

CERTIFICATION OF CLERK

I, Brenda K. Wolf, the duly appointed, qualified, and Assistant City Clerk of Manhattan, Kansas, do hereby certify that the foregoing Minutes were duly adopted at a meeting of the City of Manhattan, Kansas, held on the 10th day of January, 2012, and that said Minutes have been compared by me with the original thereof on file and of record in my office, is a true copy of the whole of said original.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the City of Manhattan, Kansas, this 10th day of January, 2012.



Brenda K. Wolf, CMC, Assistant City Clerk

MINUTES
CITY COMMISSION MEETING
TUESDAY, DECEMBER 20, 2011
7:00 P.M.

The Regular Meeting of the City Commission was held at 7:00 p.m. in the City Commission Room. Mayor James E. Sherow and Commissioners Loren J. Pepperd, John Matta, Wynn Butler, and Richard B. Jankovich 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, 10 staff, and approximately 28 interested citizens.

PLEDGE OF ALLEGIANCE

Mayor Sherow led the Commission in the Pledge of Allegiance.

PROCLAMATION

Mayor Sherow proclaimed December 31, 2011, ***Little Apple New Year's Eve Celebration Day***. Evan Tuttle, Event Coordinator, Little Apple New Year's Eve, was present to receive the proclamation.

COMMISSIONER COMMENTS

Commissioner Jankovich thanked City staff for their work on coordinating the Housing Round Table held Friday, December 16, 2011, at the new Manhattan Conference Center and looked forward to receiving additional feedback from the Housing Round Table. He informed the community that the next Wildcat Creek Watershed Working Group meeting would be on Thursday, January 12, 2012, at 7:00 p.m. in the City Commission Room, City Hall.

Commissioner Matta expressed his appreciation to those that attended the Housing Round Table and wished everyone Happy Holidays and a Happy New Year.

COMMISSIONER COMMENTS (CONTINUED)

Commissioner Pepperd wished everyone a Merry Christmas. He provided an update on the Manhattan Area Chamber of Commerce Board Meeting regarding discussions related to the potential changes to the state liquor laws to sell liquor in grocery and convenience stores. He also informed the community that the annual Chamber Leaders Retreat would be held January 13 and 14, 2012, at the Sheraton in Overland Park, Kansas, and that the annual Chamber meeting and banquet would be on February 24, 2012, in the new Manhattan Conference Center.

Mayor Sherow reminded citizens that the next legislative City Commission meeting would be on January 10, 2012. He then provided an overview of several items mentioned during the Discussion/Briefing Session held prior to the City Commission Legislative Meeting. The Commission updated calendar items; discussed scheduling the annual Commissioners goal setting session for January 20, 2012, at the Flint Hills Discovery Center; discussed parking concerns near Dillard's for the Flint Hills ATA buses; received an update on Lot 9, Downtown Entertainment District; discussed the design-build process; discussed the upcoming Legislative Breakfast on Thursday, December 22, 2011, at 7:30 a.m. in the City Commission Room; and discussed renovations to the Riley County Seniors Service Center building.

CONSENT AGENDA

(* denotes those items discussed)

MINUTES

The Commission approved the minutes of the Regular City Commission Meeting held Tuesday, December 6, 2011.

* CLAIMS REGISTER NO. 2686

Dale Houdeshell, Director of Public Works, responded to questions from the Commission regarding the payment of \$1,158,003.00 to Walters-Morgan Construction Company and the budget approval process for the project.

Ron Fehr, City Manager, provided additional information on the item and informed the Commission that the progress payment was for the Wastewater Treatment Plant Expansion and Upgrade. He then responded to additional questions from the Commission.

The Commission approved Claims Register No. 2686 authorizing and approving the payment of claims from November 30, 2011, to December 13, 2011, in the amount of \$6,449,866.62.

CONSENT AGENDA (CONTINUED)

* **LICENSES**

The Commission approved *Merchant Guard Agency Licenses* for calendar year 2012 for Coastal International Security, Inc., 8198 Terminal Road, Suite 201, Lorton, Virginia; and Securitas Security Services USA, Inc., 2942 B Southwest Wanamaker Drive, Suite 2A, Topeka, Kansas; *Tree Maintenance Licenses* for the calendar year 2012 for Brinker Tree Care, Inc., 2907 Jacque Circle; Gudenkauf Tree Service, 102 North Street, Seneca, Kansas; Hummel Tree Service, 601 Pottawatomie Avenue; and Kyle's Tree Service, 806 Yuma Street, Apartment 1; annual *Cereal Malt Beverage Off-Premises Licenses* for Dara's Fast Lane #1, 1816 Claflin Road; Dara's Fast Lane #2, 3270 Kimball Avenue; Dara's Fast Lane #3, 473 East Poyntz Avenue; Dara's Fast Lane #5, 1102 Laramie Street; Dara's Fast Lane #6, 2707 Anderson Avenue; Dara's Fast Lane #7, 1709 Fort Riley Boulevard; Dara's Fast Lane #10, 2323 Tuttle Creek Boulevard; Dara's Fast Lane #12, 1701 Anderson Avenue; Oppy's Service, Inc., 605 South 3rd Street; Shop Quik #11, 3108 Anderson Avenue; Shop Quik #12, 430 Fort Riley Boulevard; Shop Quik #14, 529 Richards Drive; and Shop Quik #16, 1127 Bluemont Avenue; and annual *Cereal Malt Beverage On-Premises Licenses* for Hunan Express, Inc., 1116 Moro Street; and K-State Student Union, Kansas State University Campus.

ORDINANCE NO. 6932 – REZONE – LOT 10, ROCKHILL ESTATES ADDITION

The Commission approved Ordinance No. 6932 rezoning a 0.7 acre portion of Lot 10, Rockhill Estates Addition, generally located in the rear yard of 2035 Rockhill Road, from R, Single-Family Residential District, to C-1, Restricted Business District, based on the findings in the Staff Report (*See Attachment No. 1*).

