

City of Tonganoxie
Special City Council Meeting Minutes
11/29/10

The Governing Body of the City of Tonganoxie met in special session at the City Hall Council Chambers on November 29, 2010 at 7:00 PM for the purpose of considering incentive packages for an industrial business prospect.

The meeting was called to order at 6:00 p.m. with a quorum and the following members and staff present: Mayor, Jason Ward; Councilmembers: Paula Crook, Chris Donnelly, Andy Gilner, Bill Peak and Jim Truesdell. Mike Yanez, City Administrator; Kathy Bard, Asst City Administrator/City Clerk, Steve Jack, Executive Director, LCDC.

Motion by Peak to enter into executive session at 7:02 pm to discuss confidential data relating to financial affairs or trade secrets of second parties, to include the Asst City Administrator, Kathy Bard, City Administrator, Mike Yanez and Steve Jack, for 15 minutes to return at 7:17 p.m. Second by Donnelly. All Ayes. Aye 5. Motion carried.

Motion by Truesdell to exit executive session and reconvene with the regularly scheduled meeting at 7:17 PM. No items were discussed other than that mentioned and no votes were taken. Second by Peak. All Ayes. Aye 5. Motion carried.

Motion by Donnelly to re-enter into executive session at 7:17 pm to discuss confidential data relating to financial affairs or trade secrets of second parties, to include the Asst City Administrator, Kathy Bard, City Administrator, Mike Yanez and Steve Jack, for 10 minutes to return at 7:27 p.m. Second by Peak. All Ayes. Aye 5. Motion carried. **Motion** by Crook to exit executive session and reconvene with the regularly scheduled meeting at 7:27 PM. No items were discussed other than that mentioned and no votes were taken. Second by Donnelly. All Ayes. Aye 5. Motion carried.

The governing body continued discussion of incentives for economic development that are currently offered by the State of Kansas and different options the city may be able to offer the company to entice them to locate in Tonganoxie. The company is looking at an existing commercial/industrial building. After considerable discussion it was determined to offer \$100.00 per job based on the hiring model in their business plan, including their salaries and the company's project hiring schedule. **Motion** by Councilmember Donnelly to authorize Steve Jack to provide a per job incentive to incorporate into a proposal for an industrial client up to \$100.00 per job, per year based on the companies presented projections, the Wichita State modeling and Capital Investment and any final agreements be ratified by the governing body. Second by Gilner. All Ayes. Aye 5. Motion carried.

The final agreed upon incentive would mirror the following:

The City of Tonganoxie would be pleased to submit the following incentive for the company's consideration - **a cash incentive of \$100 per job per year up to \$21,200** based on the company's own yearly projections of new jobs created and retained in the first 5 years, wage levels (\$25,000 to \$115,000/year) and capital investment goals (\$1.75 million):

Year 1	14 total jobs	\$1,400
Year 2	31 total jobs	\$3,100
Year 3	42 total jobs	\$4,200
Year 4	54 total jobs	\$5,400
Year 5	71 total jobs	<u>\$7,100</u>
Total City Incentive	\$21,200	

The incentive is contingent on final ratification by the Tonganoxie City Council.

With no further business to discuss, there was a **motion** by Crook to adjourn. Second by Donnelly. Motion carried. All Ayes. Aye 5. Meeting adjourned at 8:20 PM.

Respectfully submitted,
Kathy Y. Bard
Asst. City Administrator/City Clerk