

MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON OCTOBER 26, 2023

**1. CALL TO ORDER BY CHAIRPERSON:** The Governing Body of the City of Hays, Kansas met in regular session on Thursday, October 26, 2023 at 4:00 p.m.

Roll Call: Present: Shaun Musil

Sandy Jacobs

Alaina Cunningham

Mason Ruder

Absent: Reese Barrick

Mayor Musil declared 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 October 12, 2023; the minutes stand approved as presented.

**3. PRESENTATION OF SERVICE AWARDS TO CITY EMPLOYEES:** Erin Giebler, Director of Human Resources, recognized the following employees for their years of dedicated service to the City of Hays.

5-Year Awards

Ethan Henderson, Austin Schmeidler, Schuyler Augustine, Erik Lindquist, Jacob Kinderknecht, Josh Suppes, Joe Monroe, and Annette Barber

10-Year Award

Rachel Kraus

15-Year Awards

Kim Rupp, Eamonn Coveney, Jamie Salter, Toby Alexander, Eric Borger, and Brian Meis

20-Year Awards

Amy Leiker and Janet Kuhn

#### 25-Year Awards

Andrea Windholz, Jason Bonczynski, Tim Greenwood, Aaron Ditter, and Jason Knipp

#### 30-Year Awards

Karen Randa, Don Scheibler, Tim Huck, and Shawn Swift

#### 40-Year Awards

Mike Kline and Ron Rice

**4. FINANCIAL STATEMENT:** Jarrod Kuckelman, Management Analyst, reviewed the financial summaries of the revenue and expenditure activities of the City of Hays for the month ended September 30, 2023.

Month-to-date (MTD) general fund sales tax collections were at \$788,824, which was a decrease of \$224,485 or -22% as compared to last year. Mr. Kuckelman noted that last year it was discovered that a large part of the increase was due to an additional month's collections being distributed from the state. We would normally have been two months in arrears, in large part, we were only one month. We should see the correction in the next year over year comparison. Year-to-date (YTD) general fund sales tax is at \$7,255,095, up \$213,851 or 3% from a year ago. The six-month average is at 1.27%, which was a decrease of 9.8% when compared to a year ago. MTD county sales tax collections were at \$93,971. YTD county sales tax is at \$865,597.

The total par value of the US Treasuries for September was \$47,355,000 with a weighted average yield to maturity of 3.84% up 2.08% from a year ago. The total of the portfolio of certificates of deposit on September 30, 2023 was \$20,100,000 with a weighted average rate to maturity of 4.85%. The total balance of the Money Market account on September 30, 2023 was \$3,000,000 with a current yield of 4.158% up 4.108% from a year ago. Total investments are up \$481,949.

Mason Ruder moved, Alaina Cunningham seconded, to approve the Financial Statement for the month of September, 2023 as presented.

Vote: Ayes: Shaun Musil  
Sandy Jacobs  
Alaina Cunningham  
Mason Ruder

**5. CITIZEN COMMENTS:** Ruth Ruder and Nancy Jeter, representing the organization Women Who Lead, formerly known as Wonder Women League, informed the Commissioners about a project they have been working on to add lighting at the Dog Park. They recognized Jeff Boyle, Parks Director, with a “Top Dog” award. They stated he is always a pleasure to work with and truly cares about the community. With the help of Mr. Boyle, Vaughn McMurtrie, M & D, Inc. of Hays, Ralph Augustine, Ralph’s Electric Inc., and Brian Dreiling, Midwest Energy Inc., they were able to get this project done for the safety of our citizens and pets who use the Dog Park.

They invited the Commissioners and the community to attend a Dog Park lighting on November 8, 2023 at 5:30 p.m. They also asked that citizens donate dog and cat food supplies that will be given to the Humane Society and other entities of the City.

Mr. Boyle stated that without our local civic groups we would not have half of the things we have. He thanked the Women Who Lead for funding this project.

**6. CONSENT AGENDA:** The following appointment was recommended by Mayor Musil at the October 12, 2023 City Commission meeting and is now being presented for approval.

Hays Convention and Visitors Bureau Advisory Committee

Angelica Southard (Hampton Inn) – three-year term to expire October 26, 2026  
(2nd term – nonconsecutive)

Sandy Jacobs moved, Mason Ruder seconded, to approve the Consent Agenda as presented.