FINAL PLAT – ROCKHILL ESTATES ADDITION, UNIT FIVE

The Commission accepted the easements and rights-of-way, as shown on the Final Plat of Rockhill Estates Addition, Unit Five, generally located between the Rockhill Road cul-de-sac and Westwood Road, based on conformance with the Manhattan Urban Area Subdivision Regulations.

RESOLUTION NO. 122011-A – 2011 CITY BOUNDARY

The Commission approved Resolution No. 122011-A establishing and defining the boundaries of the City of Manhattan, Kansas, as of December 20, 2011.

RESOLUTION NO. 122011-B – ESTABLISH – SCRAP METAL DEALER

The Commission approved Resolution No. 122011-B establishing the fees for a scrap metal dealer located within the corporate limits of the city to register.

CONSENT AGENDA (CONTINUED)

REQUEST FOR PROPOSALS – ENGINEERING SERVICES – WATER SYSTEMS IMPROVEMENTS (WA1202)

The Commission authorized City Administration to solicit proposals for engineering and design services for the Water Systems Improvements Project (WA1202).

* **AWARD CONTRACT – EMERGENCY ON-CALL ELECTRICAL SERVICES (SP1116)**

Ron Fehr, City Manager, provided clarification on the item and responded to questions from the Commission.

The Commission authorized the Mayor and City Clerk to execute a contract with V and V Electric, of Manhattan, Kansas, for emergency on-call electrical services (SP1116).

2012 CONTRACT – FLINT HILLS AREA TRANSPORTATION AGENCY

The Commission approved a contract as budgeted in the 2012 City Budget and authorized the Mayor and City Clerk to execute said contract with Flint Hills Area Transportation Agency.

2012 CONTRACT – CRIME STOPPERS

The Commission approved a contract as budgeted in the 2012 City Budget and authorized the Mayor and City Clerk to execute said contract with Crime Stoppers.

2012 CONTRACT – MANHATTAN ARTS CENTER

The Commission approved a contract as budgeted in the 2012 City Budget and authorized the Mayor and City Clerk to execute said contract with Manhattan Arts Center.

2012 CONTRACT - WOLF HOUSE MUSEUM

The Commission approved a contract as budgeted in the 2012 City Budget and authorized the Mayor and City Clerk to execute said contract with Wolf House Museum.

2012 CONTRACT – DOWNTOWN MANHATTAN, INC.

The Commission approved a contract as budgeted in the 2012 City Budget and authorized the Mayor and City Clerk to execute said contract with Downtown Manhattan, Inc.

CONSENT AGENDA (CONTINUED)

* **2012 CONTRACTS – SOCIAL SERVICES ADVISORY BOARD AGENCIES**

Commissioner Butler provided clarification on the approved contracts as budgeted in the 2012 City Budget for agencies.

The Commission approved contracts as budgeted in the 2012 City Budget and authorized the Mayor and City Clerk to execute said contracts with Social Services Advisory Board agencies (*See Attachment No. 2*).

2012 CONTRACTS – SPECIAL ALCOHOL FUNDS ADVISORY BOARD AGENCIES

The Commission approved contracts as budgeted in the 2012 City Budget and authorized the Mayor and City Clerk to execute said contracts with Special Alcohol Funds agencies (*See Attachment No. 3*).

2012 CONTRACT – AGGIEVILLE BUSINESS IMPROVEMENT DISTRICT

The Commission authorized the Mayor and City Clerk to execute the 2012 Aggieville Business Improvements District contract.

2012 CONTRACT – DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

The Commission authorized the Mayor and City Clerk to execute the 2012 Downtown Business Improvements District contract.

2012 CONTRACT – CITY/UNIVERSITY SPECIAL PROJECTS FUND

The Commission authorized the Mayor and City Clerk to execute the 2012 City/University Special Projects Fund Agreement with Kansas State University in the amount of \$677,000.00.

AMENDED BYLAWS – ARTS AND HUMANITIES ADVISORY BOARD

The Commission approved the amended bylaws of the Arts and Humanities Advisory Board.

BOARD APPOINTMENTS

The Commission approved appointments by Mayor Sherow to various boards and committees of the City.

Downtown Business Improvement District Advisory Board

Re-appointment of Michael Motley, 6121 Tumbleweed Terrace, to a two-year term. Mr. Motley's term will begin January 1, 2012, and will expire December 31, 2013.

CONSENT AGENDA (CONTINUED)

BOARD APPOINTMENTS (CONTINUED)

Downtown Business Improvement District Advisory Board (CONTINUED)

Appointment of Annemarie Olson, 1426 Yuma Street, to a two-year term. Ms. Olson's term will begin January 1, 2012, and will expire December 31, 2013.

Appointment of Marissa Aumiller, 4440 Tuttle Creek Blvd. #265, to a two-year term. Ms. Aumiller's term will begin January 1, 2012, and will expire December 31, 2013.

Appointment of Brad Walters, 601 3rd Place, to a two-year term. Mr. Walter's term will begin January 1, 2012, and will expire December 31, 2013.

Flint Hills Discovery Center Advisory Board

Re-appointment of Ron Wilson, 2103 Zeandale Road, to a three-year term. Mr. Wilson's term will begin February 1, 2012, and will expire January 31, 2015.

After discussion, Commissioner Jankovich moved to approve the consent agenda, as presented. Commissioner Butler seconded the motion. On a roll call vote, motion carried 5-0.

GENERAL AGENDA

SECOND CONSIDERATION - ECONOMIC DEVELOPMENT AGREEMENT/LEASE AGREEMENT - PRATHISTA INTERNATIONAL, INC.

Lauren Palmer, Assistant City Manager, presented an overview of the proposed economic development agreement and lease agreement for the Armory facility next to the Manhattan Regional Airport. She provided the Commission with an overview of the proposed incentives, project considerations, Economic Development Fund funding criteria and final scoring, and highlighted an overview of the independent risk review performed by Springsted, Inc. She then responded to questions from the Commission and stated that the equipment would be owned by the company.

