTIFICATION:**

The existing terminal building was constructed in 1991 and requires multiple updates to be compliant with current code requirements. Improvements will include modernization of the existing HVAC system, utility closet and incorporating ADA requirements to existing lavatory facilities. Many of these improvements will also result in less energy consumption and lower utility and maintenance costs.

In addition, it has been frequently observed that there is a significant loss of public use space during events caused by airline delays or similar situations. During these events all of the passengers located in the TSA's dedicated sterile area are required to return to the public gathering area. This situation creates overcrowding and in some instances results in violation of the occupancy requirement. It is proposed to expand the terminal building to eliminate this ongoing and unscheduled event. Improvements will include additional enclosed public use space and applicable modernizations to comply with the local code requirements.

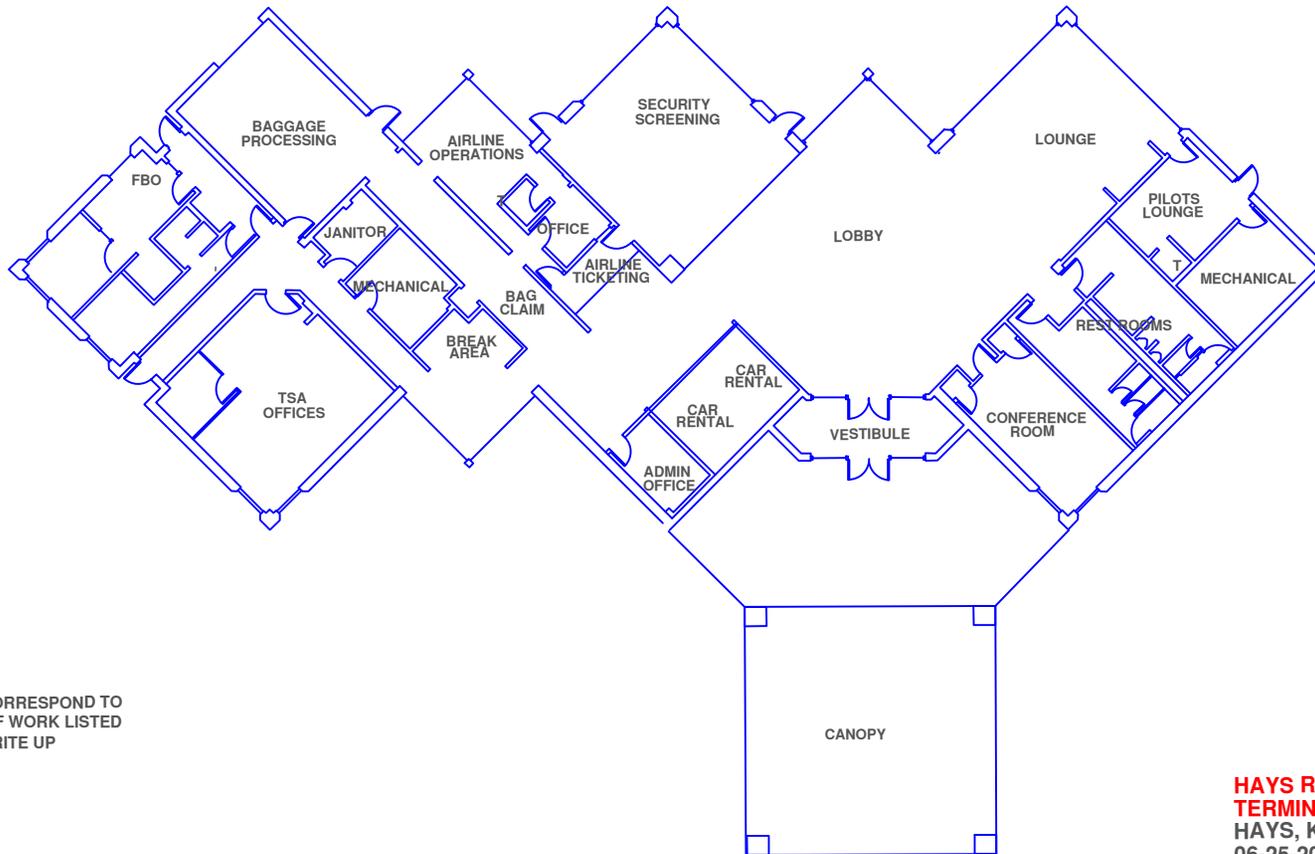
<b>COST ESTIMATE: ( )</b>					
<b>Federal</b>	(90%)	\$ 1,000,000.	<b>State</b>	( )%	\$ 0.00
<b>Local</b>	(10%)	\$ 500,000.	<b>Total</b>		\$ 1,500,000.

<b>SPONSOR'S VERIFICATION:</b>	<b>Date</b>	(See instruction sheet)
For each and every project as applicable	<b>06-14-10</b>	Date of approved ALP with project shown.
		Date of environmental determination (ROD, FONSI, CE) or cite CE paragraph # (307-312) in Order 1050.1E
		Date of land acquisition or signed purchase agreement
<b>FAA USE ONLY</b>		Date of pavement maintenance program
FAA Verification: (initial/date)		Snow removal equipment inventory & sizing worksheet (for SRE acquisition)
		Apron sizing worksheet (for apron projects)
		Revenue producing facilities (for fuel farms, hangars, etc.)
		Date statement submitted for completed airside development
		Date statement submitted for runway approaches are clear of obstructions

SPONSOR' SIGNATURE: _____	Date: _____
PRINTED NAME: I.D. Creech	Title: Public Works Director/Airport Manager
PHONE NUMBER: 785-628-7350	

**FAA USE ONLY**

PREAPP NUMBER	GRANT NUMBER	NPIAS CODE	WORK CODE	FAA PRIORITY	FEDERAL \$

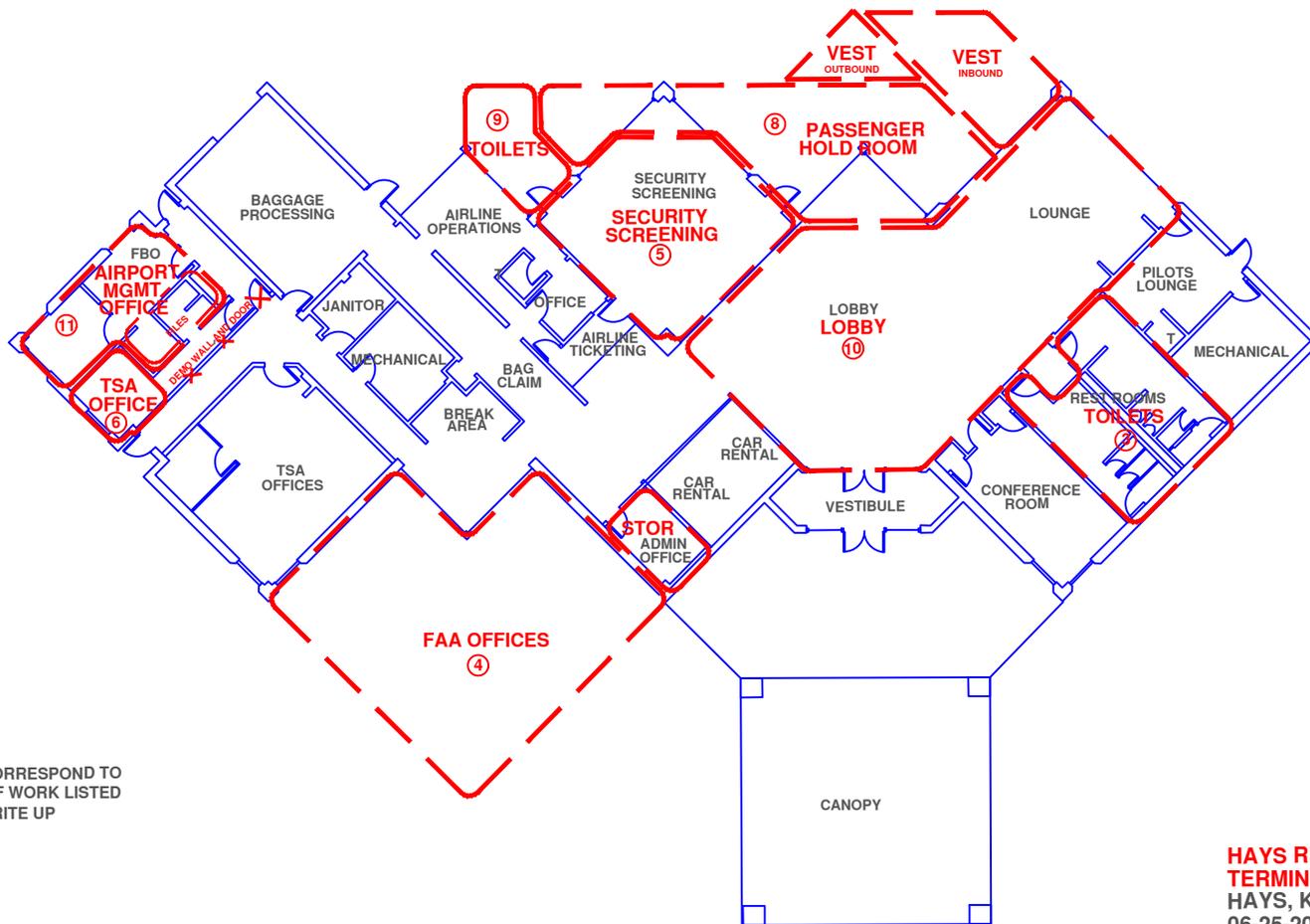


**LEGEND**

**1** NUMBERS CORRESPOND TO  
TO SCOPE OF WORK LISTED  
LISTED IN WRITE UP

**HAYS REGIONAL AIRPORT  
TERMINAL RENOVATION  
HAYS, KANSAS  
06-25-2012**

**CONCEPT A**

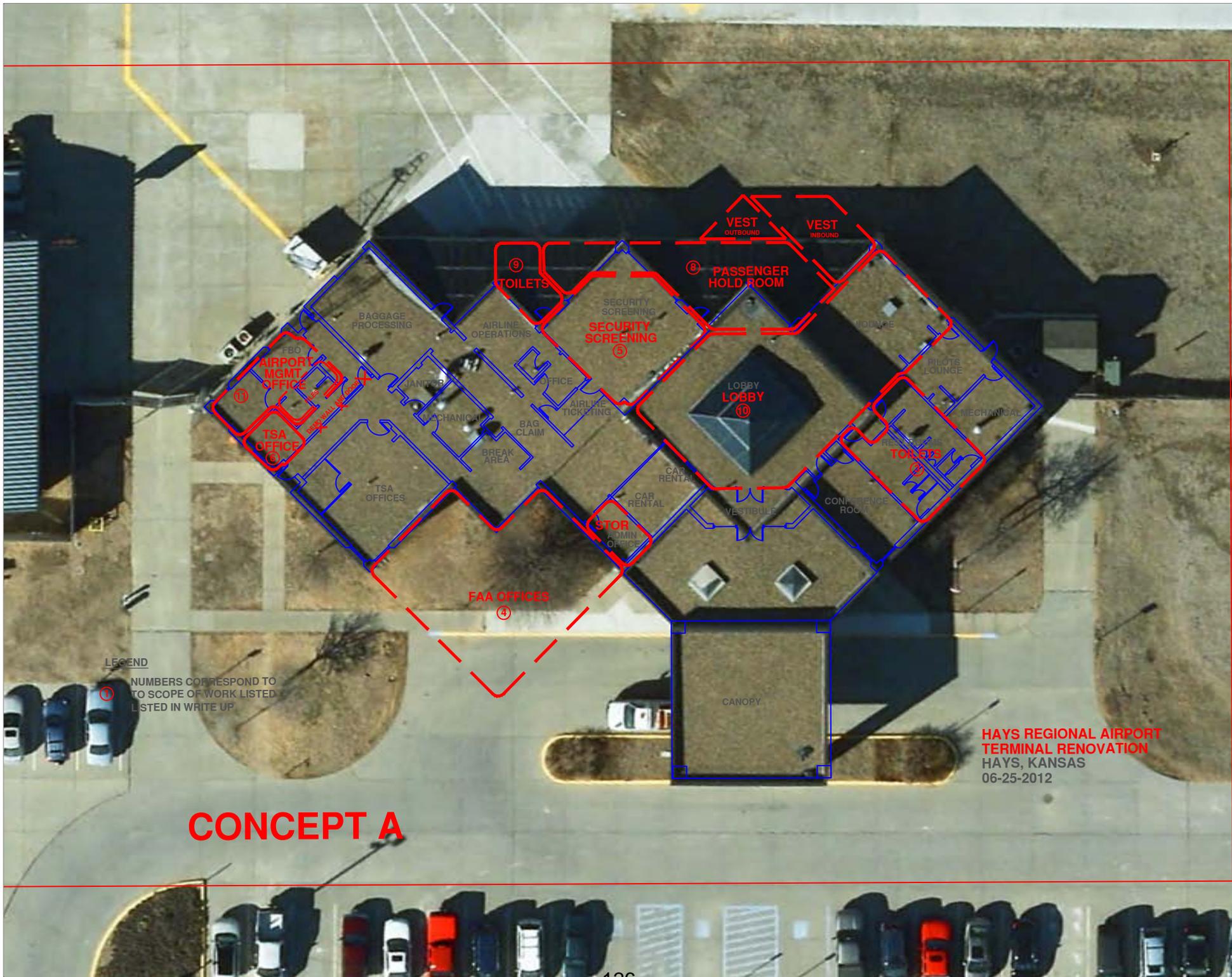


**LEGEND**

① NUMBERS CORRESPOND TO SCOPE OF WORK LISTED IN WRITE UP

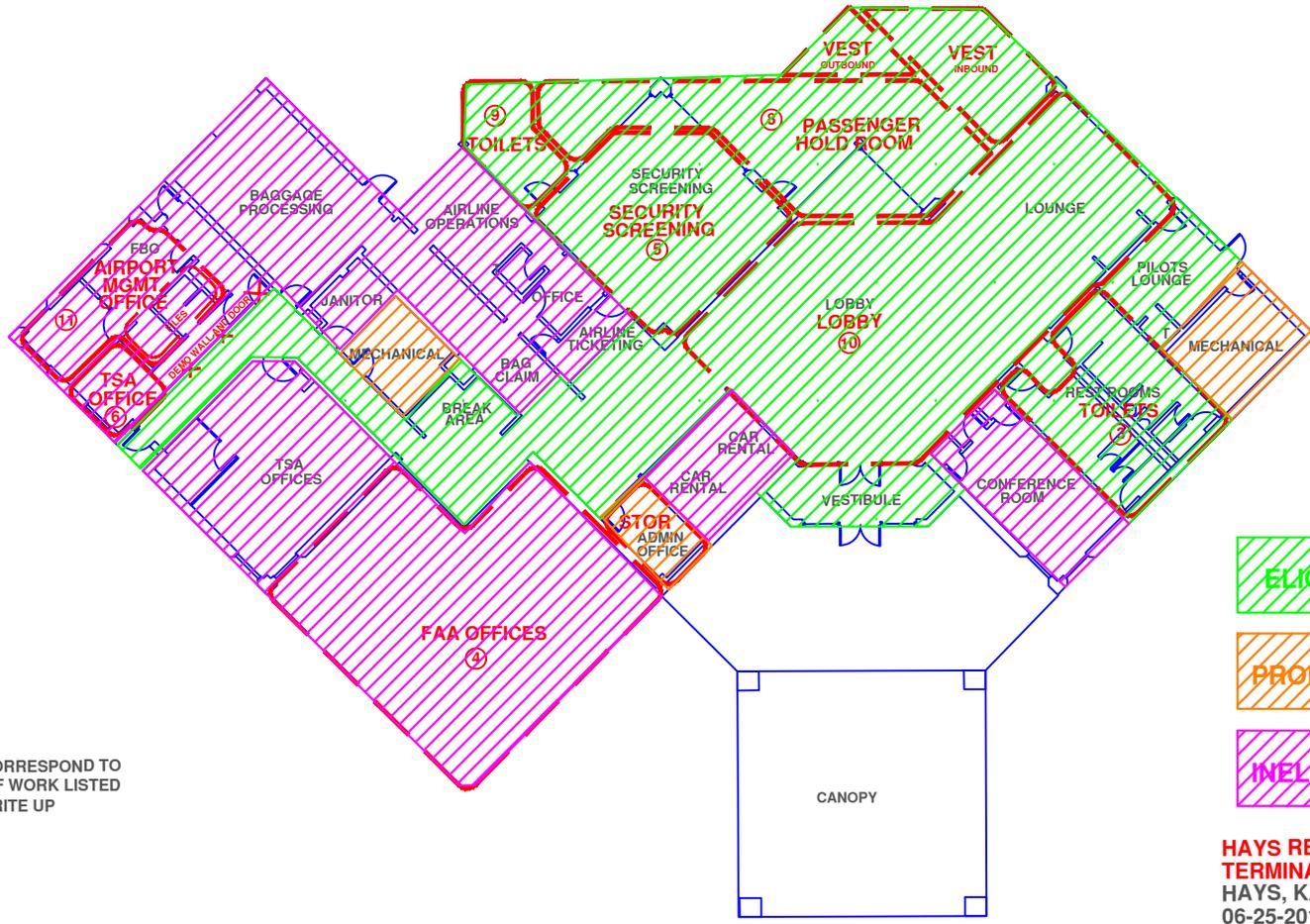
**HAYS REGIONAL AIRPORT  
TERMINAL RENOVATION  
HAYS, KANSAS  
06-25-2012**

**CONCEPT A**



# CONCEPT A

**HAYS REGIONAL AIRPORT  
TERMINAL RENOVATION  
HAYS, KANSAS  
06-25-2012**



**LEGEND**  
 ① NUMBERS CORRESPOND TO TO SCOPE OF WORK LISTED IN WRITE UP

**ELIGIBLE**

**PRORATED**

**INELIGIBLE**

**HAYS REGIONAL AIRPORT  
 TERMINAL RENOVATION  
 HAYS, KANSAS  
 06-25-2012**

# CONCEPT A



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 14

MEETING DATE: 6-13-13

**TOPIC:**

Resolution to Establish Benefit District for Lots 1-24 within the Replat of Lot 2, Block 9, Golden Belt 8<sup>th</sup> Addition

**ACTION REQUESTED:**

Approve Resolution No. 2013-017 authorizing the creation of a special benefit district in the estimated amount of \$356,876 for the construction of improvements to lots 1-24 within the Replat of Lot 7, Block 9 of the Golden Belt 8<sup>th</sup> Addition.

**NARRATIVE:**

Laverne W. Schumacher has petitioned the City for Alley Paving, Storm Sewer, Water, and Sanitary Sewer Improvements to an area containing 24 lots within the Replat of Lot 2 Block 9, Golden Belt 8<sup>th</sup> Addition. The engineers estimate for total construction costs is \$356,876. The Developer has submitted a petition asking for the costs to be assessed to the development per the City of Hays Development Policy. Since this request is in conformance with the current Development Policy, staff recommends adopting the attached resolution authorizing the creation of a special benefit district for improvements in the estimated amount of \$356,876.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

**ADMINISTRATION RECOMMENDATION:**

Since this request is in conformance with the current Development Policy, staff recommends adopting the attached resolution authorizing the creation of a special benefit district for improvements in the estimated amount of \$356,876.

**COMMITTEE RECOMMENDATION(S):**

N/A

**ATTACHMENTS:**

Resolution No. 2013-017  
Staff Memo  
Petition  
Map(s)

**RESOLUTION NO. 2013-017**

**A RESOLUTION SETTING FORTH FINDINGS AND DETERMINATIONS OF THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS ON THE ADVISABILITY OF AND AUTHORIZING THE CONSTRUCTION OF CERTAIN IMPROVEMENTS PURSUANT TO K.S.A. 12-6a01 *et seq.***

**WHEREAS**, a petition was filed with the City Clerk for the City of Hays, Kansas (the “City”) on \_\_\_\_\_, 2013, proposing certain improvements pursuant to K.S.A. 12-6a01 *et seq.* (the “Petition”); and

**WHEREAS**, the Petition sets forth: (a) the general nature of the proposed improvements; (b) the estimated or probable cost of the proposed improvements; (c) the extent of the proposed improvement district to be assessed for the cost of the proposed improvements; (d) the proposed method of assessment; (e) the proposed apportionment of the cost between the improvement district and the City at large; and (f) a request that such improvements be made without notice and hearing as required by K.S.A. 12-6a04(a); and

**WHEREAS**, all the owners of record of property located within the proposed improvement district have signed the Petition; and

**WHEREAS**, no signatures have been withdrawn from the petition before the Governing Body began consideration of the Petition; and

**WHEREAS**, K.S.A. 12-6a04 provides that the Governing Body may authorize and order public improvements without notice and hearing after a sufficient petition has been filed.

**NOW THEREFORE, BE IS RESOLVED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS, AS FOLLOWS:**

**Section 1.** The Governing Body hereby finds that the Petition is sufficient, and further finds and determines that it is necessary and advisable to make the following improvements:

(a) The nature of the improvements are as follows:

The installation of water lines, sanitary sewer lines, and storm sewers along, and the grading and paving of the alley between Anthony Drive and Harvest Road (as shown on the Replat of Lot 2, Block 9 of Golden Belt 8<sup>th</sup> Addition)

(the “Improvements”).

(b) The estimated cost of the Improvements is:

\$356,876.00, to be increased at the pro-rata rate of one percent per month from and after the adoption date of the resolution authorizing the Improvements, plus costs of issuance, and plus costs of interest on any temporary financing.

(c) The boundaries of the improvement district to be assessed are:

Lots One (1) thru Lot Twenty-Four (24), Replat of Lot 2, Block 9, Golden Belt Eighth Addition, Subdivision to the City of Hays, Ellis County, Kansas

(d) The method of assessment shall be:

Equally per lot against all lots within the improvement district.

(e) The apportionment of cost between the improvement district and the city at large is:

Seventy percent (70%) of the costs of the Improvements shall be paid by the improvement district and thirty percent (30%) of the cost of the Improvements shall be paid by the city at large.

**Section 2.** The Governing Body hereby declares that the Improvements described in this Resolution are necessary, and authorizes them to be made in accordance with the findings set forth in this Resolution, and further authorizes the levying of assessments and the issuance of bonds therefore, all in accordance with K.S.A. 12-6a01 *et seq.*

**Section 3.** The City expects to make capital expenditures from and after the date of this Resolution in connection with the Improvements described herein, and intends to reimburse itself for such expenditures with the proceeds of one or more series of general obligation bonds and temporary notes of the City in the maximum principal amount of \$356,876.00, to be increased at the pro-rata rate of one percent per month from and after the adoption date of the resolution authorizing the Improvements, plus costs of issuance, and plus costs of interest on any temporary financing.

**Section 4.** The City Clerk shall file a certified copy of this Resolution with the Register of Deeds of Ellis County, Kansas.

**Section 5.** This Resolution shall take effect after its passage and publication once in the official city newspaper.

**ADOPTED AND PASSED** this 13th day of June, 2013.

---

KENT L. STEWARD  
Mayor

(SEAL)

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DORIS WING  
City Clerk

# Commission Work Session Agenda

## Memo

**From:** Jesse Rohr, PIE Superintendent

**Work Session:** June 6, 2013

**Subject:** Resolution to Establish Benefit District for Lots 1-24 within the Replat of Lot 2, Block 9, Golden Belt 8<sup>th</sup> Addition

**Person(s) Responsible:** Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

### Summary

Laverne W. Schumacher has petitioned the City for Alley Paving, Storm Sewer, Water, and Sanitary Sewer Improvements to an area containing 24 lots within the Replat of Lot 2 Block 9, Golden Belt 8<sup>th</sup> Addition. The engineers estimate for total construction costs is \$356,876. The Developer has submitted a petition asking for the costs to be assessed to the development per the City of Hays Development Policy. Since this request is in conformance with the current Development Policy, staff recommends adopting the attached resolution authorizing the creation of a special benefit district for improvements in the estimated amount of \$356,876.

### Background

The replat for this development was approved by the City Commission on October 11, 2012. The plat was approved contingent on the alley at the south end being paved. There are a total of 24 lots in the development which will likely house two-family dwellings.

### Discussion

Laverne W. Schumacher has petitioned the City for Alley Paving, Storm Sewer, Water, and Sanitary Sewer Improvements to an area containing 24 lots within the Replat of Lot 2 Block 9, Golden Belt 8<sup>th</sup> Addition. The street, since it will be private and not City maintained, is not included in the assessment. The costs of the street improvement will be paid 100% by the developer. The engineers estimate for total construction costs is \$356,876. The Developer has submitted a petition asking for the costs to be assessed to the development per the City of Hays Development Policy. The developer must front 30% of the project cost and the remaining 70% will be assessed over a 15 year period.

There are no over-sizing costs to the City in this project. The plan is to construct the concrete alley, as well as water, sanitary sewer, and storm sewer as specified by the City of Hays Development Policy Infrastructure Guidelines for New Development.

## **Legal Consideration**

Bond Counsel has approved all of the forms and Resolution for this item and there are no other legal concerns.

## **Financial Consideration**

The developer is intending to finance the development project through the creation of a special benefit district. There are no over-sizing costs to the City in this project.

## **Options**

Options include the following:

- Approve the Resolution authorizing the creation of the special benefit district assessing the costs for a period of 15 years for the improvements related to the Replat of Lot 7, Block 9 of the Golden Belt 8<sup>th</sup> Addition.
- Do not allow establishment of a benefit district.
- Provide other options to staff and the developer.

## **Recommendation**

Since this request is in conformance with the current Development Policy, staff recommends adopting the attached resolution authorizing the creation of a special benefit district for improvements in the estimated amount of \$356,876.

## **Action Requested**

Approve the Resolution authorizing the creation of a special benefit district in the estimated amount of \$356,876 for the construction of improvements to lots 1-24 within the Replat of Lot 7, Block 9 of the Golden Belt 8<sup>th</sup> Addition.

## **Supporting Documentation**

Signed Petition  
Map of Benefit District  
Resolution

## PETITION FOR PUBLIC IMPROVEMENTS

The undersigned owner of record of property liable for assessment for the following proposed improvements hereby proposes that such improvements be made in the manner provided by K.S.A. 12-6a01 *et seq.*, as amended (the "Act").

(a) The proposed improvements are as follows:

The installation of water lines, sanitary sewer lines, and storm sewers along, and the grading, paving, curbing and guttering of the alley (the "Improvements"), all as set forth in the REPLAT OF LOT 2, BLOCK 9, GOLDEN BELT EIGHTH ADDITION to the City of Hays, Kansas.

(b) The estimated or probable cost of the Improvements is \$356,876.00 to be increased at the pro-rata rate of ½ percent per month from and after the date of adoption of the resolution determining the advisability of the Improvements, plus cost of issuance and plus costs of interest on any temporary financing (the "Improvement Costs").

(c) The extent of the proposed Improvement District to be assessed is as indicated on the attached drawing and is described as follows:

**Lots One (1) thru Twenty-four (24), REPLAT OF LOT 2,  
BLOCK 9, GOLDEN BELT EIGHTH ADDITION, Hays, Kansas**

(the "Improvement District")

(d) The proposed method of assessment to the Improvement District is as follows:

Equally on an individual per lot basis being computed without regard to lot size, each lot being assessed 1/24<sup>th</sup> of the total project costs.

(e) The apportionment of the total actual Improvement Costs shall be as follows:

Seventy percent (70%) to the Improvement District; except, provided that the cost of any additional required pavement width, additional required pavement thickness, intersections, required oversized water, sewer, and storm sewer lines, in connection with any of Improvement are to be apportioned one-hundred percent (100%) to the city-at-large, as provided within "Infrastructure Guidelines for New Development" adopted by the Governing Body of the City of Hays, Kansas, October 22,2009.

(f) We further propose that the Improvements be made without notice and hearing as required by the Act.

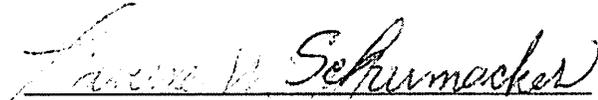
**NOTICE TO PETITION SIGNERS**

No name may be withdrawn from this petition after the Governing Body commences consideration of the petition or later than seven (7) days after this petition has been filed with the City Clerk, whichever occurs first.

Respectfully submitted,

May 22, 2013

Laverne W. Schumacher Revocable  
Living Trust dated May 1, 2008



Laverne W. Schumacher, Trustee  
2706 Thunderbird Drive  
Hays, KS 67601

PROPERTY OWNED  
WITHIN PROPOSED  
IMPROVEMENT DISTRICT:

ALL



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 15

MEETING DATE: 6-13-13

**TOPIC:**

Golden Belt Estates 5<sup>th</sup> Addition Request for Rezoning

**ACTION REQUESTED:**

Approve Ordinance No. 3864 rezoning the property known as Golden Belt Estates 5th Addition from A-L (Agricultural District) to R-2 (Single-Family Dwelling District).

**NARRATIVE:**

The developer of the proposed Golden Belt Estates 5<sup>th</sup> Addition has submitted a request to rezone the property from A-L (Agriculture District) to R-2 (Single-Family Dwelling District). The proposed rezoning request meets all City of Hays subdivision and zoning regulations. A public hearing was conducted on May 20, 2013 at the regular meeting of the Planning Commission, and by a 5-0-1 vote a recommendation was made by the Planning Commission to the City Commission to approve the rezoning. The area is defined as low-density residential in the adopted Comprehensive Plan, and the request does fit the overall scheme of the Comprehensive Plan and fits the overall character of the neighborhood. The Planning Commission recommends approving this rezoning request from A-L to R-2 as submitted.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

**ADMINISTRATION RECOMMENDATION:**

Staff recommends approving this rezoning request from A-L to R-2 as submitted.

**COMMITTEE RECOMMENDATION(S):**

The Planning Commission recommends approving this rezoning request from A-L to R-2 as submitted.

**ATTACHMENTS:**

Ordinance No. 3864  
Staff Memo  
Map  
Planning Commission Findings of Fact

**ORDINANCE NO. 3864**

**AN ORDINANCE REZONING A TRACT OF LAND SITUATED IN THE SOUTHEAST QUARTER OF SECTION TWENTY (20), TOWNSHIP THIRTEEN (13) SOUTH, RANGE EIGHTEEN (18) WEST OF THE 6<sup>TH</sup> P.M. IN ELLIS COUNTY, KANSAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**COMMENCING AT THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER; THENCE ON AN ASSUMED BEARING OF NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 1,327.46 FEET, TO THE SOUTHEAST CORNER OF THE 41<sup>ST</sup> STREET PLAZA FIRST ADDITION; THENCE NORTH 01 DEGREES 07 MINUTES 28 SECONDS EAST, ALONG THE EAST BOUNDARY OF THE 41<sup>ST</sup> STREET PLAZA FIRST, SECOND, THIRD, FOURTH AND FIFTH ADDITIONS, A DISTANCE OF 1710.37 FEET TO THE NORTHEAST CORNER OF THE 41<sup>ST</sup> STREET PLAZA FIFTH ADDITION, SAID POINT BEING ON THE NORTH RIGHT OF WAY LINE OF 45<sup>TH</sup> STREET; THENCE SOUTH 88 DEGREES 57 MINUTES 14 SECONDS EAST, ALONG SAID 45<sup>TH</sup> STREET RIGHT OF WAY, A DISTANCE OF 10.00 FEET; THENCE CONTINUING ALONG SAID 45<sup>TH</sup> STREET RIGHT OF WAY, ON A CURVE TO THE RIGHT, AN ARC DISTANCE OF 327.38 FEET, SAID CURVE HAVING A RADIUS OF 1035.00 FEET, A CENTRAL ANGLE OF 18 DEGREES 07 MINUTES 23 SECONDS, A CHORD BEARING OF SOUTH 79 DEGREES 53 MINUTES 32 SECONDS EAST, AND A CHORD DISTANCE OF 326.02 FEET TO THE SOUTHEAST CORNER OF THE GOLDEN BELT ESTATES THIRD ADDITION, AND THE POINT OF BEGINNING OF THE LAND TO BE DESCRIBED; THENCE NORTH 00 DEGREES 44 MINUTES 53 SECONDS WEST A DISTANCE OF 800.17 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF INTERSTATE 70; THENCE SOUTH 65 DEGREES 13 MINUTES 54 SECONDS EAST, ALONG SAID RIGHT OF WAY, A DISTANCE OF 609.19 FEET; THENCE SOUTH 04 DEGREES 29 MINUTES 36 SECONDS EAST A DISTANCE OF 871.38 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF 45<sup>TH</sup> STREET; THENCE ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT, AN ARC DISTANCE OF 356.41 FEET, SAID CURVE HAVING A RADIUS OF 965.00 FEET, A CENTRAL ANGLE OF 21 DEGREES 09 MINUTES 41 SECONDS, A CHORD BEARING NORTH 62 DEGREES 39 MINUTES 53 SECONDS WEST, AND A CHORD DISTANCE OF 354.38 FEET; THENCE ON A CURVE TO THE LEFT, AN ARC DISTANCE OF 338.64 FEET, SAID CURVE HAVING A RADIUS OF 1035.00 FEET, A CENTRAL ANGLE OF 18 DEGREES 44 MINUTES 48 SECONDS, A CHORD BEARING OF NORTH 61 DEGREES 27 MINUTES 26 SECONDS WEST, AND A CHORD DISTANCE OF 337.13 FEET TO THE POINT OF BEGINNING, SAID TRACT CONTAINING 10.935 ACRES,**

**FROM "A-L" AGRICULTURAL DISTRICT TO "R-2" SINGLE-FAMILY DWELLING DISTRICT.**

**WHEREAS**, the Hays Area Planning Commission, after due and legal notice published in the Hays Daily News, the official city newspaper, on April 19, 2013 and April 21, 2013, and after a public hearing held in conformity with such notice on May 20, 2013, did, on the last-mentioned date, recommend to the Governing Body of the

City of Hays, Kansas, the re-zoning of the following-described real estate:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 13 SOUTH, RANGE 18 WEST OF THE 6TH PRINCIPAL MERIDIAN, ELLIS COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER; THENCE ON AN ASSUMED BEARING OF NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 1,327.46 FEET, TO THE SOUTHEAST CORNER OF THE 41<sup>ST</sup> STREET PLAZA FIRST ADDITION; THENCE NORTH 01 DEGREES 07 MINUTES 28 SECONDS EAST, ALONG THE EAST BOUNDARY OF THE 41<sup>ST</sup> STREET PLAZA FIRST, SECOND, THIRD, FOURTH AND FIFTH ADDITIONS, A DISTANCE OF 1710.37 FEET TO THE NORTHEAST CORNER OF THE 41<sup>ST</sup> STREET PLAZA FIFTH ADDITION, SAID POINT BEING ON THE NORTH RIGHT OF WAY LINE OF 45<sup>TH</sup> STREET; THENCE SOUTH 88 DEGREES 57 MINUTES 14 SECONDS EAST, ALONG SAID 45<sup>TH</sup> STREET RIGHT OF WAY, A DISTANCE OF 10.00 FEET; THENCE CONTINUING ALONG SAID 45<sup>TH</sup> STREET RIGHT OF WAY, ON A CURVE TO THE RIGHT, AN ARC DISTANCE OF 327.38 FEET, SAID CURVE HAVING A RADIUS OF 1035.00 FEET, A CENTRAL ANGLE OF 18 DEGREES 07 MINUTES 23 SECONDS, A CHORD BEARING OF SOUTH 79 DEGREES 53 MINUTES 32 SECONDS EAST, AND A CHORD DISTANCE OF 326.02 FEET TO THE SOUTHEAST CORNER OF THE GOLDEN BELT ESTATES THIRD ADDITION, AND THE POINT OF BEGINNING OF THE LAND TO BE DESCRIBED; THENCE NORTH 00 DEGREES 44 MINUTES 53 SECONDS WEST A DISTANCE OF 800.17 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF INTERSTATE 70; THENCE SOUTH 65 DEGREES 13 MINUTES 54 SECONDS EAST, ALONG SAID RIGHT OF WAY, A DISTANCE OF 609.19 FEET; THENCE SOUTH 04 DEGREES 29 MINUTES 36 SECONDS EAST A DISTANCE OF 871.38 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF 45<sup>TH</sup> STREET; THENCE ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT, AN ARC DISTANCE OF 356.41 FEET, SAID CURVE HAVING A RADIUS OF 965.00 FEET, A CENTRAL ANGLE OF 21 DEGREES 09 MINUTES 41 SECONDS, A CHORD BEARING NORTH 62 DEGREES 39 MINUTES 53 SECONDS WEST, AND A CHORD DISTANCE OF 354.38 FEET; THENCE ON A CURVE TO THE LEFT, AN ARC DISTANCE OF 338.64 FEET, SAID CURVE HAVING A RADIUS OF 1035.00 FEET, A CENTRAL ANGLE OF 18 DEGREES 44 MINUTES 48 SECONDS, A CHORD BEARING OF NORTH 61 DEGREES 27 MINUTES 26 SECONDS WEST, AND A CHORD DISTANCE OF 337.13 FEET TO THE POINT OF BEGINNING, SAID TRACT CONTAINING 10.935 ACRES,

from "A-L" AGRICULTURAL DISTRICT to "R-2" SINGLE-FAMILY DWELLING DISTRICT;

**WHEREAS**, upon due consideration, it appears that the best interests of the City of Hays, Kansas, will be subserved by the following recommendation of the Hays Area Planning Commission,

**NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS:**

Section 1. That the following-described real estate, to-wit:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 13 SOUTH, RANGE 18 WEST OF THE 6TH PRINCIPAL MERIDIAN, ELLIS COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER; THENCE ON AN ASSUMED BEARING OF NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 1,327.46 FEET, TO THE SOUTHEAST CORNER OF THE 41<sup>ST</sup> STREET PLAZA FIRST ADDITION; THENCE NORTH 01 DEGREES 07 MINUTES 28 SECONDS EAST, ALONG THE EAST BOUNDARY OF THE 41<sup>ST</sup> STREET PLAZA FIRST, SECOND, THIRD, FOURTH AND FIFTH ADDITIONS, A DISTANCE OF 1710.37 FEET TO THE NORTHEAST CORNER OF THE 41<sup>ST</sup> STREET PLAZA FIFTH ADDITION, SAID POINT BEING ON THE NORTH RIGHT OF WAY LINE OF 45<sup>TH</sup> STREET; THENCE SOUTH 88 DEGREES 57 MINUTES 14 SECONDS EAST, ALONG SAID 45<sup>TH</sup> STREET RIGHT OF WAY, A DISTANCE OF 10.00 FEET; THENCE CONTINUING ALONG SAID 45<sup>TH</sup> STREET RIGHT OF WAY, ON A CURVE TO THE RIGHT, AN ARC DISTANCE OF 327.38 FEET, SAID CURVE HAVING A RADIUS OF 1035.00 FEET, A CENTRAL ANGLE OF 18 DEGREES 07 MINUTES 23 SECONDS, A CHORD BEARING OF SOUTH 79 DEGREES 53 MINUTES 32 SECONDS EAST, AND A CHORD DISTANCE OF 326.02 FEET TO THE SOUTHEAST CORNER OF THE GOLDEN BELT ESTATES THIRD ADDITION, AND THE POINT OF BEGINNING OF THE LAND TO BE DESCRIBED; THENCE NORTH 00 DEGREES 44 MINUTES 53 SECONDS WEST A DISTANCE OF 800.17 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF INTERSTATE 70; THENCE SOUTH 65 DEGREES 13 MINUTES 54 SECONDS EAST, ALONG SAID RIGHT OF WAY, A DISTANCE OF 609.19 FEET; THENCE SOUTH 04 DEGREES 29 MINUTES 36 SECONDS EAST A DISTANCE OF 871.38 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF 45<sup>TH</sup> STREET; THENCE ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT, AN ARC DISTANCE OF 356.41 FEET, SAID CURVE HAVING A RADIUS OF 965.00 FEET, A CENTRAL ANGLE OF 21 DEGREES 09 MINUTES 41 SECONDS, A CHORD BEARING NORTH 62 DEGREES 39 MINUTES 53 SECONDS WEST, AND A CHORD DISTANCE OF 354.38 FEET; THENCE ON A CURVE TO THE LEFT, AN ARC DISTANCE OF 338.64 FEET, SAID CURVE HAVING A RADIUS OF 1035.00 FEET, A CENTRAL ANGLE OF 18 DEGREES 44 MINUTES 48 SECONDS, A CHORD BEARING OF NORTH 61 DEGREES 27 MINUTES 26 SECONDS WEST, AND A CHORD DISTANCE OF 337.13 FEET TO THE POINT OF BEGINNING, SAID TRACT CONTAINING 10.935 ACRES,

FROM "A-L" AGRICULTURAL DISTRICT to "R-2" SINGLE-FAMILY DWELLING DISTRICT.

Section 2. This ordinance shall take effect upon its publication in the Hays Daily News, the official city newspaper.

PASSED by the Governing Body on the 13th day of June, 2013.

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Kent L. Steward, Mayor

ATTEST:

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Doris Wing, City Clerk

(SEAL)

# Commission Work Session Agenda

## Memo

**From:** Jesse Rohr, PIE Superintendent

**Work Session:** June 6, 2013

**Subject:** Golden Belt Estates 5<sup>th</sup> Addition Request for Rezoning

**Person(s) Responsible:** Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

### Summary

The developer of the proposed Golden Belt Estates 5<sup>th</sup> Addition has submitted a request to rezone the property from A-L (Agriculture District) to R-2 (Single-Family Dwelling District). The proposed rezoning request meets all City of Hays subdivision and zoning regulations. A public hearing was conducted on May 20, 2013 at the regular meeting of the Planning Commission, and by a 5-0-1 vote a recommendation was made by the Planning Commission to the City Commission to approve the rezoning. The area is defined as low-density residential in the adopted Comprehensive Plan, and the request does fit the overall scheme of the Comprehensive Plan and fits the overall character of the neighborhood. The Planning Commission recommends approving this rezoning request from A-L to R-2 as submitted.

### Background

This rezoning request is a continuation of an existing development that was started approximately 20 years ago. Development started just north of 41<sup>st</sup> St. and has continued north throughout the years. The owner has developed small phases of the project as demand for lots has continued. The entire development contains a mixture of single-family and two-family dwellings, with the large majority being single-family.

### Discussion

The developer of the proposed Golden Belt Estates 5<sup>th</sup> Addition has submitted a request to rezone the property from A-L (Agriculture District) to R-2 (Single-Family Dwelling District). (See attached map) This property is contiguous with other R-2 zoned property.

A public hearing was conducted on May 20, 2013 at the regular meeting of the Planning Commission. All adjacent property owners within 1000' of the subject property were notified of the public hearing. No comments were received from anyone in the notification area. The item was approved 5-0-1 (one abstention) and a recommendation was made by the Planning Commission to the City Commission to approve the rezoning.

## **Legal Consideration**

There are no known legal obstacles to proceeding as recommended by City staff.

## **Financial Consideration**

None identified at this time.

## **Options**

Options include the following:

- Approve the rezoning to R-2 as requested
- Do not approve the rezoning

## **Recommendation**

The Planning Commission recommends approving this rezoning request from A-L to R-2 as submitted.

## **Action Requested**

Approve the ordinance rezoning the property known as Golden Belt Estates 5th Addition from A-L (Agricultural District) to R-2 (Single-Family Dwelling District).

## **Supporting Documentation**

Map  
Planning Commission Findings of Fact  
Ordinance



ITE 70

VISTA DR

VISTA DR

VISTA DR

W 45TH ST

NEWTON CIR

TAM CT

LARNED CIR

LARNED CIR

HALL ST

**PLANNING COMMISSISON FINDINGS OF FACT**

1. CASE NO.: **13-03Z** FILING FEE PAID: **\$140.00**
  2. DATE FILED: **04-11-2013**
  3. DATE ADVERTISED FOR HEARING: **04-19-2013 & 04-21-2013**
  4. PUBLIC HEARING DATE: **05-20-2013**
  5. APPLICANT'S NAME: **Western Plains Service Corporation**
  6. LOCATION OF PROPERTY: **Located Northwest Hays north of 45<sup>th</sup> Street between Vista Drive and Larned Circle**
  7. DESCRIPTION OF PROPERTY: **Proposed Golden Belt Estates 5<sup>th</sup> Add**
  8. PRESENT USE OF PROPERTY: **Vacant/Agricultural**
  9. PRESENT ZONING: **"A-L"** REQUESTED ZONING: **"R-2"**
- 

1. CHARACTER OF THE NEIGHBORHOOD:  
DIRECTION

NORTH: **Right of Way (Interstate 70)**

SOUTH: **Single-Family Residential**

EAST: **Two-Family Residential**

WEST: **Single-Family Residential**

2. THE ZONING OF SURROUNDING PROPERTY:  
DIRECTION

NORTH: **"Right of Way (Interstate 70)**

SOUTH: **"R-2"**

EAST: **"R-3"**

WEST: **"R-2"**

3. CONSIDERATION OF THE RECOMMENDATIONS OF PERMANENT OF PROFESSIONAL STAFF: **Area is identified as Residential in the adopted**

**Comprehensive Plan. Property is well suited for Residential development and is bounded on three sides by existing or potential Residential development.**

- A. DEDICATION OR RESERVATION NEEDED FOR:
  - 1. DRAINAGE: **OK**
  - 2. STREETS: **OK**
  - 3. UTILITY EASEMENTS:
    - a. ELECTRICITY: **Provided**
    - b. GAS: **Provided**
    - c. SEWERS: **Provided**
    - d. WATER: **Provided**
  - 4. SHOULD PLATTING BE REQUIRED: **Platting is being completed.**
  
- B. TRAFFIC CONDITIONS:
  - 1. CLASSIFICATION OF STREET ON WHICH PROPERTY FRONTS: **Local**
  - 2. RIGHT-OF-WAY WIDTH: **60'**
  - 3. SIGHT DISTANCE: **OK**
  - 4. TURNING MOVEMENTS: **OK**
  - 5. COMMENTS ON TRAFFIC: **Local**
  
- 4. THE SUITABILITY OF THE SUBJECT PROPERTY FOR THE USES TO WHICH IT HAS BEEN RESTRICTED: **This is an area of continued residential growth.**
  
- 5. THE EXTENT TO WHICH REMOVAL OF THE RESTRICTIONS WILL DETRIMENTALLY AFFECT NEARBY PROPERTY: **With appropriate consideration for drainage issues, nearby property will not be detrimentally affected.**
  
- 6. THE LENGTH OF TIME THE SUBJECT PROPERTY HAS REMAINED VACANT AS ZONED: **With the exception of agricultural uses, the property has been vacant since the adoption of 3-mile zoning regulations – 30 plus years.**
  
- 7. THE RELATIVE GAIN TO THE PUBLIC HEALTH, SAFETY, AND WELFARE BY THE DESTRUCTION OF THE VALUE OF THE NEIGHBORING PROPERTY, AS COMPARED TO THE HARDSHIP IMPOSED ON THE INDIVIDUAL LANDOWNER: **Neighboring property values should tend to increase as development takes place and infrastructure is extended. Appropriate consideration for drainage issues will insure that neighboring properties and areas east and south and west of this development will not be adversely affected.**
  
- 8. THE CONFORMANCE OF THE REQUESTED CHANGE TO THE ADOPTED OR RECOGNIZED MASTER PLAN BEING UTILIZED BY THE CITY: **The property in question has been identified on the adopted Comprehensive plan as low density residential "R-1" and "R-2" Single Family Dwelling District. It will continue to fit the overall scheme of the Comprehensive Plan.**

**CITY OF HAYS**  
**AGENDA ITEM COVER SHEET**

**COMMISSION AGENDA ITEM NO. 16**

**MEETING DATE: 6-13-13**

---

**TOPIC:**

Golden Belt Estates 5<sup>th</sup> Addition Final Plat

**ACTION REQUESTED:**

Approve Resolution No. 2013-018 accepting the final plat known as Golden Belt Estates 5<sup>th</sup> Addition.

**NARRATIVE:**

The owners of the proposed Golden Belt Estates 5<sup>th</sup> Addition have submitted a final plat for consideration. The proposed plat will contain 34 residential lots and is consistent with the Comprehensive Plan and Future Development Map while also complying with the City's Subdivision and Zoning regulations. The Planning Commission, as well as staff, recommends approval of the final plat as submitted.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

**ADMINISTRATION RECOMMENDATION:**

Staff recommends approving this plat as submitted.

**COMMITTEE RECOMMENDATION(S):**

The Planning Commission recommends approving this plat as submitted.

**ATTACHMENTS:**

Resolution No. 2013-018  
Staff Memo  
Final Plat

**RESOLUTION NO. 2013-018**

GOVERNING BODY OF THE CITY OF HAYS, KANSAS, TO THE PUBLIC:

WHEREAS, Western Plains Service Corporation, Inc., a Kansas corporation, has presented to the Governing Body of the City of Hays, Kansas, a certain plat of GOLDEN BELT ESTATES 5TH ADDITION situated within the corporate limits of the City of Hays, Kansas, being lots, streets, alleys comprising the following described real estate, to-wit:

That part of the Southeast Quarter of Section 20, Township 13 South, Range 18 West of the 6th Principal Meridian, Ellis County, Kansas, described as follows:

Commencing at the southeast corner of said Southeast Quarter; thence on an assumed bearing of North 90 degrees 00 minutes 00 seconds West, along the south line of said Southeast Quarter, a distance of 1,327.46 feet, to the southeast corner of the 41<sup>st</sup> Street Plaza First Addition; thence North 01 degrees 07 minutes 28 seconds East, along the east boundary of the 41<sup>st</sup> Street Plaza First, Second, Third, Fourth and Fifth Additions, a distance of 1710.37 feet to the northeast corner of the 41<sup>st</sup> Street Plaza Fifth Addition, said point being on the north right of way line of 45<sup>th</sup> Street; thence South 88 degrees 57 minutes 14 seconds East, along said 45<sup>th</sup> Street right of way, a distance of 10.00 feet; thence continuing along said 45<sup>th</sup> Street right of way, on a curve to the right, an arc distance of 327.38 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 07 minutes 23 seconds, a chord bearing of South 79 degrees 53 minutes 32 seconds East, and a chord distance of 326.02 feet to the southeast corner of the Golden Belt Estates Third Addition, and the point of beginning of the land to be described; thence North 00 degrees 44 minutes 53 seconds West a distance of 800.17 feet to a point on the south right of way line of Interstate 70; thence South 65 degrees 13 minutes 54 seconds East, along said right of way, a distance of 609.19 feet; thence South 04 degrees 29 minutes 36 seconds East a distance of 871.38 feet to a point on the north right of way line of 45<sup>th</sup> Street; thence along said right of way on a curve to the right, an arc distance of 356.41 feet, said curve having a radius of 965.00 feet, a central angle of 21 degrees 09 minutes 41 seconds, a chord bearing North 62 degrees 39 minutes 53 seconds West, and a chord distance of 354.38 feet; thence on a curve to the left, an arc distance of 338.64 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 44 minutes 48 seconds, a chord bearing of North 61 degrees 27 minutes 26 seconds West, and a chord distance of 337.13 feet to the point of beginning. This tract contains 10.935 acres;

to be known as GOLDEN BELT ESTATES 5TH ADDITION to the City of Hays, Kansas; and,

WHEREAS, the said plat has been examined and considered by the Hays Area Planning Commission of the City of Hays, Kansas; and,

WHEREAS, the City Attorney of the City of Hays, Kansas, has found that the proposed plat conforms to the requirements of the statutes in such matters made and provided;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS, that the City of Hays, Kansas, hereby approves the plat of GOLDEN BELT ESTATES 5TH ADDITION to the City of Hays, Kansas, and the City Clerk is instructed to endorse such approval on said plat.

Passed and adopted by the Governing Body of the City of Hays, Kansas, this 13<sup>th</sup> day of June, 2013.

\_\_\_\_\_  
Kent L. Steward - Mayor

ATTEST:

BY \_\_\_\_\_  
Doris Wing - City Clerk

# Commission Work Session Agenda

## Memo

**From:** Jesse Rohr, PIE Superintendent

**Work Session:** June 6, 2013

**Subject:** Golden Belt Estates 5<sup>th</sup> Addition Final Plat

**Person(s) Responsible:** Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

### Summary

The owners of the proposed Golden Belt Estates 5<sup>th</sup> Addition have submitted a final plat for consideration. The proposed plat will contain 34 residential lots and is consistent with the Comprehensive Plan and Future Development Map while also complying with the City's Subdivision and Zoning regulations. The Planning Commission, as well as staff, recommends approval of the final plat as submitted.

### Background

This proposed plat is a continuation of an existing development that was started approximately 20 years ago. Development started just north of 41<sup>st</sup> St. and has continued north throughout the years. The owner has developed small phases of the project as demand for lots has continued. The entire development contains a mixture of single-family and two-family dwellings, with the large majority being single-family.