Vote: Ayes: Shaun Musil  
Sandy Jacobs  
Alaina Cunningham  
Mason Ruder

## **NEW BUSINESS**

**7. 2024 HEALTH INSURANCE FOR CITY OF HAYS EMPLOYEES:** Erin Giebler, Director of Human Resources, stated that in 2017, the City switched to Blue Cross Blue Shield of Kansas and offered a triple-option plan. The plan options were: High Deductible Health Plan (HDHP), Premium Plan, and Base Plan. Over the last six years, the City has made minor changes to the plans' designs and employee premiums in order to keep costs within budget. Ms. Giebler noted that utilization is the driving force for health insurance premiums. The employees of the City of Hays have done a great job keeping utilization down, with the HDHP being a huge factor in this.

The City of Hays received Blue Cross Blue Shield of Kansas' renewal rates for 2024. The renewal came in with a slight decrease. Staff recommends approving the 2024 health insurance renewal contract with Blue Cross Blue Shield. City Staff also recommends continuing to provide up to \$2,500 in employer match for employees' Health Savings Accounts (HSA). Both the health insurance and HSA recommendations are within the budgeted amount for 2024.

Mason Ruder moved, Alaina Cunningham seconded, to authorize the City Manager to sign an agreement with Blue Cross Blue Shield of Kansas to provide employees with a triple-option health insurance plan and authorization to provide up to \$2,500 in employer match for employees' health savings accounts, not to exceed \$1,958,000, to be funded out of the Employee Benefit Levy Fund.

Vote: Ayes: Shaun Musil

Sandy Jacobs

Alaina Cunningham

Mason Ruder

**8. AWARD OF BID FOR 10" WATER MAIN REALIGNMENT – EXIT 157:** Jeff Crispin, Director of Water Resources, reported that bids for the U.S. 183 Bypass waterline relocation were opened on September 5, 2023. The waterline relocation along the proposed Fairground Road is needed due to the modifications by the Kansas Department of Transportation (KDOT) at the

Interstate 70 and 230<sup>th</sup> Avenue interchange. The improvements include 2,226 linear feet of new 10” waterline along the future Fairground Road and 88 feet of 12” waterline just south of the U.S. 183 and Frontier Road intersection. In addition, this project includes the relocation of three existing fire hydrant settings and the installation of a new fire hydrant setting.

The staff budget estimate for this project was \$250,000, and the low bid of \$289,061 came from Nowak Construction of Goddard, Kansas. There is a proposed cost share proposal with KDOT resulting in KDOT paying 50% of the \$289,061, which will be received in a separate agreement.

Sandy Jacobs moved, Alaina Cunningham seconded, to authorize the City Manager to enter a contract with Nowak Construction, in the amount of \$289,061, for the construction of the U.S. 183 Bypass Waterline Relocation, to be funded from Water Capital.

Vote: Ayes: Shaun Musil  
Sandy Jacobs  
Alaina Cunningham  
Mason Ruder

**9. PUBLIC HEARING FOR THE ESTABLISHMENT OF THE EXIT 157 24/7**

**TAX INCREMENT FINANCING (TIF) DISTRICT:** Mayor Musil opened the Public Hearing to hear comments regarding the establishment of the Exit 157, 24/7 TIF District.

Collin Bielser, Deputy City Manager, reported that Triplett, Inc., the Developer, submitted an application for economic incentives relating to a commercial travel plaza project. The Developer is requesting tax increment financing (TIF), a community improvement district (CID), and industrial revenue bonds (IRBs) to construct a Travel Plaza at the Exit 157, I-70 interchange. In September, the City Commission passed a resolution setting October 26, 2023 as the public hearing date regarding the creation of a TIF district. This public hearing and consideration of the ordinance are the next steps in the statutory process for TIF financing.

The Developer seeks incentives to develop a 7.3-acre site located at the southeast corner of 230<sup>th</sup> Avenue and 55<sup>th</sup> Street. They plan to construct a travel plaza and convenience store to be operated under the 24/7 Travel Store brand and will consist of a 9,000 square foot full-service Travel Plaza and convenience store, including 12 gas fuel positions and five diesel, electric vehicle charging stations, a restaurant in the travel plaza, a dog park, and RV overnight camp sites. The Developer plans to begin construction in summer of 2024 and be open for business in the spring of 2025.

According to the City's economic development policy, this TIF district will capture the incremental taxes only, not the sales tax. Since this property has been annexed, all taxing authorities will receive the retailer sales tax generated by the property. The TIF is a 20-year term according to statute and will be on a pay as you go basis, which means the developer fronts all the financing of the development.

According to the summary of economic development incentives request received from the Developer, total construction cost of the Travel Plaza will be \$11.1M. It is estimated to create \$5M of annual retail sales and \$20M of annual gas/diesel sales. Over the 20-year life of the TIF, it is expected it would generate \$4.5M in ad valorem property tax revenue and the reimbursement of TIF eligible costs would be \$4.2M.

