



Memo

To: City Commission
From: Toby Dougherty, City Manager
Date: April 14, 2025
Re: April 17, 2025, Work Session

Please find the attached agenda and supporting documentation for the April 17, 2025, Work Session.

Item 2 – Fort Hays Tech | North Central: Big Creek Technical Training Center Annual Report

Representatives from Fort Hays Tech | North Central will be in attendance to update the City Commission on the college's latest activities.

Item 3 – Resolution Evidencing an Intent to Issue Industrial Revenue Bonds (A&A Coors Inc.)

Please refer to the attached memorandum from Jarrod Kuckelman, Assistant City Manager, regarding the industrial revenue bonds for A&A Coors Inc. A&A Coors is building a new facility in the Commerce Parkway Industrial Park. They have petitioned the Commission for the issuance of industrial revenue bonds that would provide them with a sales tax exemption for construction materials as well as a 50% tax abatement for 10 years.

Item 4 – 2025 Water Resources Department Parking Lot / Access Improvements – Award of Bid

Please refer to the attached memorandum from Jeff Crispin, Director of Water Resources, regarding the Water Resources Department parking lot. City staff solicited bids for the concrete paving of the parking lot and entrance area at the Water Treatment Plant and Water Resources Maintenance Facility. This is a much-needed project. The budget estimate was \$130,000, and the single bid from Morgan Brothers Construction, Inc. came in at \$136,483.72. City staff feels this is a competitive bid, is in line with market expectations, and recommends approval.

Item 5 – 2025 Street Maintenance Program – Award of Bid for Extra Work (Pavement Markings)

The City did not receive any bids for pavement markings as part of the initial 2025 Street Maintenance Program. City staff solicited proposals and received four bids for the project, three of the bids being significantly under budget. Therefore, City staff reached out and solicited an

additional quote for redoing the pavement markings on the North Vine Street Corridor. That work is also well within budget. City staff is requesting that the City Commission award the base bid and alternate bid to C-Hawkk Construction LLC.

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CITY COMMISSION WORK SESSION

City Hall, 1507 Main Street, Hays, KS

Thursday, April 17, 2025 – 4:00 P.M.

AGENDA

1. **March 20, 2025 Work Session Notes (PAGE 1)**
Department Head Responsible: Kim Rupp, Director of Finance
2. **Fort Hays Tech | North Central: Big Creek Technical Training Center Annual Report (PAGE 7)**
Responsible: Eric Burks, President of Fort Hays Tech – North Central
Diana Baumann, VP of Finance & Hays Operations for Fort Hays Tech – North Central
3. **Resolution Evidencing an Intent to Issue Industrial Revenue Bonds (A&A Coors Inc.) (PAGE 15)**
Person Responsible: Jarrod Kuckelman, Assistant City Manager
4. **2025 Water Resources Department Parking Lot / Access Improvements – Award of Bid (PAGE 65)**
Department Head Responsible: Jeff Crispin, Director of Water Resources
5. **2025 Street Maintenance Program – Award of Bid for Extra Work (Pavement Markings) (PAGE 73)**
Department Head Responsible: Jesse Rohr, Director of Public Works
6. **Other Items for Discussion**
7. **Executive Session (if required)**
8. **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.

City of Hays
City Commission
Work Session Notes
Thursday, March 20, 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

February 20, 2025 Work Session Notes

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

DHDC Request to Build a Storage Building at UP Plaza

Julie Rider, Executive Director with Downtown Hays Development Corporation (DHDC), stated that they desire to construct a 16' x 12' building at Union Pacific Plaza to store miscellaneous items needed for the community events they host throughout the year.

Union Pacific Plaza is recognized as a City Park and before any structure can be constructed at the behest of an outside organization, the City Commission must provide approval. Once constructed, the building will become property of the City of Hays.

DHDC will be self-funding the venture and offering an opportunity for the community to donate to the project. DHDC's goal is to have the building complete by early summer.

Mayor Jacobs confirmed that there will be no ongoing expenses for the City besides building maintenance.

It was the consensus of the Commission to allow DHDC to proceed with construction, with no formal action required at the Commission Meeting.

Resolution Setting a Public Hearing for the Establishment of a Reinvestment Housing Incentive District (Tallgrass 2nd Addition, Phase 4)

Jarrod Kuckelman, Assistant City Manager, stated that the Heart of America Development Corporation (the “Developer”) submitted an Application for Economic Incentives and the required application fee relating to a residential project and related infrastructure for Phase 4 of the Tallgrass 2nd Addition project located at the northeast corner of 22nd Street and Wheatland Avenue. Preliminary plans include approximately 101 single-family homes and infrastructure to support and serve the development (collectively, the “Project”). The Developer reports that some lots may be converted to multi-family use.

The Developer requests RHID financing on a pay-as-you-go basis for 25 years. The Developer proposes that the City finance the majority of the RHID-eligible costs and construct the infrastructure related to the Project, and that the City utilize RHID revenues to offset the City’s costs, including debt service requirements on any bonds issued for the Project costs. RHID revenues will be derived from incremental property tax revenues collected on the Project site. In addition, the Developer will provide a deposit, which could be utilized by the City to pay for Project costs or to pay debt service on general obligation temporary notes and bonds that are issued. Any RHID revenues generated in excess of City costs and debt service requirements would be used to reimburse RHID-eligible expenses incurred by the Developer on a pay-as-you-go basis. RHID collection will cease upon the earlier of 25 years or full reimbursement of all RHID-eligible project costs.

For financial consideration, the Developer will provide to the City a deposit that is equal to 30% of the projected infrastructure costs. The eligible project costs are estimated to be approximately \$6 million, while the RHID is estimated to generate about \$6.867 million of revenue over 25 years. If the Development were to not generate sufficient increment to cover costs after 6 years, the City would have the option to take ownership of all undeveloped lots.

If the Commission approves the Resolution, a public hearing will be set for May 8, 2025. Following the public hearing, the Commission would consider an Ordinance establishing the RHID and adopting the Development Plan. If an RHID is established and the Development Plan adopted, the City and the Developer

would enter into a Development Agreement to govern the rights and responsibilities of the parties.

At the March 27, 2025 Commission meeting, Commissioners will be asked to adopt a Resolution setting a public hearing for the establishment of an RHID and adoption of a Development Plan.

2024 Building Code Update

Jesse Rohr, Director of Public Works, stated that the City of Hays last adopted its building codes in 2017, to the 2015 version. Adopting the 2024 International Building Code (IBC) and International Residential Code (IRC) ensures that new and renovated structures meet modern safety, accessibility, and energy efficiency standards. City staff have worked to maintain previous amendments that would exempt enforcement of certain provisions of the updated code. Maintaining these previous amendments will minimize changes for contractors and retain the City's current practices, all while keeping up with industry's best practices.

Up to date building codes streamline permitting and create consistency for developers and builders. Many state and federal funding programs require compliance with the latest codes. Adopting the 2024 IBC and IRC will help the community maintain eligibility for certain grants and reduce liability risks when disasters strike. Additionally, insurance providers often base coverage and premium rates on code compliance, benefiting homeowners.

City Staff has worked with local contractors to adopt the updated codes, while also striving to maintain the amendments from the 2015 code adoption, to help minimize changes to current construction practices. Staff engaged local contractors, creating a contractor code committee, which met several times and conducted a public meeting open to all licensed contractors to review and go over code updates and revisions. Staff has reviewed the comments received and with the committee's agreement, staff concurs with the amendments as presented.

While some code updates may have upfront costs, they often lead to long term savings through disaster resilience and reduced maintenance costs. Updated

codes also align with best practices, reducing costly design modifications and project delays.

At the March 27, 2025 Commission meeting, Commissioners will be asked to approve an ordinance adopting the 2024 International Building Code and International Residential Code with amendments as legally described within the adopting ordinance.

Smoky Hill River Wellfield Status Update

Toby Dougherty, City Manager, gave an update on the status of the water available in the Smoky Hill River Wellfield. He stated that the City of Hays is currently in moderate drought, and the future outlook shows that drought conditions will persist. The Smoky Hill River aquifer shows some saturation upstream, but when you hit the City's wellfield, the aquifer level is declining, and it turns dry in our wellfield. Once you reach Russell's wellfield, it is dry and is significantly more depleted than the City of Hays' wellfield.

Mr. Dougherty said after talking with our counterparts at Russell, we think that we need to get a request on record at the Kansas Water Office for a release of water from Cedar Bluff to top off both wellfields. There will be two separate releases because there are two separate pools of water. Russell owns water rights in Cedar Bluff, the City of Hays does not; however, the State of Kansas owns one of the levels in Cedar Bluff, and we are able to ask for a release from that because we have an operations agreement with the State of Kansas.

Mr. Dougherty said that the next step is going to be the City of Hays working with Russell. Mr. Dougherty will craft a letter to the Kansas Water Office asking for a release out of the artificial recharge pool. This process at the State will take a while before we hear anything.

Mayor Jacobs made a point to say that we would not be having to do any of this if the R9 Project was done and taken care of. She is sorry that we have to ask for this, but the City is going to take care of our community and our citizens.

All Commissioners mirrored Mayor Jacobs's sentiments and encouraged anyone who had comments about this to contact Edwards County and let them know the City of Hays wants the water we own.

Other Items for Discussion

Commission Jacobs asked the Parks Department to put together an overview of all the City Parks, the amenities, and the sustainability.

Executive Session

Commissioner Ruder moved, Commissioner Barrick seconded, that the Governing Body recess to an executive session at 4:51 p.m. for a period not to exceed 20 minutes to include the City Commission, City Manager, Deputy City Manager, Assistant City Manager, and City Attorney to discuss data related to the financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships.

Vote: Ayes: Sandy Jacobs

Mason Ruder

Alaina Cunningham

Reese Barrick

Shaun Musil

No action was taken within the executive session, which ended at 5:09 p.m.

The work session was resumed and adjourned at 5:09 p.m.

Submitted by: _____

Jami Breit –City Clerk

2024 Year in Review

This report represents the fifteenth annual summary of activities undertaken at the Big Creek Technical Training Center, operating in partnership with the City of Hays. The training center serves as a vital educational resource for the Hays region, offering specialized training programs that are designed to meet the needs of local industries.

1. Overview of Training Programs

The Big Creek Technical Training Center offers comprehensive technical training in the following areas:

- **Carpentry**
- **Electrical Technology**
- **Plumbing, Heating, and Air Conditioning (PHAC)**

These programs are developed and delivered in collaboration with local businesses through advisory committees. These committees ensure that the training curriculum aligns with industry standards and evolving workforce demands. All instructors at the center are licensed in accordance with the City of Hays codes specific to their instructional areas.

2. Enrollment and Program Demand

The programs at Big Creek Technical Training Center continue to experience significant demand. The **Electrical Technology** and **PHAC** programs are both fully enrolled for the Fall 2025 semester, and waitlists have been established for these courses. Similarly, there are waitlists for the **Welding** and **Nursing** programs, reflecting the strong demand for skilled training in the region.

3. Facility Maintenance and Upkeep

Fort Hays Tech | North Central is committed to maintaining the Big Creek Technical Training Center as a modern and conducive learning environment. In addition to routine maintenance, several key improvements and repairs were completed during this reporting period:

- **Emergency Lighting Replacement:** Replaced two additional emergency lights.
- **LED Lighting Installation:** Installed energy-efficient LED lights as replacements as needed in restrooms and classrooms.
- **Boiler System Servicing:** Conducted a full service of the boiler system to ensure reliable heating during colder months. Circulation Pump was rebuilt and the vent valve in the shop was replaced.
- **Roof Repairs:** Conducted multiple roof repairs on the main building throughout the year to address weather-related wear and tear and maintain the structural integrity of the

Annual Summary Report: Big Creek Technical Training Center

Location: 101 S. Main St.

April 17, 2025



- facility. Replaced ceiling tiles and performed other maintenance work to repair water damage.
- **Air Filter Replacement:** Replaced air filters every three months across all HVAC units to maintain air quality and system efficiency.
- **Advanced Classroom Features:** Purchased custom-made tables to be placed in the classroom for enhanced hands-on training on motor stations.
- **Water Heaters:** Installed water heaters allowing PHAC students to repair the entire unit and see first-hand how they work.
- **Repairs:** Overhead and entry door repairs. Bathroom and lighting repair as well as many other routine maintenances throughout the building.



Electrical



Wired Tables



New Water Heaters

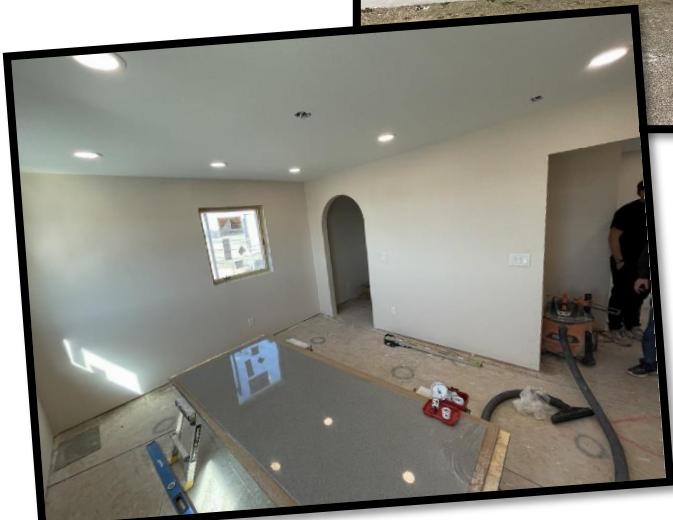
Annual Summary Report: Big Creek Technical Training Center

Location: 101 S. Main St.

