

The Regular Council Meeting was called to order by Mayor Ken Hampton at 7:01 p.m. in the Haysville Municipal Building, 200 West Grand Avenue.

Roll was taken by Recording Secretary Camille Tullis: Pierce here, Bradshaw here, Kanaga here, Ewert here, Slocum here, and Conrady here. Councilperson Rob Wilkerson and Councilperson Steve Crum were absent.

Invocation was given by Pastor Mike Bradshaw, Haysville Christian Church.

Mayor Ken Hampton led everyone present in the Pledge of Allegiance.

Under Special Order of Business Mayor Ken Hampton presented Public Hearing Relating to the Proposed Issuance of Not to Exceed \$3,000,000 Principal Amount of Industrial Revenue Bonds, Series 2010 (Comfort Inn and Suites Project) and Regarding an Exemption from Ad Valorem Taxation of Property Constructed or Purchased with the Proceeds of Such Bonds.

Mayor Ken Hampton asked for a motion to open the Public Hearing.

Motion by Bradshaw – Second by Kanaga

Mr. Mayor, I make a motion to open the Public Hearing in regard to the Comfort Inn and Suites project.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

Mayor Ken Hampton explained a public hearing was required to be held before Council may approve a property tax exemption and before equipment can be constructed or purchased with the proceeds of the bonds. Mayor Hampton stated the City Council may discuss the percentage and amount of years for the property tax exemption after the public hearing had concluded. Mayor Hampton explained a PILOT Agreement would be drafted after the meeting.

Theron Frogatte with Openhimer and Company introduced himself stating he was the Financial Advisor on the Project. Frogatte explained Industrial Revenue Bonds were issued so a city could help the developer offset their costs, which enables a developer to build despite the cost. Frogatte stated this hotel would be a good investment because about 12,000 people will stay at the hotel per year, which would bring revenue to the City. Frogatte presented a book distributed to Council outlining the project. Frogatte explained the hotel would be located at the turnpike entrance with an address of 651 East 71<sup>st</sup>. Frogatte advised the hotel would have 55 units including 6 suites. Frogatte stated the construction would create about a \$1 million payroll and 12 full time jobs afterward. Frogatte advised the book contained a list of all of the owners and all of their businesses. Frogatte stated the bonds would be purchased from a local bank that had a history with the owner's previous developments. Frogatte stated the hotel would be a \$3 million project including a business center, breakfast meeting place, swimming pool, fitness center, spa, and business convention center. Frogatte stated they completed two cost

## **Regular Council Meeting**

**July 12, 2010**

**Page 2**

benefit analyses with Wichita State University to show the benefit to the City from doing the bond issue. Frogatte presented the first cost benefit analysis with 100% tax abatement over 10 years estimating the City receiving \$1.76 per every \$1 the company receives in tax abatements. Frogatte stated the second cost benefit analysis showed a 5 year tax abatement.

Sarah Steele with Gilmore and Bell introduced herself stating they had recently served the City as bond counsel on the Weckworth and Langdon project. Steele explained the 5 year cost benefit analysis estimates the City receiving \$4.86 for every \$1 in tax abatements. Steele explained it would be at the City's discretion how long and how much they would like the tax abatement to be. Steele stated the maximum time for a tax abatement was 10 years at 100%. Steele advised it was required by state law to hold a public hearing and let any interested party, for or against the issuance of the bonds and property tax abatement, speak. Steele advised after the public hearing Council would need to consider a resolution of intent, which would be a non binding resolution that expresses the intent of the City to issue the bonds and move forward with the project. Steele explained at a later time an ordinance would be presented to the City for the issuance of the bonds.

Councilmember Keith Pierce asked how the money would come back to the City as presented in the cost benefit analysis. Sarah Steele stated it was calculated by software the Kansas Department of Commerce created that considers numerous factors. Pierce asked if there was a margin of error on the analysis. Steele explained the analysis was just a tool to help the City look at the various tax abatement levels available.

Hasu Patel stated if any Council Members had questions the architect and various consultants were present.

Councilmember Keith Pierce commended those involved in the project for putting together the project book, stating it was an excellent report. Pierce asked if they had a timeline for the expected start and finish date. Hasu Patel stated the project would start in October of this year and finish in the following June.

Theron Frogatte wanted to add the City would have to close the bond issue this year to prevent the owners from having to pay taxes. Frogatte explained the hotel would collect a transient bed tax that the City would have to apply for to receive. Frogatte explained the cost benefit analysis showed the hotel receiving all of the money from the transient bed tax so the City's revenue could be greater.