Ron Fehr, City Manager, informed the Commission that considerable upgrades need to be completed at the City-owned Armory facility. He then provided additional information on the proposed economic development agreement, provided clarification on the lease agreement, and responded to questions from the Commission regarding laboratory requirements and future lab demands.

GENERAL AGENDA (CONTINUED)

SECOND CONSIDERATION - ECONOMIC DEVELOPMENT AGREEMENT/LEASE AGREEMENT - PRATHISTA INTERNATIONAL, INC. (CONTINUED)

Lauren Palmer, Assistant City Manager, and Ron Fehr, City Manager, informed the Commission that the existing utility infrastructure will meet Prathista International's needs. They then responded to questions from the Commission regarding parking requirements, relocation of fencing to ensure separation between the Federal Aviation Administration secured area and public access, and future plans for a production facility.

Steven Graham, Assistant to the Kansas State Dean of Agriculture and Director of Kansas State Research and Extension, informed the Commission that Kansas State University (KSU) is interested in working with Prathista International and have signed agreements to work on research projects together. He introduced administrators and faculty from KSU in attendance, and provided background information on research being conducted at KSU, the research relationship between KSU and Prathista, and additional information on Prathista. He then explained the role and position of Kansas State University and informed the Commission that KSU enjoys working as part of a team with the City and the Manhattan Area Chamber of Commerce trying to bring new businesses, such as Prathista International, to Manhattan (*See Attachment No. 4*). He then responded to questions from the Commission regarding the ingredients and processing of the product.

Dr. Rajesh Sharma, Vice President, Prathista Industries, responded to questions from the Commission and provided clarification of its processing and product.

Steven Graham, Assistant to the Kansas State Dean of Agriculture and Director of Kansas State Research and Extension, responded to questions from the Commission regarding Prathista's web site and marketing adjustments and improvements that will need to be made for the United States market. He informed the Commission that the soil and climate conditions in India are different than in the United States. He then responded to additional questions from the Commission on the research being conducted at Kansas State University and stated that the company is currently working with Dr. P.V. Vara Prasad, Associate Professor in the Department of Agronomy.

Dr. Rajesh Sharma, Vice President, Prathista Industries, provided clarification on questions regarding the company's web site. He also provided additional information on Prathista, its products, production processes, and product applications. He informed the Commission that the company has continuously grown over the last 15 years, has three manufacturing facilities in India, and employs approximately 300 people. He stated that Prathista markets its products in several countries across Africa, the Middle East, and the Asian Pacific. He stated that all products will be evaluated for their performance in American applications and that a pilot plant will be needed over the long term to support manufacturing requirements for its business. He then stated that he was open for

GENERAL AGENDA (CONTINUED)

SECOND CONSIDERATION - ECONOMIC DEVELOPMENT AGREEMENT/LEASE AGREEMENT - PRATHISTA INTERNATIONAL, INC. (CONTINUED)

discussion and that connectivity to Manhattan with a direct flight from Chicago is very important to the company (*See Attachment No. 5*). He then responded to questions from the Commission regarding company sales and reinvestment in the Manhattan facility.

Lyle Butler, President, Manhattan Area Chamber of Commerce, informed the Commission that as better strategies in economic development are examined and what has been learned from other communities and at Manhattan and K-State, is that research and development companies can provide high quality job growth with outstanding benefits, which make contributions to the community. He stated that more companies and additional opportunities will be coming to the community in 2012. He also talked about the 2025 Plan presented by President Kirk Schulz at Kansas State University. He encouraged the Commission to support the item, to protect a City-owned investment, and to encourage the investment by an India-owned company in the United States.

Geri Simon, Coordinator, Manhattan Living Wage Coalition, informed the Commission that paying a living wage is good for the community and that living wage policies are good for business. She thanked the Mayor for encouraging Prathista International to raise its wage and thanked Prathista International for raising all its jobs to at least \$12.20 per hour for tax dollar support of economic development funds.

Mayor Sherow informed the community that he supported this initiative and stated that the proposal protects a City-owned asset. He thanked the Manhattan Area Chamber of Commerce, City staff, and Kansas State University for bringing this item forward for consideration. He provided additional information on the research and strengths of the Prathista International proposal, including its willingness to increase its wage levels, to build on the strengths of research and technology at Kansas State University, and to work with an international company utilizing the City's jet service.

Commissioner Jankovich highlighted several of the strengths and weaknesses of the proposal. He stated that the parent company has a 15-year track record outside of the United States, provides investment in a City-owned facility, provides new opportunities for employment under the current economic development model, and assists in the mission of Kansas State University to become a Top 50 research institution. He also said this is a research and development company and is speculative, which adds additional risk and unknown product viability in the United States and unknown future site location if the company is successful; however, it does provide some mitigating factors. He voiced support in moving ahead with the item.

GENERAL AGENDA (CONTINUED)

SECOND CONSIDERATION - ECONOMIC DEVELOPMENT AGREEMENT/LEASE AGREEMENT - PRATHISTA INTERNATIONAL, INC. (CONTINUED)

Lauren Palmer, Assistant City Manager, provided clarification on the total project costs and with the proposed Agreement.

Commissioner Butler provided clarification that the City does not have a \$12.20 per hour minimum wage for economic development. He highlighted concerns with this being a venture capitalist investment and risk analysis with the product line for North American markets, financial considerations of Prathista International, and the model timeline and return on investment analysis.

Commissioner Matta concurred with comments from Commissioners Butler and Jankovich. He voiced concerns in supporting an arbitrary wage above the market wage. He stated that this is a difficult investment decision and that he has received concerns from professionals in the field. He said the mitigating factor is that the City can renovate an existing building that is in bad shape and that the capital is put in upfront before reimbursement.

Commissioner Pepperd thanked Steven Graham and Dr. Sharma for their presentations and written handouts. He said that as a city, it needs to decide what are going to be done with wet labs and how to develop them. He clarified the importance for Prathista International to test and evaluate its product in a pilot facility and the need for a long-term facility. He encouraged Dr. Sharma to continue to work with Kansas State University and to stay in Manhattan with a successful Phase II facility. He stated that he would support the item.

