

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON FEBRUARY 26, 2015

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, February 26, 2015 at 6:30 p.m.

Roll Call: Present: Henry Schwaller IV
Eber Phelps
Shaun Musil
Ron Mellick
Kent Steward

Chairperson Schwaller declared that a quorum was present and called the meeting to order.

2. MINUTES: There were no corrections or additions to the minutes of the regular session held on February 12, 2015; the minutes stand approved as presented.

3. FINANCIAL STATEMENT: Finance Director Kim Rupp presented the January 2015 Financial Report and stated that month-to-date general fund sales tax collections were at \$624,116 which is another nice increase, a total of \$32,230 as compared to last year.

The Finance/City Clerk's Office invested \$6,450,000 of maturing or renewing certificates with a weighted average interest rate of .22%. The portfolio of certificates of deposit on January 31, 2015 totaled \$56,250,000 with a weighted average interest rate of .25% as compared to .24% a year ago. The total balance of the Money Market account on January 31, 2015 was \$1,000,000 with a current yield of .20%. Total investments are up \$1,450,000 when compared to this time last year.

Ron Mellick moved, Shaun Musil seconded, that the Financial Statement for the month of January 2015 be approved.

Vote: Ayes: Henry Schwaller IV
Eber Phelps
Shaun Musil
Ron Mellick
Kent Steward

4. CITIZEN COMMENTS: There were no comments.

5. CONSENT AGENDA:

A. Eber Phelps moved, Ron Mellick seconded, that the following mayoral appointments be approved:

Hays Area Planning Commission

Darrell Hamlin – unexpired term to expire April 30, 2017

Robert Readle – unexpired term to expire April 30, 2017

Vote: Ayes: Henry Schwaller IV
Eber Phelps
Shaun Musil
Ron Mellick
Kent Steward

B. Chairperson Schwaller presented the following mayoral appointments for consideration, which will be presented at the March 12, 2015 Commission meeting for approval.

Sister Cities Advisory Board

Carol Solko-Olliff – three-year term to expire January 1, 2018

NEW BUSINESS

6. LEVEE IMPROVEMENTS – AWARD OF BID: Steven Walters, Stormwater Specialist, presented to the Commission information regarding the Levee Improvement Project.

Wilson & Co. was hired in 2012 to perform a safety inspection of the Hays levee system. In their inspection, they found several items needing to be addressed, as detailed during Wilson & Co.'s presentation to the City Commission at the May 2, 2013 Work Session. In September 2013, an engineering service agreement was entered into with Wilson & Co. to provide surveying, engineering design, and construction documents for repairs or improvements to most of the identified problems.

The levee is also part of a federal insurance program called Public Law 84-99. Participation in this program is at no direct cost to the City of Hays and allows for federal reimbursement should the levee be damaged during a flood event. Repairs to damages caused by floods are made to the system with 80% of the costs picked up by the federal government. To maintain eligibility in this program, the levee is periodically inspected by the U.S. Army Corps of Engineers. Hays' latest rating is "minimally acceptable," the lowest rating in which a levee sponsor can remain in the program. Items such as poor sod cover, tree encroachment, minor erosion, silt deposits, and erosion near drainages have led to this rating.

The Levee Improvement Project includes the removal of 74 trees and associated roots varying in size from 4" to 96", repair of five outfall structures, replacement of storm sewer pipe, repair/rebuilding of the levee embankment east of Main Street, re-grading of Montgomery Ditch, and constructing a 6" concrete cap on the levee. The 6" concrete cap is an extension of the Kansas Department of Transportation hike and bike trail project.

Four bids were received with the apparent low responsive bidder being J Corp of Hays, Kansas.

Shaun Musil moved, Eber Phelps seconded, to authorize the City Manager to execute the contract with J Corp in the amount of \$486,645 to be funded from the Stormwater Utility Capital Projects line item.

Vote: Ayes: Henry Schwaller IV
Eber Phelps
Shaun Musil
Ron Mellick
Kent Steward

7. LEVEE REPAIRS CONSTRUCTION PHASE ENGINEERING SERVICES

AGREEMENT: City staff does not have the expertise or equipment to perform soil compaction testing, and with the multitude of ongoing and projected projects this summer, existing staff will not be available to adequately inspect this project. Due to the nature of levee construction it is imperative that work be of the highest quality as the levee is only as strong as its weakest part. Therefore, City staff issued a request for proposals for construction phase testing and observation services to eight construction engineering firms to ensure construction quality.

