

City of Hays
City Commission
Work Session Notes
May 2, 2013

Present: Kent Steward, Henry Schwaller IV, Eber Phelps, Shaun Musil, Ron Mellick, John Bird, Toby Dougherty

ITC Progress Report

Kim Goodnight and Christine Schmidt, representing ITC Great Plains, presented a progress report on the KETA project. The 200-mile transmission line that comes through Hays has been energized since December 2012.

Big Creek Levee Report

The Hays levee system was constructed in 1952-1953 and is approximately 2.5 miles long and includes all embankments, structures, and interior drainage systems. The levee system extends from approximately 650 feet north of 12th Street, south and east 1.9 miles to U.S. Highway 183 Bypass along Big Creek. The levee was constructed with the intention that upgrades would be completed in the future for known deficiencies. No upgrades have been made to date. Wilson & Co. was contracted in 2012 to complete an inspection of the levee system.

Doug Danaher and Matt Long, engineers with Wilson & Co., presented the findings of the levee inspection. The report lists a summary of 20 recommendations for actions related to repair and/or upgrades to the levee system. The cost of these recommended actions has not yet been calculated.

City Manager Toby Dougherty stated that staff will be combining this information with the Stormwater Master Plan information and prioritize a plan of action. With interest rates being as low as they are, staff may be recommending some very aggressive projects in the near future in order to take advantage of the low interest rates.

Elimination of Various School Zones

Certain school zones exist in locations that no longer have active schools. Those locations include the area around the former Kennedy Middle School at 14th and Fort and High Plains Baptist Church at 27th and Canterbury. To eliminate the school zones, it is necessary to pass an ordinance amending Section 62-109.

The Commissioners will be requested to approve the amended ordinance at the May 9, 2013 Commission meeting.

Airport Snow Blower Acquisition

The 2013 budget includes funds for the purchase of a snow blower for the Hays Regional Airport. The snow blower is eligible for FAA Airport Improvement Program funding, which covers 90% of eligible costs. FAA requires actual bids prior to awarding a grant to cover the costs. Bids were received on April 24th, and the total cost of the snow blower including administration and acquisition is \$89,891, with the City's share being \$9,080. The City's Airport Engineer, Burns & McDonnell, has prepared a grant application to be submitted to FAA to fund 90% of the cost of the snow blower. Staff requested authorization to apply for federal assistance in paying for the snow blower and acceptance of the bid from Kodiak America contingent on FAA grant funding.

The Commissioners will be requested to consider taking action on this matter at the May 9, 2013 Commission meeting.

Request for Rezoning (A-L to C-2) Proposed Leucke Addition

The owners of the property located along and south of 41st St. east of Home Depot (Proposed Leucke Addition) have submitted a request to rezone a portion of the property from A-L (Agriculture District) to C-2 (General Commercial and Service District). The property is currently outside of the city limits but the developer intends to annex the property into the city. The Planning Commission recommends approval of the rezoning request.

Commissioner Schwaller expressed concern about some existing agricultural buildings being mixed in with commercial development as well as residential housing so close to the interstate (see next agenda item).

City Manager Toby Dougherty stated that staff voiced similar concerns to the Planning Commission. It is staff's opinion that the property be developed as one contiguous parcel rather than in a piecemeal fashion. This would allow staff to review the development in total and provide input.

Further discussion on this issue will be held at the May 16, 2013 work session.

Request for Rezoning (A-L to R-3) Proposed Leucke Addition

The owners of the property located along and south of 41st St. east of Home Depot (Proposed Leucke Addition) have submitted a request to rezone a portion of the property from A-L (Agriculture District) to R-3 (Two-Family Dwelling District). The intention is to provide for a residential zoned area as well as commercial zoned area (see agenda item preceding this). The property is currently outside of the city limits but the developer does intend to annex the property into the city. The Planning Commission recommends approval of the rezoning request.

Further discussion on this issue will be held at the May 16, 2013 work session.

Lining of Metal Storm Sewer Award of Bid

Funds in the amount of \$180,000 are budgeted in 2013 for lining of metal storm sewers. This is the third year the City is aggressively rehabbing metal storm sewer pipe.

The Commissioners will be requested to formally approve a bid in the amount of \$175,735.50 from Utility Solutions, LLC for 1459 linear feet of existing corrugated metal storm sewer pipe at the May 9, 2013 Commission meeting.

ADD-ON ITEM

On September 20, 2012, the City of Hays issued \$13,000,000 of its Kansas Health Care Facility Revenue Bonds, Series 2012-A (St. John's Inc.) for the construction of the new St. John's care center located on Canterbury (now known as Via Christi Village Hays, Inc.) Via Christi Villages is a subsidiary of Via Christi Health, Inc. which since its formation in the mid 1990's has been co-sponsored by the Sisters of the Sorrowful Mother, Broken Arrow, OK, through its health care sponsorship entity known as 'Marion Health' and the Sisters of St. Joseph of Wichita, Wichita, KS through its health care sponsorship entity known as 'Ascension Health'.

Effective this April, Via Christi's sole member and owner has been changed to Ascension Health through the Sisters of St. Joseph sponsorship. Marion Health is no longer an owner/sponsor. Ascension Health has elected to retire and defease all outstanding indebtedness of Via Christi. Accordingly, Via Christi is exercising its option to purchase back St. John's under the Industrial Revenue Bond Lease and is requesting the City to hold a TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) public hearing to consider whether Ascension may use proceeds from its Wisconsin Health and Educational Facility Revenue Bonds to pay off all debt on St. John's.

Under the Internal Revenue Code, when tax-exempt bond proceeds are used in conjunction with a facility, the local government must approve that use. If approved at the public hearing, the City of Hays bonds will be defeased with Wisconsin bond proceeds and all monies necessary to pay the bondholders will be escrowed until the first available bond redemption date.

Finance Director Kim Rupp requested that the Commissioners, at the May 9, 2013 meeting, set the date for a public hearing to be held during the June 13, 2013 Commission meeting.

Other Items for Discussion

Utilities Director Bernie Kitten reported that the painting of two of the clarifiers at the Water Plant is almost complete and the 3rd clarifier at the Wastewater Plant will be painted in June.

The work session adjourned at 8:51 p.m.

Submitted by: _____

Doris Wing – City Clerk