April 17, 2025



Construction House



Fort Hays Tech | North Central is building another impressive **1,920-square-foot single-family, 3-bedroom, 2-bath home** on the Hays campus this year. While this project is not directly affiliated with the City of Hays, last year's house sold for \$174,000 generating \$16,095 in sales taxes. It also represented over \$143,000 worth of building materials purchased from Hays area businesses. This is Ethan Kriley's second year with our team and he is adding new features and experiences for our students. He will also be introducing cement work to develop students into valuable employees in the very near future.

Fort Hays Tech | North Central and the City Administration continue to maintain open lines of communication. Various City departments have compiled a list of potential projects, which were presented to Fort Hays Tech | North Central during the spring semester.

Community Efforts

As part of these collaborative efforts, the Electrical Technology program plans to install lights and outlets in the **Drill Tower** for the Fire Department. The Carpentry program constructed a walk-in **kiosk** last year for the Parks Department and plans to build three more this year.

The PHAC students have been hard at work developing a "Knock Out Water Waste" carnival-style game for the Water Resources Department's education and outreach efforts. They named their game **Water Jeopardy**, designed to engage students of all ages.

The game features trivia questions tailored for elementary, middle, and high school students. Along the path, players encounter plexiglass stops where they must answer a question correctly to advance. If their boat sinks, they are out of the game. We believe the students had a great time creating this one!



Left: PHAC students giving the new Water Jeopardy game a try!



Right: Outdoor Kiosk (not actual picture but similar).

Community Engagement & Workforce Development at Fort Hays Tech | NC

At Fort Hays Tech | North Central, community engagement is a core value. Our Big Creek location proudly supports local events such as **The West Festival** and **Oktoberfest**, providing year-round storage for event materials and offering our facilities to volunteers and entertainers. Additionally, our students actively participate in these events by assisting with setup, managing parking, and preparing delicious traditional foods—including bierocks, green bean dumpling soup, and desserts—through our **Culinary Department**.

Beyond these annual traditions, we continue to expand our community partnerships. This summer marks the fourth year of hosting the **Tour Die Kapellen** headquarters, and the third year for the **Thunder on the Plains Car Show**. This summer will see us offering space for the **Honor Flight Swap Meet**.

Annual Summary Report: Big Creek Technical Training Center

Location: 101 S. Main St.

April 17, 2025



We offered space at our Wheatland Avenue location this year for the **Lions Club** 100-year celebration, **Fire School** Training under the direction of Fire Chief Darin Meyers, **Kansas Commerce** Championship Training and space for the **Carl D. Perkins** Career and Technical Education Act yearly training event. We take great pride in maintaining a clean and well-stocked environment for all our guests and community partners and enjoy being able to work with each of these organizations for the betterment of our students, city and state.

Community Health and Safety Initiatives

Our commitment to the region extends beyond event support. Fort Hays Tech | North Central students organize an **Annual Health Fair** for the public (coming up on May 3rd from 9:00 am – 3:00 pm) and assist with free **flu vaccinations** at Hays Medical Center as well as offering diabetes and sight testing. Additionally, we have hosted multiple **blood drives**, help with the setup of **Oktoberfest**, and actively participate in **Frostfest** each year and many more activities depending on the availability of our students.



Left: Students help a community member at their Annual Health Fair

Middle: Student made Gnome Christmas Tree for Frostfest

Right: Diabetes, Blood Pressure and Sight Screenings at the Hays Mall

Workforce Development and Student Success

Since 2009, Fort Hays Tech | North Central has trained **695 students** in Carpentry, Electrical Technology, and Plumbing, Heating & Air-Conditioning. Our graduates continue to find success in their fields—of the 43 full-time graduates from our Hays programs in May 2024:

82% are employed in their related fields

9% have continued their education in current programs at the college

9% are employed in other industries

By fostering strong partnerships with local organizations and providing high-quality technical education, Fort Hays Tech | North Central remains dedicated to the growth and success of both our students and the communities we serve.



Affiliation



In the first half-year of the Fort Hays State University (FHSU) Affiliation Initiative, the Governance, Steering, and Implementation Teams have worked to align **FHSU, Fort Hays Tech | North Central, and Fort Hays Tech | Northwest** with the original vision set by Presidents **Mason, Burks, and Schears**. The initiative has made significant progress in five key areas:

1. Charting New Academic Pathways

- Several academic pathways are being developed to provide seamless educational transitions.
- Examples include new transfer agreements for Welding, Construction Technology, Respiratory Therapy, Medical Assistance, and Agricultural programs leading to degrees at FHSU.

2. Strengthening Professional Relationships

- 14 Affiliation Implementation Teams (AITs), made up of faculty and staff, meet regularly to enhance collaboration.
- Faculty exchanges, career fairs, and student support initiatives are fostering cross-institutional engagement.

3. Reducing Administrative Barriers for Students

- Transitioning to a unified Blackboard Learning Management System by January 2025.
- Eliminating application fees for students transferring among affiliated institutions.
- Developing a guide to help high school students plan their education.

4. Sharing Resources

- Coordinating student success services, including remote mental health resources.
- Carpentry students at North Central are using FHSU facilities during construction of a new building.

5. Engaging with Regional Business & Industry

- Business leaders are actively involved in shaping new academic and workforce programs.
- Industry partners contribute insights on healthcare training, business internships, and agricultural grant opportunities.
- A new website is being developed to connect businesses with educational resources and workforce development programs.

This initiative is driving innovation, streamlining student pathways, and strengthening regional economic and educational partnerships.

Construction Programs Building

Fort Hays Tech | North Central is constructing a 30,000-square-foot facility to house its **Construction, Electrical, and Plumbing, Heating & Air-Conditioning (PHAC) programs**. This expansion will double student capacity, introduce a two-year Electrical program, and launch a second-year PHAC program. The new facility will also centralize all production efforts, allowing students to construct two houses per year in one dedicated location.

The **new facility** at Fort Hays Tech | North Central will not only expand hands-on training for Construction, Electrical, and PHAC students but also enhance the overall student experience. The building will feature two dedicated student spaces for studying, relaxing, or socializing. Improved lab efficiency will allow more students to train on state-of-the-art equipment, fostering innovation. Additionally, a second-floor **mezzanine** will provide visitors with a clear view of the shop floors, offering a firsthand look at students' training and construction projects in progress.

The new facility's labs will be the first to be completed, allowing students to begin using them early in the **fall semester of 2025**, with full interior construction finalized by the end of the semester. This expansion provides students with a unique opportunity to witness and engage in the building process firsthand. Students in the Construction, Electrical, and PHAC programs will gain practical experience by working on a residential home adjacent to the site while simultaneously training in commercial building techniques as the new facility takes shape beside them throughout the year.

Two of the three programs have already filled both their regular and new second-year classes for the Fall Semester, with additional students on a waiting list. They are not alone—several other programs also have high demand. The new space available at the Big Creek facility after the Electrical and PHAC programs move to the new building will help accommodate this growth, providing more opportunities for students to enroll in Fort Hays Tech | North Central's in-demand technical programs.



Annual Summary Report: Big Creek Technical Training Center

Location: 101 S. Main St.

April 17, 2025



Conclusion

The Big Creek Technical Training Center continues to play an essential role in addressing the workforce development needs of the Hays region. The success of the center's programs is reflected in increasing enrollment and the growing demand for skilled professionals in the local community. Fort Hays Tech | North Central remains committed to offering high-quality, industry-aligned training while maintaining a modern, well-equipped learning environment. As we look to the future, the center will continue to evolve, further enhancing its programs and facilities to meet the changing needs of our students and industry partners.



City Commission Work Session

Agenda Memo

From: Jarrod Kuckelman, Assistant City Manager

Work Session: April 17, 2025

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

Person(s) Responsible: Jarrod Kuckelman, Assistant City Manager

Summary

A&A Coors Inc., a Kansas corporation (the “Developer”) submitted an Application for Economic Incentives and the required application fee relating to the planned construction of a new 43,000 square foot commercial warehouse and distribution facility (the “Project”).

The Developer is requesting industrial revenue bonds (“IRBs”) be issued to benefit the Project. Utilization of the IRBs will allow the Developer to (i) obtain a sales tax exemption for all purchases related to the construction of the Project; and (ii) obtain a real property tax abatement for the Project for up to 10 years.

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 to effect the property tax abatement.

All materials have been reviewed by the City’s special legal counsel, Gilmore & Bell, P.C., and are found to meet all the requirements of Kansas law and the City’s Economic Development Policy. Staff recommends that the Commission adopt the IRB Resolution of Intent.

Background

The Developer seeks to expand its business through the construction of a new facility to be located northeast of the intersection of 9th Street and Commerce Parkway in the City.

Discussion

An IRB issuance does not count against the City's debt limit, does not affect the City's debt rating, and does not require taxpayer commitment. Instead, the City acts as a conduit issuer, and payment obligations solely belong to the Developer.

If the Resolution of Intent is adopted, the Developer can then obtain and rely upon a sales tax exemption certificate for purchases related to the Project. In the event the IRBs are not issued, the Developer will be responsible for paying to the Kansas Department of Revenue the amount of sales tax that was exempted in reliance on the exemption certificate.

Real property that is acquired with the proceeds of IRBs may be exempt from property taxation for a period of up to 10 years; provided no exemption may be granted from the ad valorem property tax levied by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto (commonly known as the Capital Outlay Levy which may be up to 8 mills). The Developer requests that the Project receive the maximum abatement allowable under the City's Economic Development Policy for the maximum 10-year period. Based on current projected costs from the Developer, it is estimated that the Project would qualify for a 50% abatement. Property tax abatements available through IRBs commence in the year after which the IRBs are issued. Therefore, in order to maximize the abatement benefit, IRBs with a property tax abatement component are typically issued once the Project is substantially complete. In this case, the Project is expected to be completed in early-mid 2026 and upon completion of the Project, the City would consider an ordinance to authorize the issuance of the IRBs.

Legal Consideration

Special legal counsel, Gilmore & Bell P.C. has reviewed all the documentation submitted. All aspects as set forth in the Term Sheet comply with Kansas law and the City's Economic Development Policy.

Financial Consideration

The Developer will advance all costs of the Project. Other than the IRBs, the City will not issue general obligation or special obligation bonds for the Project.

An IRB issuance does not count against the City's debt limit, does not affect the City's debt rating, and does not require taxpayer commitment. Instead, the City acts as a conduit issuer and payment obligations solely belong to the Developer.

Options

The City Commission has the following options:

- Adopt the Resolution
- Decline to adopt the Resolution
- Provide other direction to City staff

Recommendation

Advance the project by adopting the IRB Resolution of Intent.

Action Requested

Hold a public hearing regarding the issuance of the IRBs 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.

Supporting Documentation

Term Sheet

Calendar

Resolution

Cost Benefit Analysis

CITY OF HAYS, KANSAS
PROJECT OVERVIEW AND SUMMARY OF
ECONOMIC DEVELOPMENT INCENTIVES REQUEST
(A&A COORS, INC.)

April 3, 2025

I. The Proposed Project

A&A Coors Inc., a Kansas corporation (the “Developer”) proposes to construct a new commercial warehousing and distribution facility northeast of the intersection of 9th Street and Commerce Parkway in the City (see map attached as **Exhibit A**).

The Developer proposes to finance the Project from a combination of private debt and equity.

A. Private Development.

The completed Project will result in an approximately 43,000 square foot facility. Construction of the Project is expected to begin in the second quarter of 2025 following the City’s approval of the requested incentive. The Project is expected to be completed in early-mid 2026.

B. Public Improvements.

Water, sewer, stormwater, and street improvements totaling approximately \$250,000 will be constructed to support the Project.

C. Total Estimated Costs.

Developer estimates the total costs of the Project to be approximately \$7.0M. See attached **Exhibit B** for an itemized Project cost estimate.

II. Proposed Method of Financing/Requested Economic Development Incentives

Developer requests that the City Commission authorize staff to begin preparation of the documentation required to provide for an Industrial Revenue Bond (“IRB”) issuance to support the Project. An IRB issuance does not count against the City’s debt limit, does not affect the City’s debt rating, and does not require taxpayer commitment. Instead, the City acts as a conduit issuer and payment obligations solely belong to the Developer.

The specific economic development incentives available through the IRB issuance and being requested are as follows:

1. ***Sales Tax Exemption.*** All purchases related to construction of the Project that are included within the IRB issuance are eligible for an exemption from all state and local sales tax. The sales tax exemption certificate could be obtained following adoption by the City of a resolution of intent to issue the IRBs. In the event the IRBs are not issued, the Developer will be responsible for paying to the Kansas Department of Revenue the amount of sales tax that was exempted in reliance on the exemption certificate.

2. ***Property Tax Abatement.*** Real property that is acquired with the proceeds of revenue bonds may be exempt from property taxation for a period of ten years; provided no exemption may be granted from the ad valorem property tax levied by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto (commonly known as the Capital Outlay Levy which may be up to 8 mills). The Developer requests that the Project receive the maximum abatement for the maximum 10-year period. The abatement will commence the year after issuance of the IRBs, which is expected to occur at or near completion of Project construction.