Proposals were opened on January 21, 2015 from six construction engineering firms. The proposals varied greatly from full-time testing and observation to part-time testing and observation and the proposed prices reflected those differing views ranging from \$21,000 to \$58,000.

City staff is asking the Commissioners to enter an agreement with Penco Engineering, P.A. of Plainville, Kansas in the amount of \$21,000 for Construction Phase Engineering Services.

Shaun Musil moved, Ron Mellick seconded, to authorize the City Manager to execute the agreement with Penco Engineering in the amount of \$21,000 to be funded from the Stormwater Utility Capital Projects line item.

Vote: Ayes: Henry Schwaller IV
Eber Phelps
Shaun Musil
Ron Mellick
Kent Steward

8. ORDINANCE AMENDING CHAPTER 53 – STORMWATER MANAGEMENT:

ID Creech, Director of Public Works, updated the Commissioners on necessary changes to the Code of Ordinances regarding stormwater management. These

changes will bring the City of Hays into compliance with Federal Clean Water Act requirements for post construction stormwater controls; will impose requirements on residential developments for stormwater management; and will change the current standards for storm sewer infrastructure, moving away from water in pipes to overland flows in new developments. Additionally, non-stormwater discharges causing problems with unpaved surfaces are added to the list of prohibited discharges.

Eber Phelps moved, Shaun Musil seconded, to approve Ordinance No. 3896 amending Chapter 53 of the City of Hays, Kansas, Municipal Code regarding Stormwater Management.

Vote: Ayes: Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

Kent Steward

9. 13TH STREET RECONSTRUCTION (MAIN TO MILNER) – AWARD OF BID:

In May, staff brought forward concepts and alternatives for the reconstruction of 13th Street from Main to Milner. Subsequently, the City Commission approved a contract with Professional Engineering Consultants (PEC) of Wichita for design engineering services. Bids were opened on January 28, 2015 with APAC, Kansas, Inc. being the low bidder. There were several bid options, and staff recommends awarding a bid to APAC for Alternate A in the amount of \$2,057,145.65 and Add Alternate 2, brick crosswalks for an additional cost of \$10,564.40 resulting in a total construction cost of \$2,067,710.05. Funding would come from various sources which include Capital Projects, City Commission Reserve, Water/Sewer Capital, and the Stormwater Fund.

Kent Steward moved, Shaun Musil seconded, to authorize the City Manager to enter the contract with APAC, Kansas, Inc. for Alternate A and Add Alternate 1, 2, 3, and 4 in the amount of \$2,469,765.55. Plus, authorize the following transfers to Capital Projects Fund: \$93,734.68 from Water Sewer

Capital, \$449,219.54 from Capital Projects – Flood Control (Stormwater Reserve), and the remainder \$426,811.32 from Commission Capital Reserve.

Commissioner Steward stated if we go with what City staff recommends we would spend less money, but he feels that improving 13th Street which is one of the main access points to downtown, it should last for 50, 60, 70 years. He does not feel it is extravagant to do it well so that we continue to enhance the character of our downtown.

Commissioner Musil asked what the useful life of brick pavers is verses concrete.

John Braun, Assistant Director of Public Works responded that his experience is that brick streets last longer, but are more expensive initially.

Chairperson Schwaller stated he opposes this; he does favor the full project with concrete pavers, but the Commission Reserves that we have, are needed for several other things. He would like to fix the street appropriately and make sure that we have money to fix the streets in every neighborhood, not just this neighborhood, and also safeguard the savings we have for the future.

Commissioner Mellick opposed the add alternates; he stated we have had to say no to a lot of things in the past 15 years to get to pay as you go and does not want to jeopardize the Commission Financial Policy and we must live within our budget.

Vote: Ayes: Kent Steward

No: Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

Ron Mellick moved, Henry Schwaller IV seconded, to authorize the City Manager to enter the contract with APAC, Kansas, Inc. for Alternate A and Add Alternate 2 in the amount of \$2,067,710.05. Plus, authorize the following transfers to Capital Projects Fund: \$93,734.68 from Water Sewer Capital, \$449,219.54 from Capital Projects – Flood Control (Stormwater Reserve), and \$119,755.82 from Commission Capital Reserve.

