

City of Hays
City Commission
Work Session Notes
January 21, 2010

Present: Ron Mellick, Christopher Channell, Barbara Wasinger, Troy Hickman, Henry Schwaller IV, John Bird, Toby Dougherty

Discussion on Stormwater Fee

Andy Sauer, an engineer representing Camp, Dresser, and McKee, presented preliminary data that has been gathered and information regarding the implementation of a stormwater utility fee. Mr. Sauer gave examples of how much revenue would be generated using either a flat fee or a fee based on runoff from impervious surfaces. He shared information from other Kansas cities that have implemented such a fee and discussed legal issues pertaining to the fee. A workshop to further discuss initiating the stormwater utility fee will be held on February 16, 2010 at 5:30 p.m.

Commissioner Hickman questioned if it is a good use of money to spend millions of dollars to do projects that may not be practical or may not have a cost benefit. He questioned if the majority of the City of Hays' needs could be attained by making better development practices and policies, by working on capital improvement projects as budgeted, without going through a stormwater management program.

City Manager Toby Dougherty stated that no matter how many of the \$11.2 million worth of projects that were identified in 2001 were completed, it will not stop the 100 year flood, however; it will eliminate the smaller floods. There are a lot of things the City can do with less money; however, he does not feel like he is qualified to give a value decision. At this time, there is not a funding source for any stormwater management.

Commissioner Schwaller favors implementing a flat fee now because the City needs to pay for Phase II of the Stormwater Utility Study and that is not budgeted. The smaller projects could be done now or in the near future if a source of funding was coming in now rather than later. By ignoring an on-going problem that has gotten worse with the development north of I-70, more residents are exposed to risk. He feels that if a stormwater utility fee is passed, it has to apply to everyone; there should not be any exemptions for non-profits or any other entity; this would pass the burden onto everyone else. He does not want to wait to start assessing the fee until after Phase II of the study is completed. The fee could be adjusted after the results of Phase II are debated.

The City Manager stated that many stormwater management practices have been implemented under the Development Policy, one of them being designating green spaces if there is a natural waterway in the development area, which also helps in treatment of stormwater.

Commissioner Schwaller stated that, other than the changes made to commercial development in 2000, there have not been any changes or updates to stormwater management since 1959, other than the reconstruction of the Lincoln Tunnel this past year.

Commissioner Channell stated he could support a flat fee now before the results of the final study are known, as long as the Commission identifies what that money will be spent on.

Commissioner Schwaller stated the funds could be used to pay for the study and for smaller projects. He feels there should be a sunset on the fee so that once the final report is back and the Commission has had time to consider the results, if the Commission decides to do nothing, the fee would cease.

Further discussion will take place at the February 4, 2010 work session.

Investment Grade Energy Audit Contract

Chevron Energy Solutions Company conducted an initial energy audit for City facilities at no cost to the City. After the initial audit, it was determined that enough potential savings may exist to warrant a full investment grade audit. An

investment grade audit looks at specific upgrades of City facilities, replacing infrastructure and upgrading to energy efficient products that would be paid for by the energy savings realized with the new product. If the investment grade audit does not find enough potential savings, there would be no cost to the City. If the investment grade audit does find enough potential savings, the cost of \$26,166 would be wrapped into the cost of the overall project and would then be covered by any savings incurred from reduced expenditures. The City will be responsible for the audit if it declines to implement the recommendations. Staff recommended entering into a contract with Chevron for the investment grade audit.

Andrew Eanes, and Brad Boerger, representing Chevron, discussed the program with the Commissioners and explained how an investment grade audit would be conducted and what kind of savings the City could expect to see if the recommended upgrades are installed. This program was started by the State of Kansas about ten years ago to offer to municipalities an opportunity to utilize the States' energy audit program with an option to enter into an energy performance contract.

The Commissioners will consider entering into a contract with Chevron for the investment grade audit at the January 28, 2010 Commission meeting.

Other Items for Discussion

The City Manager discussed the lease agreement between the City and the Ellis County Economic Development Corporation (ECEDC) regarding their option to buy property that is located on Commerce Parkway in the Airport Industrial Park. ECEDC pays the City \$1500 a year for the option to purchase any acreage in the Industrial Park for \$500 an acre. Any money received in excess of \$500 an acre has to be used to buy more land for economic development or the construction of speculative buildings on property belonging to ECEDC. So much of the land in the Industrial Park is basically non-buildable because of the VORTAC and ECEDC is questioning whether it was worth paying the \$1500 for an option on land that cannot be developed.

The Commissioners were in agreement to modify the lease agreement. This will be discussed again at the February 2, 2010 work session after the City Manager visits with ECEDC and Heart of America stakeholders.

The work session was adjourned.

Submitted by: _____

City Clerk