III. Benefits to the City

1. ***Increased Employment and Business Expansion.*** The project will allow for expansion of a local company, resulting in the creation of additional jobs and additional opportunities for sales growth.
2. ***Increased Construction Activity.*** The City and County would realize the economic benefits attendant to a reconstruction project as the Project is built; however, no sales tax will be collected as materials are purchased for the construction of the Project.

IV. Proposed Timeline

Developer expects to begin construction in the second quarter of 2025 following all City approvals.

EXHIBIT A:
PROJECT LOCATION



EXHIBIT B:
PROPOSED PROJECT COSTS
(DEVELOPER ESTIMATES)

Land/Acquisition	\$ 240,000
Building & Improvements	6,242,950
Furniture, Fixtures & Equipment	<u>517,050</u>
<i>Total</i>	\$7,000,000

CITY OF HAYS, KANSAS
A&A Coors Inc. Project
IRB Schedule

DATE	ACTION
April 10, 2025	Notice of public hearing mailed to USD and County and published in official City news outlet (<i>at least 7 days before hearing</i>)
April 17, 2025	Work Session: City Commission considers Resolution evidencing an intent to issue industrial revenue bonds
April 24, 2025	Public hearing regarding issuance of industrial revenue bonds and ad valorem tax abatement for property financed by such bonds City Commission considers Resolution evidencing an intent to issue industrial revenue bonds
[Upon substantial completion of the Project – est. 2Q 2026]	Work Session: City Commission considers Ordinance authorizing issuance of industrial revenue bonds
[TBD]	City Commission considers Ordinance authorizing issuance of industrial revenue bonds
[TBD]	Publish Ordinance
[TBD]	Informational statement submitted to Board of Tax Appeals (<i>at least 7 days prior to bond closing</i>)
[TBD]	Closing of bond issuance

(Published in the official City news outlet, www.haysusa.com, April 10, 2025)

**NOTICE OF PUBLIC HEARING
AND OF
ISSUANCE OF TAXABLE INDUSTRIAL REVENUE BONDS**

Public notice is hereby given that the City Commission of the City of Hays, Kansas (the “Issuer”), will conduct a public hearing on April 24, 2025 at 4:00 p.m., or as soon thereafter as may be heard at City Hall, 1507 Main Street, Hays, Kansas 67601 in regard to the issuance by the Issuer of its Taxable Industrial Revenue Bonds (A&A Coors Inc. Project), in a principal amount of approximately \$7,000,000 (the “Bonds”) and in regard to an exemption from ad valorem taxation of property constructed or purchased with the proceeds of such Bonds. The Bonds are proposed to be issued by the Issuer under authority of K.S.A. 12-1740 *et seq.*, as amended, to pay the costs of the acquisition, construction, furnishing and equipping of an approximately 43,000-square-foot commercial facility to be located northeast of the intersection of 9th Street and Commerce Parkway. The Issuer further intends to lease such facility to A&A Coors Inc., a Kansas corporation, or another related legal entity (the “Tenant”). The governing body of the Issuer will not pass an ordinance authorizing the issuance of such revenue bonds until the public hearing has been concluded.

Notice is further given, in accordance with K.S.A. 12-1744e, that the Issuer intends to issue the Bonds and lease the facility to the Tenant as set out above.

A copy of this Notice, together with a copy of the inducement resolution of the Issuer to be considered for adoption on April 24, 2025, indicating the intent of the governing body of the Issuer to issue such Bonds and a report analyzing the costs and benefits of such property tax exemption are on file in the office of the Clerk, or will be as soon as completed, and available for public inspection during normal business hours.

All persons having an interest in this matter will be given an opportunity to be heard at the time and place above specified.

Dated: April 10, 2025

CITY OF HAYS, KANSAS

Jami Breit, Clerk

RESOLUTION NO. ____

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF HAYS,
KANSAS DETERMINING THE ADVISABILITY OF ISSUING TAXABLE
INDUSTRIAL REVENUE BONDS FOR THE PURPOSE OF FINANCING THE
ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF A
COMMERCIAL FACILITY TO BE LOCATED IN THE CITY; AND
AUTHORIZING EXECUTION OF RELATED DOCUMENTS**

WHEREAS, the City of Hays, Kansas (the “Issuer”) desires to promote, stimulate and develop the general economic welfare and prosperity of the City of Hays, and thereby to further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas; and

WHEREAS, pursuant to the provisions of the Kansas Economic Development Revenue Bond Act, as amended and codified in K.S.A. 12-1740 *et seq.* (the “Act”), the Issuer is authorized to issue revenue bonds for such purposes, and it is hereby found and determined to be advisable and in the interest and for the welfare of the Issuer and its inhabitants that revenue bonds of the Issuer in a principal amount of approximately \$7,000,000 be authorized and issued, in one or more series, to provide funds to pay the costs of the acquisition, construction, furnishing and equipping of a commercial facility (the “Project”) to be located within the boundaries of the Issuer and to be leased by the Issuer to A&A Coors Inc., a Kansas corporation, or another related legal entity (the “Tenant”).

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

Section 1. Public Purpose. The governing body of the Issuer hereby finds and determines that the Project will promote, stimulate and develop the general economic welfare and prosperity of the Issuer, and thereby further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas.

Section 2. Authorization to Acquire Project; Intent to Issue Bonds. The Issuer is hereby authorized to proceed with the acquisition, construction, furnishing and equipping of the Project and to issue its revenue bonds, in one or more series, in a principal amount of approximately \$7,000,000 (the “Bonds”) to pay the costs thereof, subject to satisfaction of the conditions of issuance set forth herein.

Section 3. Conditions to Issuance of Bonds. The issuance of the Bonds is subject to: (a) the passage of an ordinance authorizing the issuance of the Bonds; (b) the successful negotiation of a Trust Indenture, Site Lease, Project Lease, or other legal documents necessary to accomplish the issuance of the Bonds, the terms of which shall be in compliance with the Act and mutually satisfactory to the Issuer and the Tenant; (c) the successful negotiation and sale of the Bonds to a purchaser or purchasers yet to be determined (the “Purchaser”), which sale shall be the responsibility of the Tenant and not the Issuer; (d) the receipt of the approving legal opinion of Gilmore & Bell, P.C. (“Bond Counsel”) in form acceptable to the Issuer, the Tenant and the Purchaser; (e) the obtaining of all necessary governmental approvals to the issuance of the Bonds; and (f) the commitment to and payment by the Tenant or Purchaser of all expenses relating to the issuance of the Bonds, including, but not limited to: (i) expenses of the Issuer and the Issuer Attorney; (ii) any underwriting or placement fees and expenses; (iii) all legal fees and expenses of Bond Counsel; and (iv) all recording and filing fees, including fees of the Kansas Board of Tax Appeals.

Section 4. Property Tax Exemption and Payment in Lieu of Taxes. The Issuer hereby determines that pursuant to the provisions of K.S.A. 79-201a *Twenty-Fourth*, the Project, to the extent purchased or constructed with the proceeds of the Bonds, should be exempt from payment of ad valorem property taxes for ten years commencing with the year following the year in which the Bonds are issued, provided proper application is made therefor; provided no exemption may be granted from the ad valorem property tax levied: (a) by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto; (b) for the uses restricted pursuant to the provisions of K.S.A. 79-201a, *Second* and *Twenty-Fourth*; and (c) for real estate on which the Project is located. In making such determination the governing body of the Issuer has conducted the public hearing and reviewed the analysis of costs and benefits of such exemption required by K.S.A. 12-1749d. The Tenant is responsible for preparing such application and providing the same to the Issuer for its review and submission to the State Board of Tax Appeals. The Issuer reserves the right to negotiate an agreement regarding payments in lieu of taxes so exempted, to be made by the Tenant.

Section 5. Sales Tax Exemption. The Governing Body hereby determines that pursuant to the provisions of K.S.A. 79-3601 *et seq.* (the “Sales Tax Act”), particularly 79-3606(b) and (d) and other applicable laws, sales of tangible personal property or services purchased in connection with construction of the Project and financed with proceeds of the Bonds are entitled to exemption from the tax imposed by the Sales Tax Act; provided proper application is made therefore. In the event that the Bonds are not issued for any reason, the Tenant will not be entitled to a sales tax exemption under the terms of the Sales Tax Act and will remit to the State Department of Revenue all sales taxes that were not paid due to reliance on the sales tax exemption certificate granted hereunder.

Section 6. Reliance by Tenant; Limited Liability of Issuer. It is contemplated that in order to expedite acquisition of the Project and realization of the benefits to be derived thereby, the Tenant may incur temporary indebtedness or expend its own funds to pay costs of the Project prior to the issuance of the Bonds. Proceeds of Bonds may be used to reimburse the Tenant for such expenditures made not more than 60 days prior to the date this Resolution is adopted. The Bonds herein authorized and all interest thereon shall be paid solely from the revenues to be received by the Issuer from the Project and not from any other fund or source. The Issuer shall not be obligated on such Bonds in any way, except as herein set out. In the event that the Bonds are not issued, the Issuer shall have no liability to the Tenant.

Section 7. Further Action. The Clerk is hereby authorized to deliver an executed copy of this Resolution to the Tenant. The Mayor, Clerk and other officials and employees of the Issuer, including the Issuer’s counsel and Bond Counsel, are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Resolution, including, but not limited to: (a) cooperate with the Tenant in filing an application for a sales tax exemption certificate with the Kansas Department of Revenue with respect to Bond-financed property; and (b) execution on behalf of the Issuer of the information statement regarding the proposed issuance of the Bonds to be filed with the State Board of Tax Appeals pursuant to the Act.

Section 8. Effective Date. This resolution shall become effective upon adoption by the Governing Body.

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ADOPTED by the governing body of the City of Hays, Kansas on April 24, 2025.

[SEAL]

Mayor

Attest:

Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Resolution of the Issuer adopted by the governing body on April 24, 2025, as the same appears of record in my office.

DATED: _____, 2025.

Clerk

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON APRIL 24, 2025**

The governing body met in regular session at the usual meeting place in the City on April 24, 2025, at 4:00 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)

Among other business, in accordance with a notice published on April 10, 2025, in the official City news outlet, www.haysusa.com, a public hearing was held by the governing body relating to the proposed issuance of Taxable Industrial Revenue Bonds (A&A Coors Inc. Project) in a principal amount of approximately \$7,000,000 (the “Bonds”) and regarding an exemption from ad valorem taxation of property constructed or purchased with the proceeds of such Bonds. All interested persons were afforded an opportunity to present their views on the issuance of the Bonds, the location and nature of the Project to be financed with the proceeds of the Bonds, and the exemption from ad valorem taxation. Thereupon, the public hearing was closed.

There was presented a Resolution entitled:

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF HAYS,
KANSAS DETERMINING THE ADVISABILITY OF ISSUING TAXABLE
INDUSTRIAL REVENUE BONDS FOR THE PURPOSE OF FINANCING THE
ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF A
COMMERCIAL FACILITY TO BE LOCATED IN THE CITY; AND
AUTHORIZING EXECUTION OF RELATED DOCUMENTS**

Commissioner _____ moved that the Resolution be adopted. The motion was seconded by Commissioner _____. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the following vote of the governing body:

Aye: _____.

Nay _____.

The Mayor declared the Resolution duly adopted and the Resolution was then duly numbered Resolution No. _____ and was signed by the Mayor and attested by the Clerk.

* * * * *

(Other Proceedings)

On motion duly made, seconded and carried, the meeting hereupon adjourned.

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

April __, 2025

Board of Education
Unified School District No. 489
323 West 12th Street
Hays, Kansas 67601

County Clerk
Board of County Commissioners
Ellis County Courthouse
718 Main Street
Hays, Kansas 67601

Re: Approximately \$7,000,000
 City of Hays, Kansas
 Taxable Industrial Revenue Bonds
 (A&A Coors Inc. Project)

We have enclosed for your information a Notice of the Public Hearing and Issuance of Industrial Revenue Bonds proposed by the City of Hays, Kansas pursuant to K.S.A. 12-1749c and K.S.A. 12-1749d, as amended.

Very truly yours,

CITY OF HAYS, KANSAS

Jami Breit, Clerk

Enclosure

Gilmore & Bell, P.C.
04/03/2025

AFFIDAVIT OF MAILING AND PUBLICATION

I, the undersigned, of lawful age, upon oath or affirmation, hereby declare under the penalties of perjury:

1. I am the duly appointed and acting Clerk of the City of Hays, Kansas, and I was the duly appointed and acting Clerk at all times referred to in this affidavit.

2. On April ___, 2025, I mailed a letter and attached Notice of Public Hearing addressed as follows:

Board of Education
Unified School District No. 489
323 West 12th Street
Hays, Kansas 67601

County Clerk
Board of County Commissioners
Ellis County Courthouse
718 Main Street
Hays, Kansas 67601

The foregoing items were mailed by first-class mail with adequate postage. Each envelope was endorsed with the return address of my office. Copies of the letter and notice mailed are attached to this affidavit.

3. Neither package was returned undelivered.

4. The Notice of Public Hearing mailed as stated above was published once in the official City news outlet, www.haysusa.com, on April 10, 2025, which date was at least seven days prior to the date the public hearing was held. A true copy of the affidavit of publication of the Notice of Hearing is attached to this affidavit.