Vote: Ayes: Henry Schwaller IV

Eber Phelps

Ron Mellick

No: Shaun Musil

Kent Steward

10. 2015 STREET MAINTENANCE PROGRAM – AWARD OF BID: Bids have been received for 2015 Street Maintenance Projects. Those projects include the chip seal of approximately 5.6 miles of asphalt streets, poly patch of asphalt streets in various locations, reconstruction of 12th Street east of Canterbury, and the repair of brick streets on Ash from 14th to 17th Street. The amount of work proposed totals \$459,178 awarded to 4 different contractors. The work would be accomplished at various locations and various times throughout the year.

Awarding the \$459,178, allocating \$105,000 for in-house work, and \$20,000 for the Sidewalk Rebate Program, will leave \$73,821.86 in the project line item and \$50,000 in the contingency line of the Special Highway Budget. It is appropriate to keep approximately 10% (\$45K) for unforeseens, which allows approximately \$75,000 to be used for additional work or other projects.

Kent Steward moved, Shaun Musil seconded, to authorize the City Manager to enter contracts for construction as follows, all to be funded out of Special Highway:

- B&H Paving in the amount of \$208,740 for Chip Seal
- J Corp in the amount of \$129,780 for the Reconstruction of 12th Street
- Sweeney Pavement Maintenance in the amount of \$49,425 for Polypatch
- Stripe and Seal in the amount of \$71,233 for Curb and Brick Repair

Vote: Ayes: Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

Kent Steward

11. ECONOMIC DEVELOPMENT POLICY – CID POLICY: After the submission, discussion, and approval of a Community Improvement District (CID)

request by the owners of the Hays Mall, the City Commission asked that discussion of the CID Policy be placed on a future work session to determine if further restrictions or requirements should be incorporated into the policy. Currently, the CID Policy is part of the City's overall Economic Development Policy. The CID Policy states that CIDs are to be used for reimbursable expenses in the amount of \$250,000 or greater in order to promote economic development and tourism within the City. When discussing the CID Policy, it was assumed that any applicant wishing to utilize a CID would be incorporating those funds into a much larger project. With the application by the Mall owners, this was not the case.

The Commission previously requested comparisons to peer cities in regard to whether or not they place any further restrictions on CID use, such as the required developer investment the City Commission was considering. After discussing the information brought forward, the Commission, at its work session on February 17th, requested that language be added to the CID section of the Economic Development Policy noting that the applicant must detail the proposed method and amount of financing, including any public financial participation, and that the applicant must participate in the project in an amount that is at least 25 percent of the total project cost. The revised policy is now being brought forward for formal approval.

Henry Schwaller IV moved, Ron Mellick seconded, to approve the amendment to Section 9, Subsection H, of the CID section of the Economic Development Policy to read Financial and Fiscal Impact:

The applicant must detail the proposed method and amount of financing, including any public financial participation requested. The applicant must financially participate in the project in an amount that is at least 25 percent of the total project cost.

Commissioner Steward is against CIDs, stating we should do away with these altogether and that they don't accomplish the desired goal.

Chairperson Schwaller stated he believes any developer that comes to us must have an investment in it so the taxpayer is not paying 100% of the development.

Vote: Ayes: Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

No: Kent Steward

12. RESOLUTION OPPOSING SENATE BILL 171: City Manager Toby Dougherty stated Senate Bill 171 was passed by the Senate today so now it is on to the House of Representatives.

Eber Phelps moved, Ron Mellick seconded, to approve Resolution No. 2015-004 opposing the Kansas State Legislature's consideration of making municipal elections partisan and moving to the fall of even numbered years.

Commissioner Steward stated he can see advantages and disadvantages to this bill and as an expression of his disinterest in this he will be abstaining.

Vote: Ayes: Henry Schwaller IV

Eber Phelps

Ron Mellick

No: Shaun Musil

Abstain: Kent Steward

13. PROGRESS REPORT: Assistant City Manager Paul Briseno presented a monthly report of city-related activities, services and programs.

14. REPORT OF THE CITY MANAGER: The City Manager had no additional items to report.

15. COMMISSION INQUIRIES AND COMMENTS: Commissioner Mellick commented that there will be state wrestling and basketball tournaments in Hays this weekend.

Commissioner Musil suggested that citizens be patient if we do get the snow that is predicted this weekend.

Commissioner Phelps commented that Jason Riegel, Water Conservation Specialist, has done a great job in the schools educating students on water conservation.

Chairperson Schwaller thanked ID Creech, Director of Public Works and Jamie Salter, Public Works Administrative Assistant, for their work in putting together the Airport terminal building ribbon cutting.

The meeting was adjourned at 8:33 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk