



***MINUTES***  
***SPECIAL CITY COMMISSION MEETING***  
***TUESDAY, FEBRUARY 23, 2010***  
***5:00 P.M.***

The Special City Commission Meeting of the City Commission was held at 5:00 p.m. in the City Commission Room. Mayor Bob Strawn and Commissioners Bruce Snead, James E. Sherow, Loren J. Pepperd, and Jayme Morris-Hardeman were present. Also present were the City Manager Ron R. Fehr, Assistant City Manager Jason Hilgers, Assistant City Manager Lauren Palmer, City Attorney Bill Frost, City Clerk Gary S. Fees, 5 staff, and approximately 25 interested citizens.

**PLEDGE OF ALLEGIANCE**

Mayor Strawn led the Commission in the Pledge of Allegiance.

**SPECIAL MEETING**

**FINAL PLAT – DOWNTOWN ENTERTAINMENT DISTRICT ADDITION**

Ron Fehr, City Manager, introduced the item.

Eric Cattell, Assistant Director for Planning, presented the item.

After discussion, Commissioner Snead moved to accept the easements and rights-of-way, as shown on the Final Plat of the Downtown Entertainment District Addition, generally located south of Pierre Street, north of Ft. Riley Boulevard, east of S. 4<sup>th</sup> Street, and west of the K-177 on-ramp, based on conformance with the Manhattan Urban Area Subdivision Regulations. Commissioner Pepperd seconded the motion. On a roll call vote, motion carried 5-0.

**WORK SESSION**

**RECOMMENDATIONS - ECONOMIC DEVELOPMENT MODEL TASK FORCE**

Lauren Palmer, Assistant City Manager, provided background information on the item and responded to questions from the Commission regarding the Economic Development Model Task Force.

## WORK SESSION (CONTINUED)

### RECOMMENDATIONS - ECONOMIC DEVELOPMENT MODEL TASK FORCE (CONTINUED)

Don Wissman, Co-Chair, Economic Development Model Task Force, provided recommendations to the Commission for base wage structure, community return on investment, community fit, benefits, and risk review for the proposed economic development model. He then responded to questions from the Commission.

Eric Higgins, Co-Chair, Economic Development Model Task Force, presented items for future considerations of economic development funding. He then responded to questions from the Commission regarding the definition of economic development and suggested plans to move forward with utilizing economic development.

Jane Gibson, 1427 Leavenworth Street, Chair, Manhattan Living Wage Coalition, informed the Commission that living wage policies are good for business and mean fewer tax dollars needed to support social services. She stated that the City should adopt a wage ordinance to pay all employees at least \$12/hour in order for a company to apply for City money and that the wage floor should be adjusted annually. In addition, the company needs to provide a health care plan comparable to the City's health plan for its employees.

Lauren Palmer, Assistant City Manager, responded to questions from the Commission regarding positions at \$10/hour and below and having a higher weighting for higher wages. She also responded to questions regarding what percentage of jobs means and how part-time employment is treated.

Don Wissman, Co-Chair, Economic Development Model Task Force, answered additional questions from the Commission.

Eric Higgins, Co-Chair, Economic Development Model Task Force, provided additional information on the new model proposed and answered questions from the Commission.

Lauren Palmer, Assistant City Manager, provided additional information on the current and proposed economic development model.

Debbie Nuss, 1419 Humboldt Street, representing the League of Women Voters, Task Force Committee member, stated that when the current model was approved in 2002, the League at that time urged the Commission to raise the wage from \$8/hour to \$8.80/hour and to award funds only to applicants who paid at least the wage floor. She stated that the League could not support a company receiving any credit if they had jobs that paid less than \$12/hour. She provided additional comments on the proposed economic development model and answered questions from the Commission.

## WORK SESSION (*CONTINUED*)

### RECOMMENDATIONS - ECONOMIC DEVELOPMENT MODEL TASK FORCE (*CONTINUED*)

Mayor Strawn asked Staff to survey other Kansas communities wage structures and other economic development model systems.

Eric Higgins and Don Wissman, Co-Chairs, Economic Development Model Task Force, stated that the Committee viewed wages and benefits as separate issues. They informed the Commission that there were three main issues the Committee was concerned with regarding benefits: 1) whether or not the company has a medical plan; 2) how much of the medical plan is paid for by the employer; and 3) the quality of that plan.