### Discussion

The owners of the proposed Golden Belt Estates 5<sup>th</sup> Addition have submitted a final plat for consideration. The property is adjacent to previously platted property and is a continuation of a large residential development. Approval of this plat will complete the entire development. The plat is comprised of 34 lots for residential development. Staff has reviewed the proposed plat which has also been reviewed by the Utility Advisory Committee. On April 15, 2013 the final plat was reviewed and approved (7-0-1 vote) by the Hays Area Planning Commission. All parties recommend approval of the submitted plat.

### Legal Consideration

Upon being presented with proof that the owners of the property to be platted are the owners of record and that the existing plat has been vacated, there are no known legal obstacles to the proposed action.

## **Financial Consideration**

This action has no immediate financial effect, unless during the construction phase over sizing of infrastructure (water and sanitary sewer) is required, in which case the City of Hays will pay for the oversizing per the current Development Policy.

## **Options**

Options include the following:

- Approve the plat as submitted
- Do not approve the plat

## **Recommendation**

Staff, as well as the Planning Commission, recommends approving this plat as submitted.

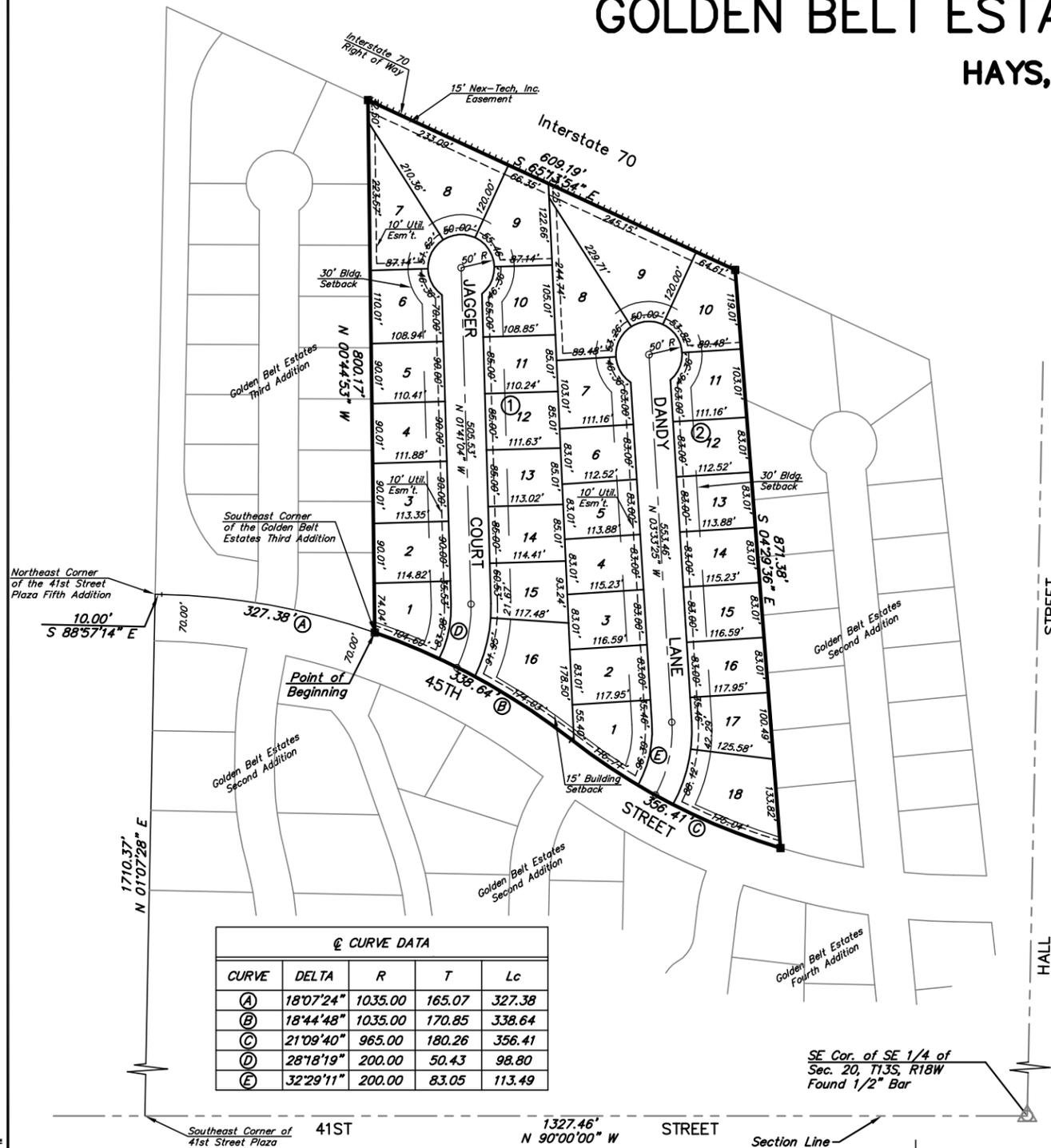
## **Action Requested**

Approve the resolution accepting the final plat known as Golden Belt Estates 5<sup>th</sup> Addition.

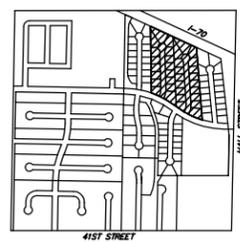
## **Supporting Documentation**

Final Plat  
Resolution

# PLAT OF GOLDEN BELT ESTATES FIFTH ADDITION HAYS, KANSAS



Q CURVE DATA				
CURVE	DELTA	R	T	Lc
(A)	18°07'24"	1035.00	165.07	327.38
(B)	18°44'48"	1035.00	170.85	338.64
(C)	21°09'40"	965.00	180.26	356.41
(D)	28°18'19"	200.00	50.43	98.80
(E)	32°29'11"	200.00	83.05	113.49

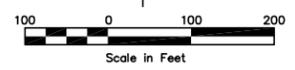


Location Map

**LEGEND**

■ Set 1/2" Bar w/ Cap  
Stamped "RUDER RLS-918"

— Access Control



**APPROVALS:**

This plat, Golden Belt Estates Fifth Addition, has been submitted to and approved by the Hays Planning Commission this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
CHAIRMAN

\_\_\_\_\_  
SECRETARY

The dedications shown on this plat accepted by the City Commission of the City of Hays, Kansas, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
MAYOR

ATTEST: \_\_\_\_\_ City Clerk

John T. Bird, Attorney for the City of Hays

**OWNER'S CERTIFICATE:**

Know all men by these presents, that we, the undersigned property owners of the land above described have caused the same to be surveyed and platted into Lots, Blocks, Streets, Drives, Circles and Easements, the same to be known as "Golden Belt Estates Fifth Addition", in Hays, Kansas. The Streets, Drives and Circles are hereby dedicated to and for the use of the public, and the easements as indicated on the accompanying plat are hereby granted to the public for the purpose of constructing, operating, maintaining, and repairing all public utilities.

Western Plains Service Corporation  
By \_\_\_\_\_  
Chris Wente, President

**NOTARY CERTIFICATE:**

State of Kansas, County of Ellis, ss:  
Be it remembered that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public in and for said County and State, came Chris Wente, President of Western Plains Service Corp. to me personally known to be the same person who executed the foregoing instrument of writing and duly acknowledged the execution of same. In testimony whereof, I have hereunto set my hand and affixed my notarial seal, the day and year above written.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**RECORDED:**

State of Kansas, County of Ellis, ss:  
This is to certify that this instrument was filed for record in the Register of Deeds Office on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ in Book \_\_\_\_\_, Page \_\_\_\_\_.

REGISTER OF DEEDS \_\_\_\_\_ DEPUTY \_\_\_\_\_

**DESCRIPTION**

That part of the Southeast Quarter of Section 20, Township 13 South, Range 18 West, of the 6th Principal Meridian, Ellis County, Kansas, described as follows:

Commencing at the southeast corner of said Southeast Quarter; thence on an assumed bearing of North 90 degrees 00 minutes 00 seconds West, along the south line of said Southeast Quarter, a distance of 1,327.46 feet, to the southeast corner of the 41st Street Plaza First Addition; thence North 01 degrees 07 minutes 28 seconds East, along the east boundary of the 41st Street Plaza First, Second, Third, Fourth and Fifth Additions, a distance of 1710.37 feet to the northeast corner of the 41st Street Plaza Fifth Addition, said point being on the north right of way line of 45th Street; thence South 88 degrees 57 minutes 14 seconds East, along said 45th Street right of way, a distance of 10.00 feet; thence continuing along said 45th Street right of way, on a curve to the right, an arc distance of 327.38 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 07 minutes 23 seconds, a chord bearing of South 79 degrees 53 minutes 32 seconds East, and a chord distance of 326.02 feet to the southeast corner of the Golden Belt Estates Third Addition, and the point of beginning of the land to be described; thence North 00 degrees 44 minutes 53 seconds West a distance of 800.17 feet to a point on the south right of way line of Interstate 70; thence South 65 degrees 13 minutes 54 seconds East, along said right of way, a distance of 609.19 feet; thence South 04 degrees 29 minutes 36 seconds East a distance of 871.38 feet to a point on the north right of way line of 45th Street; thence along said right of way on a curve to the right, an arc distance of 356.41 feet, said curve having a radius of 965.00 feet, a central angle of 21 degrees 09 minutes 41 seconds, a chord bearing North 62 degrees 39 minutes 53 seconds West, and a chord distance of 354.38 feet; thence on a curve to the left, an arc distance of 338.64 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 44 minutes 48 seconds, a chord bearing of North 61 degrees 27 minutes 26 seconds West, and a chord distance of 337.13 feet to the point of beginning. This tract contains 10.935 acres.

**STREETS & EASEMENTS:**

Streets, drives, and circles as shown on this plat and not heretofore dedicated to and for public use are hereby dedicated.  
Easements are hereby dedicated for public use, as utility easement right-of-way, which are shown as lying between the dashed lines in widths indicated and as set forth on this plat, and said easements may be employed for the purpose of installing, repairing and maintaining gas lines, electric lines, telephone lines, and all other forms and types of public utilities, now or hereafter used, by the public over, under and along the strips marked "Utility Esm't."

**REVIEW SURVEYOR'S CERTIFICATE:**

State of Kansas, County of Ellis, ss:  
I hereby certify that the review of this plat was found to be in compliance with the requirements of K.S.A. 58-2005. Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**SURVEYOR'S CERTIFICATE:**

I, Harvey Ruder, a Registered Land Surveyor in the State of Kansas, do hereby certify this Plat to be true and correct to the best of my knowledge.

Harvey Ruder \_\_\_\_\_ Date \_\_\_\_\_

**RUDER ENGINEERING  
& SURVEYING, LLC**  
1376 Butterfield Trail Rd.  
Hays, Kansas 67601  
785-628-8134

# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 17

MEETING DATE: 6-13-13

**TOPIC:**

Golden Belt Estates 5<sup>th</sup> Addition Annexation

**ACTION REQUESTED:**

Approve Ordinance No. 3865 for the annexation of the proposed Golden Belt Estates 5<sup>th</sup> Addition as legally described within the ordinance.

**NARRATIVE:**

The owners of the proposed Golden Belt Estates 5<sup>th</sup> Addition have requested annexation of the subdivision into the city limits of Hays to facilitate the development of residential lots. The area proposed to be annexed is located at the north end of the Golden Belt development and just south of Interstate 70. The property is contiguous with the present City Limits. City Staff recommends adopting the ordinance approving this annexation.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

**ADMINISTRATION RECOMMENDATION:**

Staff recommends annexing this property due to its contiguous nature and plan for residential growth.

**COMMITTEE RECOMMENDATION(S):**

N/A

**ATTACHMENTS:**

Ordinance No. 3865  
Staff Memo  
Map of area being annexed  
Signed Consent to Annex

**ORDINANCE NO. 3865**

**AN ORDINANCE ANNEXING LAND TO THE CITY OF HAYS,  
KANSAS.**

**WHEREAS**, the following described land adjoins the City of Hays, Kansas,

**WHEREAS**, written consent for annexation of the following described land, signed by all of the owners thereof, has been filed with the City of Hays, Kansas, pursuant to K.S.A. 12-520; and

**WHEREAS**, the governing body of the City of Hays, Kansas finds it advisable to annex such land.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS:**

**Section 1.** Pursuant to K.S.A. 12-520(a)(7) the following described land is hereby annexed and made part of the City of Hays, Kansas:

That part of the Southeast Quarter of Section 20, Township 13 South, Range 18 West of the 6th Principal Meridian, Ellis County, Kansas, described as follows:

Commencing at the southeast corner of said Southeast Quarter; thence on an assumed bearing of North 90 degrees 00 minutes 00 seconds West, along the south line of said Southeast Quarter, a distance of 1,327.46 feet, to the southeast corner of the 41<sup>st</sup> Street Plaza First Addition; thence North 01 degrees 07 minutes 28 seconds East, along the east boundary of the 41<sup>st</sup> Street Plaza First, Second, Third, Fourth and Fifth Additions, a distance of 1710.37 feet to the northeast corner of the 41<sup>st</sup> Street Plaza Fifth Addition, said point being on the north right of way line of 45<sup>th</sup> Street; thence South 88 degrees 57 minutes 14 seconds East, along said 45<sup>th</sup> Street right of way, a distance of 10.00 feet; thence continuing along said 45<sup>th</sup> Street right of way, on a curve to the right, an arc distance of 327.38 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 07 minutes 23 seconds, a chord bearing of South 79 degrees 53 minutes 32 seconds East, and a chord distance of 326.02 feet to the southeast corner of the Golden Belt Estates Third Addition, and the point of beginning of the land to be described; thence North 00 degrees 44 minutes 53 seconds West a distance of 800.17 feet to a point on the south right of way line of Interstate 70; thence South 65 degrees 13 minutes 54 seconds East, along said right of way, a distance of 609.19 feet; thence South 04 degrees 29 minutes 36 seconds East a distance of 871.38 feet to a point on the north right of way line of 45<sup>th</sup> Street; thence along said right of way on a curve to the right, an arc distance of 356.41 feet, said curve having a radius of 965.00 feet, a central angle of 21 degrees 09 minutes 41 seconds, a chord bearing North 62 degrees 39 minutes 53 seconds West, and a chord distance of 354.38 feet; thence on a curve to the left, an arc distance of 338.64 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 44 minutes 48 seconds, a chord bearing of North 61 degrees 27 minutes 26 seconds West, and a chord distance of 337.13 feet to the point of beginning. This tract contains 10.935 acres;

**Section 2.** This ordinance shall take effect and be in force from and after its publication in the official city newspaper.

**PASSED AND APPROVED** by the Governing Body of the City of Hays, Kansas, this 13<sup>th</sup> day of June, 2013.

---

KENT L. STEWARD  
Mayor

ATTEST:

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DORIS WING  
City Clerk

(seal)

# Commission Work Session Agenda

## Memo

**From:** Jesse Rohr, PIE Superintendent

**Work Session:** June 6, 2013

**Subject:** Golden Belt Estates 5<sup>th</sup> Addition Annexation

**Person(s) Responsible:** Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

### Summary

The owners of the proposed Golden Belt Estates 5<sup>th</sup> Addition have requested annexation of the subdivision into the city limits of Hays to facilitate the development of residential lots. The area proposed to be annexed is located at the north end of the Golden Belt development and just south of Interstate 70. The property is contiguous with the present City Limits. City Staff recommends adopting the ordinance approving this annexation.

### Background

This annexation request is a continuation of an existing development that was started approximately 20 years ago. Development started just north of 41<sup>st</sup> St. and has continued north throughout the years. The owner has developed small phases of the project as demand for lots has continued. The entire development contains a mixture of single-family and two-family dwellings, with the large majority being single-family.

### Discussion

The current owners of this property have submitted a signed consent to annex the property under K.S.A. 12-520a and which is currently in the platting stages and known as the proposed Golden Belt Estates 5<sup>th</sup> Addition. The land is contiguous with the present City limits. The owners intend to develop the property into single-family residential lots, and have already begun the platting process. Approval of the annexation will allow the property owner to receive full benefits of City services, including utilities and fire/police protection. The plat approval and rezoning request are being considered under separate agenda items.

### Legal Consideration

Annexation requires the City to extend services to the area annexed within a reasonable time. There are no known legal obstacles to proceeding as recommended by City staff.

## **Financial Consideration**

Annexing this property and allowing for its development will increase the property tax base for the City of Hays.

The developer is intending to finance the development project through special benefit districts.

## **Options**

Options include the following:

- Annex the property as requested
- Do not annex the property

## **Recommendation**

Staff recommends annexing this property due to its contiguous nature and plan for residential growth.

## **Action Requested**

Approve an ordinance for the annexation of the proposed Golden Belt Estates 5<sup>th</sup> Addition as legally described within the ordinance.

## **Supporting Documentation**

Map of area being annexed  
Signed Consent to Annex  
Annexation Ordinance

**CONSENT TO ANNEXATION**

WESTERN PLAINS SERVICE CORPORATION, INC., a Kansas corporation, is the owner of the real estate hereinafter described as follows, to-wit:

That part of the Southeast Quarter of Section 20, Township 13 South, Range 18 West, of the 6<sup>th</sup> Principal Meridian, Ellis County, Kansas, described as follows:

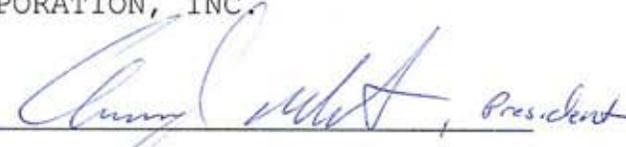
Commencing at the southeast corner of said Southeast Quarter; thence on an assumed bearing of North 90 degrees 00 minutes 00 seconds West, along the south line of said Southeast Quarter, a distance of 1,327.46 feet, to the southeast corner of the 41<sup>st</sup> Street Plaza First Addition; thence North 01 degrees 07 minutes 28 seconds East, along the east boundary of the 41<sup>st</sup> Street Plaza First, Second, Third, Fourth and Fifth Additions, a distance of 1710.37 feet to the northeast corner of the 41<sup>st</sup> Street Plaza Fifth Addition, said point being on the north right of way line of 45<sup>th</sup> Street; thence South 88 degrees 57 minutes 14 seconds East, along said 45<sup>th</sup> Street right of way, a distance of 10.00 feet; thence continuing along said 45<sup>th</sup> Street right of way, on a curve to the right, an arc distance of 327.38 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 07 minutes 23 seconds, a chord bearing of South 79 degrees 53 minutes 32 seconds East, and a chord distance of 326.02 feet to the southeast corner of the Golden Belt Estates Third Addition, and the point of beginning of the land to be described; thence North 00 degrees 44 minutes 53 seconds West a distance of 800.17 feet to a point on the south right of way line of Interstate 70; thence South 65 degrees 13 minutes 54 seconds East, along said right of way, a distance of 609.19 feet;

thence South 04 degrees 29 minutes 36 seconds East a distance of 871.38 feet to a point on the north right of way line of 45<sup>th</sup> Street; thence along said right of way on a curve to the right, an arc distance of 356.41 feet, said curve having a radius of 965.00 feet, a central angle of 21 degrees 09 minutes 41 seconds, a chord bearing North 62 degrees 39 minutes 53 seconds West, and a chord distance of 354.38 feet; thence on a curve to the left, an arc distance of 338.64 feet, said curve having a radius of 1035.00 feet, a central angle of 18 degrees 44 minutes 48 seconds, a chord bearing of North 61 degrees 27 minutes 26 seconds West, and a chord distance of 337.13 feet to the point of beginning. This tract contains 10.935 acres.

and hereby consents to the annexation of such land by the City of Hays, Kansas.

Dated: April 30, 2013.

WESTERN PLAINS SERVICE  
CORPORATION, INC.

BY: , President

Christopher Wente, President

ATTEST:

 V.P.  
Chris Dreiling, Vice President



ITE 70

VISTA DR

VISTA DR

VISTA DR

W 45TH ST

NEWTON CIR

TAM CT

LARNED CIR

LARNED CIR

HALL ST

# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 18

MEETING DATE: 6-13-13

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**TOPIC:**

Housing Study Group Report

**ACTION REQUESTED:**

Hear a report regarding the findings of the Housing Study Group.

**NARRATIVE:**

Following the adoption of the Comprehensive Plan, and the completion of a Housing Needs Assessment, the City Commission authorized the Housing Study Group to explore Hays' housing issues in more detail. The Housing Study Group was to examine the issues and possibly make policy recommendations to address any problems that were identified. After much study, deliberation, and input, the housing study group reached the conclusion that the housing issues in Hays have not manifested into discernible problems and there is no need for policy recommendations at this time.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager

**ADMINISTRATION RECOMMENDATION:**

N/A

**COMMITTEE RECOMMENDATION(S):**

The Housing Study Group recommends that City staff continue to monitor the situation and evaluate the City's zoning, development and building regulations to ensure those regulations are not artificially or unnecessarily increasing building and development costs.

**ATTACHMENTS:**

Report of the Housing Study Group

## REPORT OF THE HOUSING STUDY GROUP

Following the adoption of the Comprehensive Plan, and the completion of a Housing Needs Assessment, the City Commission authorized the Housing Study Group to explore Hays' housing issues in more detail. The Housing Study Group was to examine the issues and possibly make policy recommendations to address any problems that were identified. After much study, deliberation, and input, the housing study group reached the conclusion that the housing issues in Hays have not manifested into discernable problems and there is no need for policy recommendations at this time.

Housing has been a topic of discussion in Hays for many years. Most communities have housing issues of one form or another. The recently adopted comprehensive plan and housing needs assessment identified several housing issues such as:

- Housing costs in Hays are high.
- There is a shortage of entry level housing.
- There is a lack of condos, townhomes, and high quality rentals.
- There is a lack of housing for seniors looking to downsize.
- Students are competing with young professionals and families for housing which drives up the overall cost of most housing.

In studying the issue, the housing study group's first task was to determine what was an issue and what was a problem. Just because something is an issue, does not mean it can be viewed as a problem. For an issue to be viewed as a problem there must be a detrimental and demonstrable effect on the residents or the economy.

The study group evaluated the current housing market, and investigated the process to develop new housing as well as rehabilitate existing housing. The group also looked at strategies other communities employed to address clearly defined housing problems.

A crucial step in the evaluative process was to hold meetings with key stakeholders in the community. These meetings allowed the housing study group to hear directly from those who are impacted by housing issues and

find out what the true problems are. It was anticipated that several problems would be identified during these meetings and then the group could begin identifying causes of the problems and policy solutions. Hundreds of invitations were sent out and the meetings were announced via press releases and press briefings.

Based on input received during these meetings the housing study group presents the following key findings:

- Housing costs in Hays are high.
- Land costs in Hays are high.
- Building/contractor costs in Hays are high.
- The above-mentioned issues have not been adequately addressed, by the market, with density and from a creative perspective.
- The market has not demanded anything different.
- Those with a financial interest in the housing market see the housing issues as a problem, and are the most vocal about developing policy solutions.
- For the most part, those who are impacted by the issues do not view them as problematic, and are not vocal.
- The only groups shown to be negatively impacted by the housing market in Hays are low income and disabled residents.

Some of the stakeholder meetings were well attended, but many stakeholder groups were either not, or under represented. Prior to the process, members of the study group had heard, anecdotally, about businesses being negatively impacted by housing issues. Yet those businesses failed to use the venue provided to bring these impacts to light. Members of the group also heard, anecdotally, from seniors, young families, and first time homeowners about how the market had negatively impacted them. But these groups also failed to use the venue to voice their concerns.

The Housing Study Group only heard from two sectors, low income and disabled residents that seemed to be directly impacted by the housing markets in Hays. These are sectors that have a difficult time finding housing in any market. And they are disproportionately impacted when housing costs

rise. So it came as no surprise that the high cost of housing in Hays has impacted them.

The Housing Study Group feels that now is not the time for the city to consider large scale, or broad reaching policy considerations with regard to housing. When a city insinuates itself into a housing market, via policy considerations, the ripple effects can be long-lasting and the consequences are not always positive. Therefore the study group feels policy considerations should only be utilized when addressing a clearly defined problem, and when the market has failed to address that problem. The housing issues previously listed were validated by the study group's investigation. Housing costs are high, and there is a lack of diverse housing choices. But the housing group feels this is not currently a problem, and can be addressed via market forces with a little initiative and creativity.

While no policy recommendations are being made, the group recommends that city staff continue to monitor the situation. The group also suggests that city staff should evaluate the city's zoning, development, and building regulations in order to ensure those regulations are not artificially or unnecessarily increasing building and development costs.

Respectfully submitted:

Paul Briseno

Gary Brown

ID Creech

Toby Dougherty

Jake Glover

Jana Jordan

Jesse Rohr

Henry Schwaller

Aaron White

# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 19

MEETING DATE: 6-13-13

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**TOPIC:**

Economic Development Policy – Rural Housing Improvement District (RHID) Policy

**ACTION REQUESTED:**

Consider approving the amended Economic Development Policy for the City of Hays containing Rural Housing Improvement District language.

**NARRATIVE:**

A proposed Rural Housing Improvement District (RHID) Policy is presented for consideration and guidance. If approved future RHID applicants have to demonstrate a need to the Commission and State. The State governs much of the process. The policy has additional requirements/processes specific to Hays.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
Paul Briseno, Assistant City Manager

**ADMINISTRATION RECOMMENDATION:**

Staff recommends approval of a Rural Housing Improvement District Policy based on recommendations of the City Commission.

**COMMITTEE RECOMMENDATION(S):**

N/A

**ATTACHMENTS:**

Staff Memo  
Amended Economic Development Policy  
Rural Housing Improvement District White Paper  
Rural Housing Improvement District Examples

# Commission Work Session Agenda

## Memo

**From:** Paul Briseno, Assistant City Manager

**Work Session:** May 16, 2013

**Subject:** Rural Housing Improvement District (RHID) Policy

**Person(s) Responsible:** Paul Briseno, Assistant City Manager

### Summary

A proposed Rural Housing Improvement District (RHID) Policy is presented for consideration and guidance. If approved future RHID applicants have to demonstrate a need to the Commission and State. The State governs much of the process. The policy has additional requirements/processes specific to Hays.

Staff recommends approval of the Rural Housing Improvement District Policy.

### Background

In February Commission requested the development of a Rural Housing Improvement District (RHID) policy. The use of an RHID was noted in the Economic Development Coalition/Realtors Association Housing Needs Assessment as a mechanism to reduce housing costs. Staff developed a proposed policy based on noted concerns that also encompasses the current Economic Development Policy.