Jami Breit, Clerk

STATE OF KANSAS)
COUNTY OF ELLIS)

Subscribed and sworn or affirmed before me this _____ day of _____, 2025.

[SEAL]

Notary Public

Typed or Printed Name of Notary Public

My Appointment Expires:

AA Coors - Impact Report - Current & Expansion



Project Type: Business Retention & Expansion

Industry: Distribution & Logistics

Prepared By: State of Kansas

Purpose & Limitations

This report presents the results of an economic and fiscal analysis undertaken by State of Kansas using Impact DashBoard, a customized web application developed by Impact DataSource, LLC.

Impact DashBoard utilizes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in a custom user guide prepared for State of Kansas.

This report, generated by the Impact DashBoard application, has been prepared by State of Kansas to assist economic development stakeholders in making an evaluation of the economic and fiscal impact of business activity in the community. This report does not purport to contain all of the information that may be needed to conclude such an evaluation. This report is based on a variety of assumptions and contains forward-looking statements concerning the results of operations of the subject firm. State of Kansas made reasonable efforts to ensure that the project-specific data entered into Impact DashBoard reflects realistic estimates of future activity. Estimates of future activity involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in this report.

State of Kansas and Impact DataSource make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.

Introduction

This report presents the results of an economic impact analysis performed using Impact DashBoard, a model developed by Impact DataSource. The report estimates the impact that a potential project will have on the local economy and estimates the costs and benefits for local taxing districts over a 15-year period.

Existing & Expanded Operations

The Project under analysis represents the expansion of an existing business. The table below illustrates the economic impact over the next 15 years including both the current and expanded operations.

ECONOMIC IMPACT OF CURRENT & EXPANDED OPERATIONS OVER 15 YEARS IN ELLIS COUNTY			
	CURRENT OPERATIONS	EXPANSION	CURRENT & EXPANDED OPERATIONS
JOBs			
Direct	25.0	15.0	40.0
Spin-off	16.9	10.2	27.1
Jobs Total	41.9	25.2	67.1
SALARIES			
Direct	\$30,263,480	\$12,539,703	\$42,803,183
Spin-off	\$11,850,340	\$4,910,200	\$16,760,541
Salaries Total	\$42,113,820	\$17,449,904	\$59,563,724

The table below summarizes the fiscal impact, the net benefits for local taxing districts, over the next 15 years including both the current and expanded operations.

FISCAL IMPACT OF CURRENT & EXPANDED OPERATIONS OVER 15 YEARS			
NET BENEFITS LESS INCENTIVES			
	CURRENT OPERATIONS	EXPANSION	CURRENT & EXPANDED OPERATIONS
Ellis County	\$52,325	\$431,698	\$484,023
City of Hays	\$131,011	\$338,783	\$469,794
Hays School District (USD 489)	\$39,281	\$969,785	\$1,009,066
State of Kansas	\$4,541,739	\$1,970,123	\$6,511,862
	\$4,764,357	\$3,710,389	\$8,474,746

The remainder of this report will focus on the total combined economic and fiscal impact associated with the current and expanded operations.

Economic Impact Overview

The table below summarizes the economic impact of the project over the first 15 years in terms of job creation, salaries paid to workers, and taxable sales.

SUMMARY OF ECONOMIC IMPACT OVER 15 YEARS IN ELLIS COUNTY			
IMPACT	DIRECT	SPIN-OFF	TOTAL
Jobs	40.0	27.1	67.1
Annual Salaries/Wages at Full Ops (Yr 10)	\$3,193,912	\$1,250,647	\$4,444,559
Salaries/Wages over 15 Years	\$42,803,183	\$16,760,541	\$59,563,724
Taxable Sales/Purchases in Ellis County	\$9,879,696	\$2,723,588	\$12,603,284

Totals may not sum due to rounding

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

SUMMARY OF POPULATION IMPACT OVER 15 YEARS IN ELLIS COUNTY			
IMPACT	DIRECT	SPIN-OFF	TOTAL
Workers who will move to Ellis County	3.2	2.1	5.3
New residents in Ellis County	8.2	5.6	13.7
New residential properties constructed in Ellis County	0.5	0.3	0.8
New students to attend local school district	1.6	1.1	2.6

Totals may not sum due to rounding

The new taxable property to be supported by the Project over the next 15 years is summarized in the following table.

SUMMARY OF TAXABLE PROPERTY OVER THE FIRST 15 YEARS IN ELLIS COUNTY						
YR.	NEW RESIDENTIAL PROPERTY	LAND	BUILDINGS...	FF&E	NON-RESIDENTIAL PROPERTY	TOTAL PROPERTY
1	\$1,049	\$60,000	\$1,625,000	\$425,000	\$2,110,000	\$2,111,049
2	\$4,278	\$61,200	\$1,657,500	\$387,500	\$2,106,200	\$2,110,478
3	\$9,818	\$62,424	\$1,690,650	\$350,000	\$2,103,074	\$2,112,892
4	\$10,014	\$63,672	\$1,724,463	\$312,500	\$2,100,635	\$2,110,650
5	\$11,349	\$64,946	\$1,758,952	\$275,000	\$2,098,898	\$2,110,247
6	\$11,576	\$66,245	\$1,794,131	\$237,500	\$2,097,876	\$2,109,452
7	\$11,808	\$67,570	\$1,830,014	\$200,000	\$2,097,584	\$2,109,391
8	\$15,657	\$68,921	\$1,866,614	\$162,500	\$2,098,035	\$2,113,693
9	\$17,199	\$70,300	\$1,903,946	\$125,000	\$2,099,246	\$2,116,445
10	\$18,796	\$71,706	\$1,942,025	\$125,000	\$2,138,731	\$2,157,527
11	\$19,172	\$73,140	\$1,980,866	\$125,000	\$2,179,006	\$2,198,177
12	\$19,555	\$74,602	\$2,020,483	\$125,000	\$2,220,086	\$2,239,641
13	\$19,946	\$76,095	\$2,060,893	\$125,000	\$2,261,987	\$2,281,934
14	\$20,345	\$77,616	\$2,102,111	\$125,000	\$2,304,727	\$2,325,072
15	\$20,752	\$79,169	\$2,144,153	\$125,000	\$2,348,322	\$2,369,074

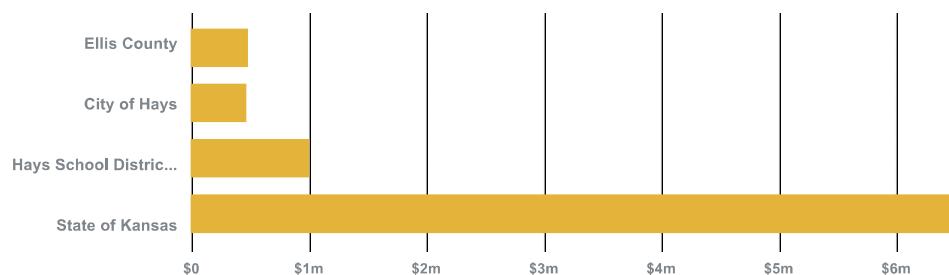
Fiscal Impact Overview

The Project will generate additional benefits and costs, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages.

FISCAL NET BENEFITS OVER THE NEXT 15 YEARS					
	BENEFITS	COSTS	INCENTIVES	NET BENEFITS LESS INCENTIVES	PRESENT VALUE*
Ellis County	\$1,327,762	(\$60,187)	(\$783,552)	\$484,023	\$267,477
City of Hays	\$1,358,989	(\$331,549)	(\$557,645)	\$469,794	\$278,304
Hays School District (USD 489)	\$2,042,864	(\$313,343)	(\$720,455)	\$1,009,066	\$629,049
State of Kansas	\$6,851,437	\$0	(\$339,575)	\$6,511,862	\$4,351,383
Total	\$11,581,052	(\$705,079)	(\$2,401,228)	\$8,474,746	\$5,526,214

*The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5.0% to make the dollars comparable.

Net Benefits Less Incentives Over the Next 15 Years



Public Support Overview

A summary of the total Public Support modeled in this analysis is shown below.

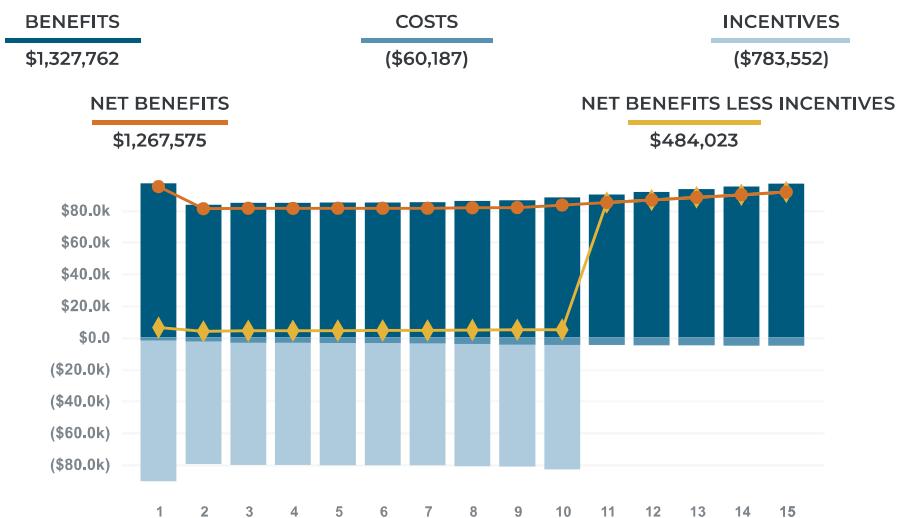
VALUE OF PUBLIC SUPPORT UNDER CONSIDERATION			
	PROPERTY TAX INCENTIVE	SALES TAX INCENTIVE	TOTAL
Ellis County	\$772,177	\$11,375	\$783,552
City of Hays	\$518,833	\$38,813	\$557,645
Hays School District (USD 489)	\$720,455	\$0	\$720,455
State of Kansas	\$30,825	\$308,750	\$339,575
Total	\$2,042,290	\$358,938	\$2,401,228

Ellis County Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Ellis County over the next 15 years of the Project.

NET BENEFITS OVER 15 YEARS: ELLIS COUNTY			
BENEFITS	CURRENT	EXPANSION	TOTAL
Sales Taxes	\$34,520	\$28,496	\$63,016
Real Property Taxes	\$0	\$1,094,913	\$1,094,913
FF&E Property Taxes	\$28,181	\$92,998	\$121,179
New Residential Property Taxes	\$0	\$7,940	\$7,940
Miscellaneous Taxes and User Fees	\$21,617	\$19,096	\$40,713
Benefits Subtotal	\$84,318	\$1,243,444	\$1,327,762
COSTS	CURRENT	EXPANSION	TOTAL
Cost of Government Services	(\$31,993)	(\$28,194)	(\$60,187)
Costs Subtotal	(\$31,993)	(\$28,194)	(\$60,187)
Net Benefits	\$52,325	\$1,215,250	\$1,267,575
INCENTIVES	CURRENT	EXPANSION	TOTAL
Capital Investment - Sales Taxes Rebated	\$0	(\$11,375)	(\$11,375)
Property Taxes Abated	\$0	(\$772,177)	(\$772,177)
Incentives Subtotal	\$0	(\$783,552)	(\$783,552)
Net Benefits Less Incentives	\$52,325	\$431,698	\$484,023

Annual Fiscal Net Benefits for Ellis County



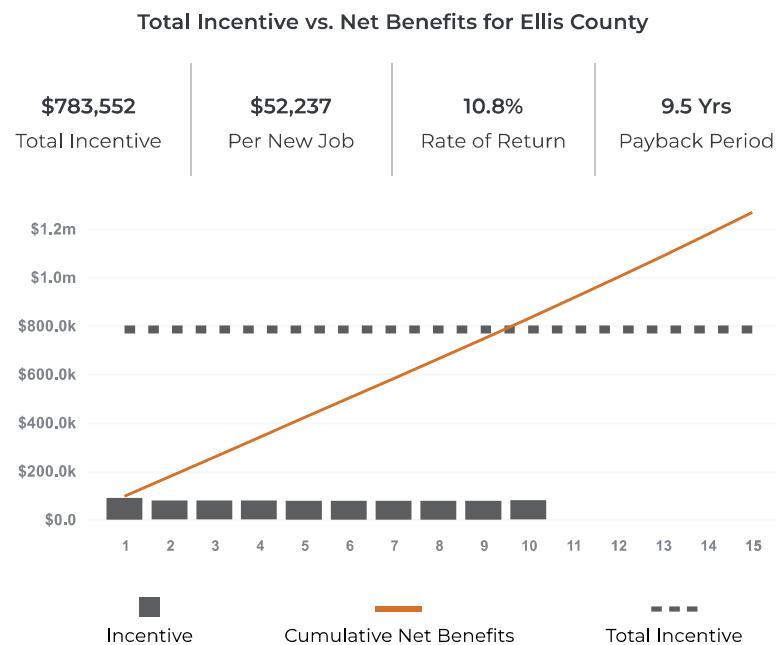
Ellis County Public Support

Total Incentives

Ellis County is considering the following incentives for the Project.