After discussion and comments from the Commission, Commissioner Jankovich moved to authorize the Mayor and City Clerk to execute an Economic Development Incentives Agreement and Airport Armory Lease Agreement with Prathista International. Commissioner Pepperd seconded the motion. On a roll call vote, motion carried 5-0.

At 9:05 p.m., the Commission took a brief recess.

2011 CHAMBER OF COMMERCE YEAR-END REPORT - 2012 CONTRACTS

Lauren Palmer, Assistant City Manager, provided an overview of the item and introduced Lyle Butler, President, Manhattan Area Chamber of Commerce.

GENERAL AGENDA (CONTINUED)

2011 CHAMBER OF COMMERCE YEAR-END REPORT - 2012 CONTRACTS (CONTINUED)

Lyle Butler, President, Manhattan Area Chamber of Commerce, presented an overview of the Chamber marketing strategies for 2012, sources of private and public funds for economic development, strategies for growth in 2012-2016, workforce development, military relations efforts, Manhattan Pull Factors and rankings from data from the Kansas Department of Revenue, and the Manhattan 24/7 campaign.

Ron Fehr, City Manager, responded to questions from the Commission. He stated that the Chamber contract is with the City of Manhattan and that the Chamber represents the City's interests and is part of the economic development evaluation team. He then responded to questions from the Commission on the purposes for executive sessions.

Lyle Butler, President, Manhattan Area Chamber of Commerce, informed the Commission that the Chamber's contract is with the City of Manhattan and that they represent the City, not a prospective company or a site selector. He stated that prospective clients are informed that the City Commission has the final authority. He then responded to questions from the Commission regarding the current Economic Development Model.

Ron Fehr, City Manager, informed the Commission that the current Economic Development Model could be continued or modifications could be made to the Model. He then responded to questions from the Commission regarding prospects that have used the current Model.

Lauren Palmer, Assistant City Manager, informed the Commission on the performance categories in the current Model and provided clarification of the criteria for the base wage structure.

After discussion and comments from the Commission, Commissioner Jankovich moved to authorize the Mayor and City Clerk to execute the Economic Development, Fort Riley Promotion, 24-7 Marketing, and Tourism and Convention contracts for 2012 with the Manhattan Area Chamber of Commerce. Commissioner Pepperd seconded the motion. On a roll call vote, motion carried 5-0.

AGREEMENT - TRAFFIC OPERATION FACILITY DESIGN-BUILD, PHASE 2 SERVICES (SP1112)

Peter Clark, Design Engineer, presented an overview of the proposed traffic operations facility, the Phase 2 Services Agreement, options to the Guaranteed Maximum Price (GMP), total cost, and identified the design-build team.

Ron Fehr, City Manager, provided additional information on the item and informed the Commission that the City does not pay sales tax on municipal projects.

GENERAL AGENDA (CONTINUED)

AGREEMENT - TRAFFIC OPERATION FACILITY DESIGN-BUILD, PHASE 2 SERVICES (SP1112) (CONTINUED)

Peter Clark, Design Engineer, responded to questions from the Commission regarding the original project specifications and on the generator. He then provided additional information on options to the GMP.

Rob Ott, City Engineer, provided clarification on the options listed to the GMP and proposed costs for the Traffic Operations Facility.

Dale Houdeshell, Director of Public Works, provided additional information on the transfer switch and design for a future generator.

Rob Ott, City Engineer, and Peter Clark, Design Engineer, presented additional information and clarification of items that are needed and items that would be desirable.

Dale Houdeshell, Director of Public Works, provided additional information on the GMP, proposed options to the GMP, and informed the Commission that they may be able to recognize savings on the project.

Brett Ballou, Vice President of Construction Operations, Schultz Construction, informed the Commission that there will be a four foot eve extension at the front of the building and that this is a pre-engineered structure with gutters and downspouts on all sides of the building. He then responded to questions from the Commission regarding efficiencies from plenum to ducted return, crosslinked polyethylene (PEX) water lines, and controlled access locks at the doors.

Ron Fehr, City Manager, informed the Commission that they can come back and share priorities on options to the GMP if there are cost-saving opportunities.

Brett Ballou, Vice President of Construction Operations, Schultz Construction, responded to questions from the Commission regarding the bid process and stated that they have met or exceeded the number of bidders, and have evaluated all qualified bidders.

Peter Clark, Design Engineer, provided additional information on the bid process.

Ron Fehr, City Manager, responded to questions from the Commission on the design-build process for this particular project and for the Flint Hills Discovery Center.

GENERAL AGENDA (CONTINUED)

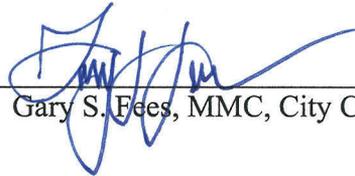
AGREEMENT - TRAFFIC OPERATION FACILITY DESIGN-BUILD, PHASE 2 SERVICES (SP1112) (CONTINUED)

After discussion and comments from the Commission, Commissioner Jankovich moved to authorize the Mayor and City Clerk to execute the Agreement for Phase 2 Services for the Traffic Operation Facility (SP1112; CIP TR013P) and to also include the transfer switch and design for future generator at \$7,700.00 with Schultz Construction, of Manhattan, Kansas. Commissioner Pepperd seconded the motion. On a roll call vote, motion carried 5-0.

Mayor Sherow wished everyone Happy Holidays and a Merry Christmas.

ADJOURNMENT

At 10:28 p.m. the Commission adjourned.



A handwritten signature in blue ink, appearing to read 'Gary S. Fees', is written over a horizontal line.

Gary S. Fees, MMC, City Clerk

STAFF REPORT

ON AN APPLICATION TO REZONE PROPERTY

FROM: R, Single-Family Residential District.

TO: C-1, Restricted Business District.

APPLICANT/ OWNERS: Steve R. and Mary K. Springer.

ADDRESS: 281 Johnson Road, Manhattan, KS.