**Public Comment:** Diana Pantle stated that she previously worked in commercial insurance in the oil and gas division, in which she found out that every underground storage tank will eventually leak. She voiced her concerns about installing underground storage tanks at this location. She is concerned with groundwater contamination from leakage from the underground storage tanks. She stated that she doesn't know what provisions they have made to mitigate that. She added that we already have water issues, and she is concerned with having our water contaminated from oil or gas.

Toby Dougherty, City Manager, stated that the installation and periodic inspection of underground storage tanks are monitored by the Kansas Department of Health and Environment.

Sandy Jacobs moved, Mason Ruder seconded, to close the public hearing.

Vote: Ayes: Shaun Musil  
Sandy Jacobs  
Alaina Cunningham  
Mason Ruder

**10. ORDINANCE ESTABLISHING THE EXIT 157 24/7 TIF DISTRICT:** Mason Ruder moved, Alaina Cunningham seconded, to approve Ordinance No. 4039 establishing the Exit 157 24/7 TIF District.

Vote: Ayes: Shaun Musil  
Sandy Jacobs  
Alaina Cunningham  
Mason Ruder

**11. R9 UPDATE:** John Braun, R9 Project Manager, provided an update on the design of the wellfield and pipeline projects

The City's design engineer, Burns and McDonnell, have subcontracted to Driggs Design locally to survey the wellfield. They will be using a drone to expedite and economize the collection of survey data. Up to 18 locations will be bored and tested for the establishment of 14 test wells to correspond to the proposed municipal well locations.

Design of the 67-mile-long pipeline currently consists of the Pre-Acquisition Phase for right of way and easements. As approved by the Governing Body in August, the City entered an agreement with 4D Acquisition and Consulting out of Michigan to perform pre-acquisition services to include assistance in route selection, easement acquisition cost estimating, developing an acquisition procedures manual, and the development of a scope of services for the solicitation of easement acquisition and construction support services.

Mr. Braun stated that the short-range schedule for wellfield improvements has test well borings completed by the end of the year so that water sampling and final well siting can begin early in 2024. The pipeline improvement schedule shows route selection completed in November, hiring a right of way consultant in

December, then surveying and environmental assessment of the proposed pipeline route occurring in 2024. Both projects are expected to be bid in the summer of 2025.

Chris Smith, R9 Property Manager, reported on the R9's enrollment into the State's walk in hunting program and the benefits it can provide.

Currently, Kansas ranks 49th in the country in the percent of publicly owned lands versus privately owned lands. With 98% of the land in Kansas being privately owned, we rank just ahead of Rhode Island. Because of the relatively few publicly owned lands available to hunters, in 1995, the Kansas Department of Wildlife and Parks developed and implemented the Walk In Hunting Area (WIHA) Program. This program provides landowners an additional revenue source while providing hunters access to private lands. The program has been a huge success; enrollment is currently at nearly one million acres statewide.

Hunting and the related activities have a significant impact on the state's economy. The most recent numbers show that hunters are contributing roughly \$600 million dollars annually to the Kansas economy, and much of that activity occurs in the western half of the state. The WIHA Program not only benefits landowners and hunters, but the program can also play an important role in supporting local communities and businesses.

Encompassing 6,800 acres, the City's R9 property is the seventh largest contiguous WIHA tract out of the state's 4,197 tracts. With the addition of the City's R9 property and the nearby Nature Conservancy property into the WIHA Program, Edwards County and the surrounding communities should receive a larger slice of the \$600 million pie generated by hunters.

**12. PROGRESS REPORT:** Collin Bielser, Deputy City Manager, presented a monthly report of city-related activities, services, and programs.

**13. HAYS HAPPENINGS/UPCOMING EVENTS:** Melissa Dixon, Director of the Convention and Visitors Bureau, presented information on events that will be going on in Hays during the month of November.



**14. COMMISSION INQUIRIES AND COMMENTS:** Commissioner Ruder thanked City staff for their dedication and the amazing work they do.

Commissioner Cunningham stated that not only do we have great employees, but it speaks volumes about the City as a whole that we are able to retain employees that long. She also thanked the Women Who Lead for their contribution to the lighting project at the Dog Park. She stated that they support a lot of great projects, and we are thankful to have them in our community.

Commissioner Jacobs also commented on the longevity of City employees. She stated that all of the projects discussed by the Commission would not happen if we didn't have that type of dedication. She added that we would not have that type of employee base without the leadership of the City Manager, Department Heads, and our HR Department and everything that is put in place to make this a great place to work.

Mayor Musil thanked the Convention and Visitor Bureau and the Chamber for doing a great job promoting our community.

The meeting was adjourned at 5:22 p.m.

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

Brenda Kitchen – City Clerk