An RHID captures 100% of incremental real property taxes created by the development to pay for permitted uses that reduce the overall cost. These uses are detailed below.

- Acquisition of property within the RHID
- Payment of relocation assistance
- Site Preparation
- Sanitary and storm sewers and lift stations
- Drainage conduits, channels and levees
- Street grading, paving, curbs and gutters
- Street lighting
- Underground public and limited private utilities, all located within the public right-of-way
- Sidewalks
- Water mains and extensions

Prior to the submission of a Rural Housing Improvement District (RHID) application a policy must be created. The State governs the RHID process and requires specific needs identified and financial considerations. Each community can have further requirements.

## **Discussion**

In collaboration with Gina Riekhof of Gilmore and Bell, staff has developed a proposed policy for City Commission consideration. Once the policy is created each application will be presented separately to the Commission for determination on their individual merits. The policy:

- Consistent with current Economic Development Policy including
  - Claw backs, Development Agreements, Fees, etc.
- Each applicant presents a Housing Needs Assessment **demonstrating the need**
- Developer Pays for all City incurred costs
- Pay as you go only financing option
  - Developer responsible for securing financing and is only reimbursed through the increment
- Allows for single family or multifamily units
- Minimized impact on water source
- But For Clause/Assurances
- Requires Development and Business Plan
- Allows City Commission to deviate from the process if desired

## **Legal Consideration**

There are no known legal obstacles to proceeding as recommended by City Staff.

## **Financial Consideration**

There are no financial considerations at this time with the proposed policy. If approved future application costs will be covered by the developer and RHID benefit identified.

## **Options**

- 1) Approve the Rural Housing Improvement District Policy as presented.
- 2) Give staff further guidance.
- 3) Take no action.

## **Recommendation**

Staff recommends approval of a Rural Housing Improvement District Policy based on recommendations of the City Commission.

## **Action Requested**

Approval of a Rural Housing Improvement District Policy.

## **Supporting Documentation**

Rural Housing Improvement District Proposed Policy  
Rural Housing Improvement District White Paper  
Rural Housing Improvement District Examples

SUBJECT	ISSUED BY	LAST REVISION DATE	CURRENT EFFECTIVE DATE
<b>ECONOMIC DEVELOPMENT POLICY</b>	City Commission	4-26-12	<b>6-13-13</b>

**SECTION 1. INTRODUCTION**

The City of Hays is interested in encouraging economic activity and the creation of jobs, thereby broadening its tax base and improving the quality of life for its citizens. Further, the use of public funds to stimulate business growth may be necessary or desirable in certain cases. The decision to provide incentives to a business is guided by the expectation that the financial benefits to the City will produce a sufficient return on the City’s investment and that the business will be a good fit for the community. All proposed incentives are subject to a public hearing. Governmental agencies are not eligible for financial incentives under this policy. No elected or appointed officer, employee or committee of the City, Hays Area Chamber of Commerce or Ellis County Coalition for Economic Development employee, board, or other public or private body or individual, shall be authorized to speak for and/or commit the City Commission to the granting of an incentive. This policy is meant to encourage the following:

- A. Research and development-based businesses
- B. High-tech businesses
- C. Environmentally friendly businesses
- D. Expansion of existing industry
- E. Business start-ups
- F. Recruitment of new companies from out-of-state
- G. The retention of businesses which are good corporate citizens that will add to the quality of life in Hays through their leadership and support of local civic and philanthropic organizations.
- H. Training and development of Hays area employees
- I. The establishment of businesses that will be good stewards of the City of Hays’ water sources.

The City Commission reserves the right to deviate from this policy when, in the opinion of the Commission, it is in the best interests of the City to do so.

**SECTION 2. DEFINITIONS**

“City” means the City of Hays, Kansas.

"Economic development purposes" shall mean the establishment of a new business or the expansion of an existing business, which:

- A. is or will be primarily engaged in any one or more of the Kansas basic industries; or
- B. is or will be primarily engaged in the development or production of goods or the provision of services for out-of-state sale; or
- C. is or will be primarily engaged in the production of raw materials, ingredients or components for other enterprises which export the majority of their products; or

- D. is a national or regional enterprise which is primarily engaged in interstate commerce; or
- E. is or will be primarily engaged in the production of goods or the provision of services which will supplant goods or services which would be imported into the city; or
- F. is the corporate or regional headquarters of an enterprise, which is primarily engaged in out-of-state business activities.

“Environmentally friendly businesses” shall mean:

- Firms with programs or activities that reduce the impact of activities on the environment.
- Businesses that are not damaging to the environment, or directed at preventing environmental damage.

“High-Tech Businesses” shall mean both manufacturing and non-manufacturing businesses that have a great dependence on science and technology innovation that leads to new or improved products or services. High-Tech Business involves intensive use of new scientific and technical knowledge. It is often characterized by reliance on significant inputs of knowledge, depending more on having access to the knowledge produced in universities and other educational institutions. It tends to hire and keep personnel who have advanced skills. High-Tech Businesses are more sensitive to the quality of local universities and other educational institutions as providers of knowledge and education of high-skilled workers and may be more sensitive to local quality of life, encouraging high-skilled workers from elsewhere to be hired. High-Tech Business often has special infrastructure needs, such as broadband communications. Goods and services produced by High-Tech Businesses frequently require a longer development time than ordinary goods and services, requiring some ability to generate equity capital or other “maturing” capital.

“Kansas basic industry” shall mean:

- Agriculture;
- Mining;
- Manufacturing;
- Interstate transportation;
- Wholesale trade which is primarily engaged in multi-state activity or which has a major import supplanting effect within the state;
- Financial services which are primarily engaged in providing such services for interstate or international transactions;
- Business services which are primarily engaged in providing such services to out-of-town markets;
- Research and development of new products, processes or technologies;
- Tourism activities, which are primarily engaged in for the purpose of attracting out-of-state tourists.

As used in these subsections, “primarily engaged” means engagement in an activity by an enterprise to the extent that not less than 51% of the gross income of the enterprise is derived from such engagement.

### **SECTION 3. INDUSTRIAL ECONOMIC DEVELOPMENT**

The City will be selective as to the kinds of industrial businesses (i.e., businesses that are not retail businesses) that are recruited and assisted. In general, the primary objective of the City’s industrial Economic Development Policy is to target new and expanding businesses that are environmentally sound, strengthen our local economy, and demonstrate a need for public financial support in order to locate or expand in Hays. Additionally, the City favors industry that creates high-caliber

employment, such as high-skill, high-wage jobs with increased employee benefits and superior working conditions.

When considering proposals brought before the City, City staff and the City commission shall be cognizant of the investment being made by the business, the risk involved in doing business, and the reputation of the City which is created by decisions that are made.

**Examples of available incentives that may be available to industrial businesses may include; Property Tax Abatement, Industrial Revenue Bonds, Job Bounty Program, Tax Increment Financing (TIF), Transportation Development Districts (TDD), Community Improvement District (CID), or other available programs as approved by the Kansas Legislature.**

## **SECTION 4. RETAIL DEVELOPMENT**

The purpose of this section is to establish the official policy and procedures of the City for the granting of incentives for new and expanding retail businesses not otherwise addressed within this policy.

The primary objectives of the City in granting incentives to retail businesses for development include the expansion of the sales tax base, general enhancement of quality of life, development as the regional hub for goods and services in northwestern Kansas, and the expansion of the property tax base.

**Examples of available incentives that may be available to retail businesses may include; Job Bounty Program, Tax Increment Financing (TIF), Transportation Development Districts (TDD), Community Improvement District (CID), Sales Tax and Revenue Bonds (STAR Bonds), or other available programs as approved by the Kansas Legislature.**

A single development requesting additional assistance must also meet all of the following criteria:

- A. The development must be at least 50,000 square feet
- B. Generate \$10,000,000/yr. in retail sales
- C. Employ twenty five (25) or more employees

## **SECTION 5. ECONOMIC DEVELOPMENT APPLICATION**

New or existing businesses that seek financial incentives from the City must file an *Application for Economic Incentives* before their request can be considered. The application shall contain the following information:

- A. Specific information on incentives being requested
- B. Company profile including longevity of company, principal officers, stockholders and clients
- C. Audited financial statements – last five (5) years or since date of incorporation if company has not been in existence for five (5) years
- D. Completed (attached) *Application for Economic Incentives* and *Supplemental Questionnaire*
- E. Business Plan as it relates to the proposed business to be located in Hays
- F. Cost Benefit Analysis (See Section 14)

The City will not consider the granting of any incentive unless the business submits a full and complete application, and provides additional information as may be requested by the City

Commission. The accuracy of the information provided in the application shall be verifiable by the applicant. Any misstatement of or error in fact may render the application null and void and may be cause for the repeal of any resolution adopted in reliance on said information. Applications will not be considered after the issuance of building permits. Refer to Section 6 for application and renewal fee information.

## **SECTION 6. FEE SCHEDULE**

Any individual business requesting any incentive shall pay to the City a nonrefundable application fee of \$1000 plus a deposit of \$5,000.00 to be retained by the City to pay for the City's out of pocket costs associated with the City's review of the application and other actions and agreements associated with the proposed incentive, including but not limited to the City's cost of legal counsel, financial advisors and consultants necessary to evaluate the application and administer the incentive. In the event that costs for third-party services incurred by the City exceed the fee collected, the applicant shall reimburse the City for such additional cost, immediately upon request, but no later than prior to final consideration of the incentive by the Governing Body. The application fee and deposit shall be submitted at the same time the *Application for Economic Incentives* is submitted. At its discretion, the City Commission may consider waiving a portion of the fee or deposit upon request, based upon need. In addition, any business which has been granted an incentive shall pay an annual nonrefundable renewal fee in the amount of \$100.00.

The City requires the use of its designated Bond Counsel and its designated Financial Advisor. The City reserves the right to approve the selection of other necessary participants in the administration of an incentive, including but not limited to, the underwriter and trustee/fiscal agent. The City, at its discretion, may retain additional independent advisors to assist the City in analyzing the merits of the application and in making a determination of its approval at the applicant's expense. Examples of additional advisors include economic or environmental specialists, or a certified public accountant.

## **SECTION 7. PROPERTY TAX ABATEMENT POLICY**

### **A. Policy.**

The grant of property tax abatement will be considered for real and personal property being added to the tax rolls by "Kansas basic industry," in accordance with the provisions set by Article 11, Section 13 of the Constitution of the State of Kansas and the provisions of K.S.A. 12-1740 *et seq.* and K.S.A. 79-201a.

The City may approve for economic development purposes a property tax abatement on real and personal property used exclusively in the following business activities:

- Conducting research and development;
- Manufacturing articles of commerce;
- Storing goods that are sold or traded in interstate commerce;
- Corporate or regional headquarters of a multi-state enterprise which is primarily engaged in activities that take place outside of Kansas;
- High-tech businesses.

**B. Abatement Amount and Term.**

While Kansas law permits an exemption up to 100 percent of the qualified investment for up to 10 years, it shall be the policy of the City to normally provide property tax abatement and require payments in lieu of taxes (PILOTs) as set forth in the following schedule for portions of a project that meet the economic development goals of the City set forth in Sections 1 and 3 and that qualify for abatement under Kansas law. The abatement level is based on the **higher of the capital investment AND job creation.**

<u>Abatement Level</u>	<u>Capital Investment<sup>1</sup></u>	<u>Job Creation<sup>2</sup></u>
<b><u>Matrix for High-Tech Businesses and Research and Development-Based Businesses</u></b>		
50% abatement for 10 years	Minimum: \$500,000 Maximum: \$3,750,000	Minimum: 25 Eligible Net New Jobs Maximum: 50 Eligible Net New Jobs
100% abatement for 10 years	>\$3,750,000	>50 Eligible Net New Jobs
<b><u>Matrix for All Other Business Types</u></b>		
25% abatement for 10 years	Minimum: \$500,000 Maximum: \$2,500,000	Minimum: 25 Eligible Net New Jobs Maximum: 50 Eligible Net New Jobs
50% abatement for 10 years	Minimum: \$2,500,001 Maximum: \$10,000,000	Minimum: 51 Eligible Net New Jobs Maximum: 125 Eligible Net New Jobs
75% abatement for 10 years	Minimum: \$10,000,001 Maximum: \$30,000,000	Minimum: 126 Eligible Net New Jobs Maximum: 250 Eligible Net New Jobs
100% abatement for 10 years	>\$30,000,000	>250 Eligible Net New Jobs

<sup>1</sup> Capital Investment will be determined by increase in appraised value from the appraised value of the property on the date of the application compared to the appraised value on the January 1 after completion of improvements, all as determined by tax appraisal from the Ellis County Appraiser’s office.

<sup>2</sup> “Eligible Net New Jobs” means each full-time equivalent job created above the monthly average full-time equivalent employee count for the 12-month period preceding the date of application. In order for a job to qualify as a “Eligible Net New Job,” each job must pay wages greater than 100% of the Region 1 wage average based on the applicant’s 4-digit NAICS code. The number of Eligible Net New Jobs must be reported annually pursuant to Section 15, and if the actual number of Eligible Net New Jobs in any year during the abatement term is less than the Eligible Net New Jobs set forth in the application, the abatement level for the remaining abatement term will be reduced in accordance with the table above.

The abatement term for projects considered under the authority of Article 11, Section 13 of the Constitution of the State of Kansas shall begin in the calendar year after the calendar year in which the business commences its operations locally. The abatement term for projects considered under the authority of K.S.A. 12-1740 *et seq.* and K.S.A. 79-201a shall begin in the calendar year after the calendar year in which industrial revenue bonds are issued.

**C. Procedure.**

**1. Action by the City.** The City shall consider granting a tax exemption pursuant to this Policy after receipt of a complete application from the applicant in a form prescribed by the City together with the application fee and deposit. The application shall be submitted in sufficient time for staff to follow established procedures for publication of notice, to review the

project's preliminary site plans and building elevations, to prepare a cost benefit analysis, and to contact the county and the unified school district within which the property proposed for exemption is located. The project's site plans and building elevations are subject to final approval to ensure that they are similar to the preliminary plans and elevations submitted.

Based on each application and such additional information as may be requested by the City, the City shall prepare or cause to be prepared a cost benefit analysis of the proposed exemption on the city and state of Kansas, which analysis shall be used by the Governing Body in considering the request for abatement, and shall be sufficient to meet statutory requirements for obtaining property tax abatement. In making its decision, the Governing Body may also consider any fiscal and/or economic impact analyses performed by the county and the unified school district within which the property proposed for exemption is located.

Prior to formal action on each resolution of intent, the Governing Body shall conduct a public hearing thereon, to be scheduled at least seven days after publication of notice. Notice of the hearing shall also be sent to the Ellis County Clerk's Office and the unified school district within which the property proposed for exemption is located.

Any grant of property tax abatement shall be accompanied by Performance Agreement as set forth in Section 13 of this Policy, and continuing abatement shall be subject to annual review as set forth in Section 15 of this Policy.

All documents necessary to consider granting a tax exemption, including the cost benefit analysis, notice of hearing, and any resolutions or ordinances, shall be prepared or reviewed by the City's Bond Counsel.

**2. Action by the State Court of Tax Appeals.** If the abatement request is granted, the applicant shall prepare and submit to the City by each February 1, a copy of the abatement application required by K.S.A. 79-213 and 79-210, and the statement required by K.S.A. 79-214 for the cessation of an exempt use of property. The City Clerk shall submit such application and statement to the County Appraiser, who will forward to the Court of Tax Appeals. The City Clerk shall provide a copy of the ordinance, as published in the official city newspaper, granting an abatement from taxation to the applicant for use in filing an initial request for tax abatement as required by K.S.A. 79-213, and by K.S.A. 79-210 for subsequent years. The City expressly notes to applicants that no abatement can be provided without the approval of the State Court of Tax Appeals.

**D. Payment of PILOTs.**

Any payment in lieu of taxes, which shall be required of a business granted a property tax abatement of less than 100% for 10 years, shall be paid to the County Treasurer, with notice of the amount and date paid provided to the City. The County Treasurer is directed to apportion the payment, under the provisions of subsection (3) of K.S.A. 12-148, to the general fund of all taxing subdivisions, excluding the state, which levy taxes on property where the business is situated. The apportionment shall be based on the relative amount of taxes levied, for any and all purposes by each of the applicable taxing subdivisions. The specific provisions for payment of PILOTs shall be set forth in the Performance Agreement between the City and the applicant.

## **SECTION 8. INDUSTRIAL REVENUE BOND POLICY**

### **A. Policy.**

It shall be the policy of the City to consider the issuance of industrial revenue bonds pursuant to K.S.A. 12-1740 *et seq.* (the "IRB Act") for the purposes set out in Section 1 of this Policy, and the IRB Act. Industrial revenue bonds may also be issued for the purpose of property tax abatement, as set forth in Section 7 of this Policy.

### **B. Sales Tax Exemption for Construction Materials.**

Labor and materials, as well as equipment purchased with IRB proceeds may be exempt from State and local sales tax. The City reserves the right to grant or deny such sales tax exemption in connection with the issuance of IRBs, to be determined on a case-by-case basis.

### **C. Cost Reimbursement/Issuance Fee.**

The applicant shall reimburse the City for all costs associated with the issuance of bonds, including but not limited to, the cost-benefit analysis, all legal publication notices, application fees to the Court of Tax Appeals, the City's bond counsel fees and all other miscellaneous costs.

For projects requesting tax abatement in connection with the issuance of industrial revenue bonds, the City shall receive an issuance fee of (i) 25 basis points (.0025) of the first \$10 million par amount of bonds being issued or the amount of constitutional tax abatement being requested, plus (ii) 20 basis points (.002) of the par amount of the second \$10 million of bonds being issued or the amount of constitutional tax abatement being requested, plus (iii) 10 basis points (.001) of the par amount in excess of \$20 million of bonds being issued or the amount of constitutional tax abatement being requested. In no event shall the issuance fee be less than \$1,500 or more than \$100,000. The fee shall be due and payable at the time the bonds are issued.

## **SECTION 9. COMMUNITY IMPROVEMENT DISTRICT POLICY**

### **A: POLICY STATEMENT**

It is the policy of the City to consider the establishment of CIDs for reimbursable expenses in the amount of \$250,000 or greater in order to promote economic development and tourism within the City. An applicant may petition the City to utilize special assessments or a special sales tax to fund projects eligible under the CID statutes. In considering the establishment of a CID, the Governing Body shall consider whether the proposed CID will achieve the economic development purposes outlined in Section 1 of this Policy.

It is the further policy of the City that a CID shall only be established for projects where the applicant/developer pays for the cost of eligible CID improvements (at no cost to the City) and agrees to be reimbursed on a pay-as-you-go basis for such costs from the City's receipt of CID sales tax revenues or CID special assessment revenues.

The use of CIDs should not alter the requirements of the City's Economic Development Policy in regard to the development paying for public infrastructure or meeting building codes. When

establishing a CID, special consideration will be given to public benefits. These benefits may include, but are not limited to, strengthening economic development and employment opportunities, reducing blight, enhancing tourism and cultural amenities, upgrading older retail real estate and commercial neighborhoods, and promoting sustainability and energy efficiency.

## B: CRITERIA

It shall be the policy of the City to create a CID, if, in the opinion of the Governing Body, it is in the best interest of the City to do so. The Governing Body shall consider the following factors when creating a CID:

1. The project meets the City's economic development goals by expanding existing businesses or develops new businesses described in Section 1 of this Policy, and/or strengthens economic development and employment opportunities, reduces blight, enhances tourism and cultural amenities, upgrades older retail real estate and commercial neighborhoods, and promotes sustainability and energy efficiency.
2. The project uses higher standards for the design of improvements and materials used in making improvements within the CID, compared to the minimum requirements set forth in the City's current design guidelines.
3. The project extends public infrastructure to parts of the City that are not currently served by such infrastructure.

## C: PROJECT ELIGIBILITY

1. It is the intent of the City to allow only projects involving capital investment and improvements to qualify for reimbursement. Purchase of consumables, and items or property considered to be operating expenses shall not qualify for reimbursement.

The following projects within the district to acquire, improve, construct, demolish, remove, renovate, reconstruct, rehabilitate, maintain, restore, replace, renew, repair, install, relocate, equip or extend shall be eligible for reimbursement out of the proceeds of the community improvement district sales tax:

- a. Public buildings, structures and facilities, and private not-for-profit museums;
- b. Sidewalks, streets, roads, interchanges, highway access roads, intersections, alleys, parking lots, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals, utilities, pedestrian amenities, abandoned cemeteries, drainage systems, water systems, storm systems, sewer systems, lift stations, underground gas, heating and electrical services and connections located within or without the public right-of-way, water mains and extensions and other site improvements;
- c. Parking garages;
- d. Streetscape, lighting, street light fixtures, street light connections, street light facilities, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls and barriers;
- e. Parks, lawns, trees and other landscape;
- f. Communication and information booths, bus stops and other shelters, stations, terminals, hangers, rest rooms and kiosks;
- g. Outdoor cultural amenities, including but not limited to, sculptures and fountains;
- h. Private buildings, structures and facilities;
- i. To produce and promote any tourism, recreational or cultural activity or special event, including, but not limited to, decoration of any public place in the district,

- promotion of such activity and special events;
  - j. To support business activity and economic development, including, but not limited to, development, retention, and the recruitment of developers and businesses;
  - k. To provide or support training programs for employees of businesses.
  
- 2. Generally, projects not listed in the foregoing eligibility section shall not be eligible for reimbursement out of the proceeds of a Community Improvement District sales tax. Additionally, the following projects within the district to acquire, improve, construct, demolish, remove, renovate, reconstruct, rehabilitate, maintain, restore, replace, renew, repair, install, relocate, furnish, equip or extend shall be ineligible for reimbursement out of the proceeds of a community improvement district sales tax:
  - a. Airports, railroads, light rail and other mass transit facilities;
  - b. Lakes, dams, docks, wharfs, lakes or river ports, channels and levies, waterways and drainage conduits.
  - c. To provide or contract for the provision of security personnel, equipment or facilities for the protection of property and persons for public property, buildings and outdoor spaces.
  - d. To provide or contract for cleaning, maintenance and other services to public property, buildings and outdoor spaces;
  - e. To contract for or conduct economic impact, planning, marketing or other studies related to the district.
  - f. Indoor cultural amenities, including but not limited to, paintings, murals and display cases, which are not located in a private not-for-profit museum;
  - g. To operate or to contract for the provision of music, news, child-care, or parking lots or garages, and buses, minibuses or other modes of transportation;
  - h. To provide or contract for the provision of security personnel, equipment or facilities for the protection of property and persons inside private buildings;
  - i. To provide or contract for cleaning, maintenance and other services to private property;
  - j. The purchase of inventory and/or supplies for use or resale.
  - k. To purchase interior furnishings.
  - l. To purchase advertising or participation and any promotional expenses.
  - m. Any other projects not permitted by state statute, as amended from time to time.

#### D: METHOD OF FINANCING

The governing body will consider creation of a CID where (1) the costs of CID improvements will be financed on a pay-as-you-go basis from CID sales tax revenues or (2) the costs of CID improvements consisting only of public infrastructure improvements will be financed from CID special assessments. In the instance where public infrastructure CID improvements will be financed from CID special assessments, the City will consider the issuance of special obligation CID special assessment bonds. The City will not issue special obligation or general obligation bonds for CID improvements, other than the limited circumstances set forth in this section. The proposed method of financing will be clearly shown in the petition.

#### E: PROCESS

The process for creation of a CID shall be as follows:

1. *Petition and Supplemental Information.* An applicant requesting that the City create a CID shall first submit a petition to the City. Such petition shall contain all of the information required by K.S.A. 12-6a26 *et seq.* and shall contain all of the required signatures of property owners as set forth in the Community Improvement District Act. Such petition shall

also contain an agreement by the applicant to pay all out of pocket costs incurred by the City related to the City's review of the petition, including but not limited to the City's cost of legal counsel and financial advisors necessary to evaluate the petition. In addition to the information required by K.S.A. 12-6a26 *et seq.*, applicants must file (a) an Application for Economic Incentives and Supplemental Questionnaire, as provided by the City's Economic Development Policy, (b) a site plan for all public and private improvements to be located within the proposed CID, and (c) a business plan evidencing that the applicant has the financial ability to complete the proposed project in a timely manner and operate the project for the term of the proposed CID. The applicant shall furnish such additional information as requested by the City in order to clarify the petition or to assist staff or the Governing Body with the evaluation of the petition.

2. *Application Fee and Deposit.* The application fee and deposit, as well as any costs and expenses required to be paid by the applicant pursuant to Section 6 may be deemed costs of the improvements, and may be reimbursable to the extent permitted by the Community Improvement District Act and as authorized by the Governing Body.
3. *Timing of Submissions.* The petition and all additional information required by this Policy must be submitted in sufficient time for staff to follow established procedures for publication of notice, to review the project's site plans, and to analyze the merits of the proposed CID in the context of existing economic development and infrastructure projects.
4. *Public Hearing.* Upon receipt of the petition and all additional information required by this Policy, the Governing Body may order a public hearing on the creation of a CID and the imposition of a CID sales tax. The Governing Body shall give public notice and hold such hearing in the manner required by the Community Improvement District Act.
5. *Governing Body Findings; Development Agreement Required.* After the public hearing is conducted, the Governing Body shall determine the advisability of creating a CID pursuant to the Community Improvement District Act. If advisable, the Governing Body may create a CID by adopting an ordinance. Contemporaneously with the adoption of an ordinance creating a CID, the Governing Body shall consider a Development Agreement between the City and the applicant setting forth the specific terms and conditions under which the City will reimburse the applicant on a pay-as-you-go basis for the costs of certain CID Improvements.

#### F: APPLICANT REQUIREMENTS

1. The applicant shall provide a tax clearance letter from the State of Kansas Department of Revenue to determine and ensure the applicant is compliant with all primary Kansas Tax Laws. An annual submission of the tax clearance from the State of Kansas Department of Revenue is required.
2. If a CID is created, the applicant must complete an annual report by March 1 of each year covering the previous calendar year.
3. If a CID is created, the applicant must agree in the Development Agreement to pay to the City an annual administrative fee equal to 0.5% of the annual CID revenue generated within the CID, to cover the administration and other City costs related to the CID. This fee is in lieu of the annual renewal fee of \$100.00 set forth in the City's Economic Development Policy for other economic development incentives.