INCENTIVES UNDER CONSIDERATION			
YEAR	PROPERTY TAX ABATEMENT	SALES TAX REBATE	TOTAL
1	\$77,405	\$11,375	\$88,780
2	\$77,262	\$0	\$77,262
3	\$77,144	\$0	\$77,144
4	\$77,053	\$0	\$77,053
5	\$76,987	\$0	\$76,987
6	\$76,949	\$0	\$76,949
7	\$76,938	\$0	\$76,938
8	\$76,955	\$0	\$76,955
9	\$77,000	\$0	\$77,000
10	\$78,484	\$0	\$78,484
Total	\$772,177	\$11,375	\$783,552

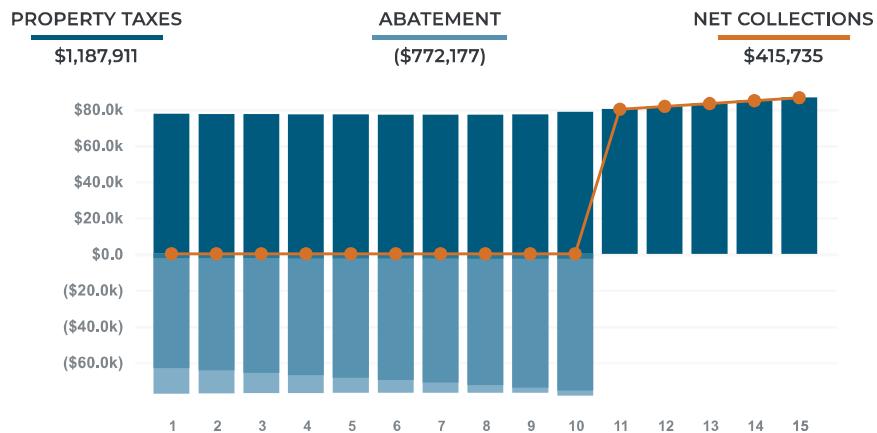
The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to Ellis County. The intersection indicates the length of time until the incentives are paid back.



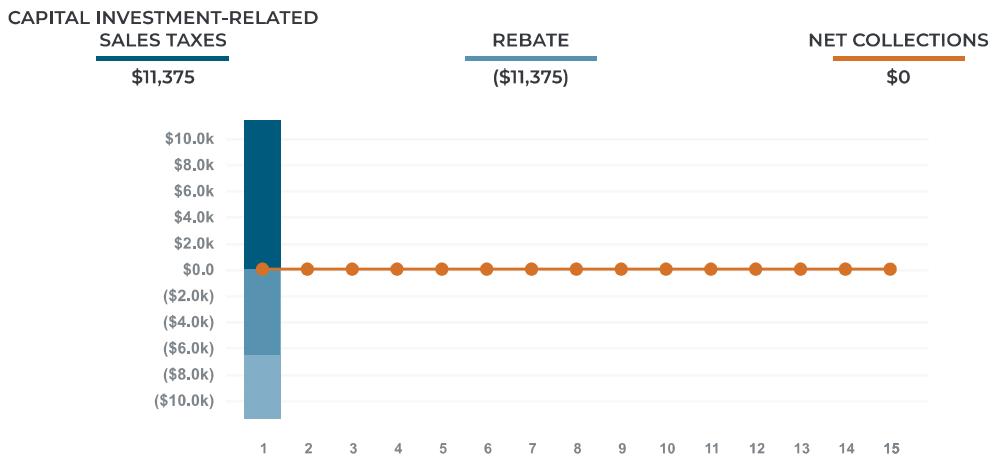
Tax Incentives

The following property tax incentive is modeled for Ellis County in this analysis.

Property Tax Analysis for Ellis County



Sales Tax Analysis for Ellis County

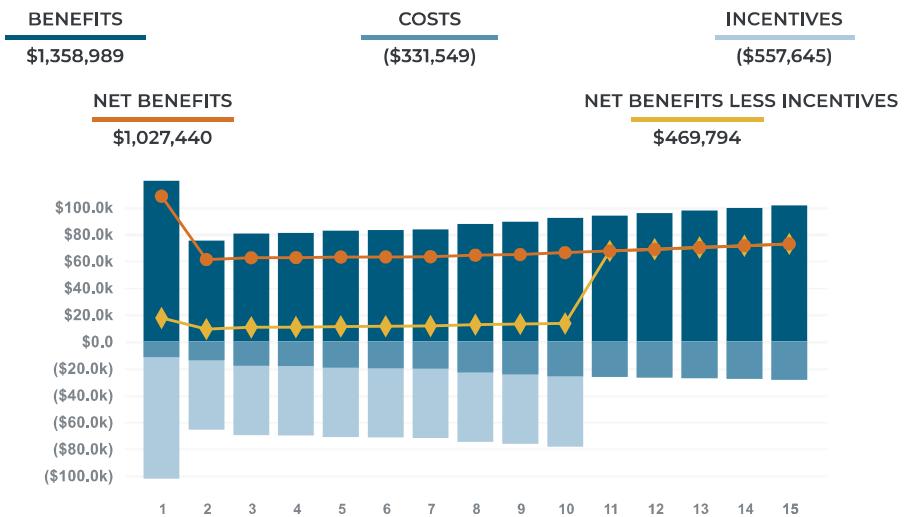


City of Hays Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by City of Hays over the next 15 years of the Project.

NET BENEFITS OVER 15 YEARS: CITY OF HAYS			
BENEFITS	CURRENT	EXPANSION	TOTAL
Sales Taxes	\$117,264	\$97,339	\$214,603
Real Property Taxes	\$0	\$735,683	\$735,683
FF&E Property Taxes	\$18,935	\$62,486	\$81,422
New Residential Property Taxes	\$0	\$4,373	\$4,373
Transient Guest Taxes	\$3,026	\$3,026	\$6,053
Utility Revenue	\$119,757	\$93,032	\$212,788
Utility Franchise Fees	\$23,346	\$18,184	\$41,530
Miscellaneous Taxes and User Fees	\$35,019	\$27,519	\$62,538
Benefits Subtotal	\$317,348	\$1,041,642	\$1,358,989
COSTS	CURRENT	EXPANSION	TOTAL
Cost of Government Services	(\$62,689)	(\$49,178)	(\$111,866)
Cost of Utility Services	(\$123,648)	(\$96,035)	(\$219,683)
Costs Subtotal	(\$186,337)	(\$145,213)	(\$331,549)
Net Benefits	\$131,011	\$896,429	\$1,027,440
INCENTIVES	CURRENT	EXPANSION	TOTAL
Capital Investment - Sales Taxes Rebated	\$0	(\$38,812)	(\$38,812)
Property Taxes Abated	\$0	(\$518,833)	(\$518,833)
Incentives Subtotal	\$0	(\$557,645)	(\$557,645)
Net Benefits Less Incentives	\$131,011	\$338,783	\$469,794

Annual Fiscal Net Benefits for City of Hays



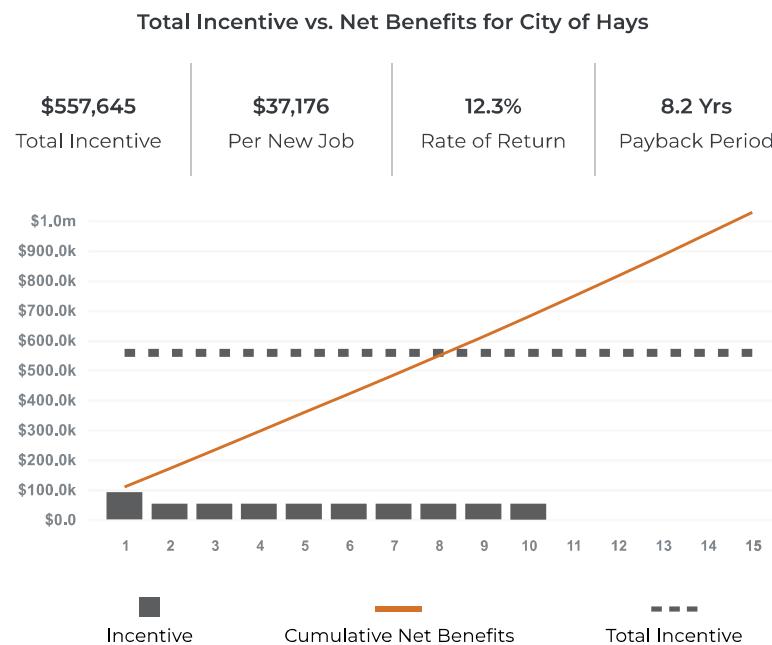
City of Hays Public Support

Total Incentives

City of Hays is considering the following incentives for the Project.

INCENTIVES UNDER CONSIDERATION			
YEAR	PROPERTY TAX ABATEMENT	SALES TAX REBATE	TOTAL
1	\$52,009	\$38,813	\$90,821
2	\$51,913	\$0	\$51,913
3	\$51,834	\$0	\$51,834
4	\$51,772	\$0	\$51,772
5	\$51,729	\$0	\$51,729
6	\$51,703	\$0	\$51,703
7	\$51,695	\$0	\$51,695
8	\$51,707	\$0	\$51,707
9	\$51,737	\$0	\$51,737
10	\$52,734	\$0	\$52,734
Total	\$518,833	\$38,813	\$557,645

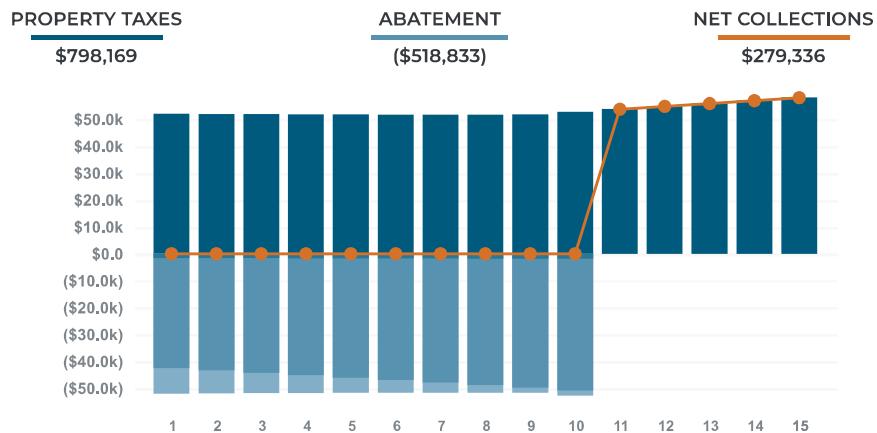
The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to City of Hays. The intersection indicates the length of time until the incentives are paid back.



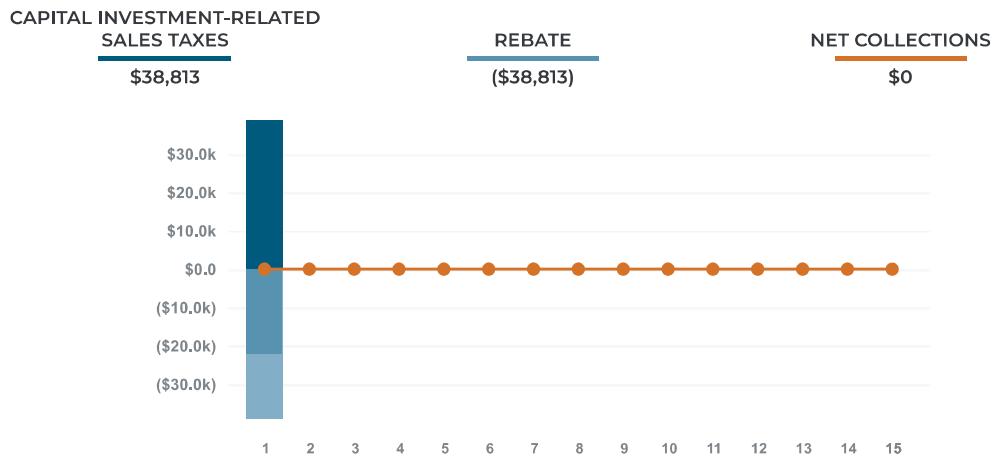
Tax Incentives

The following property tax incentive is modeled for City of Hays in this analysis.

Property Tax Analysis for City of Hays



Sales Tax Analysis for City of Hays

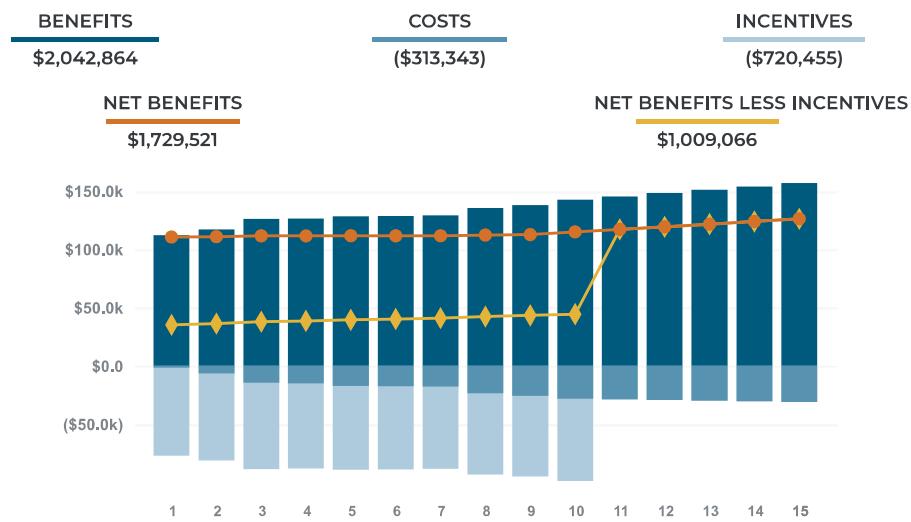


Hays School District (USD 489) Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Hays School District (USD 489) over the next 15 years of the Project.

