

City of Hays
City Commission
Work Session Notes
Thursday, April 17, 2025 – 4:00 p.m.

Present: Sandy Jacobs, Mason Ruder, Alaina Cunningham by Zoom, Reese Barrick, Shaun Musil, Toby Dougherty, Collin Bielser, and Don F. Hoffman

March 20, 2025 Work Session Notes

There were no corrections or additions to the minutes of the work session held on March 20, 2025; the minutes stand approved as presented.

Fort Hays Tech | North Central: Big Creek Technical Training Center Annual Report

Eric Burks, President of Fort Hays Tech | North Central, presented the Annual Report summarizing the activities at the Big Creek Technical Training Center housed at 101 Main Street. Annual reporting is a requirement of their contract with the City of Hays for their utilization of space at the former Army Reserve facility, which is owned by the City. NCK Tech maintains the building's condition to provide a comfortable educational learning environment for students at the Big Creek Technical Training Center.

Mr. Burks stated that Fort Hays Tech | North Central is a fully accredited college and provides transferable credits. They serve an average of 1,200 students a year with campuses in Hays (2205 Wheatland) and Beloit, Kansas. He noted that Fort Hays Tech | North Central has been consistently ranked in the top 10 nationally for college graduation rates.

Mr. Burks noted some exciting changes:

- A new Respiratory Care Program will launch in the Fall of 2025 in partnership with HaysMed.
- A new Powersports Program will be started on the Beloit Campus.

- The Culinary Arts Program will be moving to Gella's in the Fall of 2025.
- Fort Hays Tech | North Central is constructing a 30,000-square-foot facility to house its Construction, Electrical, and Plumbing, Heating & Air-Conditioning Programs. This expansion will double student capacity, introduce a two-year Electrical Program, and launch a second-year PHAC Program. They are in the process of determining which programs will move into Big Creek Technical Training Center housed at 101 Main Street once construction programs move into the new building.

Mr. Burks stated Fort Hays Tech | North Central is building another single-family home on the Hays campus this year. Although this project is not directly for the City of Hays, last year's house sold for \$174,000 generating \$16,095 in sales tax. It also represented over \$143,000 worth of building materials, with most being purchased from Hays area businesses.

Mr. Burks thanked the City Commissioners for their support and partnership.

Resolution Evidencing an Intent to Issue Industrial Revenue Bonds (A&A Coors, Inc.)

Jarrold Kuckelman, Assistant City Manager, stated that A&A Coors Inc., submitted an application for economic incentives relating to the planned construction of a new 43,000 square foot commercial warehouse and distribution facility. A&A Coors has operated in Hays since 1969, serving 22 counties in NW Kansas. The Developer seeks to expand its business through the construction of a new facility to be located northeast of the intersection of East 9th Street and Commerce Parkway.

The Developer is requesting Industrial Revenue Bonds (IRBs) be issued to benefit the Project. Utilization of the IRBs will allow the Developer to obtain a sales tax exemption for all purchases related to the construction of the Project and a real property tax abatement for the Project for up to 10 years. IRBs do not affect

the city's debt limit or rating and do not require taxpayer commitment, as the developer is solely responsible for the payment obligations. For the purposes of this project, the sales tax benefit for the Developer is estimated to be just under \$39,000.

This project is estimated to have a total investment of about \$7 million. Based on this amount, the City's current Economic Development Policy would support a 50% property tax abatement, which would offer A&A Coors potentially about \$260,000 in City property taxes over the full 10 years (\$26,000 per year). However, the exact numbers for the final abatement percentage and benefit to the Developer won't be finalized until construction is complete and the exact construction cost numbers are determined.

Prior to approving an IRB granting a property tax abatement, a public hearing must be held. Notice of the public hearing has been published as required by statute and sent to USD 489 and Ellis County. Following the public hearing, adopting the Resolution of Intent would allow the Developer to request a sales tax exemption certificate from the State of Kansas for the Project and is a strong indication of the City's intent to issue the IRBs in the future.

At the April 24, 2025 Commission meeting, Commissioners will be asked to hold a public hearing regarding the issuance of IRBs for A&A Coors and an exemption from ad valorem taxation of property constructed or purchased with the proceeds of such IRBs and adopt a resolution evidencing an intent to issue Industrial Revenue Bonds.

2025 Water Resources Department Parking Lot / Access Improvements – Award of Bid

Jeff Crispin, Director of Water Resources, reported that the parking lot and entrance between the Water Plant and Water Resources Maintenance Facility have been a concern for years. Most of the parking areas at the Maintenance Facility, including the stormwater conveyance ditch between the two buildings, are comprised of dirt and asphalt millings. Any rain or snow event makes parking and

traveling through this area a mess, causing ruts and maintenance issues. Furthermore, the existing stormwater ditch has settled to the point that stormwater does not easily transfer into the stormwater retention pond along Vine Street. The south entrance to the Water Plant is made up of asphalt and over time has deteriorated and needs replaced as well. This project would require the contractor to replace the Vine Street entrance with a reduced slope approach, making entering and exiting safer.

One bid for installation of a new concrete parking lot and entrance between the Water Plant at 1000 Vine Street and the Maintenance Facility at 1004 Vine Street was opened on March 18, 2025. Morgan Brothers Construction Inc. of La Crosse, Kansas bid the project in an amount of \$136,483.72.

At the April 24, 2025 Commission meeting, Commissioners will be asked to authorize the City Manager to sign a contract with Morgan Brothers Construction Inc. of La Crosse, Kansas for parking lot and access improvements at the Water Resources facility in the amount of \$136,483.72 to be funded from Water Capital and Water Reclamation Capital (50/50 Split).

2025 Street Maintenance Program – Award of Bid for Extra Work (Pavement Markings)

Jesse Rohr, Director of Public Works, stated that at the February 27, 2025, City Commission meeting, the City Commission awarded nearly \$800,000 in various street contract work. No bids were received for the pavement marking portion of the project. Staff rebid the pavement marking portion of the project, which included a base bid for markings on Hall Street from 8th to 27th and an add alternate bid for markings on East 13th from Main Street to Milner Street. Bids from four different contractors were received, and staff recommends entering a contract with the low bidder. The low bid is from C-Hawkk Construction, LLC of Eudora, Kansas at the cost of \$54,691.40. C-Hawkk has not performed work in Hays in the past. Upon checking references, the company came highly recommended by a representative of KDOT who has worked with them on projects for the past 16 years, primarily in the eastern part of Kansas. Also, because the bids came in

under the estimated budget amount of \$110,000 for the project, City staff reached out to the contractor asking if they would be interested in additional work while they are in Hays, specifically the pavement markings within the roundabouts on Vine Street, which need replaced. The total of the low bid from C-Hawkk Construction, LLC for pavement markings is \$101,420.40.

At the April 24, 2025 Commission meeting, Commissioners will be asked to authorize the City Manager to enter a contract with C-Hawkk Construction, LLC, in the amount of \$101,420.40, for pavement markings on Hall Street, East 13th Street, and the Vine Street roundabouts, to be funded out of Special Highway – Budgeted Projects.

Other Items for Discussion

Mayor Jacobs thanked Jim Aubel, President of A&A Coors, and the Aubel family for investing in our community by expanding their business in Hays.

The work session was adjourned at 4:59 p.m.

Submitted by: _____

Jami Breit –City Clerk