## G: PAYMENT OF CERTAIN COSTS

The City shall require the applicant to enter into a funding agreement or other evidence of the applicant's agreement to pay costs incurred by the City for additional legal, financial and/or planning consultants, or for direct out-of-pocket expenses and other costs relating from services rendered to the City to review, evaluate, process and consider the petition for a CID, as well as the continued maintenance of the escrow account for CID revenues and for the processing of payments of CID eligible costs. Such costs and expenses may be deemed costs of the project, to the extent permitted by the Community Improvement District Act.

## H: AUTHORITY OF GOVERNING BODY

The Governing Body reserves the right to deviate from any policy when it considers such action to be of exceptional benefit to the City or extraordinary circumstances prevail that is in the best interests of the City. Additionally, the Governing Body, by its inherent authority, reserves the right to reject any proposal or petition for creation of a CID at any time in the review process when it considers such action to be in the best interests of the City.

# **SECTION 10. RURAL HOUSING IMPROVEMENT DISTRICT POLICY**

## A: POLICY STATEMENT

It is the policy of the City to consider the establishment of a RHID for a development containing a minimum of ten owner occupied units or ten renter occupied units, all of which will help address a housing need identified in the Hays Housing Assessment most recently presented to and approved by the City Commission (the "Current Hays Housing Assessment"). It is the further policy of the City that a RHID shall only be established for projects where the applicant/developer pays for the cost of eligible RHID improvements (at no cost to the City) and agrees to be reimbursed on a pay-as-you-go basis for such costs from the City's receipt of RHID revenues.

## B. CRITERIA

It shall be the policy of the City to create a RHID, if, in the opinion of the Governing Body, it is in the best interest of the City to do so. The Governing Body shall consider the following factors when creating a RHID:

1. Assure taxpayers that the City is not financing an already viable project.
2. Assure taxpayers that the City is not financing an unreasonably high profit margin for developers. Each developer will be required to submit a detail of development costs and net operating income including an Internal Rate of Return to be compared to the market for reasonableness.
3. Assure taxpayers that the development provides the City safeguards committing the developer to complete the project.

The Development Plan required by statute for each project must determine that the incremental ad valorem property tax revenues generated by the RHID, together with other funds committed by the Developer, will cover the estimated eligible costs of the project. All Development Plans must assume that the initial estimated incremental property tax revenues will remain flat over

the term of the RHID (i.e., no plan may assume increasing incremental property tax revenues will be available to cover project costs).

All development requests must utilize drought tolerant landscaping and water efficient fixtures in order to minimize impact on water resources. City staff will provide the necessary guidance.

#### C: ELIGIBLE COSTS

It is the intent of the City to allow only the following development expenditures within a RHID to qualify for reimbursement out of RHID revenues:

1. Acquisition of property within the RHID
2. Payment of relocation assistance
3. Site Preparation
4. Sanitary and storm sewers and lift stations
5. Drainage conduits, channels and levees
6. Street grading, paving, curbs and gutters
7. Street lighting
8. Underground public and limited private utilities, all located within the public right-of-way
9. Sidewalks
10. Water mains and extensions

#### D: METHOD OF FINANCING

The governing body will consider creation of a RHID where eligible costs will be financed on a pay-as-you-go basis from incremental ad valorem tax revenues generated within the RHID. The City will not issue special obligation bonds for RHID improvements.

#### E: PROCESS

The process for the creation of an RHID District shall be as follows:

1. *Application and Supplemental Information.* An applicant requesting that the City create a RHID must file:
  - a. an Application for Economic Incentives and Supplemental Questionnaire, as provided by the City's Economic Development Policy,
  - b. a Housing Needs Analysis meeting the requirements of K.S.A. 12-5244(a) and the guidelines of the Kansas Department of Commerce, and incorporating the findings contained in the Current Hays Housing Assessment.
  - c. a Development Plan meeting the requirements of K.S.A. 12-5245, and
  - d. a business plan evidencing that the applicant has the financial ability to complete the proposed project in a timely manner and that the project meets the criteria for establishment of a RHID, as set forth in this Policy.

The applicant shall furnish such additional information as requested by the City in order to clarify the application or to assist staff or the Governing Body with the evaluation of the application.

2. *Application Fee and Deposit.* The application fee and deposit as well as any costs and expenses required to be paid by the applicant pursuant to Section 6 of the Economic Development Policy are not reimbursable pursuant to the Rural Housing Incentive District Act. The applicant will pay all out of pocket costs incurred by the City related to the City's review of the application, all documents related to consideration of a RHID and the development agreement, including but not limited to the City's cost of legal counsel and financial advisors necessary to evaluate and create the proposed RHID.
3. *Timing of Submissions.* The application and other information required by this Policy must be submitted in sufficient time for staff to follow established procedures for publication of notice, to review the submitted documents and analyze the merits of the proposed RHID in the context of existing economic development policy.
4. *Secretary of Commerce Approval.* If the Governing Body determines that it is in the best interest of the City to approve the the Housing Needs Analysis and move forward with the proposed Development Plan, the Governing Body shall adopt a resolution approving the Housing Needs Analysis and submit such analysis to the Kansas Secretary of Commerce for approval. If the Secretary of Commerce agrees within the findings of the Governing Body set forth in such resolution, the Governing Body may proceed with the establishment of an RHID.
5. *Development Agreement.* Upon receipt of approval from the Secretary of Commerce, but before the Governing Body takes further action with respect to the creation of the RHID, the City and the Developer shall negotiate a development/performance agreement to implement the proposed Development Plan and including the requirements of this Policy, including particularly the requirements of Section 14 of this Policy related to Performance Agreements.
6. *Public Hearing.* When the Development Plan, a draft Development Agreement, and all additional information required by the RHID Act and this Policy are ready to be presented to the Governing Body the Governing Body will consider adopting a resolution ordering a public hearing on creation of the RHID and adoption of the plan. The Governing Body shall give such notice and hold such hearing in the manner required by the RHID Act.
7. *Governing Body Findings.* After the public hearing is conducted, if advisable, the Governing body may create an RHID district by adopting an ordinance creating the district, adopting the Development Plan, and approving the Development Agreement.

#### F: PAYMENT OF CERTAIN COSTS

The City shall require the applicant to enter into a funding agreement or other evidence of the applicant's agreement to pay costs incurred by the City for additional legal, financial and/or planning consultants, or for direct out-of pocket expenses and other costs relating from services rendered to the City to review, evaluate, process and consider the request for RHID. Such costs and expenses are the applicant's sole responsibility, and are not generally reimbursable pursuant to the RHID Act.

## G: AUTHORITY OF THE GOVERNING BODY

The Governing Body reserves the right to deviate from any policy when it considers such action to be of exceptional benefit to the City or extraordinary circumstances prevail that is in the best interests of the City. Additionally, the Governing Body, by its inherent authority, reserves the right to reject any proposal or request for the creation of an RHID at any time in the review process when it considers such action to be in the best interest of the City or whenever, in the opinion of the City Commission sufficient properties are already available for the type of development being considered.

## I: REVIEW

The RHID policy will be in place as long as there is a need for specific housing, as shown in the Current Housing Needs Assessment. The City expects the Housing Needs Assessment will be updated every three to five years.

## **SECTION 11. JOB BOUNTY PROGRAM**

The Job Bounty Program of the City is to encourage new and/or existing businesses to hire employees. To participate in the Job Bounty Program, a prospective employer must agree to hire at least ten (10) full-time employees at an hourly wage of no less than \$10.00/hr. For the purpose of this program, a full-time employee is one that works forty (40) hours per week or two thousand eighty (2080) hours per year. Anything below these levels will be considered part-time and will not be eligible for benefits under this program.

For those employers creating ten (10) or more full-time jobs paying no less than \$10.00/hr., the Job Bounty Program, subject to the City's budgetary limitations, shall receive the following:

1. For each full-time position created paying no less than \$10.00/hr. base salary, not including employee benefits, tips, commissions, bonuses, or other incentives, the City will pay to the employer \$1,000 per job provided that funds shall be paid in 20% increments over a five (5) year period. The employer will be required to provide, at the end of each year, in order to receive Job Bounty funds for that year, an audited payroll showing those ten (10) or more jobs were filled throughout the one year period.
2. For full-time jobs exceeding \$15.00/hr base salary, not including employee benefits, tips, commissions, or other incentives, the City will pay \$1500 per job on the same basis as noted previously including creation of a minimum of ten (10) jobs per company per agreement.

No Job Bounty proceeds will be paid for the creation of jobs that do not meet established hour and wage requirements as outlined above. It is specifically noted that an employer will apply for a specified number of jobs with the initial application. If the employer creates less than the number of jobs included in the application, no Job Bounty funds will be distributed. Job Bounty funding is allocated on a one-time occurrence per company. Retroactive funding activities, as stated in Section 17 of this policy, are not allowed under this policy.

No jobs may be created, or employees hired, under Job Bounty application until formal review by the City Manager's Office and formal approval has been given by the City Commission subject to all of the activities contained in this policy.

## **SECTION 12. MEMORANDUM OF UNDERSTANDING**

Authority to issue memorandums of understanding to consider requests for economic development incentives shall lie only with the City Commission. Such memorandums of understanding shall only be issued by the City Commission, and as an expression of good faith intent, but shall not in any way bind the City to the granting of an incentive. Such memorandums of understanding shall expire six months after issuance, but may be renewed. A public hearing shall not be required prior to the issuance of memorandums of understanding.

## **SECTION 13. NOTICE AND HEARING**

No incentive shall be granted by the City prior to a public hearing thereon. Notice of the public hearing shall be published at least seven days prior to the hearing in the official city newspaper, giving the time and place, and the hearing may be held at a regular or special meeting of the City Commission. The City Manager shall thereupon notify the Ellis County Commissioners, the superintendent of the appropriate school district, and the clerk of any taxing jurisdiction, excluding the state, which derives or could derive property taxes from the affected business advising them of the scheduled public hearing and inviting their review and comment. Upon request, the City Manager shall provide any such public agency with a copy of the application, which shall remain confidential unless released by the City Commission. The applicant business shall be invited, but not required, to attend the public hearings.

## **SECTION 14. PERFORMANCE AGREEMENT**

Any incentive granted pursuant to this policy shall be accompanied by a Performance Agreement between the applicant and the City, which shall include provisions governing the situation if an applicant fails to meet the wage, number of jobs, and/or capital investment projections set forth in the original application. Each incentive shall be reviewed annually. The City Commission shall receive the annual review report, and if the City Commission determines that a business or project is not in compliance with the provisions of the Performance Agreement, then the incentive may be modified pursuant to the Performance Agreement as the City Commission deems appropriate. Modifications to the incentive may include, but are not limited to, termination of the incentive, reduction of any incentive (including but not limited to reductions in tax abatement due to failure to meet requirements as set forth in Section 7) and claw-back of any existing incentive. To the extent necessary, the County Appraiser and the State Court of Tax Appeals shall be notified of appropriate actions to modify any incentive.

## **SECTION 15. COST BENEFIT ANALYSIS**

The Cost Benefit Analysis will offer a wide spectrum of information as it pertains to development, the adequacy, or inadequacy of, financial incentives, and finally, the net gain, current and future, of entering into these types of endeavors on behalf of the citizens of the City. The Cost Benefit Analysis should address the following items:

1. **DIRECT COSTS TO THE CITY.** Any identified direct cost should be included in the analysis. Examples of these types of costs include municipal infrastructure to the business site, and costs of providing city emergency services such as fire and police protection.
2. **BENEFIT TO THE CITY.** Direct benefits include wages/salaries/benefits paid to employees, any taxes collected (property, sales, franchise fees), purchases of products/services from local vendors.
3. **COST VERSUS BENEFIT.** From a community perspective, incentives are used because a net benefit is expected. A desired benefit to cost ratio must be at least in the 1.25:1 ratio. Proposed economic development projects that achieve this benchmark traditionally employ a higher proportion of local labor, including managers, at an above-average hourly wage.

This analysis should identify the particulars involving the developer's proposal. This should include confirmation of the size of the store, financial information, number of employees, pay scale, tax collections, and other areas involving development. The developer is responsible for the development of this analysis including any cost incurred.

## **SECTION 16. ANNUAL REVIEW FOR COMPLIANCE**

All incentives granted shall be subject to an annual review to ensure that the ownership, use of property, and the economic performance of the business, including the capital investment, employment, and wages, are pursuant to requirements and criteria of this policy, the application, and the conditions of the granting of incentives. The review shall also include a comprehensive review of the entire incentive period for the business (if applicable), including milestones and project phases for the business. The annual review shall provide an opportunity for the company receiving the incentive to describe their achievements, especially in the areas of environmentally sound practice, community engagement and services, and job training. If the business:

- A. no longer qualifies for the incentive pursuant to law or this policy;
- B. substantially fails to meet the expectations set forth in the application for an incentive, including failure to meet employment, wage, or capital investment plans in the application; or
- C. substantially fails to meet the criteria or objectives of this policy;

the City Commission, after notice and a public hearing, may modify any incentive by ordinance or resolution.

The City reserves the right to issue any level of penalties that it deems necessary. These may include; 1) rescissions, which is a complete cancellation of the incentive, 2) penalties, which are fines charged when the business does not meet a certain level of performance or relocates, and finally, 3) recalibrations, which are the provisions for changing the incentive in some manner in order to accommodate an evolving economic climate. The use of these tools will provide a safety net to the community, ensuring that its investment in the business will result in the positive benefits it expects.

Each business receiving an incentive shall be required to complete an annual report by March 1. The information in the report will cover the time period of January 1 through December 31 of the previous year. The annual report will be reviewed by May 1.

By May 1 of each year, an annual report listing all financial incentives that remain in effect will be presented to the City Commission. The annual report shall include information regarding when the incentive was granted, when the incentive expires, current property taxes paid for the property, in lieu of tax payments, amount of any industrial revenue bonds issued, the assessed value of the property, number of employees, salary and payroll of employees, and any additional information concerning the operation of the business receiving the incentive, and other information as requested by the City Commission.

The failure of a business (a) to provide accurate and timely information to the City in the preparation of the annual report or (b) to comply with the performance standards set forth in the Performance Agreement, shall be grounds for the modification or revocation of the incentive granted.

The City may require an annual renewal application to be filed or other information necessary to assure the continued qualification of the exempt business. Any material omission or misstatement of fact in information provided to the City in any such statement or renewal application may be cause for repeal of any incentive ordinance adopted, renewed or extended in reliance thereon.

## **SECTION 17. TRANSFER OF OWNERSHIP OR USE**

Incentives granted by the City may be transferred as a result of a change in the majority ownership of the business. Any new owner shall file a new application, along with the renewal fee, for an incentive. The City shall be notified by the business of any change in ownership and any substantive change in the use of a tax exempt property.

## **SECTION 18. RETROACTIVE GRANTING OF INCENTIVES; “BUT FOR” PRINCIPLE**

No incentives, including the granting of Job Bounty funding, will be distributed on a retroactive funding basis. Incentives will be granted pursuant to the guidelines of this policy and effective on the date indicated and approved by the City Commission.

Each application for incentive shall demonstrate that the incentive will make such a difference in determining the decision of the business to locate, expand or remain in the City that the business would not otherwise be established, expanded or retained without the availability of the abatement.

## **SECTION 19. WAIVER OF STATEMENT REQUIREMENTS**

The City Commission reserves the right to grant or not to grant an incentive under circumstances beyond the scope of this Statement, or to waive any procedural requirement. However, no such action or waiver shall be taken or made except upon a finding by the City Commission that a compelling or imperative reason or emergency exists, and that such action or waiver is found and declared to be in the public interest.

## **SECTION 20. AMENDMENTS**

The City Commission of the City retains the right to amend any portion of this policy as needed.

## **SECTION 21. TAX CLEARANCE CERTIFICATION**

Any person, company, or entity receiving economic incentives under this policy must provide a Tax Clearance Certificate from the State of Kansas Department of Revenue on an annual basis prior to December 31. The Tax Clearance Certificate requirement will be in effect until such time that incentives are no longer being utilized.

## **SECTION 22. MANDATORY REVIEW**

This policy will be subject to a mandatory review by the City Commission every three years.

# Memo

**To:** City Commission  
**From:** Paul Briseno, Assistant City Manager  
**Date:** 5/16/2013  
**Re:** Rural Housing Incentive District (RHID)

---

A Rural Housing Improvement District (RHID) development captures 100% of incremental real property taxes created by the development to pay for permitted uses detailed below.

A summary of an RHID is detailed below as allowed by the state. The information was gathered from a Gilmore and Bell presentation.

## **Background**

- Created in 1998
- Authorized for any city in Kansas with a population less than 40,000
- Defined by the City or County establishing the District
- City must demonstrate by a housing needs analysis:
  - Shortage of quality housing
  - Shortage is expected to persist
  - Shortage is a substantial deterrent to future economic growth
  - Development of quality housing dependent on incentives
- Secretary of Commerce must agree with findings
- Must adopt a redevelopment plan, including:
  - Public hearing must be held
  - School District and County have a veto like TIF
- Special Obligation Bonds may be issued

## **Permitted Use**

- Acquisition of property (**eminent domain prohibited**)
- Payment of relocation assistance
- Site preparation
- Sanitary and storm sewers and lift stations
- Drainage conduits, channels and levees

- Street grading, paving, curbs and gutters
- Street lighting
- Underground public or private utilities
- Sidewalks
- Water mains and extensions

### **How it Works**

- Captures 100% of incremental real property taxes created by a housing development project
- All taxing districts included
- Property tax increment diverted for up to 15 years (TIF is 20 yrs)

### **Funding Methods**

- Developer Reimbursement
  - Developer finances approved RHID costs and reimbursed as increment is received
- Bond Financing
  - Special Obligation Revenue Bonds
    - Issued by creator of District
    - Limited obligation
    - May be purchased or guaranteed by developer and re-sold once valuation established
    - Full faith and credit (general obligation) bonds **prohibited**

### **Effect on Taxing Districts**

- All taxing jurisdictions held harmless at Base property tax level
- When RHID bonds are retired, total valuation (including increment) restored to all taxing jurisdictions

### **District Formation Procedure**

- Preparation of Housing Need Analysis
- Resolution finding shortage of quality housing
- Secretary of Commerce approves findings
- Negotiation of Development Agreement
- District boundaries identified and development Plan prepared
- Resolution Calling Public Hearing on District creation and adoption of Plan
  - Hearing date not less than 30 days nor more than 70 days following adoption of Resolution
- Notice delivered to Planning Commission, School District and County/City
- Published Notices
  - Notice published not less than 1 week nor more than 2 weeks prior to hearing
- Public Hearing on District Creation and adoption of Plan
- Ordinance/Resolution creating District and adopting Plan
- 30-day Protest Period
  - School District or County/City finding that District will have adverse effect

# MULTIFAMILY EXAMPLE

32 Apartments

## PRIOR DEVELOPMENT

Property Appraised Value - \$26,720

Total Tax Revenue - \$382

## AFTER DEVELOPMENT

Property Appraised Value - \$790,300

Total Tax Revenue- \$10,150

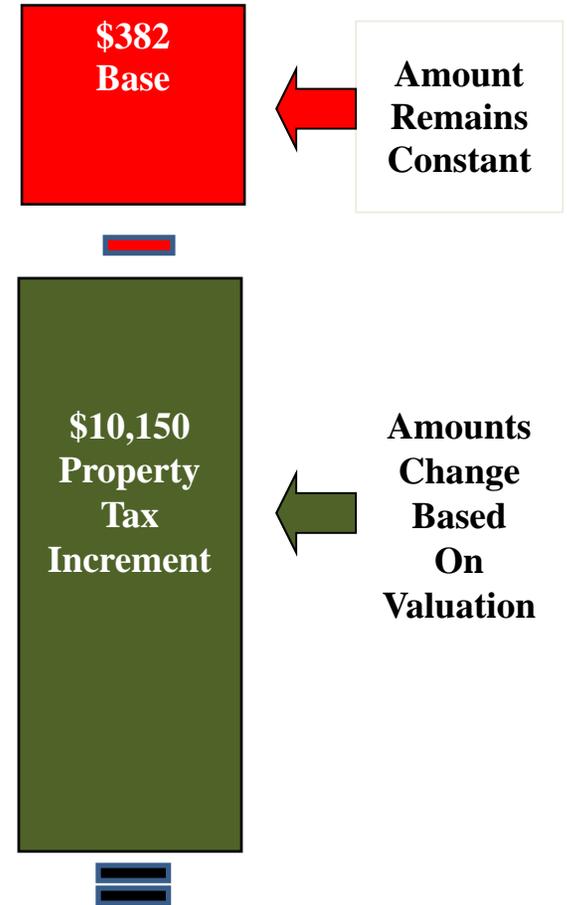
## PROPERTY TAX INCREMENT

**PRIOR TAX REVENUE - \$382**

**AFTER DEVELOPMENT TAX REVENUE - \$10,150**

**ANNUAL PROPERTY TAX INCREMENT -**

**TOTAL PROPERTY TAX INCREMENT X15 YR = \$146,520**



**\$9,768**

# SINGLE FAMILY EXAMPLE

## 46<sup>th</sup> Street 1<sup>st</sup> Addition

### PRIOR TO DEVELOPMENT

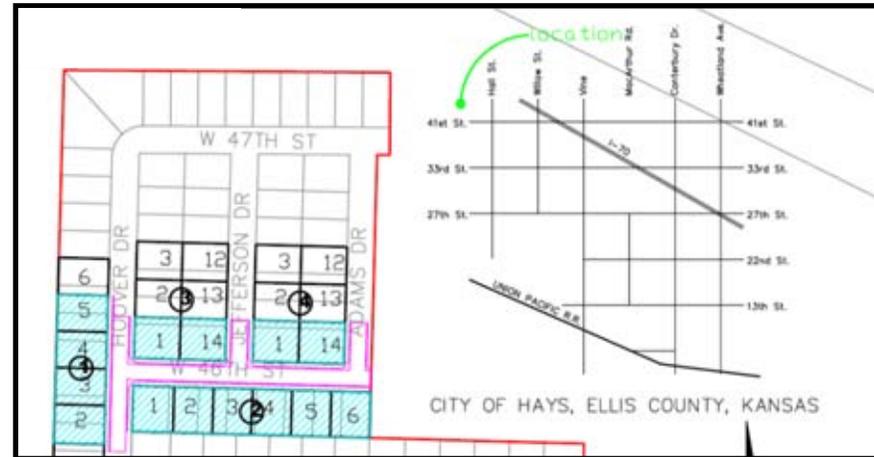
Property Appraised Value - \$13,660

Total Tax Revenue - \$151

### AFTER DEVELOPMENT (AVG)

Property Appraised Value - \$218,520

Total Tax Revenue - \$2,773



### PROPERTY TAX INCREMENT

**PRIOR TAX REVENUE - \$151**

**AFTER DEVELOPMENT TAX REVENUE - \$2,773**

**ANNUAL PROPERTY TAX INCREMENT - \$2,622**

**Total Development x 14 Lots \$36,708**

**TOTAL PROPERTY TAX INCREMENT X15 YR = \$550,620**

---

**DEVELOPMENT AGREEMENT**

**by and between the**

**CITY OF VICTORIA, KANSAS**

**and**

**WESTERN PLAINS SERVICE CORPORATION**

**DATED AS OF JULY 19, 2010**

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## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (the "Agreement") is entered into by and between the **CITY OF VICTORIA, KANSAS**, a municipal corporation duly organized and existing under the laws of the State of Kansas as a city of the third class (the "City"), and **WESTERN PLAINS SERVICE CORPORATION**, a corporation organized and existing under the laws of the State of Kansas (the "Developer," and together with the City, the "Parties"), and is dated as of July 19, 2010.

### RECITALS

**WHEREAS**, on July 19, 2010, the City adopted an ordinance creating a Rural Housing Incentive District (the "District") pursuant to K.S.A. 12-5241 *et seq.* (the "Act"); and

**WHEREAS**, the Development Plan for the Victoria Knights Rural Housing Incentive District dated May 2010 proposes that certain public improvements will be constructed within the District; and

**WHEREAS**, the City and the Developer desire to enter into this Agreement to address issues related to construction and financing of the Improvements.

**NOW, THEREFORE**, in consideration of the foregoing, and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

### ARTICLE I

#### DEFINITIONS AND RULES OF CONSTRUCTION

**Section 1.01. Rules of Construction.** For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement.

- A. The terms defined in this Article include the plural as well as the singular.
- B. All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.
- C. All references herein to "generally accepted accounting principles" refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms.
- D. All references in this instrument to designated "Articles," "Sections" and other subdivisions are to be the designated Articles, Sections and other subdivisions of this instrument as originally executed.
- E. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.
- F. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

G. The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section. The provisions of the Development Plan, the District Proceedings, and the provisions of the Act, as amended, are hereby incorporated herein by reference and made a part of this Agreement, subject in every case to the specific terms hereof.

**Section 1.02. Definitions of Words and Terms.** Capitalized words used in this Agreement shall have the meanings set forth in the Recitals to this Agreement or they shall have the following meanings:

**“Act”** means the Rural Housing Incentive District Act, K.S.A. 12-5241 *et seq.*, as amended and supplemented from time to time.

**“Agreement”** means this Development Agreement, as amended as supplemented from time to time.

**“Applicable Law and Requirements”** means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by Governmental Authorities.

**“Certificate of Improvement Costs”** means a certificate relating to Improvement Costs in substantially the form attached hereto as Exhibit A.

**“Certificate of Full Completion”** means a certificate evidencing Full Completion of the Improvements, in substantially the form attached hereto as Exhibit B.

**“City”** means the City of Victoria, Kansas.

**“City Event of Default”** means any event or occurrence defined in Section 7.02 of this Agreement.

**“City Representative”** means the Mayor of the City, and such other person or persons at the time designated to act on behalf of the City in matters relating to this Agreement.

**“Construction Plans”** means plans, drawings, specifications and related documents, and construction schedules for the construction of the Improvements, together with all supplements, amendments or corrections, submitted by the Developer and approved by the City in accordance with this Agreement.

**“Developer”** means Western Plains Service Corporation, a corporation organized and existing under the laws of the State of Kansas, and any successors and assigns approved pursuant to this Agreement.

**“Developer Event of Default”** means any event or occurrence defined in Section 7.01 of this Agreement.

**“Developer Representative”** means Chris Dreiling or Chris Wentz and such other person or persons at the time designated to act on behalf of the Developer in matters relating to this Agreement as evidenced by a written certificate furnished to the City containing the specimen signature of such person or persons and signed on behalf of the Developer.

**“Development Plan”** means the Development Plan for the Victoria Knights Rural Housing Incentive District dated May 2010.

**“District”** means the rural housing incentive district to be established by the governing body of the City pursuant to the Act.