Geri Simon, 1728 Little Kitten Avenue, Flint Hills Living Wage Coalition Coordinator, asked the Commission to look at the Lawrence model and provided additional information on the item.

Ann Harts, 126 Longview Drive, Task Force Committee member, asked the Commission to focus on keeping Manhattan business friendly to new and existing businesses. She stated that she was pleased with what the Committee came up with and liked the higher credit for higher wages. She then answered questions from the Commission based on her expertise as a site location consultant and responded to questions from the Commission.

Lyle Butler, President, Manhattan Area Chamber of Commerce, answered questions from the Commission regarding the process and receipt of applications from prospective companies and how this model is beneficial as a tool. He stated that the Task Force Committee is trying to provide flexibility within the model for the Commission.

Lauren Palmer, Assistant City Manager, answered questions from the Commission regarding GE Aviation and stated that they chose not to accept the financial incentives offered to them. She answered questions from the Commission on the formulation for Return on Investment, stating it is a sophisticated model that looks at the return of tax dollars to the taxing jurisdictions.

Don Wissman, Co-Chair, Economic Development Model Task Force, thanked all the members of Economic Development Task Force Committee. He reminded the Commission that the Committee focused on the evaluation of the model for firms coming into or expanding in Manhattan.

At 7:15 p.m., the Commission took a brief recess.

## WORK SESSION (CONTINUED)

### FACILITIES CONSERVATION IMPROVEMENT PROGRAM OVERVIEW

Brian Williams, Assistant to the City Manager, introduced the item.

Chad Remboldt, Comprehensive Solutions Consultant, Trane Commercial Solutions, presented an overview of the Facilities Conservation Improvement Program.

Randy Jameson, P.E., Project Developer, Trane Commercial Systems, presented current energy expenditures and energy use analysis for the City of Manhattan. He also presented savings and revenue generation opportunities, and energy conservation measures.

Chad Remboldt, Comprehensive Solutions Consultant, Trane Commercial Solutions, presented payback return on investment for facility energy conservation measures and two scenarios pro forma profiles. He then responded to additional questions from the Commission regarding bidding equipment and on the scenarios proposed.

Brian Williams, Assistant to the City Manager, responded to questions from the Commission regarding costs.

Ron Fehr, City Manager, answered questions from the Commission regarding the program and city-owned facilities.

Chad Remboldt, Comprehensive Solutions Consultant, Trane Commercial Solutions, presented information on the Kansas Energy Office Master Contract, statutory fiscal tool milestones and process, investment grade audit, and the preliminary energy audit. He then answered questions from the Commission regarding the number of projects in place currently, how many entities have been reimbursed, and stated that each year City Staff would need to allow time to work with Trane.

Brian Williams, Assistant to the City Manager, stated that so far City Staff has spent 60 to 80 hours on this program.

Dale Houdeshell, Director of Public Works, stated that he had not heard the presentation before this evening on the amount of time and effort needed by City Staff.

Ron Fehr, City Manager, stated that future demands on City Staff time have not been discussed and that it may be advisable to focus on lower hanging fruits for higher paybacks. He stated that City Administration is not in a position to make a recommendation at this time.

## WORK SESSION (CONTINUED)

### FACILITIES CONSERVATION IMPROVEMENT PROGRAM OVERVIEW (CONTINUED)

Chad Remboldt, Comprehensive Solutions Consultant, Trane Commercial Solutions, answered questions from the Commission regarding a breakout on energy and operational savings.

Randy Jameson, P.E., Project Developer, Trane Commercial Systems, responded to questions from the Commission regarding potential savings and life of the equipment.

Dale Houdeshell, Director of Public Works, and Ron Fehr, City Manager, provided additional information on City water meters.

Megan Berry, Schneider Electric, stated that their firm is a qualified Energy Savings Company. She commented that it would be wise for the City to look at each company's qualifications and in what form savings are given back to the city. She suggested that before conducting an investment grade audit, the City should solicit request for proposals. She then answered questions from the Commission regarding the number of entities they have worked with and the number of those cities that have received checks.

After discussion, Ron Fehr, City Manager, responded to questions from the Commission and stated that City Staff would have interested proposers provide similar information, evaluate the proposals, and find out what the impact would be on staff time before making a recommendation.

### ADJOURNMENT

At 9:08 p.m., the City Commission adjourned.

  
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Gary S. Fees, MMC, City Clerk