LOCATION: Generally located at 2035 Rockhill Road, which is located at the end of the Rockhill Road cul-de-sac.

AREA: 30,491 square feet (.70 acres).

DATE OF PUBLIC NOTICE PUBLICATION: October 31, 2011.

DATE OF PUBLIC HEARING: PLANNING BOARD: November 21, 2011.

CITY COMMISSION: December 6, 2011.

THIRTEEN MATTERS TO BE CONSIDERED WHEN REZONING

1. EXISTING USE: Single-family home.

2. PHYSICAL AND ENVIRONMENTAL CHARACTERISTICS: The area to be rezoned is a portion of the rear yard of the single-family lot. The single-family lot is approximately 61,337 square feet (1.40 acres). The portion to be rezoned is 30,491 square foot area (.70 acres) and consists mostly of a heavily wooded, steep slope. The area proposed to be rezoned will be combined with an adjacent C-1 commercial lot to the west (existing Lot 2, Rockhill Estates, Unit Four) to be known as Lot 1 of the Final Plat of Rockhill Estates Addition, Unit Five. As stated by the applicant, the initial development plan for the C-1 District lot is to sell the land to the adjacent property owner to the south to create one (1) large zoning lot. No proposal for future development of this zoning lot has been provided.

3. SURROUNDING LAND USE AND ZONING:

NORTH: Mostly single-family homes. Some two-family dwellings are present; R, Single-Family Residential District.

SOUTH: vacant lot, landscaping business office, Ft. Riley Boulevard, a state highway with varying width of road right-of-way, a variety of office and highway service commercial uses; C-1, Restricted Business District, and C-5, Highway Service Commercial District.

EAST: Mostly single-family homes. Some two-family dwellings are present; R District and R-1 Single-Family Residential District.

WEST: Westwood Road, a two-lane collector street, multiple-family apartment building, the Westwood Motel, single-family, two-family and four-family dwellings; 2104 Elm Lane PUD, Residential Planned Unit Development; R District, C-5 District, and R-2, Two-Family Residential District.

4. GENERAL NEIGHBORHOOD CHARACTER: The general character is a mix of single-family, two-family, and multiple-family residential uses, and business and commercial uses. The area generally to the north, east and west consists of residential uses. The majority of the uses in this area are single-family homes, most of which are owner occupied. There are a number of two-family dwellings in the area that are nonconforming to the uses permitted in R District and R-1 District. To the south along Ft. Riley Boulevard are highway service commercial uses. A vacant commercial business lot and lot with a landscape business office are located at the northeast corner of Westwood Drive and Ft. Riley Boulevard. Both of these existing lots are zoned C-1 District. The area of the subject site being rezoned is proposed to be replatted with the vacant commercial business land to the west to create Lot 1, Rockhill Estates, Unit Five. To the south of Ft. Riley Boulevard are a variety of highway service commercial businesses.

5. SUITABILITY OF SITE FOR USES UNDER CURRENT ZONING: The area proposed to be rezoned is currently zoned R, Single-Family Residential District. The wooded, steep sloped area is the rear yard of the single-family house at the terminus of Rockhill Road cul-de-sac. The area to be rezoned is suitable for the existing R, Single-Family Residential District.

6. COMPATIBILITY OF PROPOSED DISTRICT WITH NEARBY PROPERTIES AND EXTENT TO WHICH IT MAY HAVE DETRIMENTAL AFFECTS: The C-1, Restricted Business District is designed to provide for non-retail commercial, and business and professional activities adjacent to arterial and collector streets. The district is intended to be compatible with adjacent residential districts.

The proposed rezoning would combine the area with the existing Lot 2, Rockhill Estates Addition, Unit Four through the proposed Final Plat of Rockhill Estate Addition, Unit Five, to be considered concurrently by the Manhattan Urban Area Planning Board. The initial development plan for the proposed Lot 2 is to sell the land to the adjacent property owner to the south, existing Lot 1 Rockhill Estates Addition, Unit Four to create one (1) large zoning lot. No proposal for future development of this zoning lot has been provided. Access would be provided off of Westwood Road, a collector street. No access will be provided off of Ft. Riley Boulevard. Because of the layout of the proposed Final Plat, no access to the commercial property would be provided from Rockhill Road.

An increase in noise, light and traffic is anticipated with the rezoning of the subject site from a residential to commercial district. The properties to the north of the subject site are residential homes with large rear lots comprised of steep slopes and dense wooded areas. Considering the terrain of the area and the use limitations of the C-1 District, which are intended to limit the commercial use's impacts on adjacent residential properties (*see attached C-1 District regulations*), the proposed rezoning from R, Single-Family Residential District to C-1, Restricted Business District is compatible with nearby properties.

7. CONFORMANCE WITH COMPREHENSIVE PLAN: THE FUTURE LAND USE MAP FOR THE SOUTHWEST PLANNING AREA DESIGNATES THE SITE AS RESIDENTIAL LOW/MEDIUM DENSITY (RLM). THE RLM CATEGORY POLICIES INCLUDE THE FOLLOWING:

RESIDENTIAL LOW/MEDIUM DENSITY (RLM)

RLM 1: Characteristics

The Residential Low/Medium Density designation incorporates a range of single-family, single-family attached, duplex, and town homes, and in appropriate cases include complementary neighborhood-scale supporting land uses, such as retail, service commercial, and office uses in a planned neighborhood setting, provided they conform with the policies on Neighborhood Commercial Centers. Small-scale multiple-family buildings and condominiums may be permissible as part of a planned unit development, or special mixed-use district, provided open space requirements are adequate to stay within desired densities.

RLM 2: Appropriate Density Range

Densities in the Residential Low/Medium designation range between less than one dwelling unit/acre up to 11 dwelling units per net acre.

RLM 3: Location

Residential Low/Medium Density neighborhoods typically should be located where they have convenient access and are within walking distance to community facilities and services that will be needed by residents of the neighborhood, including schools, shopping areas, and other community facilities. Where topographically feasible, neighborhoods should be bounded by major streets (arterials and/or collectors) with a direct connection to work, shopping and leisure activities.

RLM 4: Variety of Housing Styles

To avoid monotonous streetscapes, the incorporation of a variety of housing models and sizes is strongly encouraged in all new development.

The portion of the single-family lot that is being rezoned to C-1 District will be combined with Lot 2, Rockhill Estates Addition, Unit Four. This lot is currently vacant. The policies of the Land Use and Growth Management Chapter of the Comprehensive Plan on Infill and Redevelopment apply to this proposal.

GM 9: Infill and Redevelopment

Infill and redevelopment within established areas of the City is generally encouraged where deteriorated or obsolete structures have become detrimental to an area, where new uses can be accommodated on vacant properties, and in areas that have been specifically identified for redevelopment. Projects may range in size from a single residential lot to the redevelopment of multiple contiguous blocks within a neighborhood or commercial area. Regardless of its scale, infill and redevelopment shall be designed in a manner that is sensitive to and reflects the character of the surrounding area. Important design considerations include building scale, mass, roof form, height, and orientation, parking location, lot coverage, architectural character, and landscape elements. These design considerations are particularly important when infill or redevelopment occurs within or adjacent to an established residential neighborhood, or when a change in use or intensity would otherwise negatively impact the established character of the surrounding area. For additional policies related to infill and redevelopment, refer to the Land Use Policies below and to Chapter 9, Housing and Neighborhoods.

Attachment No. 1

The C-1, Restricted Business District, limits the permitted and conditional use to generally non-retail, professional business offices. The Land Use and Growth Management chapter of the Comprehensive Plan provides the following policies regarding the Office/Research Park (OFF/RP) category, which most closely matches the proposed C-1 District:

OR 1: Characteristics

The Office/Research Park land use designation is intended to provide concentrated areas of high quality employment facilities, such as corporate office headquarters, research and development, and educational facilities in a planned, “campus-like” setting. Office/Research Park developments may be incorporated into a master planned neighborhood, or located in close proximity to residential areas. Activities within an employment area typically take place indoors, and outdoor storage or other more industrial types of uses are typically not permitted. Some specialized research parks may include limited prototype production, such as in the K-State Research Park. This category may also include smaller office complexes consisting of a single building or several buildings that are not located within a typical office park setting. These smaller office complexes shall meet the intent of the policies within this section, to the extent that they apply (i.e., Policy OR5 will not apply to single-building facilities). The Poyntz Avenue Corridor, located between 17th Street and Juliette Avenue, is another designated office district with some unique characteristics and issues that are addressed more specifically in the adopted Poyntz Avenue Corridor District Plan.

OR 2: Location

Office/Research Park facilities should have direct access to existing or planned arterial and collector streets and should not rely on local or residential streets for access.

OR 3: Site Layout and Design

Office/Research Park developments should be organized in a planned, “campus-like” setting that is heavily landscaped. Each development will vary based on site configuration and topographical or other constraints; however, in a “campus-like” setting, buildings should typically be arranged to form outdoor gathering spaces.

OR 5: Unified Architectural Character

Buildings within an Office/Research Park setting should have a unified architectural character achieved through the use of similar elements, such as rooflines, materials, colors, signage, landscaping and screening and other architectural and site layout details.

OR 6: Common Areas

Plazas and other common outdoor gathering spaces should be provided as part of the “campus” environment. Each development will vary based on site configuration and topographical or other constraints; however, in a “campus-like” setting, buildings should typically be arranged to form outdoor gathering spaces, such as quads, courtyards, patios, or seating areas for employees and visitors.

OR 7: Circulation and Access

Building entrances, outdoor gathering spaces, and parking areas shall be linked with clear, direct pedestrian walkways.

OR 8: Outdoor Storage

The functions of an Office/Research Park facility should generally be completely contained within buildings. Accessory outdoor storage facilities typically should be of a limited nature and completely screened.

The proposed rezoning generally conforms to the Comprehensive Plan.

8. ZONING HISTORY AND LENGTH OF TIME VACANT AS ZONED:

September 21, 1965	CITY COMMISSION ACCEPTS EASEMENTS AND RIGHTS-OF-WAY AS SHOWN ON THE FINAL PLAT OF ROCKHILL ESTATE ADDITION.
1965 – 1969	“A” SINGLE AND TWO FAMILY DWELLING
1969 – PRESENT	R, SINGLE-FAMILY RESIDENTIAL DISTRICT

9. CONSISTENCY WITH INTENT AND PURPOSE OF THE ZONING ORDINANCE:

The intent and purpose of the Zoning Regulations is to protect the public health, safety, and general welfare; regulate the use of land and buildings within zoning districts to assure compatibility; and to protect property values. The C-1, Restricted Business District is designed to provide for non-retail commercial, and business and professional activities adjacent to arterial and collector streets. This district is intended to be compatible with adjacent residential districts.

Attachment No. 1

The area to be rezoned is proposed to be replatted with Lot 2, Rockhill Estates Addition, Unit Four, which is zoned C-1 District, to create one (1) lot that will gain access off of Westwood Road. The proposed Lot 1, Rockhill Estates Addition, Unit Five, will be 45,561 square feet (1.05 acres) in area. If the Final Plat is approved, the proposed rezoning of the entire subject area will be consistent with the intent and purpose of the C-1 District.

10. RELATIVE GAIN TO THE PUBLIC HEALTH, SAFETY AND WELFARE THAT DENIAL OF THE REQUEST WOULD ACCOMPLISH, COMPARED WITH THE HARDSHIP IMPOSED UPON THE APPLICANT: There appears to be no relative gain to the public that denial would accomplish compared to the hardship to the applicant.

11. ADEQUACY OF PUBLIC FACILITIES AND SERVICES: The site can be adequately served with existing public utilities and services.

12. OTHER APPLICABLE FACTORS: The applicant is proposing the Final Plat of Rockhill Estates Addition, Unit Five, to enlarge the lot and the C-1, Restricted Business District. Approval of the Final Plat will be considered concurrently with the approval of the proposed rezoning. The Final Plat is conditioned on approval of the rezoning.