NET BENEFITS OVER 15 YEARS: HAYS SCHOOL DISTRICT (USD 489)			
BENEFITS	CURRENT	EXPANSION	TOTAL
Real Property Taxes	\$0	\$1,526,176	\$1,526,176
FF&E Property Taxes	\$39,281	\$129,628	\$168,909
New Residential Property Taxes	\$0	\$8,992	\$8,992
Addtl. State & Federal School Funding	\$0	\$338,786	\$338,786
Benefits Subtotal	\$39,281	\$2,003,583	\$2,042,864
COSTS	CURRENT	EXPANSION	TOTAL
Cost to Educate New Students	\$0	(\$313,343)	(\$313,343)
Costs Subtotal	\$0	(\$313,343)	(\$313,343)
Net Benefits	\$39,281	\$1,690,240	\$1,729,521
INCENTIVES	CURRENT	EXPANSION	TOTAL
Property Taxes Abated	\$0	(\$720,455)	(\$720,455)
Incentives Subtotal	\$0	(\$720,455)	(\$720,455)
Net Benefits Less Incentives	\$39,281	\$969,785	\$1,009,066

Annual Fiscal Net Benefits for Hays School District (USD 489)



Hays School District (USD 489) Public Support

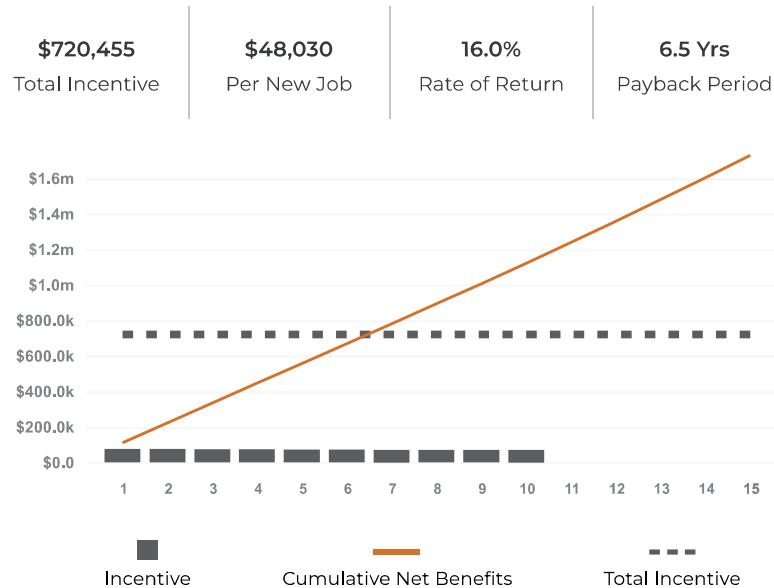
Total Incentives

Hays School District (USD 489) is considering the following incentives for the Project.

INCENTIVES UNDER CONSIDERATION		
YEAR	PROPERTY TAX ABATEMENT	TOTAL
1	\$75,393	\$75,393
2	\$74,543	\$74,543
3	\$73,717	\$73,717
4	\$72,913	\$72,913
5	\$72,132	\$72,132
6	\$71,375	\$71,375
7	\$70,642	\$70,642
8	\$69,934	\$69,934
9	\$69,250	\$69,250
10	\$70,557	\$70,557
Total	\$720,455	\$720,455

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to Hays School District (USD 489). The intersection indicates the length of time until the incentives are paid back.

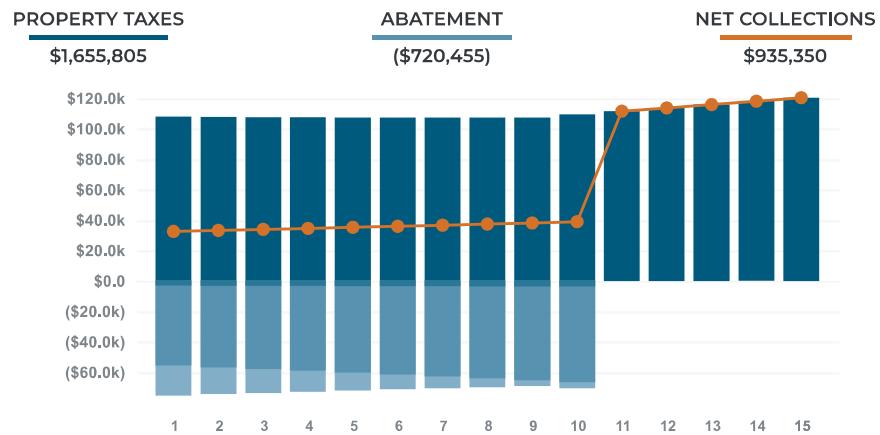
Total Incentive vs. Net Benefits for Hays School District (USD 489)



Tax Incentives

The following property tax incentive is modeled for Hays School District (USD 489) in this analysis.

Property Tax Analysis for Hays School District (USD 489)

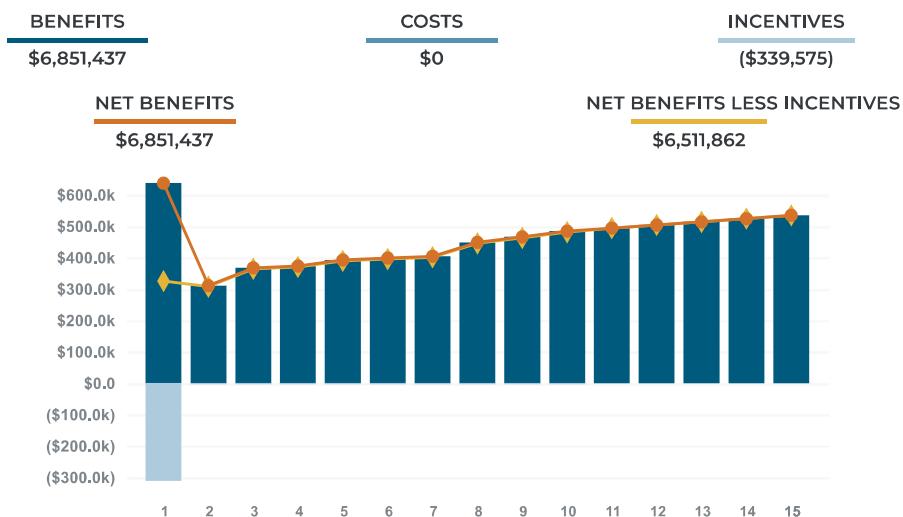


State of Kansas Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by State of Kansas over the next 15 years of the Project.

NET BENEFITS OVER 15 YEARS: STATE OF KANSAS			
BENEFITS	CURRENT	EXPANSION	TOTAL
Sales Taxes	\$997,235	\$777,072	\$1,774,306
Income Taxes	\$3,215,237	\$1,332,237	\$4,547,474
Real Property Taxes	\$0	\$43,709	\$43,709
FF&E Property Taxes	\$1,125	\$3,713	\$4,838
New Residential Property Taxes	\$0	\$0	\$0
Corporate Income Taxes	\$328,143	\$152,968	\$481,111
Benefits Subtotal	\$4,541,739	\$2,309,698	\$6,851,437
COSTS	CURRENT	EXPANSION	TOTAL
None Estimated	\$0	\$0	\$0
Costs Subtotal	\$0	\$0	\$0
Net Benefits	\$4,541,739	\$2,309,698	\$6,851,437
INCENTIVES	CURRENT	EXPANSION	TOTAL
Capital Investment - Sales Taxes Rebated	\$0	(\$308,750)	(\$308,750)
Property Taxes Abated	\$0	(\$30,825)	(\$30,825)
Incentives Subtotal	\$0	(\$339,575)	(\$339,575)
Net Benefits Less Incentives	\$4,541,739	\$1,970,123	\$6,511,862

Annual Fiscal Net Benefits for State of Kansas



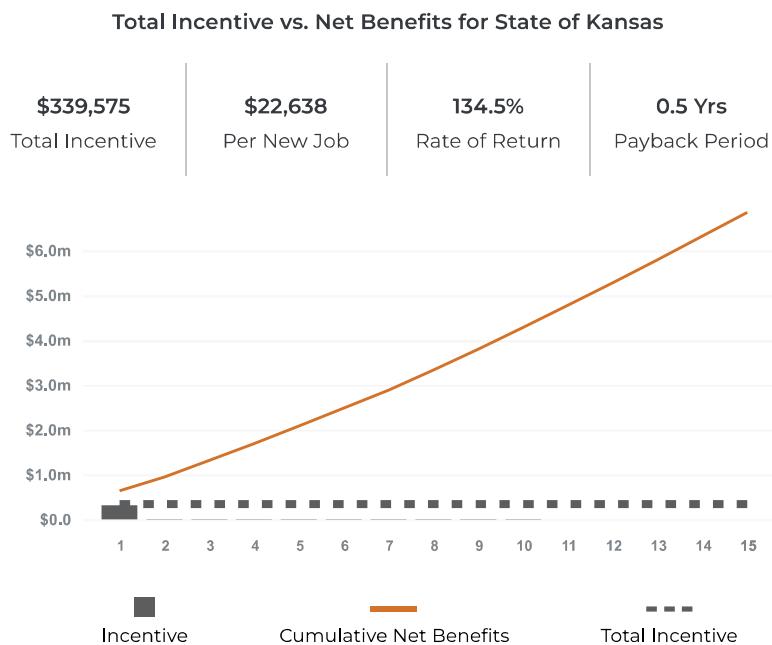
State of Kansas Public Support

Total Incentives

State of Kansas is considering the following incentives for the Project.

INCENTIVES UNDER CONSIDERATION			
YEAR	PROPERTY TAX ABATEMENT	SALES TAX REBATE	TOTAL
1	\$3,090	\$308,750	\$311,840
2	\$3,084	\$0	\$3,084
3	\$3,080	\$0	\$3,080
4	\$3,076	\$0	\$3,076
5	\$3,073	\$0	\$3,073
6	\$3,072	\$0	\$3,072
7	\$3,071	\$0	\$3,071
8	\$3,072	\$0	\$3,072
9	\$3,074	\$0	\$3,074
10	\$3,133	\$0	\$3,133
Total	\$30,825	\$308,750	\$339,575

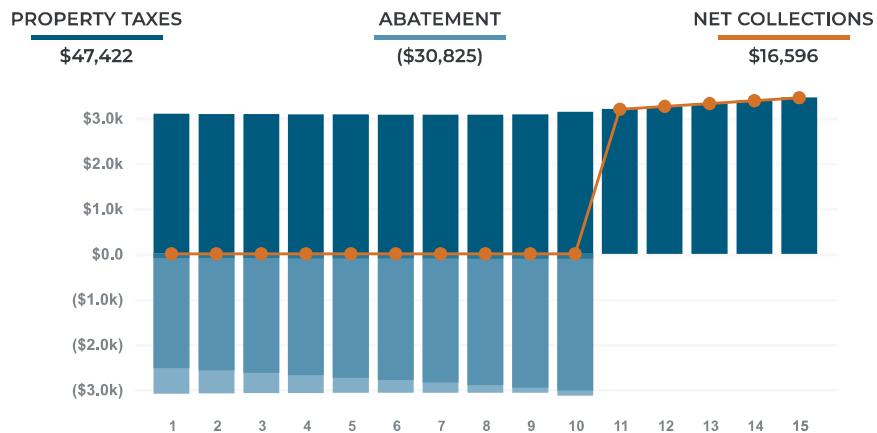
The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to State of Kansas. The intersection indicates the length of time until the incentives are paid back.



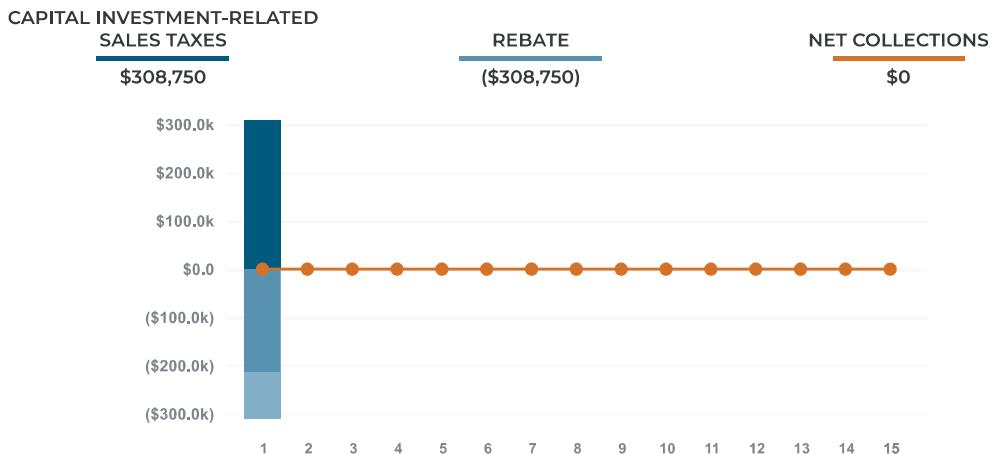
Tax Incentives

The following property tax incentive is modeled for State of Kansas in this analysis.

Property Tax Analysis for State of Kansas



Sales Tax Analysis for State of Kansas



Methodology

Overview of Methodology

The Impact DashBoard model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 15-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the spin-off or indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes adjusted county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

424810 BEER AND ALE MERCHANT WHOLESALEERS		ELLIS COUNTY
Employment Multiplier	(Type II Direct Effect)	1.6779
Earnings Multiplier	(Type II Direct Effect)	1.3916

Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach.

This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by local jurisdictions to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs.

This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

About Impact DataSource

Established in 1993, Impact DataSource is an Austin, Texas-based economic consulting firm. Impact DataSource provides high-quality economic research, specializing in economic and fiscal impact analyses. The company is highly focused on supporting economic development professionals and organizations through its consulting services and software. Impact DataSource has conducted thousands of economic impact analyses of new businesses, retention and expansion projects, developments, and activities in all industry groups throughout the U.S.

For more information on Impact DataSource, LLC and our product Impact DashBoard, please visit our website www.impactdatasource.com

Appendix

ELLIS COUNTY PROPERTY TAX ABATEMENT				
YR.	LAND	BUILDINGS...	FF&E	TOTAL
1	\$2,255	\$61,059	\$14,091	\$77,405
2	\$2,300	\$62,281	\$12,682	\$77,262
3	\$2,346	\$63,526	\$11,273	\$77,144
4	\$2,392	\$64,797	\$9,863	\$77,053
5	\$2,440	\$66,093	\$8,454	\$76,987
6	\$2,489	\$67,414	\$7,045	\$76,949
7	\$2,539	\$68,763	\$5,636	\$76,938
8	\$2,590	\$70,138	\$4,227	\$76,955
9	\$2,642	\$71,541	\$2,818	\$77,000
10	\$2,694	\$72,972	\$2,818	\$78,484
11	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0
Total	\$24,686	\$668,583	\$78,908	\$772,177

ELLIS COUNTY PROPERTY TAX ABATEMENT SCHEDULE			
YR	LAND	BUILDINGS	FF&E
1	100.0%	100.0%	100.0%
2	100.0%	100.0%	100.0%
3	100.0%	100.0%	100.0%
4	100.0%	100.0%	100.0%
5	100.0%	100.0%	100.0%
6	100.0%	100.0%	100.0%
7	100.0%	100.0%	100.0%
8	100.0%	100.0%	100.0%
9	100.0%	100.0%	100.0%
10	100.0%	100.0%	100.0%
11	0.0%	0.0%	0.0%
12	0.0%	0.0%	0.0%
13	0.0%	0.0%	0.0%
14	0.0%	0.0%	0.0%
15	0.0%	0.0%	0.0%

ELLIS COUNTY CONSTRUCTION MATERIALS AND FF&E PURCHASES: SALES TAX REBATE			
YR.	CONSTRUCTION MATERIALS REBATE	FF&E EXPENDITURES REBATE	TOTAL
1	\$6,500	\$4,875	\$11,375
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
11	\$0	\$0	\$0
12	\$0	\$0	\$0
13	\$0	\$0	\$0
14	\$0	\$0	\$0
15	\$0	\$0	\$0
Total	\$6,500	\$4,875	\$11,375

ELLIS COUNTY CONSTRUCTION MATERIALS AND FF&E PURCHASES REBATE SCHEDULE		
YR.	CONSTRUCTION MATERIALS	FF&E PURCHASES
1	100.0%	100.0%
2	0.0%	0.0%
3	0.0%	0.0%
4	0.0%	0.0%
5	0.0%	0.0%
6	0.0%	0.0%
7	0.0%	0.0%
8	0.0%	0.0%
9	0.0%	0.0%
10	0.0%	0.0%
11	0.0%	0.0%
12	0.0%	0.0%
13	0.0%	0.0%
14	0.0%	0.0%
15	0.0%	0.0%

CITY OF HAYS PROPERTY TAX ABATEMENT				
YR.	LAND	BUILDINGS...	FF&E	TOTAL
1	\$1,515	\$41,026	\$9,468	\$52,009
2	\$1,545	\$41,847	\$8,521	\$51,913
3	\$1,576	\$42,684	\$7,574	\$51,834
4	\$1,608	\$43,538	\$6,627	\$51,772
5	\$1,640	\$44,408	\$5,681	\$51,729
6	\$1,672	\$45,296	\$4,734	\$51,703
7	\$1,706	\$46,202	\$3,787	\$51,695
8	\$1,740	\$47,126	\$2,840	\$51,707
9	\$1,775	\$48,069	\$1,894	\$51,737
10	\$1,810	\$49,030	\$1,894	\$52,734
11	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0
Total	\$16,587	\$449,227	\$53,019	\$518,833

CITY OF HAYS PROPERTY TAX ABATEMENT SCHEDULE			
YR	LAND	BUILDINGS	FF&E
1	100.0%	100.0%	100.0%
2	100.0%	100.0%	100.0%
3	100.0%	100.0%	100.0%
4	100.0%	100.0%	100.0%
5	100.0%	100.0%	100.0%
6	100.0%	100.0%	100.0%
7	100.0%	100.0%	100.0%
8	100.0%	100.0%	100.0%
9	100.0%	100.0%	100.0%
10	100.0%	100.0%	100.0%
11	0.0%	0.0%	0.0%
12	0.0%	0.0%	0.0%
13	0.0%	0.0%	0.0%
14	0.0%	0.0%	0.0%
15	0.0%	0.0%	0.0%

CITY OF HAYS CONSTRUCTION MATERIALS AND FF&E PURCHASES: SALES TAX REBATE			
YR.	CONSTRUCTION MATERIALS REBATE	FF&E EXPENDITURES REBATE	TOTAL
1	\$21,938	\$16,875	\$38,813
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
11	\$0	\$0	\$0
12	\$0	\$0	\$0
13	\$0	\$0	\$0
14	\$0	\$0	\$0
15	\$0	\$0	\$0
Total	\$21,938	\$16,875	\$38,813

CITY OF HAYS CONSTRUCTION MATERIALS AND FF&E PURCHASES REBATE SCHEDULE		
YR.	CONSTRUCTION MATERIALS	FF&E PURCHASES
1	100.0%	100.0%
2	0.0%	0.0%
3	0.0%	0.0%
4	0.0%	0.0%
5	0.0%	0.0%
6	0.0%	0.0%
7	0.0%	0.0%
8	0.0%	0.0%
9	0.0%	0.0%
10	0.0%	0.0%
11	0.0%	0.0%
12	0.0%	0.0%
13	0.0%	0.0%
14	0.0%	0.0%
15	0.0%	0.0%

HAYS SCHOOL DISTRICT (USD 489) PROPERTY TAX ABATEMENT				
YR.	LAND	BUILDINGS...	FF&E	TOTAL
1	\$3,143	\$52,609	\$19,641	\$75,393
2	\$3,205	\$53,662	\$17,677	\$74,543
3	\$3,269	\$54,735	\$15,713	\$73,717
4	\$3,335	\$55,829	\$13,748	\$72,913
5	\$3,402	\$56,946	\$11,784	\$72,132
6	\$3,470	\$58,085	\$9,820	\$71,375
7	\$3,539	\$59,247	\$7,856	\$70,642
8	\$3,610	\$60,432	\$5,892	\$69,934
9	\$3,682	\$61,640	\$3,928	\$69,250
10	\$3,756	\$62,873	\$3,928	\$70,557
11	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0
Total	\$34,409	\$576,058	\$109,988	\$720,455

HAYS SCHOOL DISTRICT (USD 489) PROPERTY TAX ABATEMENT SCHEDULE

YR	LAND	BUILDINGS	FF&E
1	100.0%	100.0%	100.0%
2	100.0%	100.0%	100.0%
3	100.0%	100.0%	100.0%
4	100.0%	100.0%	100.0%
5	100.0%	100.0%	100.0%
6	100.0%	100.0%	100.0%
7	100.0%	100.0%	100.0%
8	100.0%	100.0%	100.0%
9	100.0%	100.0%	100.0%
10	100.0%	100.0%	100.0%
11	0.0%	0.0%	0.0%
12	0.0%	0.0%	0.0%
13	0.0%	0.0%	0.0%
14	0.0%	0.0%	0.0%
15	0.0%	0.0%	0.0%

STATE OF KANSAS PROPERTY TAX ABATEMENT				
YR.	LAND	BUILDINGS...	FF&E	TOTAL
1	\$90	\$2,438	\$563	\$3,090
2	\$92	\$2,486	\$506	\$3,084
3	\$94	\$2,536	\$450	\$3,080
4	\$96	\$2,587	\$394	\$3,076
5	\$97	\$2,638	\$338	\$3,073
6	\$99	\$2,691	\$281	\$3,072
7	\$101	\$2,745	\$225	\$3,071
8	\$103	\$2,800	\$169	\$3,072
9	\$105	\$2,856	\$113	\$3,074
10	\$108	\$2,913	\$113	\$3,133
11	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0
Total	\$985	\$26,690	\$3,150	\$30,825

STATE OF KANSAS PROPERTY TAX ABATEMENT SCHEDULE			
YR	LAND	BUILDINGS	FF&E
1	100.0%	100.0%	100.0%
2	100.0%	100.0%	100.0%
3	100.0%	100.0%	100.0%
4	100.0%	100.0%	100.0%
5	100.0%	100.0%	100.0%
6	100.0%	100.0%	100.0%
7	100.0%	100.0%	100.0%
8	100.0%	100.0%	100.0%
9	100.0%	100.0%	100.0%
10	100.0%	100.0%	100.0%
11	0.0%	0.0%	0.0%
12	0.0%	0.0%	0.0%
13	0.0%	0.0%	0.0%
14	0.0%	0.0%	0.0%
15	0.0%	0.0%	0.0%

STATE OF KANSAS CONSTRUCTION MATERIALS AND FF&E PURCHASES: SALES TAX REBATE			
YR.	CONSTRUCTION MATERIALS REBATE	FF&E EXPENDITURES REBATE	TOTAL
1	\$211,250	\$97,500	\$308,750
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
11	\$0	\$0	\$0
12	\$0	\$0	\$0
13	\$0	\$0	\$0
14	\$0	\$0	\$0
15	\$0	\$0	\$0
Total	\$211,250	\$97,500	\$308,750

STATE OF KANSAS CONSTRUCTION MATERIALS AND FF&E PURCHASES REBATE SCHEDULE		
YR.	CONSTRUCTION MATERIALS	FF&E PURCHASES
1	100.0%	100.0%
2	0.0%	0.0%
3	0.0%	0.0%
4	0.0%	0.0%
5	0.0%	0.0%
6	0.0%	0.0%
7	0.0%	0.0%
8	0.0%	0.0%
9	0.0%	0.0%
10	0.0%	0.0%
11	0.0%	0.0%
12	0.0%	0.0%
13	0.0%	0.0%
14	0.0%	0.0%
15	0.0%	0.0%

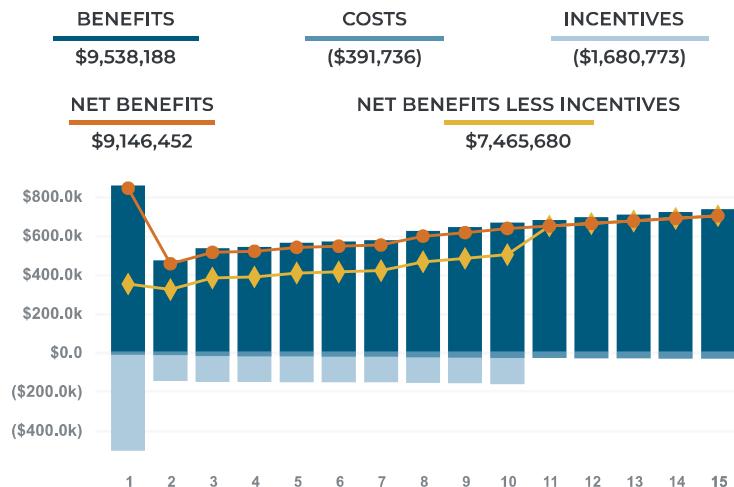




IMPACT REPORT - CURRENT & EXPANSION

AA COORS

Scenario 1



	Ellis County	City of Hays	State of Kansas	Total
NET BENEFITS LESS INCENTIVES	\$484,023	\$469,794	\$6,511,862	\$7,465,680
Present Value	\$267,477	\$278,304	\$4,351,383	\$4,897,164
NET BENEFITS	\$1,267,575	\$1,027,440	\$6,851,437	\$9,146,452
Present Value	\$874,463	\$715,829	\$4,669,229	\$6,259,522

BENEFITS

Sales Taxes	\$63,016	\$214,603	\$1,774,306	\$2,051,926
Real Property Taxes	\$1,094,913	\$735,683	\$43,709	\$1,874,305
FF&E Property Taxes	\$121,179	\$81,422	\$4,838	\$207,438
Income Taxes	\$0	\$0	\$4,547,474	\$4,547,474
Other Benefits	\$48,653	\$327,282	\$481,111	\$857,046
Benefits Subtotal	\$1,327,762	\$1,358,989	\$6,851,437	\$9,538,188

COSTS

Cost of Government Services	(\$60,187)	(\$111,866)	\$0	(\$172,053)
Other Costs	\$0	(\$219,683)	\$0	(\$219,683)
Costs Subtotal	(\$60,187)	(\$331,549)	\$0	(\$391,736)

INCENTIVES

Sales Tax Rebate - Capital Investment	(\$11,375)	(\$38,812)	(\$308,750)	(\$358,937)
Property Tax Abatement	(\$772,177)	(\$518,833)	(\$30,825)	(\$1,321,835)
Incentives Subtotal	(\$783,552)	(\$557,645)	(\$339,575)	(\$1,680,773)
Payback Period	9.5 Years	8.2 Years	0.5 Years	2.8 Years

JOB



107.8 Total

40.0 Direct

67.8 Spin-off

15.0 New Jobs @ \$63,000

25.0 Retained Jobs @ \$70,000

40.0 Direct Jobs @ \$69,731

SALARIES



\$52,274 Avg

\$69,731 Direct

\$41,971 Spin-off

CAPITAL INVEST.