Director of Governmental Services Carol Neugent added that the 5 year cost benefit analysis was run with the hotel not receiving the transient quest tax.

Mayor Ken Hampton asked if there was any party that wished to speak on the issue. There were none.

**Regular Council Meeting**

**July 12, 2010**

**Page 3**

Mayor Ken Hampton asked for a motion to be made to close the public hearing.

Motion by Bradshaw – Second by Slocum

Mr. Mayor I make a motion that we close the public hearing regarding the Comfort Inn project.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

Mayor Ken Hampton presented A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF HAYSVILLE, KANSAS DETERMINING THE ADVISABILITY OF ISSUING INDUSTRIAL REVENUE BONDS OF SAID CITY FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF A HOTEL FACILITY TO BE LOCATED IN SAID CITY. Mayor Hampton stated a motion needed to be made to pass the resolution in order to move forward with the project.

Motion by Bradshaw – Second by Ewert

Mr. Mayor I would make a motion that Council pass A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF HAYSVILLE, KANSAS DETERMINING THE ADVISABILITY OF ISSUING INDUSTRIAL REVENUE BONDS OF SAID CITY FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF A HOTEL FACILITY TO BE LOCATED IN SAID CITY

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

Mayor Ken Hampton stated Council needed to discuss the tax abatement for the project. Director of Governmental Services Carol Neugent advised Council needed to come up with a figure to put into the resolution because it was currently blank where the amount should be. Mayor Hampton explained after discussion with Hasu Patel the City proposed a tax abatement of 100% the first three years, 75% the fourth year, 50% the fifth year, 25% the sixth year, and full taxes on the seventh year.

Motion by Bradshaw – Second by Kanga

Mr. Mayor I would make a motion that Council approve a tax abatement on this project of three years of the full tax abatement, fourth year 75% abatement, fifth year 50% abatement, sixth year 25% abatement, and the seventh year return to normal taxing situation.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

Mayor Ken Hampton presented a Presentation of the 2009 Audit Report - Gary George of George, Bowerman & Noel.

**Regular Council Meeting**

**July 12, 2010**

**Page 4**

Gary George gave a summary of the City's Financial Statements and the 2009 Audit Report.

Under Presentation and Approval of Minutes, Mayor Ken Hampton presented for approval the Minutes of June 28, 2010.

Motion by Kanaga – Second by Ewert

Mr. Mayor I move that we approve the minutes of the June 28, 2010 meeting of Council. Pierce yea, Bradshaw abstain, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

Under Citizens to Be Heard Mayor Ken Hampton presented Marion Renner, Haysville Community Library Re: City Wide Garage Sale.

Marion Renner stated she was present on behalf of the Haysville Community Library. Renner advised they were requesting permission to sell garage sale permits for August 14 and August 15. Renner also requested the City not sell any permits for that weekend or for the Thursday and Friday preceding that weekend.

Councilperson Mike Kanaga asked if this is what was requested of Council each year. Mayor Ken Hampton stated it was. Marion Renner advised this would be the thirtieth year of the City Wide Garage Sale.

Motion by Kanaga – Second by Ewert

I would make a motion that we allow the library to sell garage sale permits for the 14<sup>th</sup> and 15<sup>th</sup> of August, and that the preceding Thursday and Friday no permits be sold.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

There were no Licenses and Bonds.

Under Ordinances and Resolutions Mayor Ken Hampton presented AN ORDINANCE CHANGING THE ZONING CLASSIFICATION FROM "A" TO "D" ON CERTAIN PROPERTY LOCATED WITHIN THE CORPORATE CITY LIMITS OF THE CITY OF HAYSVILLE, KANSAS. Mayor Hampton stated this ordinance would be for the zone change request that Council approved at the last meeting for the First Christian Church.

Councilperson Sandy Bradshaw asked what this ordinance would change. Director of Governmental Services Carol Neugent explained the church was currently listed as "A" Single Family which requires them to get Conditional Use Permits. Neugent stated by rezoning the church to "D" Light Commercial it allowed them to do things as an allowed use instead of acquiring Conditional Use Permits each time. Bradshaw asked if the rezoning would be just for the church; Neugent stated it would.