13. STAFF COMMENTS: City Administration recommends approval of the proposed rezoning of a 30,491 square foot portion of Lot 10, Rockhill Estates Addition, from R, Single-Family Residential District, to C-1, Restricted Business District, based on the findings in the Staff Report.

ALTERNATIVES:

1. Recommend approval of the proposed rezoning of a 30,491 square foot portion of Lot 10, Rockhill Estates Addition, from R, Single-Family Residential District, to C-1, Restricted Business District, stating the basis for such recommendation.
2. Recommend denial of the proposed rezoning, stating the specific reasons for denial.
3. Table the proposed rezoning to a specific date, for specifically stated reasons.

POSSIBLE MOTION:

The Manhattan Urban Area Planning Board recommends approval of the proposed rezoning of a 30,491 square foot portion of Lot 10, Rockhill Estates Addition, from R, Single-Family Residential District, to C-1, Restricted Business District, based on the findings in the Staff Report.

PREPARED BY: Chad Bunger, AICP, CFM, Planner II

DATE: November 16, 2011

Social Services Advisory Board Funding

	2012 Request	2012 Committee Recommendation
BBBS	\$37,000	\$37,000
Boys & Girls	\$28,800	\$28,800
Crisis Center	\$48,825	\$48,800
Homecare & Hospice	\$47,000	\$47,000
Kansas Legal Services	\$30,000	\$25,000
KSU Child Dev	\$40,800	\$40,800
MDCLC	\$85,000	0
MESI	\$72,000	\$72,000
Shepherd's Crossing	\$50,000	\$44,000
Sunflower CASA	\$27,424	\$27,200
UFM	\$ 4,000	\$ 3,000
aTa Bus *	0	
Three Rivers	0	
TOTALS	\$470,849	\$373,600

Special Alcohol Fund Advisory Board

AGENCY	2012 REQUESTED	2012 Recommendation
Big Brothers/Big Sisters	\$19,000	\$19,000
Boys and Girls Club	\$32,980	\$29,480
KSU - Alcohol & Other Drug Education Service	\$37,000	\$37,000
Manhattan Emergency Shelter	\$13,362	\$13,362
Pawnee Mental Health/Reg. Prevention Ctr. of NE KS	\$75,891	\$50,000
Riley Cty Attorney's Ofc.-21st Judicial Dist. Teen Court	\$ 5,200	\$ 5,200
Riley County Community Corrections-Juvenile	\$ 5,000	\$ 5,000
Riley County Community Corrections-Adult	\$10,000	\$10,000
Sunflower CASA	\$36,616	\$36,616
The Restoration Center	\$45,000	\$45,000
UFM Learning Center	\$24,000	\$24,000
Unified School District #383	\$179,788	\$165,000
Unified School District #383 - Additional Request		
TOTALS	\$483,837	\$439,658

K-State and Prathista International

Mayor Sherow, City Commissioners, City Manager, Ladies and Gentlemen of the Audience here, and the television Audience: Good evening.

My name is Steven Graham and I serve as Assistant to the K-State Dean of Agriculture and Director of K-State Research and Extension. Tonight, I am speaking not only on behalf of the College of Agriculture and K-State Research and Extension but also the entire the university.

Thank you for inviting Kansas State University to speak about our relationship with Prathista International. We at Kansas State University value the wonderful relationship we have with the City of Manhattan and the Manhattan Area Chamber of Commerce. I know many communities and universities wish they shared such a positive relationship.

As Lauren said, the University role in situations such as this is to decide, "Is the university interested in working with a company and will it engage with the company in research if asked?" We are here to say we are interested in working with Prathista and have signed agreements to work on research projects together.

Please let me introduce the administrators and faculty who are here tonight from K-State. We have:

Dr. Jackie Hartman, the K-State President's Chief of Staff and Director of Community Relations

Dr. Ernie Minton, Associate Director for Research and Technology Transfer with KSRE

Dr. Dirk Maier, Head of the Department of Grain Science and Industry

Dr. Ron Madl, Director of the Bioprocessing and Industrial Value-Added Program within the Department of Grain Science and Industry

Dr. Praveen Vadlani, Assistant Professor working on Bioprocessing and Fermentation Technology in the Department of Grain Science and Industry

Dr. Leland McKinney, Associate Professor of Feed Science in the Department of Grain Science and Industry

Dr. Vara Prasad, Associate Professor in the Department of Agronomy

Dr. Scott Beyer, Associate Professor of Poultry Science in the Department of Animal Sciences

Dr. Brian McCormack, Assistant Professor in the Department of Entomology

Kent Glasscock, President of the KSU Institute for Commercialization

Rebecca Spexarth, Director of Economic Development, KSU Institute for Commercialization

As someone who came into the university system after working in a state agency for many years, please let me relate a few things I have learned about Kansas State University. K-State is a land-grant university, which conducts teaching, research, and extension efforts for the benefit of its students, the citizens of Manhattan, the state of Kansas, and the nation. K-State also wants to

Attachment No. 4

promote growth in the economy, as that benefits an organization that uses local, state, and federal tax dollars.

When talking about research, we may mean either basic or applied research. Basic means just that: new research on processes or products never seen before and which may or may not ever be developed into a process or product.

Applied research takes place when a researcher — either with a university or often with a company — has an idea that seems ready to share more widely, but the new idea would benefit from an unbiased third party's verification that the process or product will work as described.

Land-grant universities tend to have many relationships with companies, and faculty members often are approached to gauge their interest in conducting the third-party validation and to ensure the faculty member has appropriate facilities and capabilities. If the faculty member is interested in working with a company on research, he/she becomes a sort of internal champion for the company within the university. The faculty member will introduce company representatives to other faculty and administrators and will help assemble the proper team of researchers. Once the company and researchers agree on the work to be done, the parties involved sign a Memorandum of Understanding and/or a Research Relationship Agreement. As part of this process, both sides agree that K-State will publish an unbiased report of the research results, whether they are favorable or unfavorable.

