

MINUTES OF A MEETING OF
THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON NOVEMBER 26, 2002

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session on Tuesday, November 26, 2002, at 7:30 p.m.

Roll Call: Present: Troy Hickman
Sunell Koerner
Dick Bedard
Larry Schmidt
Henry Schwaller IV

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

2. MINUTES: Sunell Koerner moved, Dick Bedard seconded, that the minutes from the regular meeting held on November 14, 2002, be approved.

Vote: Ayes: Troy Hickman
Sunell Koerner
Dick Bedard
Larry Schmidt
Henry Schwaller IV

3. FINANCIAL STATEMENT: City Clerk Susie Berger stated that sales tax collections for the first ten months of this year are \$118,523 higher than for the same time period last year. The 2002 sales tax collections are \$1,750,934 so far compared to \$1,632,410 in 2001.

Dick Bedard moved, Sunell Koerner seconded, that the Financial Statement for the month of October 2002, be approved.

Vote: Ayes: Troy Hickman
Sunell Koerner
Dick Bedard
Larry Schmidt

Henry Schwaller IV

4. CITIZEN COMMENTS: Janelle Bedard, Tourism Coordinator with the Hays Convention and Visitors Bureau, and Sabrina William, Special Events Coordinator for the Hays Area Chamber of Commerce spoke on the Frost Fest 2002 activities to be held in downtown Hays on December 7-8. They invited the Commissioners and the community to participate in the festivities.

5. CONSENT ITEMS: There were no consent items.

NEW BUSINESS

6. 2002 HEALTH INSURANCE COVERAGE FOR CITY EMPLOYEES: The City of Hays Employee Health Insurance Committee has met and reviewed various proposals for health insurance coverage for City employees for 2003. The Committee is recommending a proposal whereby deductible and co-insurance rates will increase considerably, but between the budgeted amount for health insurance and the health insurance reserve fund, the City will be able to continue to pay for full premiums for its employees.

Director of Human Resources Susie Billinger stated that the plan would cost \$1,078,205.52 based on 165 contracts. This exceeds the \$1,014,000.00 budgeted for health insurance in 2003 by \$64,205.52. The 2003 Budget includes a reserve account for health insurance costs. The excess funding needed to cover the premiums could be paid out of this account.

Commissioner Schwaller commented that state employees are not receiving salary increases this year and are also being asked to contribute to part of their health insurance premium payment. He hopes that the City employees realize that not only did they get a raise, they are also getting their insurance premium paid in full. In the future, it may be necessary for employees to fund part of their premium if they want to continue the same type of coverage.

City Manager Randy Gustafson stated that the Director of Human Resources was researching various ways to lower premium costs in 2004. He

recommended that the 2003 contract with Blue Cross-Blue Shield of Kansas be approved.

Henry Schwaller IV moved, Sunell Koerner seconded, that the health insurance contract with Blue Cross-Blue Shield of Kansas for 2003 be approved as recommended by the City's Employee Health Insurance Committee.

Commissioner Bedard stated he would be abstaining from the vote because his wife is a City employee.

Vote: Ayes: Troy Hickman

Sunell Koerner

Larry Schmidt

Henry Schwaller IV

Abstain: Dick Bedard

7. KANSAS DEPARTMENT OF TRANSPORTATION (KDOT) CONTRACT FOR SIGNAL LIGHT UPGRADES ON VINE STREET – 8th STREET TO 27TH STREET:

This project is a result of the 2001 Safety Audit performed by KDOT. This project will upgrade the signal lights along Vine Street between 8th Street and 27th Street to include LED signal heads, video detection, new controller boxes, some new poles and mast arms, and pre-wiring for the Opticom System.

City Manager Gustafson stated this is a 90/10 split with KDOT for the signal upgrades only, with the City's share being \$33,628.80 for the signal upgrades or \$43,825.43 if the pre-wiring for Opticom is desired. He recommended approval of the project without the Opticom pre-wiring.

Henry Schwaller IV moved, Dick Bedard seconded, that the Mayor be authorized to sign a contract with KDOT for an upgrade to the signal lights along Vine Street between 8th Street and 27th Street at a cost of \$33,628.80.

Vote: Ayes: Troy Hickman

Sunell Koerner

Dick Bedard

Larry Schmidt

Henry Schwaller IV

8. FIRE DEPARTMENT EQUIPMENT PURCHASE: City Manager Gustafson requested this item be tabled. This afternoon Governor Graves announced that demand transfer payments for the remainder of the state fiscal year would not be sent to cities and counties. While this won't have an appreciable effect on the 2002 Budget, he would like to analyze the situation before making any more purchases. He requested this be on the December 12, 2002 agenda.

Dick Bedard moved, Sunell Koerner seconded, that the purchase of Fire Department equipment be tabled until the December 12, 2002 meeting.

Vote: Ayes: Troy Hickman
Sunell Koerner
Dick Bedard
Larry Schmidt
Henry Schwaller IV

9. INDUSTRIAL REVENUE BONDS, SERIES 2002 – ENERSYS, INC.: A Resolution of Intent authorizing the issuance of \$35,000,000 taxable revenue bonds was passed in December 2000 for the purpose of paying the cost of acquiring and installing manufactured machinery for EnerSys, Inc. The company issued \$14,000,000 in 2000, and \$7,000,000 in 2001 and intends to issue another \$1,100,000 in 2002.

Dennis Brumbaugh, plant manager, and Carol Bonebrake, bond counsel for EnerSys, appeared before the Commission to update the Commissioners on the capital investments being made at the Hays plant.

Henry Schwaller IV moved, Sunell Koerner seconded, that Ordinance No. 3599, being an ordinance authorizing the City of Hays, Kansas to issue its taxable Industrial Revenue Bonds, Series 2002 (EnerSys, Inc. Project) in the aggregate principal amount of one million one hundred thousand dollars (\$1,100,000) for the purpose of paying the cost of acquiring and installing certain manufacturing machinery; authorizing execution of a second supplemental trust indenture by and between the City and Intrust Bank, N.A., in the City of Wichita, Kansas, as trustee; authorizing the City to lease said project to EnerSys, Inc. and

authorizing execution of a second supplemental lease by and between said City and EnerSys, Inc., be approved.

Vote: Ayes: Troy Hickman
Sunell Koerner
Dick Bedard
Larry Schmidt
Henry Schwaller IV

10. COMMISSION INFORMATIONAL MEMORANDUM: Commissioner Schmidt stated he had some questions about the Ellis County Coalition for Economic Development revenue stream and had questions about the makeup of the coalition membership. He requested someone appear before the Commission to answer his questions.

Mayor Hickman stated he would request the incoming board president to respond to Commissioner Schmidt's concerns.

11. ADD-ON ITEMS: There were no add-on items.

Thereupon the Governing Body adjourned.

Submitted by: _____

Clerk of the Board