**Regular Council Meeting**

**July 12, 2010**

**Page 5**

Motion by Kanaga- Second by Ewert

I'd make a motion that we approve AN ORDINANCE CHANGING THE ZONING CLASSIFICATION FROM "A" TO "D" ON CERTAIN PROPERTY LOCATED WITHIN THE CORPORATE CITY LIMITS OF THE CITY OF HAYSVILLE, KANSAS.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum nay, Conrady yea.

Motion declared carried.

Mayor Ken Hampton presented AN ORDINANCE CHANGING THE ZONING CLASSIFICATION FROM "F" LIGHT INDUSTRIAL TO "DD" HOTEL, MOTEL ON CERTAIN PROPERTY LOCATED WITHIN THE CORPORATE CITY LIMITS OF THE CITY OF HAYSVILLE, KANSAS. Mayor Hampton explained this ordinance would be for the hotel discussed earlier in the night.

Motion by Slocum – Second by Ewert

I move that we approve AN ORDINANCE CHANGING THE ZONING CLASSIFICATION FROM "F" LIGHT INDUSTRIAL TO "DD" HOTEL, MOTEL ON CERTAIN PROPERTY LOCATED WITHIN THE CORPORATE CITY LIMITS OF THE CITY OF HAYSVILLE, KANSAS.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

Under Notices and Communications, Mayor Ken Hampton asked for Governing Body Announcements.

Councilperson Pat Ewert reminded citizens that the Hometown Market was open every Saturday from 8 a.m. to 11 a.m. until September 11, 2010 in the Historic District.

Under Other Business Mayor Ken Hampton presented Establish a Budget Workshop for July 19, 2010.

Motion by Ewert – Second by Kanaga

I'll make a motion that we establish the workshop set for July 19<sup>th</sup> for 6:30 p.m.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried.

Mayor Ken Hampton presented Consideration of Half Price Pool Passes.

Recreation Director Georgie Carter advised that because the summer was half over they would like to offer half price pool passes.

Motion by Pierce – Second by Ewert

Mr. Mayor and Council, I make a motion that we allow Georgie to move forward with this half price plan.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

**Regular Council Meeting**

**July 12, 2010**

**Page 6**

Motion declared carried

Mayor Ken Hampton presented Consideration of Roof Replacement and Repairs.

Director of Public Works Randy Dorner advised the City's insurance adjuster had looked at the various City buildings and determined that some need replacement and/or repair of their roofs. Dorner advised the buildings included: The Band Stand, Riggs Park Restrooms, Timberlane Shelter, the Lions Club, Well Houses #5, #6, #8 and the Main Pump Station. Dorner explained they had received bids from various contractors for the work. Dorner advised they would be asking for \$2,000 over the bid price for incidentals such as sheathing repair or replacement since the shingles are still in place and items could possibly need replaced once exposed. Dorner stated the money would be paid out of the Insurance Fund for the Park department and the Water budget.

Mayor Ken Hampton asked if the sheathing repairs would be done by the City or the contractors. Director of Public Works Randy Dorner stated the repairs would be done by the contractor as needed. Mayor Hampton asked if they would wait for the City to okay the repairs; Dorner stated they would.

Councilperson Michael Conrady asked if the roofs were inspected annually. Director of Public Works Randy Dorner explained Well House #8 had been inspected over its 20 year life and had needed various repairs. Dorner stated the roof needed replaced due to a leaking sky light and various other reasons. Dorner stated some of the park buildings had also been hit by trees during various storms, which was why the insurance adjuster had looked at the park buildings.

Motion by Kanaga – Second by Ewert

Mr. Mayor I move that we approve the bid of Wichita Home Exteriors LLC, not to exceed \$19,159 for the roof repairs on the park shelters, restrooms, well houses, and pump stations.

Councilperson Michael Conrady asked how much money would be coming out of the Water Budget for the repairs. Director of Public Works Randy Dorner advised about \$5,800 would be coming out of the funds. Dorner stated the insurance company had already paid a portion of the amount and would pay more after they review the final bill.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

Mayor Ken Hampton presented Consideration of Parking Lot Improvements.

Director of Public Works Randy Dorner advised the project had already been approved but he needed approval for the bids on the curbs, gutters, sidewalks, driveways, and the asphalt parking lot. Dorner advised the parking lot bids had been very competitive. Dorner recommended Council accept the curbs, gutters, sidewalks, and driveways bid

**Regular Council Meeting**

**July 12, 2010**

**Page 7**

from Kansas Paving in the amount of \$28,377.25. Dorner recommended Council accept the asphalt parking lot bid from APAC in the amount of \$40,290.36. Dorner explained the memo in the packet had an incorrect amount for the parking lot bid and he had placed a corrected one at their bench. Dorner advised since they would have two separate contracts they would need two separate motions.