The connection with Prathista was made through Dr. Bhadriraju Subramanyam or "Dr. Subi" for short, professor in the Department of Grain Science and Industry. Tonight Dr. Subi is unable to be with us. He is in India, representing us at a meeting of the Administrator of the U.S. Agency for International Development and Indian universities, as the U.S. and India celebrate 55 years of partnership with those universities, including one which K-State worked to found.

We interact with many companies that want us to test and validate their processes or products. Some of these visits lead to research agreements and some lead nowhere. During our discussions, if a company expresses interest in locating here, we involve the Manhattan Area Chamber of Commerce and the City of Manhattan in the discussions.

We first met with Mr. Sai Ram and other representatives of Prathista in 2007 through Dr. Subi when they came to visit our campus. They visited with faculty and broached the idea of working with K-State on collaborative research and educational activities. Since that time, Mr. Sai Ram and company personnel have returned to Manhattan 7-8 times, and people from K-State have visited their facilities in India. After 15 years in business, Prathista has three large production plants in various parts of India. Products produced there are used in India and exported to Africa and to the eastern United States.

These visits paved the way for the signing of a general Memorandum of Understanding between K-State and Prathista in November 2009, outlining plans to work on collaborative research and educational activities. The same agreement was re-signed last April 2011, when the Provost and Interim Dean/Director briefly visited Prathista's headquarters in Secunderabad, which is near Hyderabad in SC India. The signing took place last Spring during a tour of India to visit some of the 10 universities and governmental units K-State has agreements with.

Attachment No. 4

Last July, we signed a Research Relationship Agreement between K-State and Prathista. Copies of both agreements should be in your packets. Since then, an agronomy research project has begun. Discussions have been held between Prathista representatives and faculty in other departments — some of whom are here tonight — but no other specific research projects have been launched.

Prathista in India has created Prathista International as a Kansas-registered company with investment from Prathista in India but also from U.S. partners. Prathista International would start U.S. operations with a pilot-scale fermentation plant in Manhattan. The fermentation plant will require new raw ingredients compared to India, and the company is considering starting with whey from the Alma Cheese plant. The whey is currently a waste product of cheese making. If Prathista International is eventually able to use the whey, it will turn a waste product into a value-added product. This would be a win-win for Alma Cheese and Prathista International, which also will have to adapt microbes from India to ferment the whey in our climate, which is more variable than the Indian climate.

K-State's Grain Science and Industry Department faculty plans to assist with bench scale fermentation research and the start-up of Prathista International's Pilot-Scale Fermentation Unit. Once products are made in the fermentation process here, they will have to be validated to determine whether they work as well as or better than products currently used in the U.S. Also the products will have to be shown to be cost-competitive for their intended uses.

As I mentioned, we have one research project under way, being conducted by Dr. Vara Prasad in Agronomy. This project is looking at the performance of existing products Prathista made in India on wheat, soybeans, and grain sorghum vs. products traditionally used in the United States. Initial results are encouraging, but more research is planned.

To summarize, we arrive here tonight with varying roles:

Prathista International wants to establish a \$6 million pilot-scale plant in Manhattan and work out a new fermentation process using local cheese whey to produce its products. Prathista International is asking for some assistance from the city.

In our role, K-State is starting to conduct some initial research using Prathista products produced in India. Later, if the new pilot plant is established in Manhattan, research will be conducted using Prathista International's new U.S.-produced fermentation products. The research will verify whether or not the products work as well as or better than competing products and are price-competitive.

The Chamber's role is to support the business development of Manhattan and make Manhattan and our area a better place to work and live.

In the city's role, the Commission must determine whether it wants to provide a grant of \$500,000 that will be used to reimburse Prathista International, once the company invests \$6 million dollars to renovate the Armory building and install the new fermentation equipment.

Again, we were pleased to be invited here tonight. I hope I have clearly explained Kansas State University's position and role. We enjoy working as part of a team with the City of Manhattan and the Manhattan Area Chamber of Commerce to try and bring new businesses, such as Prathista International, to Manhattan. Thank you for your attention.

Prathista Comments at City Commission Meeting

December 20, 2011

**Mr. Mayor and City Commissioners, City Manager, Ladies and Gentlemen of the Audience here, and in the television audience:
Good evening.**

My Name is Dr. Rajesh Sharma, Vice President, Prathista Industries. Thank you for the opportunity to participate in the meeting this evening. I have been involved with the company from the inception of the company and have an intimate knowledge of the technical development of the products, their production processes and their applications. I would like to provide the following background information regarding company's interest in locating our pilot research facility in Manhattan, Kansas.

- The company has continuously grown over the last 15 years to now operating from three manufacturing facilities located across India. We employ approximately 300 people. The company has had a history of investing in Research & Development and currently invests 9% of annual sales back into Research & Development. The company recorded \$16 million in sales over the last 9 months of this year, and hope to achieve \$20 million in sales this calendar year.**
- Prathista successfully markets its products in several countries across Africa, Middle East, and Asian Pacific.**
- We are interested in establishing an American manufacturing base in Manhattan, Kansas to distribute our products throughout North and South America. Manhattan is centrally located, is an agricultural state and it is part of the Animal**

Health corridor of this region. K-State faculty are available to provide the research partnerships necessary to evaluate our products. There are good transportation options for reaching our facility.

- **The research needs are two fold; we need the pilot plant to test our microbes on new carbohydrate sources available in the region; and secondly we need research faculty in several agricultural disciplines to expertly evaluate the performance of the products. The company has relied upon credible, independent, 3rd party evaluation for such product verification.**
- **All products will be evaluated for their performance in American applications. This will help us to establish their value in the market.**
- **The pilot plant will be needed over the long term to support future manufacturing requirements of the business.**
- **The company has decided to establish a base in America. We are looking forward to support from the City of Manhattan for our mutual benefits.**

Once again we are grateful to have this opportunity. Thank you very much for your kind attention.

I'm now available to answer any questions you may have, if any.