**“District Proceedings”** means any of the proceedings of the governing body of the City creating the District.

**“Excusable Delays”** means any delay beyond the reasonable control of the Party affected, caused by damage or destruction by fire or other casualty, power failure, strike, shortage of materials, unavailability of labor, delays in the receipt of Permitted Subsequent Approvals as a result of unreasonable delay on the part of the applicable Governmental Authorities, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of all or any portion of the Improvements in accordance with this Agreement, which in fact prevents the Party so affected from discharging its respective obligations hereunder.

**“Governmental Approvals”** means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, architectural review or other subdivision, zoning or similar approvals required for the implementation of the Improvements and consistent with this Agreement.

**“Governmental Authorities”** means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any type of any governmental unit (federal, state or local) whether now or hereafter in existence.

**“Improvement Costs”** means the costs of the Improvements plus interest at a rate of 4.25% per annum from the date such costs are approved by the City pursuant to **Section 4.05**.

**“Improvements”** means the construction of the public facilities described in the Development Plan and approved by the City pursuant to **Section 3.01**.

**“Permitted Subsequent Approvals”** means the building permits and other governmental approvals customarily obtained prior to construction which have not been obtained on the date that this Agreement is executed, which the City or other governmental entity has not yet determined to grant.

**“Plans”** means site plans, Construction Plans and all other Governmental Approvals necessary to construct the Improvements in accordance with City code, applicable laws of Governmental Authorities and this Agreement.

**“Project”** means the development of the District, as described in the District Plan.

**“Property Tax Increments”** means incremental property tax revenues generated from real property within the District and paid to the City pursuant to the Act.

**“Related Entity”** means any individual or legal entity related to the Developer, determined in accordance with federal tax regulations.

“Victoria Knights Rural Housing Incentive District” means the District established by the governing body of the City pursuant to the Act and Ordinance No. \_\_\_\_\_.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

**Section 2.01 Representations of City.** The City makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. The City has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the City, enforceable in accordance with its terms.

B. No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

C. No Litigation. There is no litigation, proceeding or investigation pending or, to the knowledge of the City, threatened against the City with respect to the District Proceedings or this Agreement. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the City, threatened against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of the terms and provisions of this Agreement.

D. Governmental or Corporate Consents. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement.

E. No Default. No default or City Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the City under this Agreement.

### **Section 2.02. Representations of the Developer.**

The Developer makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings of the Developer. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Developer, enforceable in accordance with its terms.

B. No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

C. No Litigation. No litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Improvements, the Project, the Developer or any officer, director, member or shareholder of the Developer. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer, of the terms and provisions of this Agreement.

D. No Material Change. (1) The Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Agreement and (2) there has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could affect the Developer's ability to perform its obligations pursuant to this Agreement.

E. Governmental or Corporate Consents. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution, delivery and performance by the Developer of this Agreement, other than Permitted Subsequent Approvals.

F. No Default. No default or Developer Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Developer under this Agreement, or any other material agreement or material instrument to which the Developer is a party or by which the Developer is or may be bound.

G. Approvals. Except for Permitted Subsequent Approvals, the Developer has received and is in good standing with respect to all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and to continue to conduct its business as heretofore conducted by it and to own or lease and operate its properties as now owned or leased by it. Except for Permitted Subsequent Approvals, the Developer has obtained all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Improvements. The Developer reasonably believes that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will be obtained in due course.

H. Construction Permits. Except for Permitted Subsequent Approvals, all governmental permits and licenses required by applicable law to construct, occupy and operate the Improvements have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Developer reasonably believes, after due inquiry of the appropriate governmental officials, that such permits and licenses will be issued in a timely manner in order to permit the Improvements to be constructed.

I. Compliance with Laws. The Developer is in compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental

authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement.

J. Other Disclosures. The information furnished to the City by the Developer in connection with the matters covered in this Agreement are true and correct and do not contain any untrue statement of any material fact and do not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

### ARTICLE III

#### CONSTRUCTION OF IMPROVEMENTS

##### Section 3.01. Design and Engineering of the Improvements.

A. The Developer shall submit to the City for approval Construction Plans for the Improvements pursuant to City Code. All Improvements shall be designed, engineered, constructed, and installed in accordance with all Applicable Law and Requirements of the City. The Construction Plans shall be in sufficient completeness and detail to show that construction will be in conformance with the Development Plan, the District Proceedings and this Agreement. All plans, specifications, contracts and change orders related to the Improvements shall be approved by the City Engineer.

B. All costs associated with the preparation of the Plans for the Improvements shall be paid by the Developer, but shall be reimbursable from Property Tax Increments in the manner provided by Article IV hereof.

C. Any firm preparing Plans for the Improvements shall receive prior written approval of the City Engineer on behalf of the City.

**Section 3.02. Construction of the Improvements.** All Improvements shall be designed, engineered and constructed by the Developer as agent for the City. The Developer agrees that all construction, improvement, equipping, and installation of the Improvements shall be done in accordance with the Development Plan, the District Proceedings, Construction Plans and related documents to be approved by the City in compliance with City Code. The Developer, as agent for the City, shall comply with the following requirements:

A. Construction Permits and Approvals. Before commencement of construction or development of any work or Improvements, the Developer shall, at its own expense, secure or cause to be secured any and all permits and approvals which may be customarily required by the City and any other governmental agency having jurisdiction as to such construction, development or work. The City shall cooperate with and provide all usual assistance to the Developer in securing these permits and approvals, and shall diligently process, review and consider all such permits and approvals as may be required by law; except provided that the City shall not be required to issue any such permits or approval for any portion of the Improvements not in conformance with the Development Plan or this Agreement.

B. Engineer's Estimate. Before the Developer shall enter into any contract for the Improvements, an estimate of the cost of the Improvements shall be prepared by the City Engineer and submitted to the City Council. The Developer shall not enter into any contract for construction of the Improvements if the price exceeds the amount set forth in such estimate of the City Engineer.

C. Bonds. The Developer or the Developer's contractor(s) shall provide for all public works bonds required by K.S.A. 60-1111 and any other performance and/or payment bonds reasonably required by the City prior to the commencement of construction of the Improvements. The premiums for such bonds shall constitute costs chargeable to the District. The Developer shall indemnify the City and its officers and employees for any damage resulting from failure of the Developer to provide the bonds set forth in this subsection.

D. Antidiscrimination During Construction. The Developer, for itself, its successors and assigns, and any contractor with whom the Developer has contracted for the performance of work on the Improvements, agrees that in the construction, renovation, improvement, equipping, repair and installation of the Improvements provided for in this Agreement, the Developer shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, disability, national origin or ancestry.

**Section 3.03. Dedication of Improvements.** The Improvements will be dedicated to the City once the Improvements are completed. The Parties acknowledge that any Improvements which remain private in nature cannot be financed under the Act, and cannot be paid for with Property Tax Increments. The City shall not be obligated to accept dedication of any Improvements until the City has verified that the applicable Improvements have been built in accordance with all Applicable Law and Requirements; until the City has verified that the Improvements have been built in accordance with the specifications approved by it; and until the City has issued a Certificate of Full Completion for the Improvements to be dedicated.

**Section 3.04. Completion of Improvements.**

A. Development Schedule. The Developer shall commence construction of the Improvements in good and workmanlike manner in accordance with the terms of this Agreement. Such construction shall commence within two years of the date of this Agreement. The Developer shall cause the Improvements to be completed with due diligence. Upon reasonable advance notice, the Developer shall meet with the City to review and discuss the design and construction of the Improvements in order to enable the City to monitor the status of construction and to determine that the Improvements are being performed and completed in accordance with this Agreement.

B. Continuation and Completion. Subject to Excusable Delays, once the Developer has commenced construction of the Improvements, the Developer shall not permit cessation of work on the Improvements for a period in excess of 45 consecutive days or 90 days in the aggregate without prior written consent of the City.

C. No Waiver. Nothing in this Agreement shall constitute a waiver of the City's right to consider and approve or deny Governmental Approvals pursuant to the City's regulatory authority as provided by City Code and applicable state law.

**Section 3.05. Rights of Access.** Representatives of the City shall have the right of access to the Improvements, without charges or fees, at normal construction hours during the period of construction, for the purpose of ensuring compliance with this Agreement, including, but not limited to, the inspection of the work being performed in constructing, renovating, improving, equipping, repairing and installing the Improvements, so long as they comply with all safety rules. Representatives of the City shall conduct all inspections the City deems necessary to ensure the Developer's construction of the Improvements in accordance with the Construction Plans and City Code. Except in case of emergency, prior to any such access, such representatives of the City will check in with the on-site manager. Such representatives of the City shall carry proper identification, shall insure their own safety, assuming the risk of injury, and shall not interfere with the construction activity.

**Section 3.06. Certificate of Full Completion.**

A. Promptly after completion of the Improvements in accordance with the provisions of this Agreement, the Developer may submit a Certificate of Full Completion to the City. The Certificate of Full Completion shall be in substantially the form attached as Exhibit B. The City shall, within ten (10) days following delivery of the Certificate of Full Completion, complete such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Full Completion. The City's execution of the Certificate of Full Completion shall constitute evidence of the satisfaction of the Developer's agreements and covenants to construct the Improvements.

B. The City shall have the right to withhold delivery of the Certificate of Full Completion until such time as the Developer has completed the Improvements in accordance with the Construction Plans, and all Applicable Law and Requirements.

**ARTICLE IV**

**REIMBURSEMENT OF IMPROVEMENT COSTS**

**Section 4.01. Improvement Costs, Generally.** In consideration for the Developer's agreement to construct the Improvements, the City agrees to reimburse the Developer on a Pay As You Go basis for Improvement Costs, subject to the terms of the District Proceedings, the Act, and this Agreement. The City shall only be obligated to reimburse the Developer from the Property Tax Increment deposited in the Victoria Knights RHID Fund.

**Section 4.02. Victoria Knights RHID.**

A. Creation of Fund; Deposit of Property Tax Increment. The City shall establish and maintain a separate fund and account known as the Victoria Knights RHID Fund (the "Victoria Knights RHID Fund"). All Property Tax Increment shall be deposited into the Victoria Knights RHID Fund.

B. Disbursements from Fund. The City shall have sole control of the disbursements from the Victoria Knights RHID Fund. Such disbursements shall be made in the following manner and order of preference:

1. Payment to the City of an annual administrative service fee equal to \$100 each calendar year.
2. Reimbursement of Improvement Costs incurred by the Developer. Such amounts shall be paid by the City on each March 1 and August 1. Each payment shall be first credited toward actual Improvement Costs as certified to the City, and then credited to interest on such actual costs.

**Section 4.03. Developer to Advance Costs.** The Developer agrees to advance all Improvement Costs as necessary to complete the Improvements.

**Section 4.04. City's Obligation to Reimburse Developer.** Subject to the terms of this Agreement, Developer shall be reimbursed for Improvement Costs only from the Victoria Knights RHID Fund as Property Tax Increment is collected in the Victoria Knights RHID Fund (the "Pay As You Go" method, as further set forth in Section 4.02). The City shall have no obligation to reimburse Developer unless and until Property Tax Increment is deposited in the Victoria Knights RHID Fund pursuant to the Act.

The Parties agree that all reimbursement to the Developer shall be made only from the Property Tax Increment and not from any other source. Nothing in this Agreement shall obligate the City to reimburse Developer for any cost that is not an Improvement Cost.

**Section 4.05. Developer Reimbursement Process.**

A. All requests for reimbursement and/or payment of Improvement Costs shall be made in a Certificate of Improvement Costs in substantial compliance with the form attached hereto as Exhibit A. Only one request for reimbursement shall be submitted by the Developer to the City and such request shall be submitted within 30 days after the Certificate of Full Completion is executed by the City. The Developer shall provide itemized invoices, receipts or other information reasonably requested, if any, to confirm that any such cost has been paid and qualifies as an Improvement Cost, and shall further provide a summary sheet detailing the costs requested to be reimbursed. Such summary sheet shall show the date such cost was paid by the Developer, the payee, a brief description of the type of cost paid, the amount paid. The Developer shall provide such additional information as reasonably requested by the City to confirm that such costs have been paid and qualify as Improvement Costs.

B. The City reserves the right to have its engineer or other agents or employees inspect all work in respect of which a Certificate of Improvement Costs is submitted, to examine the Developer's and others' records relating to all expenses related to the invoices to be paid, and to obtain from such parties such other information as is reasonably necessary for the City to evaluate compliance with the terms hereof.

C. The City shall have 30 calendar days after receipt of the Certificate of Improvement Costs to review and respond by written notice to the Developer. If the submitted Certificate of Improvement Costs and supporting documentation demonstrates that (1) the request relates to the Improvement Costs; (2) the expense has been paid or is due and owing to a third party; (3) Developer is not in material default under this Agreement; and (4) there is no fraud on the part of the Developer, then the City shall approve the Certificate of Improvement Costs and make, or cause to be made, reimbursement from the Victoria Knights RHID Fund in accordance with Section 4.02 and Section 4.04. If the City reasonably disapproves of the Certificate of Improvement Costs, the City shall notify the Developer in writing of the reason for such disapproval within such 30-day period. Approval of the Certificate of Improvement Costs will not be unreasonably withheld, conditioned or delayed.

**Section 4.06. Right to Inspect and Audit.** The Developer agrees that, up to one year after completion of the Improvements, the City, with reasonable advance notice and during normal business hours, shall have the right and authority to review, audit, and copy, from time to time, all the Developer's books and records relating to the Improvement Costs (including, but not limited to, all general contractor's sworn statements, general contracts, subcontracts, material purchase orders, waivers of lien, paid receipts and invoices).

**ARTICLE VII**

**ASSIGNMENT; TRANSFER**

**Section 5.01. Transfer of Obligations.**

A. The rights, duties and obligations of the Developer contained herein may not be assigned, in whole or in part, to another entity, without the prior approval of the City Council by resolution following verification by the City Attorney that the assignment complies with the terms of this Agreement. Any proposed assignee shall have qualifications and financial responsibility, as reasonably determined by the

Mayor, necessary and adequate to fulfill the obligations of the Developer with respect to the portion of the District being transferred. Any proposed assignee shall, by instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the City, assume all of the obligations of the Developer under this Agreement and agree to be subject to all the conditions and restrictions to which the Developer is subject (or, in the event the transfer is of or relates to a portion of the District, such obligations, conditions and restrictions to the extent that they relate to such portion). The Developer shall not be relieved from any obligations set forth herein unless and until the City specifically agrees to release the Developer.

B. The Parties' obligations pursuant to this Agreement, unless earlier satisfied, shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties as if they were in every case specifically named and shall be construed as a covenant running with the land, enforceable against the purchasers or other transferees as if such purchaser or transferee were originally a party and bound by this Agreement. Notwithstanding the foregoing, no tenant of any part of the District shall be bound by any obligation of the Developer solely by virtue of being a tenant; provided, however, that no transferee or owner of property within the District except the Developer shall be entitled to any rights whatsoever or claim upon any rights of the Developer to reimbursement of Improvement Costs as set forth herein, except as specifically authorized in writing by the Developer.

## ARTICLE VI

### GENERAL COVENANTS

#### Section 6.01. Indemnification of City.

A. Developer agrees to indemnify and hold the City, its employees, agents and independent contractors and consultants (collectively, the "City Indemnified Parties") harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, judgments, costs and/or expenses, including court costs and reasonable attorneys fees, resulting from, arising out of, or in any way connected with:

1. the Developer's actions and undertaking in implementation of the Improvements or this Agreement; and
2. the negligence or willful misconduct of Developer, its employees, agents or independent contractors and consultants in connection with the management, design, development, redevelopment and construction of the Improvements.
3. any delay or expense resulting from any litigation filed against the Developer by any member or shareholder of the Developer, any prospective investor, prospective partner or joint venture partner, lender, co-proposer, architect, contractor, consultant or other vendor.

This section shall not apply to willful misconduct or negligence of the City or its officers, employees or agents, independent contractors or consultants. This section includes, but is not limited to, any repair, cleanup, remediation, detoxification, or preparation and implementation of any removal, remediation, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes including petroleum and its fractions as defined in (i) the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"; 42 U.S.C. Section 9601, et seq.), (ii) the Resource Conservation and Recovery Act ("RCRA"; 42 U.S.C. Section 6901 et seq.) and (iii) Article 34, Chapter 65, K.S.A. and all amendments thereto, at any place where Developer owns or has control of real property pursuant to any of Developer's activities under this

Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107 (e) of CERCLA to assure, protect, hold harmless and indemnify City from liability.

B. In the event any suit, action, investigation, claim or proceeding (collectively, an "Action") is begun or made as a result of which the Developer may become obligated to one or more of the City Indemnified Parties hereunder, any one of the City Indemnified Parties shall give prompt notice to the Developer of the occurrence of such event.

C. The right to indemnification set forth in this Agreement shall survive the termination of this Agreement.

**Section 6.02. Insurance.** During construction of the Improvements, the Developer or its agents shall maintain insurance in favor of the City against all such risks and in such amounts, with such deductible provisions as are customary with connection with the construction of similar improvements.

**Section 6.03. Non-liability of Officials, Employees and Agents of the City.** No recourse shall be had for the reimbursement of the Improvement Costs or for any claim based thereon or upon any representation, obligation, covenant or agreement contained in this Agreement against any past, present or future official, officer, employee or agent of the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officials, officers, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

## ARTICLE VII

### DEFAULTS AND REMEDIES

**Section 7.01. Developer Event of Default.** Except as further provided herein, and subject to Section 7.05, a "Developer Event of Default" shall mean a default in the performance of any obligation or breach of any covenant or agreement of the Developer in this Agreement (other than a covenant or agreement, a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of 30 days after City has delivered to Developer a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the Developer is diligently attempting to remedy such default or breach, such default or breach shall not constitute an event of default if the Developer shall promptly upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

**Section 7.02. City Event of Default.** Subject to Section 7.05, a "City Event of Default" shall mean default in the performance of any obligation or breach of any other covenant or agreement of the City in this Agreement (other than a covenant or agreement, a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of 30 days after there has been given to the City by the Developer a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the City is diligently attempting to remedy such default or breach, such default or breach shall not constitute an event of default if the City shall immediately upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

**Section 7.03. Remedies Upon a Developer Event of Default.**

A. Upon the occurrence and continuance of a Developer Event of Default, the City shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

1. The City shall have the right to terminate this Agreement or terminate the Developer's rights under this Agreement.

2. The City may pursue any available remedy at law or in equity (including specific performance) by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the Developer as set forth in this Agreement, to enforce or preserve any other rights or interests of the City under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the City resulting from such Developer Event of Default.

B. Upon any Developer Event of Default, the City shall have no obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

C. If the City has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the City, then and in every case the City and the Developer shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the City shall continue as though no such proceeding had been instituted.

D. The exercise by the City of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the City shall apply to obligations beyond those expressly waived.

E. Any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Section shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the City of any specific default by the Developer shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.

**Section 7.04. Remedies Upon a City Event of Default.**

A. Upon the occurrence and continuance of a City Event of Default, the Developer shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

1. The Developer shall have the right to terminate the Developer's obligations under this Agreement;

2. The Developer may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the City as set forth in this Agreement, to enforce or preserve any other rights or interests of the Developer under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the Developer resulting from such City Event of Default.

B. If the Developer has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Developer, then and in every case the Developer and the City shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the Developer shall continue as though no such proceeding had been instituted.

C. The exercise by the Developer of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the Developer shall apply to obligations beyond those expressly waived.

D. Any delay by the Developer in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this paragraph shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the Developer of any specific default by the Developer shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.

**Section 7.05. Excusable Delays.** Neither the City nor the Developer shall be deemed to be in default of this Agreement because of an Excusable Delay.

**Section 7.06. Legal Actions.** Any legal actions related to or arising out of this Agreement must be instituted in the District Court of Ellis County, Kansas or, if federal jurisdiction exists, in the United States District Court for the District of Kansas.

## ARTICLE VIII

### GENERAL PROVISIONS

**Section 8.01. Mutual Assistance.** The City and the Developer agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be reasonably necessary or appropriate to carry out the terms, provisions and intent of this Agreement and to reasonably aid and assist each other in carrying out said terms, provisions and intent. Each party agrees that all actions to be taken by it under this Agreement shall be taken diligently and in good faith.

**Section 8.02. Effect of Violation of the Terms and Provisions of this Agreement; No Partnership.** The City is deemed the beneficiary of the terms and provisions of this Agreement, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The Agreement shall run in favor of the City, without regard to whether the City has been, remains or is an owner of any land or interest therein in the Improvements or the District. The City shall have the right, if the Agreement or covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants may be entitled. Nothing contained herein shall be construed as creating a partnership between the Developer and the City.

**Section 8.03. Time of Essence.** Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

**Section 8.04. Amendments.** This Agreement may be amended only by the mutual consent of the Parties, by the adoption of a resolution of the City approving said amendment, as provided by law, and by the execution of said amendment by the Parties or their successors in interest.

**Section 8.05. Agreement Controls.** The Parties agree that the District will be implemented as agreed in this Agreement. This Agreement specifies the rights, duties and obligations of the City and Developer with respect to constructing the Improvements and the payment of Improvement Costs. The Parties further agree that this Agreement contains provisions that are in greater detail than as set forth in the Development Plan and the District Proceedings. Nothing in this Agreement shall be deemed an amendment of the District Proceedings. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.

**Section 8.06. Conflicts of Interest.**

A. No member of the City's governing body or of any branch of the City's government that has any power of review or approval of any of the Developer's undertakings shall participate in any decisions relating thereto which affect such person's personal interest or the interests of any corporation or partnership in which such person is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the City the nature of such interest and seek a determination with respect to such interest by the City and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

B. The Developer warrants that it has not paid or given and will not pay or give any officer, employee or agent of the City any money or other consideration for obtaining this Agreement. The Developer further represents that, to its best knowledge and belief, no officer, employee or agent of the City who exercises or has exercised any functions or responsibilities with respect to the Improvements during his or her tenure, or who is in a position to participate in a decision making process or gain insider information with regard to the Improvements, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Improvements, or in any activity, or benefit therefrom, which is part of the Improvements at any time during or after such person's tenure.

**Section 8.07. Term.** Unless earlier terminated as provided herein, this Agreement shall remain in full force and effect until such time as all Improvement Costs, together with any interest thereon, are paid in full.

**Section 8.08. Validity and Severability.** It is the intention of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of State of Kansas, and that the unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable.

**Section 8.09. Required Disclosures.** The Developer shall immediately notify the City of the occurrence of any material event which would cause any of the information furnished to the City by the Developer in connection with the matters covered in this Agreement to contain any untrue statement of any material fact or to omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

**Section 8.10. Tax Implications.** The Developer acknowledges and represents that (1) neither the City nor any of its officials, employees, consultants, attorneys or other agents has provided to the Developer any advice regarding the federal or state income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (2) the Developer is relying solely upon its own tax advisors in this regard.

**Section 8.11. Authorized Parties.** Whenever under the provisions of this Agreement and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the City or the Developer is required, or the City or the Developer is required to agree or to take some action at the request of the other Party, such approval or such consent or such request shall be given for the City, unless otherwise provided herein, by the City Representative and for the Developer by any officer of Developer so authorized; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither Party shall have any complaint against the other as a result of any such action taken. The City Representative may seek the advice, consent or approval of the City Council before providing any supplemental agreement, request, demand, approval, notice or consent for the City pursuant to this Section.

**Section 8.12. Notice.** All notices and requests required pursuant to this Agreement shall be sent as follows:

To the City:

City Clerk  
City of Victoria  
1005 Fourth  
Victoria, Kansas 67671

To the Developer:

Western Plains Service Corporation  
1101 E. 27<sup>th</sup> Street  
Hays, Kansas 67601

or at such other addresses as the Parties may indicate in writing to the other either by personal delivery, courier, or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall be deemed effective on the third day after mailing; all other notices shall be effective when delivered.

**Section 8.13. Kansas Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

**Section 8.14. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

**Section 8.15. Consent or Approval.** Except as otherwise provided in this Agreement, whenever the consent, approval or acceptance of either Party is required hereunder, such consent, approval or acceptance shall not be unreasonably withheld, conditioned or unduly delayed.

**[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**

THIS AGREEMENT has been executed as of the date first hereinabove written.

CITY OF VICTORIA, KANSAS

By: Curtis B. Unrein, Mayor  
Mayor

(SEAL)

ATTEST:

Mary Pfeifer  
City Clerk

STATE OF KANSAS            )  
  ) SS.  
COUNTY OF ELLIS         )

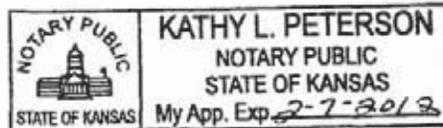
On JULY 21, 2010, before me, the undersigned, a Notary Public in and for said state, personally appeared CURTIS B. UNREIN and MARY PFEIFER, proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument as Mayor and City Clerk, respectively, of the CITY OF VICTORIA, KANSAS, the city of the third class therein named, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Kathy L. Peterson  
Notary Public

My commission expires:

2-7-2012



THIS AGREEMENT has been executed as of the date first hereinabove written.

**WESTERN PLAINS SERVICE CORPORATION**

a Kansas corporation

By [Signature]  
Title: President

STATE OF KANSAS )  
 ) SS.  
COUNTY OF ELLIS )

On JULY 23, 2010, before me, the undersigned, a Notary Public in and for said State, personally appeared JAMES DESBIEN, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument as members of Western Plains Service Corporation and acknowledged to me that they executed the same in their authorized capacities, and that by such person's signature on the instrument the entity upon behalf of which such persons acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]  
Notary Public

My commission expires:

8-30-2013

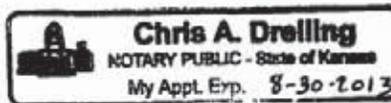


EXHIBIT A

FORM OF CERTIFICATE OF IMPROVEMENT COSTS

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CERTIFICATE OF IMPROVEMENT COSTS

TO: City of Victoria, Kansas  
Attention: City Clerk

Re: Victoria Knights RHID

*Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement dated as of July 19, 2010 (the "Agreement") between the City and the Developer.*

In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on *Schedule 1* hereto is an Improvement Cost and was incurred in connection with the construction of the Improvements after July 19, 2010 [*INSERT DATE DISTRICT CREATED BY ORDINANCE*].
2. These Improvement Costs are reimbursable under the District Proceedings, the Act and the Agreement.
3. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
4. All necessary permits and approvals required for the work for which this certificate relates were issued and were in full force and effect at the time such work was being performed.
5. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.
6. The Developer is not in default or breach of any term or condition of the Agreement, and no event has occurred and no condition exists which constitutes a Developer Event of Default under the Agreement.
7. All of the Developer's representations set forth in the Agreement remain true and correct as of the date hereof.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**WESTERN PLAINS SERVICE CORPORATION,**  
a Kansas corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Approved for Payment this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_:

**CITY OF VICTORIA, KANSAS**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT B**

**FORM OF CERTIFICATE OF FULL COMPLETION**

*Pursuant to **Section 4.07** of the Agreement, the City shall, within ten (10) days following delivery of this Certificate, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in this Certificate.*

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**CERTIFICATE OF FULL COMPLETION**

The undersigned, **WESTERN PLAINS SERVICE CORPORATION** (the "**Developer**"), pursuant to that certain Development Agreement dated as of July 19, 2010, between the **CITY OF VICTORIA, KANSAS** (the "**City**") and the Developer (the "**Agreement**"), hereby certifies to the City as follows:

1. That as of \_\_\_\_\_, 20\_\_\_, the construction of all Improvements related to the District (as such terms are defined in the Agreement) have been completed in accordance with the Agreement.
2. The Improvements related to the District have been completed in a workmanlike manner and in accordance with the Construction Plans (as those terms are defined in the Agreement).
3. Lien waivers for applicable portions of the Improvements have been obtained, or, to the extent that a good faith dispute exists with respect to the payment of any construction cost with respect to the Improvements, Developer has provided the City with a bond or other security reasonably acceptable to the City.
4. This Certificate of Full Completion is being issued by the Developer to the City in accordance with the Agreement to evidence the Developer's satisfaction of all obligations and covenants with respect to the construction of the Improvements.
5. The City's acceptance shall evidence the satisfaction of the Developer's agreements and covenants to construct the Improvements.

This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**WESTERN PLAINS SERVICE CORPORATION**  
a Kansas corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ACCEPTED:**

**CITY OF VICTORIA, KANSAS**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



# CITY OF HAYS

## AGENDA ITEM COVER SHEET

COMMISSION AGENDA ITEM NO. 20

MEETING DATE: 6-13-13

**TOPIC:**

41<sup>st</sup> Street Right of Way – Smoky Hill Country Club

**ACTION REQUESTED:**

Consider authorizing staff to offer \$29,688.40 to Smoky Hill Country Club and take such actions necessary to acquire a temporary construction easement and permanent drainage easement required for the reconstruction of 41<sup>st</sup> Street, to be funded from the Capital Projects Fund.

**NARRATIVE:**

The Governing Body is asked to consider approval of an offer for the acquisition of a temporary construction easement and a permanent drainage easement from the Smoky Hill Country Club for the proposed reconstruction of 41<sup>st</sup> Street from the US-183 by-pass to Hall Street. Offers have already been made for other simple and uncomplicated acquisitions along 41<sup>st</sup> Street. Staff recommends offering \$29,688.40 to Smoky Hill Country Club for the acquisition of the easements and compensation for damages related to the proposed construction.

**PERSON/STAFF MEMBER(S) MAKING PRESENTATION:**

Toby Dougherty, City Manager  
I.D. Creech, Director of Public Works

**ADMINISTRATION RECOMMENDATION:**

City staff recommends paying \$29,688.40 to Smoky Hill Country Club for the easements and Cost-to-Cure damages.

**COMMITTEE RECOMMENDATION(S):**

N/A

**ATTACHMENTS:**

Staff Memo  
Map(s)

# Memo

To: Toby Dougherty, City Manager

From: John Braun, Assistant Director of Public Works

**cc:** I.D. Creech, Director of Public Works  
Paul Briseno, Assistant City Manager  
Project File (2008-03)

Date: June 7, 2013

Re: 41<sup>st</sup> Street Right of Way – Smoky Hill Country Club

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## **Summary**

The Governing Body is asked to consider approval of an offer for the acquisition of a temporary construction easement and a permanent drainage easement from the Smoky Hill Country Club for the proposed reconstruction of 41<sup>st</sup> Street from the US-183 by-pass to Hall Street. Offers have already been made for other simple and uncomplicated acquisitions along 41<sup>st</sup> Street. Staff recommends offering \$29,688.40 to Smoky Hill Country Club for the acquisition of the easements and compensation for damages related to the proposed construction.

## **Background**

The reconstruction of 41<sup>st</sup> Street from US-183 By-pass to Hall Street is scheduled for construction in 2014. In order to accomplish the project, additional right of way and temporary construction easements are required. The project is funded in part by the Federal Highway Administration; therefore, the Uniform Relocation Assistance, and Real Property Acquisition Policies Act of 1970 must be followed in the right of way acquisition for these projects.

Staff previously secured authority to make offers for other simple and uncomplicated properties. The remaining tracts from Smoky Hill Country are more complicated

properties that required a formal appraisal and review appraisal as well as a higher compensation to the property owner.

### **Discussion**

The Smoky Hill Country Club Tracts are labeled 13a and 13b. Tract 13a is a Temporary Construction Easement required to grade across the Fairway to allow for property drainage of stormwater from the culvert under 41<sup>st</sup> Street between Fillmore and Harrison. It also allows for some trimming of the lower branches of the wind break to allow for effective construction of the street improvements. Tract 13b is a Permanent Drainage easement allowing for the installation and future maintenance of erosion control material at the discharge of the stormwater culvert. Cost-to-Cure compensation involves for the removal of four (4) mature cedar trees, the restoration of irrigation and sod in areas disturbed by grading across the fairway, and other damages to Country Club property.

The total cost of the proposed compensation to Smoky Hill Country Club is \$29,688.40

### **Legal Consideration**

This process is intended to be in compliance with the federal law, and an appraiser was hired to determine the fair market value. The offers are for the full amount of that value to comply with statute. We are starting with a full price offer, which is required by federal law because of the federal funding for the project.

This project has no tenant occupied properties, which would require special consideration. There are no legal obstacles to proceeding as recommended by City Staff.

### **Financial Consideration**

Including the \$29,688.40 for Smoky Hill Country Club easements, the total amount spent/committed thus far for property acquisition is just shy of \$61,000, which is still less than the amount originally budgeted for Property Acquisition.

Estimated costs associated with the 41<sup>st</sup> Street Project are detailed below:

	Total Cost	City Share	KDOT Share
Design Engineering:	\$ 240,317	\$ 240,317	
Property Acquisition:	\$ 61,000	\$ 61,000	
Construction (FPP):	\$3,364,500	\$ 676,500	\$2,688,000
Construction (SP Parks):	\$ 102,000	\$ 102,000	
Construction (Stormwater):	\$ 133,500	\$ 133,500	
Construction Engineering:	\$ 540,000	\$ 108,000	\$ 432,000
<b>Total</b>	<b>\$4,441,317</b>	<b>\$1,321,317</b>	<b>\$3,120,000</b>

## **Options**

The Commission has the following options:

Option 1: Authorize staff to offer \$29,688.40 to Smoky Hill Country Club and take such action necessary to acquire the easements.

Option 2: Provide alternate direction to staff.

## **Recommendation**

City staff recommends paying \$29,688.40 to Smoky Hill Country Club for the easements and Cost-to-Cure damages.

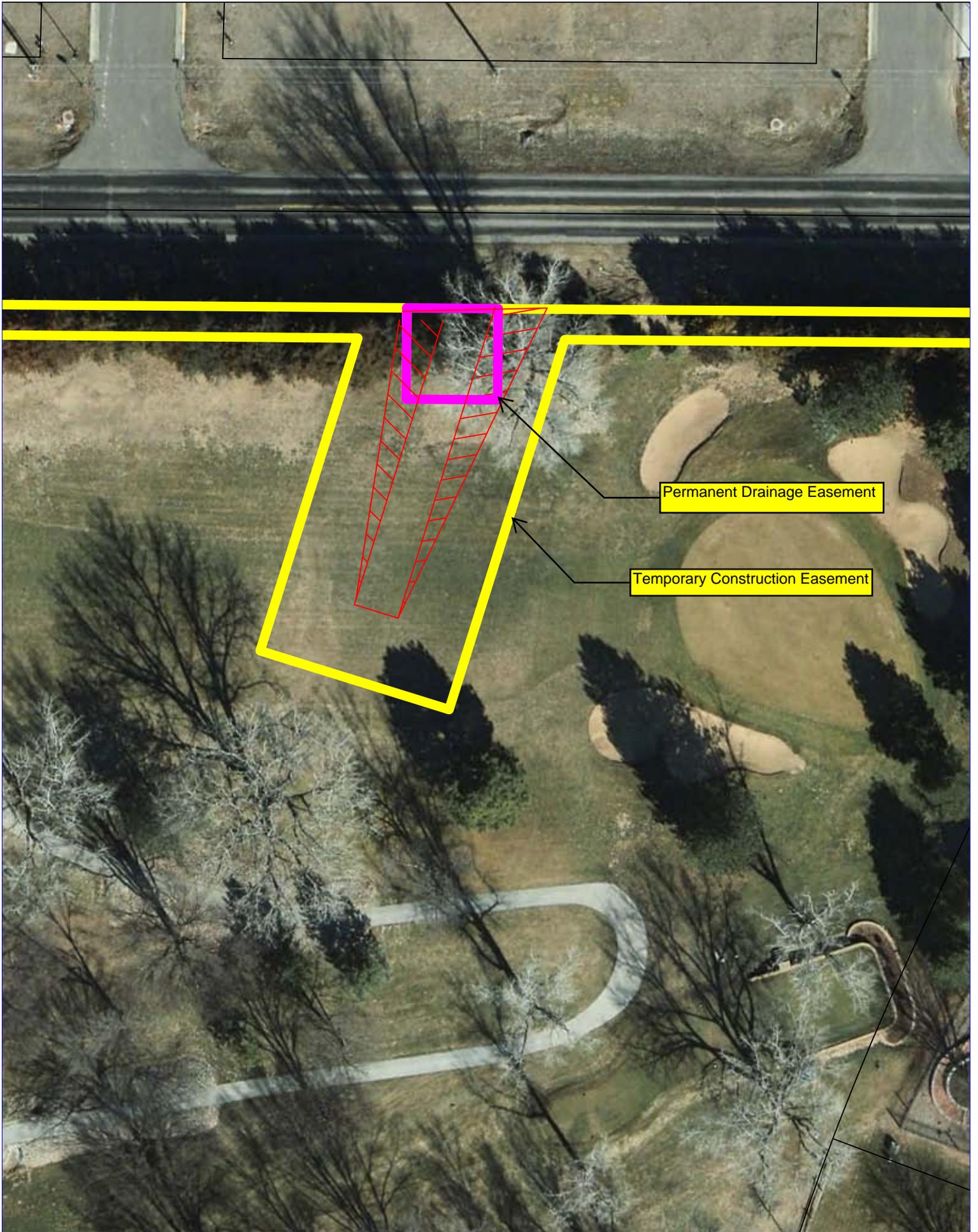
## **Action Requested**

Consider authorizing staff to offer \$29,688.40 to Smoky Hill Country Club and take such actions necessary to acquire a temporary construction easement and permanent drainage easement required for the reconstruction of 41st Street, to be funded from the Capital Projects Fund.

## **Supporting Documentation**

Map(s)





Permanent Drainage Easement

Temporary Construction Easement





## COMMISSION INFORMATIONAL MEMORANDUM

TO: City Commission  
FROM: Toby Dougherty, CPM  
City Manager  
DATE: June 4, 2013

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Attached are the following items:

1. The minutes of the April 15, 2013 meeting of the **Hays Area Planning Commission**.
2. The minutes of the April 29, 2013 meeting of the **Hays Housing Authority Board**.
3. The minutes of the May 6, 2013 meeting of the **Fort Hays Municipal Golf Course Advisory Board**.
4. The minutes of the May 6, 2013 meeting of the **Airport Advisory Committee**.
5. The **Great Lakes On-Time Report** for May 2013.

If you have any questions regarding this information, please do not hesitate to contact me.

ab



**HAYS AREA PLANNING COMMISSION  
CITY HALL IN COMMISSION CHAMBERS  
APRIL 15, 2013  
MINUTES  
6:30 P.M.**

**1. CALL TO ORDER:** The Hays Area Planning Commission met in regular session Monday, April 15, 2013 at 6:30 p.m. in Commission Chambers at City Hall. Chairman Larry Gould declared that a quorum was present and called the meeting to order.

**Present:** Larry Gould    Lou Caplan            Jim Fouts    Pam Rein  
                 Paul Phillips    Tom Denning            Jake Glover    Emery Jennings

**Absent:** Terry Claycamp

City Staff: John Braun, Assistant Director of Public Works, Jesse Rohr, Superintendent of Planning, Inspection and Enforcement, Nick Willis, Stormwater Superintendent and Administrative Secretary Linda K. Bixenman.

**2. MINUTES:** There were no additions or corrections to the minutes from the March 18, 2013 meeting that were approved by consensus.

**3. CITIZEN COMMENTS:** - None.

**4. CITY/COUNTY COMMISSION ACTION & PLANNING & DEVELOPMENT ISSUE UPDATES:** There were no updates from the City Commission meetings.

**5. REZONING CASE # 13-01 - PUBLIC HEARING FOR A REQUEST OF CHANGE OF ZONING CLASSIFICATION FROM "A-L" AGRICULTURE TO "C-2" GENERAL COMMERCIAL & SERVICE DISTRICT ON A TRACT OF LAND IN THE NW/4 OF S27-T13S-R18W OF THE 6<sup>TH</sup> P.M. - LOCATION IS EAST 41<sup>ST</sup> ST EAST OF SHERMAN AVE (2.186 ACRES):** Jesse Rohr presented the property location of the property requested to be rezoned as listed above on the overhead visual. He explained the first case was a rezoning request for "C-2" General Commercial and Service District and the second case would be a request for rezoning the southern part of property to "R-3" Two-Family Dwelling District.

Jesse Rohr explained that the L-shaped hatched area on the copy of the publication notice reflected the area to be rezoned consisting of 2.186 acres.

Chairman Larry Gould explained that because of the Open Meetings Act by Kansas Law, the first part of the hearing would be the public hearing on this request. After the public hearing, it will be closed for the commission members to discuss the issues relative to this request to make a substantive motion for a recommendation to the City Commission.

Emery Jennings recused himself from the public hearing since he was the representative of the applicant.

Emery Jennings, agent for the owner Luecke Family Trust, presented the application to request the change of zoning as listed above. He used an easel to display the L-shaped property for the rezoning request.

Paul Phillips asked if he was reserving a portion of the property to remain as agriculture. John Braun answered that the adjoining area would remain agriculture where he has his hobby buildings.

Larry Gould asked if there was anyone in the audience opposed to the request.

**Leroy L Herrman**, nearby property owner, came before the commission stating the importance to keep the land commercial to continue to attract nice commercial development as it has like Home Depot, I-hop and the motels. He was against any change of zoning for residential land use. He was fearful that would prevent nice commercial developments to continue to occur.

Mr. Herrman explained that per the history of commercial development in that area; they struggled a long time to get sewer and water to have everything the way they want to have it. Lewis Chrysler and Goodwill were two of the original commercial properties that were developed in that area. They sure do not want a housing project to move in there.

**Darrell Unrein**, business owner of 635 E 41<sup>st</sup>, came before the commission emphasizing the importance to keep the land commercial to attract nice clean commercial development like what is already in that area.

He was opposed to the residential rezoning request because he did not believe residents would want to see commercial businesses next door and he voiced concern people coming and going could increase the inherit risk for theft.

He voiced concern that if it is not developed in a similar manner, there would be a decline in market value of properties in that area and it would kill the development that is there now.

He explained the history of how things developed around his property. He expressed gratitude of his location because he has good exposure to his business property. With the good things, there has also been the inherit risk of theft. He has to keep everything locked up.

Larry Gould explained to the audience that this respective case was the request to change from Agriculture to "C-2" General and Commercial and Service District; the next case would be the request for the "R-3" Two-Family Dwelling District. He explained that the commission had to consider all the uses and exceptions for the

"C-2" zoning classification. He pointed out that the potential land uses for agriculture are less restrictive.

**Bill Luecke**, representing his family that own the property, came before the board to ask his good neighbor Darrell Unrein how a commercial endeavor would impact the nearby businesses in a negative way.

**Darrell Unrein** stated that all the traffic in that area is business traffic. He asked that the land stay the same type of commercial land uses as is there now to continue to attract more similar commercial businesses.

Tom Denning noted the L shape of the subject property; he asked about access and width of the long strip and number of acres. Bill Luecke and Jesse Rohr answered that the long strip from east to west is 135 feet wide; there is a 60 foot street right of way to access at 41<sup>st</sup> Street.

Jim Fouts asked where the infrastructure stops from the west. Jesse Rohr answered that it stops on the west edge of Home Depot.

Jake Glover asked what designation of land use was identified for this area in the comprehensive plan. He also asked city staff if they had any concerns regarding how the new development would impact the new Vineyard Park. Jesse Rohr answered that the park would not be impacted in a negative way. Parks are to be used by people. The area is designated as 'Urban Reserve' in the Comprehensive Plan; it is reserved for development once the infrastructure is in place to sustain the development. Urban reserve includes a whole variety of mixed land uses of commercial and residential.

Larry Gould asked for staff findings of fact.

Jesse Rohr presented the staff findings of fact. The way the land lays with 41<sup>st</sup> Street (Arterial Street) for access to the north, Interstate 70 near the south border and the City Vineyard Park on the east border with commercial properties nearby lend itself to a commercial zoning classification.

Larry Gould closed the public hearing.

There was a motion by Jim Fouts with a second by Lou Caplan to concur with staff findings of fact.

Vote: Ayes	Larry Gould	Tom Denning	Jake Glover	Paul Phillips
	Jim Fouts	Lou Caplan	Pam Rein	

Recused: Emery Jennings Conflict of Interest

Larry Gould reopened the public hearing as a courtesy to those in the audience that had further comments.

**Darrell Unrein** acknowledged that Mr. Luecke is a good neighbor. He suggested to Mr. Luecke to make his prime area of land work for him without him having to do any work. There has been interest for properties in that area for commercial developments. There are good real estate agents in town that could match up a buyer without him ever having to put up a sign. He asked him to keep it a nice clean attractive area. With the type of development as being proposed, it would put Mr. Luecke's hobby items of pride and joy at risk of theft.

Jake Glover asked if there was a limit how small of an area could qualify for rezoning. Jesse Rohr answered that there are no state or city regulations that dictate the size of property requested to be rezoned.

Larry Gould closed the public hearing and asked for a substantial motion.

There was a motion by Jake Glover with a second by Lou Caplan to recommend to the City Commission to approve the request of the change of zoning classification from "A-L" Agriculture to "C-2" General Commercial and Service District on a tract of land in the NW/4 of S27-T13S-R18W (See Legal) 2.186 acres based on the consideration it meets the character of the neighborhood and the zoning of surrounding properties and the recommendation of Professional Staff.

Vote: Ayes	Larry Gould	Tom Denning	Jake Glover	Paul Phillips
	Jim Fouts	Lou Caplan	Pam Rein	

Recused: Emery Jennings    Conflict of Interest

Jesse Rohr explained to the audience that this was a recommendation that will go before the City Commission for formal action if anyone would like to attend the City Commission meeting for that agenda item.

**6. REZONING CASE # 13-02 - PUBLIC HEARING FOR A REQUEST OF CHANGE OF ZONING CLASSIFICATION FROM "A-L" AGRICULTURE TO "R-3" TWO-FAMILY DWELLING DISTRICT ON A TRACT OF LAND IN THE NW/4 OF S27-T13S-R18W OF THE 6<sup>TH</sup> P.M. - LOCATION IS EAST 41<sup>ST</sup> STREET EAST OF SHERMAN AVE (11.767 ACRES):**

Jesse Rohr presented the property location and proposed plat of the property requested to be rezoned as listed above on the overhead visual. He explained that the hatched area on the copy of the publication notice reflected the area to be rezoned consisting of 11.767 acres.

Chairman Larry Gould explained that because of the Open Meetings Act by Kansas Law, the first part of the hearing would be the public hearing on this request. After the public hearing, it will be closed for the commission members to discuss the issues relative to this request to make a substantive motion for a recommendation to the City Commission.

Emery Jennings recused himself from the public hearing since he was the agent for the applicant.

Emery Jennings, agent for the owner Luecke Family Trust, presented the application to request the change of zoning as listed above. He displayed the proposed residential development on an easel.

Larry Gould asked if there were any comments from the Planning Commission.

Tom Denning asked about the entrance/exit reflected on east side. Emery Jennings answered that it would be an alley.

Larry Gould asked if there was anyone in the audience in opposition to the rezoning.

**Darrell Unrein**, business owner of 635 E 41<sup>st</sup>, came before the commission to state that he was against any change of zoning to residential land use. He also emphasized the importance to leave the land to attract nice clean commercial development so it can continue the same type of commercial development already in that area. He continued to say that his comments from the first case are the same for this case all the way. There is a better spot for residential; not this spot.

He asked everyone to rethink the land use for this property so it would remain attractive to bring more businesses to Hays similar to the ones already there.

He commented that the pedestrian traffic in the city park is people and their pets out to litter.

Larry Gould asked if there was anyone in favor of the rezoning. There was no response.

Larry Gould asked for Staff Findings of Fact.

Jesse Rohr presented the staff findings of fact. He stated that over the last three months, staff had looked at different proposals from this request that calls for opening up residential where there has never been residential. There were many staff meetings as well as meeting with City Management. Upon review of the comprehensive plan, and adjacent properties, staff recommends this property would be fitting to be rezoned to "R-3" Two-Family Dwelling District.

Jesse Rohr explained that they understand those property owners voicing their concern; it is a unique piece of land. The proposed development plans for homes or duplexes in the \$160,000.00 range.

Larry Gould asked for any comments to staff findings of fact.

**Darrell Unrein** came before the board to ask the commission to put their heads together and come out and see other nearby property owners before they make this recommendation. He has seen where it takes a petition before it is understood what is not wanted.

More importantly what would help Mr. Luecke would be for the City to concentrate on extending the infrastructure from the edge of Home Depot east to connect to Commerce Parkway to Interstate 70 so trucks making deliveries coming from the east would not crowd up the interstate exits to Highway 183/Vine and keep the bottleneck from occurring at the stop lights. He asked the Planning Commission "To make it Happen".

He emphasized the importance of keeping development for the clean commercial developments like the ones already there; developments that are good for Hays. They would like the property values to be maintained for what they worked hard to get.

He expressed to Mr. Luecke that he could find a buyer for a nice commercial development good for Hays. Having it residential would mean people being able to walk around and thru the business area and around his hobby building increasing the risk for theft.

He did not think residents would want to wake up to commercial businesses around them.

Jesse Rohr explained that there are screening requirements between residential and commercial properties. Because the commercial development is already there, it will be up to the residential developer to provide the screening required at time of development.

Pam Rein explained that notification was sent to nearby properties within 1,000 feet of the subject property. Darrell Unrein stated that in the future for them to knock on doors to get a census.

Larry Gould clarified as per the Kansas Open Meetings Act that the Planning Commission did not come up with this request. They cannot get together to discuss this request made by a citizen; they can listen and discuss it at a public hearing only. The Planning Commission represents the citizens of the City of Hays to balance their interest and make a recommendation to the City Commission.

Paul Phillips asked if fire protection has been considered for that area. Jesse Rohr answered that the Fire Chief did include a memo in the agenda packet of fire protection; the response time will be seven minutes.

He also asked about the proposed lot sizes, if they were comparable to the lots near the Fort Hays State University. Jesse Rohr answered that the proposed lots would be larger.

There was a motion by Pam Rein with a second by Lou Caplan to concur with staff findings of fact.

Vote: Ayes	Larry Gould	Tom Denning	Jake Glover	Paul Phillips
	Jim Fouts	Lou Caplan	Pam Rein	

Recused: Emery Jennings    Conflict of Interest

Larry Gould explained that the next motion was a substantive motion. He closed the public hearing.

Jim Fouts commented that in most cases he can envision if the area is suited for the requested change of zoning; if it will work or not work. He stated that all he can envision is an isolated patch of houses with the city park to the east, commercial properties to the west and I-70 to the south. It is difficult for him to envision especially with all the commercial development up to that area.

He pointed out what about the possibility of a truck thoroughfare as from I-70/Commerce Parkway along 41<sup>st</sup> Street of how that would affect the growth of this area.

Paul Phillips pointed out that if there was a residential development to the east, it would be easier to envision this development; it could go residential or commercial to the east.

Pam Rein noted that there are residential developments behind commercial properties along Vine Street. The new comprehensive plan calls for mixed uses.

Lou Caplan stated that he did not believe a box store would develop that far east. He noted that there are residential behind commercial businesses all over town. He stated that there is a shortage of affordable housing; the problem is the location.

Larry Gould reopened the public hearing as a courtesy to those in the audience that had further comments.

**Darrell Unrein** came before the board pleading not to ruin the frontage. He asked what would they rather look at storage buildings or something similar to the beautiful Best Western that was formerly a location of storage units. Let us quit stacking and cluttering and do what is best for the citizens of Hays, Kansas. This is just not a good spot for residential. He emphasized to keep 41<sup>st</sup> Street clean on both sides for more commercial businesses or you will kill further nice commercial development such as restaurants and motels. The off ramp to the east brings in a tremendous amount of business.

He noted that he has been approached by potential commercial businesses of an interest in his property and that same potential is there for Mr. Luecke. He pointed out the motels combined have a total of 300 rooms and only two restaurants to accommodate them on that side of 41<sup>st</sup> Street. It is dangerous to cross Highway 183 to go to the restaurants to the west.

**Leroy Herrman** came before the board stating that he has lived on the east side of the town for 44 years. The growth for residential housing is to the south of Interstate 70 and to the east. They do not need any housing developments out here.

Larry Gould closed the public hearing.

Jake Glover stated that he grew up in a multi-family residential district, more condensed than the requested zoning district, next to some large box stores. Having a park nearby would have been fantastic.

He suggested that the City plan for pedestrian traffic across Highway 183 to Walmart and the restaurants to the west. With the growth of more businesses is the need for homes for people to live that work in the businesses.

Emery Jennings stated that a potential commercial entity had done a feasibility study of eight sites and placed this property at number eight because it is difficult to get to this property.

Emery Jennings stated that the large businesses would want their customers close by. This is an extension of Vine Street. Growth has to start somewhere. Hays needs affordable housing for a place for people to live that work in the commercial businesses. Darrell Unrein stated that local people go out of town to shop; out of town people come to Hays to shop.

Larry Gould pointed out that the issue is location versus needs. As per the housing needs assessment, there is a need for affordable residential housing.

Larry Gould closed the public hearing and asked for a substantial motion.

There was a motion by Lou Caplan with a second by Jake Glover to recommend to the City Commission to approve the request for the change of zoning classification from "A-L" Agriculture to "R-3" Two-Family Dwelling District on a tract of land in the NW/4 of S27-T13S-R18W (See Legal) 11.767 acres based on the consideration it meets the consistency with the comprehensive plan and ordinances of the city and the extent to which the zoning amendment does not detrimentally affect nearby property and the recommendation of professional staff.

Vote: Ayes	Larry Gould	Tom Denning	Jake Glover	Paul Phillips
	Jim Fouts	Lou Caplan	Pam Rein	

Jesse Rohr explained to the audience that this was a recommendation that will go before the City Commission for formal action if anyone would like to attend the City Commission meeting for that agenda item.

**7. PRELIMINARY PLAT CASE # 13-02P - CONSIDER PRELIMINARY PLAT OF LUECKE ADDITION (EAST OF 41<sup>ST</sup> ST, EAST OF SHERMAN- TRACT IN NW/4 S27-T13S-R18W):**

Jesse Rohr presented the proposed plat of the property on the overhead visual.

City Staff does recommend the overall concept of the plat. They have studied this proposed development, and because this is the first residential development of this kind north of the interstate, there were several meetings with city management.

He explained that the preliminary plat has gone before the Utility Advisory Committee on how the utilities will be achieved. The green space/open space requirement has not been determined. The preliminary plat can be considered for approval knowing that anything unresolved would have to be resolved before the developer brings forth the final plat.

Emery Jennings presented the proposed plat.

Emery Jennings sent around a display of the proposed development so the commission could envision the concept of the development.

Tom Denning asked if it was desirable to have two means of access from this property to 41<sup>st</sup> Street (Arterial Street). He voiced concern if this would create the same problem as identified on Vine Street South of Interstate as wanting a reverse access road. He voiced concern this would restrict the widening of 41<sup>st</sup> Street should it ever develop.

He asked if the entrance to the east is an alley and if there would there be any sidewalks.

Jesse Rohr explained that there are two means of access required for fire protection of a development with more than 30 lots; the fire code allows a 30 foot paved secondary response entrance. The secondary entrance on this plat is a designated alley rather than a street because there is no more land for a 60 foot right of way; it would infringe on the land with the buildings and land from the park cannot be considered because it drops off considerably in that area. There would not be any sidewalks along the alley.

Justification for this alley as the second entrance is that there would be minimal traffic impact from the 34 lots, and there will not be any additional traffic from the south and east.

There is a memo in the agenda packet from the Fire Chief stating that for 90 percent of all fire emergencies, they would arrive within seven minutes.

Tom Denning stated that if the developer wants to develop the land and the buildings are in the way for a street right of way, he hated to say it, but that would be the developer's problem. The developer would have to compromise. If the alley will be used as a street, it should be a street.

He voiced his concern if this would set precedence for future developments that would eliminate the costs of a street and sidewalks by having an alley as a second entrance. He asked if the alley would be maintained at the same level as a street.

Jesse Rohr answered that precedence has already been set in the infill areas that were approved for the 30 foot wide right of way access. He pointed out the three infill developments where this occurred within the City.

John Braun answered that the alley would not be maintained at the same level as a street. They would not encourage residents to use the alley.

Jake Glover asked about if there would be any problem with the stormwater drainage. Jesse Rohr answered that the developer of the Home Depot Addition purchased an easement from the Luecke family that lies next to interstate on the south side of this development platted as a drainage easement designed to service the anticipated development of this property. He and Emery Jennings answered that a sign company purchased the drainage easement and have located two billboard signs on the property.

Harvey Ruder, Ruder Engineering and Surveying LLC, briefly described the lay of the land for the drainage easement.

Jake Glover asked if the Sundance Apartments (1311 E 33<sup>rd</sup>) were the same distance from interstate as this potential housing unit. Jesse Rohr answered that this development is 200 feet from the interstate right of way.

It was pointed out that the "green space" or "cash in lieu of green space" had not been determined. Lou Caplan asked if the "cash in lieu of green space" could be designated for improvements to the Vineyard Park. John Braun explained the funds go to an overall park improvement fund. Jesse Rohr explained that the minutes could reflect the request.

There was a motion by Pam Rein with a second by Jim Fouts to endorse the preliminary plat with the condition the green space or cash in lieu of green space be determined before the submission of the final plat of the Luecke Addition (Tract in NW/4 of S27-T13S-R18W located East of 41<sup>st</sup> East of Sherman Avenue).

Vote: Ayes Larry Gould      Jake Glover      Paul Phillips  
                 Jim Fouts              Lou Caplan      Pam Rein

Nay: Tom Denning

Recused: Emery Jennings Conflict of Interest

**8. FINAL PLAT CASE # 13-03F - CONSIDER FINAL PLAT OF GOLDEN BELT ESTATES FIFTH ADDITION (NORTH OF 45<sup>TH</sup> ST – TRACT IN SE/4 OF S20-T13S-R18W):** Jesse Rohr presented the proposed final plat of the property on the overhead visual.

Chris Wentz, President of Western Plains Service Corporation, presented the final plat of the Golden Belt Estates Fifth Addition. He explained that this would be a continuation of their development in the northwest area of the City of Hays. It would consist of 34 lots. They propose to change the zoning from "A-L" Agriculture to "R-2" Single Family Homes as is zoned to the south and west. The property to the east adjacent to Hall Street is zoned "R-3" Two-Family Dwelling Unit.

There was a motion by Lou Caplan with a second by Jim Fouts to recommend to the City Commission to approve the final plat on Golden Belt Estates Fifth Addition.

Vote: Ayes Lou Caplan      Jake Glover      Paul Phillips      Tom Denning  
                 Jim Fouts              Pam Rein              Emery Jennings

Abstention: Larry Gould (substantial interest)

Pam Rein asked about the fence on several lots next to Hall Street. Chris Wentz answered that the builders of those lots constructed the fences.

**9. REZONING CASE # 13-03Z SET THE PUBLIC HEARING FOR A REQUEST OF CHANGE OF ZONING CLASSIFICATION FROM "A-L" AGRICULTURE TO "R-2" SINGLE FAMILY DWELLING DISTRICT ON THE PROPERTY PROPOSED TO BE GOLDEN BELT ESTATES FIFTH ADDITION:** Jesse Rohr presented the proposed final plat to use as a visual for the property to be rezoned from "A-L" Agriculture to "R-2" Single-Family Dwelling District.

Chris Wentz, President of Western Plains Service Corporation, presented the application to set the public hearing to change the zoning classification from "A-L" Agriculture to "R-2" Single Family Dwelling District to continue the zoning classification already there on the surrounding properties. The East properties are zoned "R-3" Two-family dwelling district.

There was a motion by Pam Rein with a second by Paul Phillips to set the public hearing for a request of change of zoning classification from "A-L" Agriculture to "R-2" Single Family Dwelling District on the property proposed to be Golden Belt Estates Fifth Addition (Tract in that part of the SE/4 of S20-T13S-R18W of the 6<sup>th</sup> p.m.)

Vote: Ayes Larry Gould Tom Denning Jake Glover Paul Phillips  
Jim Fouts Lou Caplan Pam Rein Emery Jennings

**10. PRELIMINARY PLAT CASE # 13-04P - CONSIDER PRELIMINARY PLAT OF RAG ADDITION – ZONED “C-2” GENERAL COMMERCIAL & SERVICE DISTRICT (EAST OF VFW ON 22<sup>ND</sup> ST – TRACT SW/4 OF S34-T13S-R18W):**

Jesse Rohr presented the proposed preliminary plat of the property on the overhead visual. The land lays east of the Veterans of Foreign Wars property and the Pizza Hut at 22<sup>nd</sup> and Vine.

He explained that staff has not had adequate time to review the plat. As per the Utility Advisory committee meeting, more time is needed to research the area in regard to utilities and access.

He explained that there are no utilities or sanitary sewer to this tract and the adjacent tract to the east. Staff wants to make sure easements are in place for the utilities for the existing property and the subject property. It is anticipated that the sanitary sewer will be fed from the east to serve the lots accordingly.

Harvey Ruder, Ruder Engineering and Surveying, came before the board to represent the developers/owners, Gary Haselhorst and Ralph Augustine, to present the above preliminary plat that would divide the tract into 5 lots that will facilitate an easier sell of the commercially zoned tract in pieces.

Larry Gould asked if staff recommendation is to table this case. He asked if would be ready next month or if it should be postponed. Jesse Rohr answered that it could be tabled or approved contingent on approval of a full staff review. The plat would be ready next month.

Larry Gould explained that if this case is tabled until next month, it would be a non-debatable motion. It would have to be taken off the table at the next meeting.

There was a motion by Lou Caplan with a second by Paul Phillips to table the Preliminary Plat for RAG Addition to allow City Staff adequate time to review it.

Vote: Ayes Larry Gould Tom Denning Jake Glover Paul Phillips  
Jim Fouts Lou Caplan Pam Rein Emery Jennings

Larry Gould pointed out it was a non-debatable motion and would have to be taken off the table next month.

**11. ZONING AND SUBDIVISION REGULATIONS AND SET THE PUBLIC HEARING FOR PROPOSED CHANGES:**

Nick Willis, Stormwater and Water Conservation Superintendent of the City of Hays gave a power point presentation of the stream buffer ordinance on the overhead visual. He pointed to the drainage areas, noting that stream width varies. There would not be any overhead utilities at these corridors. Fences and trails would be allowed within this area.

A draft copy of the proposed stream buffer ordinance and a draft of some suggested changes to the Zoning and Subdivision regulations were included in the agenda packet.

He asked that the commission review for consideration the proposed Stream Buffer Ordinance and the changes to the Stormwater Regulations within the Zoning and Subdivision Regulations and set the public hearing.

He explained that the direct objectives of the proposed stream buffer ordinance are to improve stormwater quality, protect existing drainage courses, limit down stream flooding, limit on site flooding, improve water quality, improve aesthetics of stream areas, save on infrastructure costs, and increase down stream water supplies. This ordinance will bring the City in accordance with state and federal statutes per the "Clean Water Act".

He explained some of the proposed draft changes to the Stormwater Best Management Practices within the Zoning and Subdivision Regulations.

He pointed out that he was in charge of the stormwater utility and its budget. Projects like the Lincoln Tunnel are not cost effective on their second life.

John Braun explained this was the first draft of the stream buffer ordinance. It is a tool to take steps toward protection of the corridors of over all water quality and smart planning decision for the future.

He explained that changes to the Zoning and Subdivision Regulations related to this ordinance will ensure the protected area in the City and three mile exterritorial area in the building and development process.

He explained that this ordinance would not have an impact on infrastructure and improvements already in place. This is a corrective and preventative for the future to protect the corridor. The stream buffer ordinance would be part of the requirements per each zoning classification and the subdivision regulations. It would be similar to an easement to protect the stream buffer.

The strategic plan recommended an ordinance of this kind. The comprehensive plan identified the drainage from north to south and recommended the connectivity by a "Hike and Bike" trail.

Pam Rein voiced her concern of the shortage of water along Big Creek. She asked why it is allowed for some residents to fill large landscaping ponds where the water evaporates. Nick Willis answered that the large ponds within the rural area, are controlled by the Department of Agriculture.

Jake Glover asked if a building permit would trigger the implementation of the ordinance to be enforced.

It was explained that the proposed ordinance would be part of the building permit process as well as part of the future plat process.

John Braun referenced the proposed ordinance related to building permitted in the stream corridor zones: "Reconstruction, remodeling or maintenance of existing structures, provided that the activity does not expand the existing use beyond the previously approved use so as to physically extend into or adversely affect the Stream Corridor.

Lou Caplan pointed out that it reads that a variance or appeal to this ordinance would come before the Hays Area Board of Zoning.

Tom Denning explained that he represents the three mile zone and voiced concern that the stream buffer ordinance pushed to far against the farmer's rights. He read the section under Prohibitions: "Any use or activity not identified as permitted by this Article within any Stream Corridor zone is prohibited in all identified Stream Corridors. Mowing or clearing of the Inner Zone shall be specifically prohibited". He noted that the stream buffer would be the ditches and other water ways with hay that per this ordinance could not be mowed. The focus was on the City to apply to the rural areas.

Larry Gould asked City Staff to check with the American Planning Association for information on this and get it to the Planning Commission ahead of time.

Nick Willis explained that the trigger would be a development application. The way it is written would not affect the rural people.

Jake Glover asked if notification of the public hearing would need to be sent to property owners of this public hearing. Jesse Rohr explained that notification would be a publication in the Hays Daily News.

Emery Jennings asked how as a group, they can better educate and make people aware of the water conservation practices. Nick Willis explained that there are some classes being offered by Kansas State University in Hays on how to protect water quality and integrity of private wells. He pointed out to make the people you know aware of conservation practices.

Pam Rein noted the rain barrel project conducted by Fort Hays State University.

Larry Gould pointed out that this was a lot to review and asked if it should be reviewed over two meetings before setting a public hearing.

It was the consensus of the commission to continue to review the stream buffer ordinance and proposed changes to the zoning and subdivision regulations. Jesse Rohr asked the commission to share any comments in the interim for staff review.

John Braun explained that the zoning and subdivision regulations could be accessed thru the city web page under City Ordinances Section 59 and 71.

**12. OTHER- CONSIDER THE I-PAD FOR PLANNING COMMISSIONERS:** Larry Gould pointed out the significant amount of material for the review of the stream buffer ordinance and zoning and subdivision regulations. He suggested it be considered to have I-Pads for the Planning Commission. It would be beneficial to have all of the information for any cases and references available to them at their fingertips.

The meeting was adjourned at 9:30 p.m.

Submitted by: Linda K. Bixenman, Administrative Secretary,  
Planning, Inspection and Enforcement



**HAYS HOUSING AUTHORITY**  
**April 29, 2013 Minutes**

The Board of Commissioners of the Public Housing Authority of the City of Hays met in the Community Room for the annual and monthly meeting Monday, April 29, 2013.

Commissioners Present: Sue Rouse, Chair  
Gloria Funk, Vice-Chair  
Al Klaus

Commissioners Absent: Daron Jamison

HHA Staff Present: Kathy Nelson, Executive Director

**MINUTES**

- Al Klaus moved to approve the minutes of the March 26, 2013 meeting as presented, Gloria Funk seconded the motion. All Commissioners voted “Aye” – motion carried.

**AGENDA**

There were no changes or additions to the agenda.

**SECTION 8 FINANCIALS**

- March 2013 Section 8 financial reports prepared by the fee accountant were presented to the Commissioners. Gloria Funk moved to accept the reports as presented, Al Klaus seconded the motion. All Commissioners voted “Aye” – motion carried. Housing assistance payments were made on behalf of 66 families for the month of April. Two new vouchers are being issued.

**BILLS AND COMMUNICATIONS**

- March 2013 Public Housing financial reports prepared by the fee accountant were presented to the Commissioners. Gloria Funk moved to accept the reports as presented, Al Klaus seconded the motion. All Commissioners voted “Aye” – motion carried.

**OLD BUSINESS**

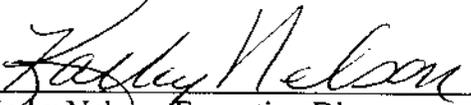
- **Capital Fund Program** – Kathy reported that she is beginning to look at replacing the two office computers including a newer version of Microsoft Office.

**HAYS HOUSING AUTHORITY**  
**April 29, 2013 Minutes**

**NEW BUSINESS**

- There is still 1 open position on the board.
- Kathy reported that she had received a draft copy of the audit for the year ending 12/31/12. The final audit should be available to distribute at the May meeting.
- Kathy reported that the Housing Authority had received a score of 100 on the December 31, 2012 SEMAP (Section 8 Management Assessment System) which is considered a High Performer. The system assesses the Housing Authority's management of areas such as payment standards, timely annual re-examinations, correct tenant rent calculations, annual HQS inspections, and lease-up.
- **2013 1<sup>st</sup> Quarter Form 941 and 2013 1<sup>st</sup> Quarter Kansas Unemployment Tax Return** – Commissioners were provided with a copy of the 2013 1<sup>st</sup> Quarter Form 941 - Employers Quarterly Federal Tax Return and the 2013 1<sup>st</sup> Quarter Kansas Unemployment Tax return prepared by the Executive Director. Gloria Funk moved to approve the 2013 1<sup>st</sup> Quarter Form 941 and the 2013 1<sup>st</sup> Quarter Kansas Unemployment Tax returns as prepared, Al Klaus seconded the motion. All Commissioners voted "Aye" – motion carried.
- **May Meeting Date** – Commissioners discussed the date of the May meeting. Since the date for the regular meeting is a holiday, commissioners decided to hold the meeting Wednesday, May 29, 2013 at 4:00 p.m.

Next meeting will be held Wednesday, May 29, 2013.

  
\_\_\_\_\_  
Kathy Nelson, Executive Director

  
\_\_\_\_\_  
Sue Rouse, Chairperson



**Fort Hays Municipal Golf Course  
Advisory Board Meeting  
May 6, 2013**

**In Attendance:**

Bill Bieker, President	Jeff Boyle, Director, Parks Department (absent)
Jim Krob, Vice President (absent)	Travis Haines, Parks Superintendent
Karen Schueler, Secretary (absent, out of town)	Mike Cure, Golf Course Superintendent (absent)
Doug Huston	
Ron Speier	
Ron Augustine, Men's Association	(open position) Historical Fort Hays
Janet Schmidt, Ladies Association	Rich Guffey, ProShop Manager, Tournament Chair

Guests: Dan McMillan, FHGC member

The meeting was called to order at 5:30 pm by President Bill Bieker. Deb

**1. Approval of the minutes from April, 2013 meeting:** Approved with no corrections needed.

**2. Board membership:** current status - appointed members (3 year terms)

*Bill Bieker 07/01/15 (4<sup>th</sup> term)*

*Ron Speier, 07/01/13 (1<sup>st</sup> term)*

*Karen Schueler 07/01/15 (5<sup>th</sup> term)*

*Doug Huston 7/01/14 (4<sup>th</sup> term, non consecutive)*

*Jim Krob 07/01/14 (1<sup>st</sup> term)*

**3. Historical Fort Hays:** (open position)

**4. Old Business:** There is not enough funding currently for a new putting green. They are in the process of getting measurements and an estimate to get this done right. Dan McMillan asked if a sand trap could be included.

**5. New Business:** The Kansas Golf Association rated the course on Monday. #15 and #16 will be reviewed by the rating handicap committee; the men's and ladies could be different. To help to figure handicap holes, score cards need to be turned in. Names are not needed; only if it is a man or woman playing.

There was a question about the score card box/mail box by #1 green, being moved back to the #2 tee box.

**6. Pro-Shop report:** Rich Guffey provided the following:

	<b>Rounds Played 2013</b>	<b>Rounds Played 2012</b>	<b>Rounds Played 2011</b>	<b>Year-to-Date Rounds Played</b>	<b>Green Fees Current Month</b>	<b>Green Fees 2012</b>	<b>Total Green Fees for Year</b>
April	1912	2564	2578		\$ 11,577.00	\$ 15,313.00	
March	897	2139	1313				
February	489	474	0				
January	456	23					

All cart sheds have been filled, with 18 names left on the waiting list. Notices have been placed around the Pro Shop that 3-4-5-somes only on weekends and holidays beginning this coming weekend. There will be a meeting of the marshals this week, and they will be on duty by the weekend. Rich has four hired, and would like a total of five.

**7. Tournament report:** Rich submitted a written report on the 4-Person Scramble on May 5<sup>th</sup>. It was sponsored by Hays Lions Club, who offered hole-in-one prizes on all the 3-pars, and a raffle for a golf cart. There were 24 teams. \$680 paid for greens fees, and \$180 to the golf course improvement funds.

**8. Course report:** The monthly report indicated that the greens are slowly healing after the first round of aerating. This has been slow due to the cool spring weather. The bad areas have started to fill in, the bigger areas will take longer, and will be sodded. Most of the dead trees on the back nine have been removed, but there are more to go on both sides. A lot of new evergreens have been planted on the back nine, with the help of Nick Niernberger and the Parks Department. More will be planted this week. Seeding will continue throughout the course, and players are asked to stay out of these areas as much as possible. Cart paths will be patched in spots where needed. A full report regarding cart paths will be coming.

**9. Parks Department update:** no report for this meeting

*Golf Course improvement Balance - 3/20/13*

*Cart Path Trail Fees: \$37,974.54*

*Donation Money: \$1,525.85 includes*

- *Putting Green (Men's Association): \$1,224.00*
- *Trees: \$ 226.41*
- *Carry over from previous tournament funds: \$75.44*

**10. Ladies' Association report:** Janet Schmidt: weather improved and finally got started with 20 ladies on that first evening.

**11. Men's Association report:** Ron Augustine: weather improved and finally got started with 18 men at Men's Night, and 48 for Senior Men's.

**Add-ons:** none

Adjourned: 6:20 pm.

Minutes recoded by Janet Schmidt

*Submitted by Karen Schueler, Secretary*

*May 20, 2013*

Hays Airport Advisory Committee Meeting Minutes  
May 6, 2013

Members Present:

Dan Stecklein  
I. D. Creech  
Bob Johnson  
Dave Hadel - Guest, Burns and McDonald  
Chris Springer  
John Braun  
Gary Wentling  
Randall Buchannen - guest  
Errol Wuertz  
Don Benjamin  
Lyle Noordhoek

1.) Call to order.

2.) Approval of April 1, 2013 Minutes.  
Minutes were approved.

3.) Discuss Update on Mechanics School - Don Benjamin.  
Don is working with Wichita technical school to set up meeting to work through final details.  
The state budgeting situation is a factor making in making final plans.

4.) Discuss Boardings Report.  
Report was not available to discuss but I. D. Creech reported that enplanements were looking good.

5.) Discuss Update on Other Businesses Wanting to Locate to the Airport.  
An agriculture spraying company would like to have a location in Hays. They are willing to sign a long term lease for a hangar if one was available. The location would have to be on the south part of the apron. Factors to consider is water would be available there but no sewage. Handling chemical containment of a spraying operation would also have to be addressed. An open question is if a sewer tank with laterals could be used on the field. That would be a low cost solution to providing sewer for hangars further south.

Lifeline would like to have a twin located in Hays. Also it was reported that entities in Hays are considering purchasing aircraft and basing them in Hays and want to know if they can build hangars, although no firm commitments. One suggested option for high end aircraft hangar would be to put it in the empty lot between Wheelchairs of Kansas and A-1 Plank if that lot is available. Concerns about through the fence operations were stated but a fence could be put around it to mitigate that problem.

6.) Discuss Snow Blower.  
Scheduled to be delivered in November.

7.) Add-Ons

Gary Wentling and Lyle Noordhoek will be both serving another term on the Airport Advisory Committee.

A motion was made by Lyle Noordhoek and Seconded by Don Benjamin to keep same members as officers. Errol Wuerts as Chairman, Mike Konz as Vice Chairman and Dan Stecklein as Secretary. Motion was voted on and passed.

8.) Schedule Next Meeting.

June 3, 2013 at 6:30 PM.

9.) Adjourn.

Respectfully Submitted,

Errol Wuertz

Great Lakes Airlines On-Time Report

May-13	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	On-Time	15-44 Min Late	45-74 Min Late	75 -104 Min Late	105 Min Late or more	Canceled		
Mon-Fri																																							
630	x	x	x			x	x	C	x	C			x	x	C	C	x			x	x	x	x	x			x	C	x	x	x	78%					22%		
645	x	x	x			x	x	x	x	L			x	x	C	C	x			x	x	x	x	x			x	C	x	x	x	83%				4%	13%		
1016	L	x	x			x	x	x	x	x			x	x	x	x	x			L	x	x	x	x			x	x	x	x	L	87%	9%		4%				
1026	L	x	x			x	x	x	L	x			x	L	x	x	x			L	x	x	x	x			L	x	x	x	L	74%	13%	4%	4%	4%			
1311	C	x	x			x	x	x	x	x			x	x	L	x	x			x	x	x	x	x			C	x	L	x	C	78%	9%				13%		
1321	C	x	x			x	x	x	x	L			L	x	L	x	x			x	x	x	x	x			C	x	L	L	C	65%	22%				13%		
1425	C	x	x			x	x	x	x	L			L	x	x	x	x			x	x	x	x	x			x	x	L	L	C	74%	17%				9%		
1435	C	x	x			x	x	x	x	x			L	x	x	L	x			x	x	x	x	x			x	x	L	L	C	74%	13%	4%			9%		
1626	L	x	x			x	x	L	x	x			x	x	x	x	x			x	x	x	x	L			x	x	L	x	L	78%	13%	4%			4%		
1636	L	x	x			x	x	L	x	x			L	x	x	x	x			L	x	x	x	L			x	x	L	x	L	70%	13%	13%			4%		
2156	L	x	x			x	L	L	x	L			x	L	L	x	x			x	x	x	x	x			x	L	C	x	L	61%	13%	13%			9%	4%	
2206	L	x	x			x	C	L	C	L			x	L	L	x	x			x	x	L	x	L			x	L	C	x	L	48%	22%	9%	4%	4%	13%		
Saturday																																							
715				x							x								x							x							100%						
725				x							x									x						x								100%					
1250				x							C								x							x								75%					25%
1300				x							C								L							x								50%	25%				25%
1406				L							x								x							x								75%		25%			
1416				L							x								L							x								50%		50%			
1931				x							x								C							x								50%					50%
1941				x							x								C							x								50%					50%
Sunday																																							
845				x							x								L							x							50%				25%	25%	
855				x							x								L							x								50%				25%	25%
1250				x							x								x							x								100%					
1300				x							x								x							L								75%	25%				
1626				x							x								x							x								100%					
1636				x							x								x							x								100%					
2156				x							x								x							x								100%					
2206				x							x								x							x								100%					

No time logged =na  
 Late=L  
 On Time=x  
 Canceled=C

<b>Average</b>	<b>73%</b>	<b>10%</b>	<b>4%</b>	<b>1%</b>	<b>3%</b>	<b>9%</b>
<b>Total Flights - 340</b>	<b>249</b>	<b>35</b>	<b>14</b>	<b>3</b>	<b>9</b>	<b>30</b>
<b>Percentage of flights delayed or canceled</b>	<b>27%</b>					

On time means <= 15 minutes