\$8.0M

Buildings + FF&E





City Commission Work Session

Agenda Memo

From: Jeff Crispin, Director of Water Resources

Work Session: April 17, 2025

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

Person(s) Responsible: Jeff Crispin, Director of Water Resources

Summary

One bid for installation of a new concrete parking lot and entrance between the Water Plant (1000 Vine) and Maintenance Facility (1004 Vine) was opened on March 18, 2025. The low bid of \$136,483.72 came from Morgan Brothers Construction Inc. of La Crosse, KS, with the project to be equally funded by both Water Capital and Water Reclamation Capital.

Background

The parking lot and entrance between the Water Plant and Water Resources Maintenance Facility have been a concern of the department 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 travelling 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.

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 St. entrance with a reduced slope approach, making entering and exiting safer.

Discussion

On February 19, 2025, an RFP was released, and on March 18, 2025, one bid was received and opened. The total bid from Morgan Brothers Construction Inc. of \$136,483.72 is over the budget of \$130,000.00 but is favorable and staff is recommending Commission award the bid.

The bid was reviewed by City staff and determined to be valid and in line with previous projects. City staff recommend awarding the contract to Morgan Brothers Construction Inc. If awarded, Morgan Brothers intends to commence work on or about April 21, 2025, and complete it before August 31, 2025, as stated in the contract documents.

Legal Consideration

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

Financial Consideration

This project is listed in the 2025 Budget in the Capital Improvement Plan. Funding will be paid equally by Water Capital and Water Reclamation Capital (50/50 split).

Options

The City Commission has the following options:

- Award the bid to Morgan Brothers Construction, Inc.
- Provide alternate direction to City Staff
- Do nothing

Recommendation

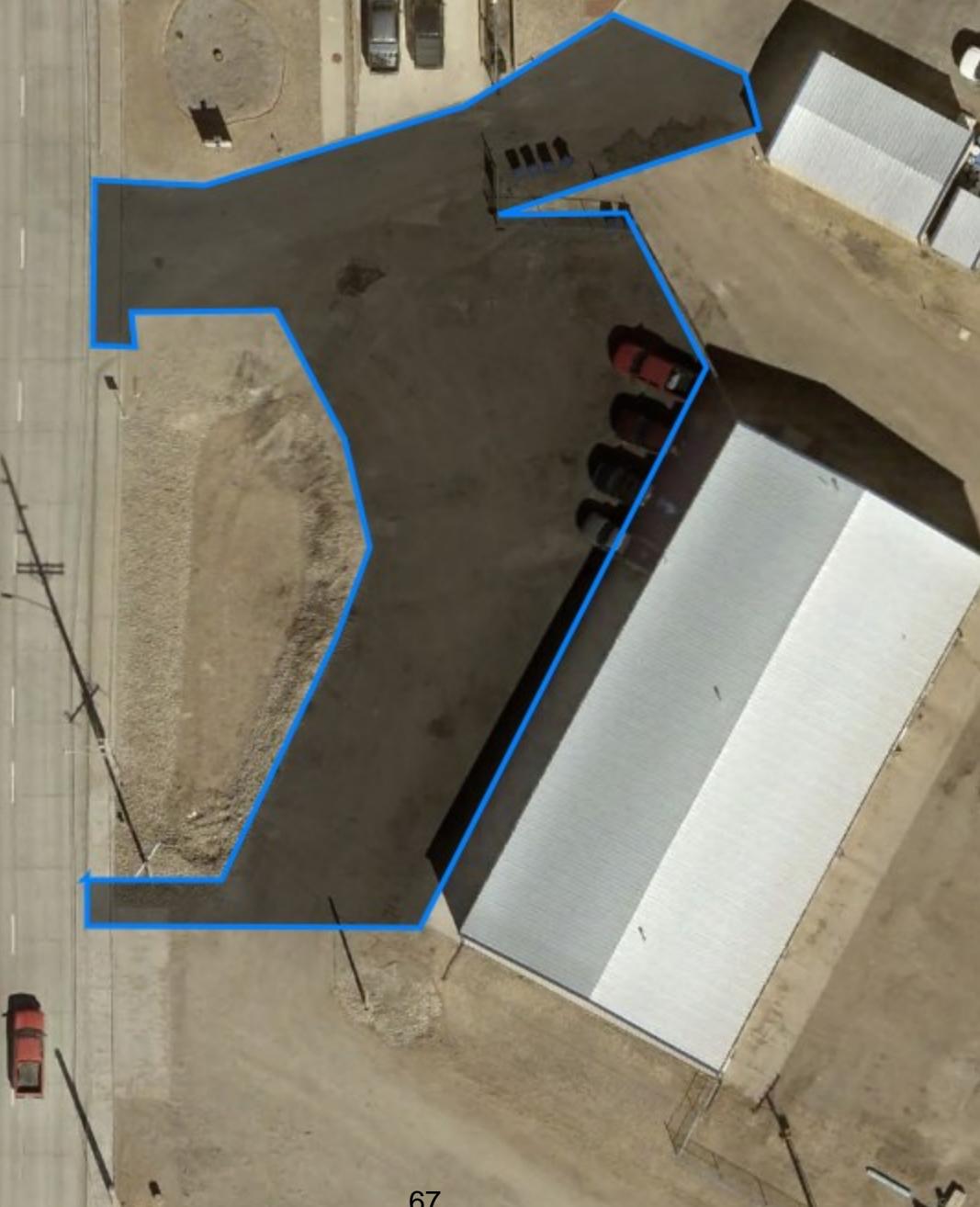
Staff recommends authorizing the City Manager to sign a contract with Morgan Brothers Construction Inc. of La Crosse, KS for parking lot and access improvements at the Water Resources facility.

Action Requested

Authorize the City Manager to sign a contract with Morgan Brothers Construction Inc. of La Crosse, KS 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).

Supporting Documentation

Project Overhead Visual
Current Conditions Visuals
Contractor Review Sheet







Hays







Post-Project Review Rating Sheet - General Contractor

Project Number: 2023-25

Project Name: 2024 Street Maintenance

Type of Work: Reconstruction of 28th Street

Contractor: Morgan Brothers Construction

Start Date: 5/20/24 **Finish Date:** 7/16/24



Office of Project Management

Project Overview

- 1 Understanding of Work Performed
- 2 Pre-Construction Submittals
- 3 Compliance with Contract
- 4 Meeting Project Schedule
- 5 Quality of Contractor's Work
- 6 Quality of Subcontractor's Work
- 7 Cleanup/Punchlist in Timely Manner
- 8 Final Overview of Project

Grade*

M
M
M
E
E
E
E
M

Grade*

M
M
M
M
M
M
M

Performance of Work

- 9 Quality of Supervisory Personnel
- 10 Skillful and Knowledgeable Employees
- 11 Management of Subcontractors
- 12 Quality of Approved Materials
- 13 Work Completed in Timely Manner
- 14 Identification and Resolution of Issues
- 15 Attention to Detail
- 16 Communitcaion w/ Inspector
- 17 Responsive to Requests

M
M
M
M
E
M
M
E
M

Equipment

- 18 Clean and Presentable
- 19 Well Maintained and Services
- 20 Adequate Equipment to Perform Work

M
M
M

Timeliness

- 21 Allocation of Adequate Resources

Grade*

M
M
M
M
M
M
M

Safety Overview

- 22 Safe Working Environment
- 23 Site Housekeeping and Cleanliness
- 24 Safety Towards Public
- 25 Equipment Safely Stored
- 26 Used Recommended Safety Procedures
- 27 Used Traffic Control Recommendations

Contractor's Business Behavior

- 28 Professionalism/Communication
- 29 Management of Scope
- 30 Management of Timeline
- 31 Management of Cost
- 32 Management of Subcontractors
- 33 Coordination with Local Utilities
- 34 Quality of Work

M
M
M
M
M
M
M
M

* Grade Scale

E = Exceeded Expectations

M = Met Expectations

F = Failed or Below Expectations

N/A = Not Applicable

[[[RATINGS BELOW "M" REQUIRE WRITTEN JUSTIFICATION THAT IS OBJECTIVE AND IDENTIFIABLE]]]

Supporting documents and/or notes are required, and must be attached and included in project file.

Additional Narrative on Areas Rated:

4E: The entire project was started as soon as possible and finished well ahead of schedule.

5E: All the concrete is holding up very well after 30 days.

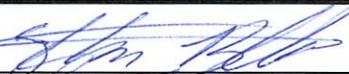
6E: M&D was very effective at removal of pavement and grading of the base.

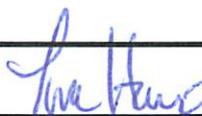
7E: The punchlist was started the day after it was created, and finished the following day.

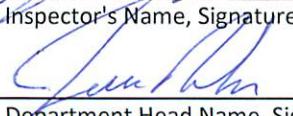
13E: The crew was very efficient and worked faster than expected.

16E: Communication was maintained throughout the process and was much better than past projects.

23M: The only improvement that city staff would like to see is better site cleanliness over night and weekends.

 8/7/24
Inspector's Name, Signature and Date

 8-7-24
Project Manager's Name, Signature and Date

 8/7/24
Department Head Name, Signature and Date

Copies are to be distributed to Contractor and placed in project file upon completions



City Commission Work Session

Agenda Memo

From: Jesse Rohr, Director of Public Works

Work Session: April 17, 2025

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

Person(s) Responsible: Jesse Rohr, Director of Public Works

Summary

Bids for additional 2025 Street Maintenance Projects were opened on February 25, 2025. This proposed work is in addition to the various project bids awarded on February 27, 2025. The additional projects include pavement markings on Hall St., E. 13th St., and the Vine St. roundabouts. Bids from four different contractors were received on February 25, 2025, and staff recommends entering a contract with the low bidder. The pavement marking project, if awarded, has an anticipated June start date and would be accomplished in short order. The total of the low bid from C-Hawkk Construction LLC for pavement markings being recommended is \$101,420.40 to be funded out of Special Highway.

Background

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.

Discussion

Staff rebid the pavement marking portion of the project, which included a base bid for markings on Hall St. from 8th to 27th and an add alternate bid for markings on E. 13th from Main to Milner. Bids from four different contractors were received on February 25, 2025. The tabulation of bids is below:

Company	Base Bid	Alt. Bid	Total
C-Hawkk Construction LLC	\$36,709.40	\$17,982	\$54,691.40
Cillessen & Sons, Inc.	\$75,202	\$19,040	\$94,242.00
Heartland Traffic Services, Inc.	\$81,040	\$27,335	\$108,375.00
Roadsafe Traffic Systems, Inc.	\$86,422	\$33,481	\$119,903.00

The low bid is from C-Hawkk Construction, LLC of Eudora, KS at the cost of \$54,691.40.

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 St., which need replacement. The contractor is willing, and upon receiving bid quantities from staff, the contractor gave a bid of \$46,729.00 for the additional work. This amount for additional work on the roundabouts, when added to the contract bid amount, comes to a total of \$101,420.40.

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. The individual had no concerns whatsoever with their bid nor their work.

A summary of all work proposed for 2025, including the pavement markings, is listed here:

Project	Contractor	Actual Bids
Seal Coat	Circle C	\$226,800.00
Polypatch	Stripe & Seal	\$40,600.00
Curb and Brick Repair	Morgan Bros.	\$58,500.00
Concrete Alleys	Morgan Bros.	\$74,050.00
Mill and Overlay	Bettis	\$259,232.70
19 th St. Concrete Paving	Morgan Bros.	\$124,652.78
Pavement Marking	C-Hawkk	\$101,420.40
	Subtotal	\$885,255.88
Sidewalk Rebate		\$10,000.00
In-House		\$100,000.00
	Subtotal	\$110,000.00
Total Cost of All Projects		\$995,255.88
SP HWY Funding Available		\$1,114,792.00
BALANCE of SP HWY Budgeted Projects Fund		\$119,536.12

If awarded, this extra work of applying pavement markings would be completed sometime during the May/June timeframe.

Legal Consideration

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

Financial Consideration

As mentioned in the Background section of this memo, \$1,114,792 was identified in the 2025 Special Highway Budget for Street Maintenance. The total of all

projects awarded will not exceed the total budget amount allotted in Special Highway.

Options

The City Commission has the following options:

- Award the contract as recommended by Staff
- Provide alternate direction to City Staff

Recommendation

Staff recommends awarding the contract to C-Hawkk Construction, LLC as presented.

Action Requested

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 St., E. 13th St., and the Vine St. roundabouts, to be funded out of Special Highway – Budgeted Projects.

Supporting Documentation

Location Maps