Motion by Bradshaw – Second by Slocum

Mr. Mayor I'd make a motion that we accept the bid of Kansas Paving for \$28,377.25 for the curbs, gutters, sidewalks, and driveways of the New City Hall Complex.

Councilperson Michael Conrady asked if the amount would be taken out of the bonds for the remodel. Mayor Ken Hampton advised it would not.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

Mayor Ken Hampton requested a motion be made to accept the bid from APAC for the asphalt parking lot.

Motion by Kanaga – Second by Slocum

Mr. Mayor I move that we accept the bid from APAC of \$40,290.36 to do the asphalt parking lot.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

There was no Old Business.

Comptroller Will Black announced advanced voting information.

Director of Governmental Services Carol Neugent advised citizens that the Wichita Area Metropolitan Planning Organization would be conducting a survey in the mail and by telephone.

Chief of Police Mike McElroy announced the radar trailer had been repaired and is back in service.

The Public Works Activity Report for June was presented. Director of Public Works Randy Dorner had nothing to report.

The Recreation Activity Report for June was presented. Recreation Director Georgie Carter announced the last session of swim lessons would begin Monday, July 19<sup>th</sup>.

The Sedgwick County Fire Department, Station #34 Activity Report for the 2nd Quarter was presented. Mayor Ken Hampton advised no one was present to give the report and they may try and reschedule them for another meeting.

**Regular Council Meeting**

**July 12, 2010**

**Page 8**

Under Appointments Mayor Ken Hampton presented for approval Chief of Police – Mike McElroy.

Motion by Kanaga – Second by Slocum

Mr. Mayor I move that we allow you to appoint Mike McElroy as Chief of Police, reappoint.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

Mayor Ken Hampton presented Public Works Director – Randy Dorner.

Motion by Pierce – Second by Slocum

Mr. Mayor and Council, I move that we approve the reappointment of Randy Dorner for the Public Works Director position.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

Mayor Ken Hampton presented City Attorney – Alison McKenney Brown.

Mr. Mayor, I make a motion that Alison McKenney-Brown be reappointed as City Attorney.

Motion by Bradshaw – Second by Ewert

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

Mayor Ken Hampton presented Election of Council President.

Director of Governmental Services Carol Neugent stated this item needed the City Clerk or Assistant City Clerk present to hold an election. Mayor Ken Hampton requested the item be tabled.

Motion by Pierce – Second by Kanaga

Mr. Mayor and Council I move that we table this item until the next meeting, that item being the Council President selection.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

There were no Off Agenda Citizens To Be Heard.

There was no Executive Session scheduled.

Mayor Ken Hampton presented Bills to be Paid for the First Half of July.

Motion by Ewert – Second by Slocum

I make a motion that we pay the first half of July's bills.

**Regular Council Meeting**

**July 12, 2010**

**Page 9**

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.  
Motion declared carried

Under Consent Agenda Mayor Ken Hampton presented a Thank You Card from the Huddlestons.

Mayor Ken Hampton presented the Council Items and asked for comments or new Council concerns.

Councilperson Michael Conrady asked Councilperson Keith Pierce if he liked the new format of the bills. Pierce stated he thought the bills were easier to read in the new format but either way it was work to read the bills. Conrady stated he did not like how the water bills were separated and asked if it would be an easy thing to change. Director of Governmental Services Carol Neugent stated if it was Council preference it could be done. Mayor Ken Hampton stated they would look into reformatting that portion of the bills.

Councilperson Michael Conrady asked who was watching the prisoner housing fees that the City is being charged by Sedgwick County. Chief of Police Mike McElroy stated there were several different departments watching the bills. Director of Governmental Services stated three different departments receive the invoices and they receive daily tracking to watch for any issues. Neugent explained a bill had been challenged recently and they did receive a reduction.

Mayor Ken Hampton presented for approval Adjournment.

Motion by Pierce – Second by Ewert

Mr. Mayor and Council I move that we adjourn tonight's meeting.

Pierce yea, Bradshaw yea, Kanaga yea, Ewert yea, Slocum yea, Conrady yea.

Motion declared carried

Meeting Adjourned at 8:05 p.m.

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Janie Cox, Asst. City Clerk