

City of Hays
City Commission
Work Session Notes
May 21, 2009

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

Sports Complex Professional Services Agreement

Since the November 4, 2008 ballot question was approved by voters for a four-year, one-half cent sales tax to fund a new sports complex facility, City staff has been working with Fort Hays State University (FHSU) and the State Division of Facility Management to select a consultant to design the new facility. Olsson Associates, DLR Group, and CHA Sports were selected as the preferred team to enter negotiations for the design of both the sports complex and the FHSU soccer facility.

Olsson Associates submitted a fee proposal in the amount of \$620,410 for professional services. The scope of services includes: survey, traffic study, flood plain study, environmental review, geotechnical services, master planning, design development, utility development, architectural drawings, landscape plans, playground and signage design, off-site effluent water (irrigation water) system improvement study and design, bidding and construction phase services, as well as attending commission meetings and public meetings. The schedule is for the services to begin immediately with construction and all engineering services complete by summer 2011.

Representatives from Olsson Associates, DLR Group, and CHA Sports introduced themselves and their companies and gave a brief presentation of past projects their team has worked on and discussed the scope of services for the construction of the sports complex facility.

The November ballot question allowed for \$8 million to be spent on the sports complex. Allowing for the fee proposed by Olsson Associates in the amount of \$620,410, approximately \$7.38 million will be left for land acquisition and actual construction costs.

The Commissioners will be requested to formally approve the engineering services agreement at the May 28, 2009 Commission meeting.

2009 Fireworks Resolution

The Commissioners will be requested to set the days and hours of consumer use of fireworks in the city limits at the May 28, 2009 Commission meeting by approving a resolution. It was the consensus of the Commissioners to allow the use of fireworks on July 3, 4, and 5 between the hours of 10:00 a.m. and 12:00 midnight.

Award of Bid – Replacement of East and West Primary Basin Launderers at the Water Treatment Plant

At the May 28, 2009 Commission meeting, the Commissioners will be requested to approve a bid submitted by Walters Morgan Construction for the replacement of primary launderers at the Water Treatment Plant.

Engineering Services Contract for Heart of America First Addition

The Glassman Corporation has petitioned the City for street, storm sewer, water and sanitary sewer improvements to 480 feet of 9th Street in the Heart of America First Addition. Through previously agreed upon terms, the City will pay 100% of the costs for the construction of the west 140 feet of improvements, while 100% of the cost of the remaining 340 feet will be assessed to Lot 1 of the Heart of America First Addition owned by Glassman Corporation. The total cost of the project is estimated to be \$400,000 with the City's share being approximately \$142,000, and the balance will be assessed to the benefit district. The \$18,600 engineering cost will be divided proportionally between the City and the benefit district and is included in the \$400,000 total cost estimate.

At the May 28, 2009 Commission meeting, the Commissioners will be requested to approve a contract with Ruder Engineering and Surveying for engineering services related to these improvements.

KDHE Storm Water Grant Proposals

City staff has applied for funding under the American Recovery and Reinvestment Act of 2009 for Innovative Green Infrastructure Projects. Two grant proposals were submitted. 75% of the principal amount of the grant would be forgiven leaving the City to fund the remaining 25% of the cost of the project.

The first proposal is to fund a storm water utility study to create a utility that would generate funds to develop and maintain a storm water program and construct storm water projects. It is estimated that this project would cost \$75,000, with the City share being \$18,750.

The second proposal is for the construction of a detention/infiltration basin in Skyline Draw northwest of and adjacent to Dan Rupp Park. The amount requested for this project is \$120,000. The City would be required to fund \$30,000 of this cost.

Selected projects are to be announced by Kansas Department of Health and Environment on May 27, 2009.

ARFF Facility – Grant Acceptance

This item has been moved to the June 4, 2009 work session agenda.

Proposed Change in Air Service at Hays Regional Airport

Brenda Herrman, Director of Public Works/Airport Manager, addressed the Commissioners regarding proposed changes in air service at the Hays Regional Airport (HRA). She introduced Chuck Howell, CEO of Great Lakes Airlines, Monica Taylor, marketing director for Great Lakes and Errol Wuertz and Larry Holden representing the Airport Advisory Committee.

Boardings at the HRA in 2008 were only 8,212, falling below the 10,000 boarding number to be eligible for \$1,000,000 in annual Federal Aviation

Administration Airport Improvement Program Entitlement grant monies. Currently, there are two daily flights to Kansas City and two flights to Denver. Due to the low boardings, Ms. Herrman met with Great Lakes in February 2009 to discuss solutions to the low boarding number. It was noted that the current economic slowdown probably contributed to approximately 10% of the reduced boardings in 2008. Great Lakes was not able to make any changes in scheduling and code-sharing in Kansas City, but did suggest that all four flights be to Denver, thus eliminating the flights to Kansas City.

Public meetings were held, a survey was created on the City's webpage, and emails and phone calls were welcomed for feedback from the public. After considering all the aspects of a proposed change, Ms. Herrman made a recommendation that the Commissioners approve taking four flights to Denver and eliminating flight service to Kansas City. The reasoning for this is because the Kansas City Airport does not serve as a hub for many major airlines, whereas Denver is a hub. The lack of code-share with major airlines in Kansas City causes quite a bit of inconvenience for travelers. Denver has connectivity with over 800 flights a day while Kansas City has over 100. Departure times going to and coming back from Kansas City are inconvenient as well.

Ms. Herrman acknowledged that some people would be upset if the flights to Kansas City are eliminated; however, Great Bend offers two flights to Kansas City on Monday-Friday and one flight on Saturday and Sunday. Also, Hays Aircraft has indicated that they plan to increase charter availability to Kansas City.

Department of Transportation provides Essential Air Service subsidy for the HRA. They are in full support of the proposal as well as Great Lakes and if the new service does not work out as expected, the City could revert to the current flight schedule of two trips a day to Denver and two trips a day to Kansas City. A strong public education and promotional campaign would be needed to promote this change in scheduling. Great Lakes Airlines has agreed to contribute approximately \$20,000 toward this promotion.

Mr. Howell discussed the recommended change with the Commissioners.

If this change is approved by the Commissioners, the change in scheduling could go into effect in July 2009. Great Lakes would honor any existing tickets through Kansas City and would contact each passenger to reschedule their flights or offer a refund. The Commissioners are expected to act on this recommendation at the June 11, 2009 Commission meeting.

Proposed Rate Increase at the Hays Regional Airport

Public Works Director Brenda Herrman proposed a rate increase for both privately-owned and city-owned hangar leases, as well as having all leases renew on July 1st of every year with automatic renewal unless 30 days advance notice is given. She recommended that a Sub-lease Agreement be prepared and enforced with the July 1st renewals. Raising hangar lease rates will increase revenue by approximately \$10,250 annually. The additional revenue will enable airport staff to make internal improvements to existing city-owned hangars as there has not been a consistent effort to keep these hangars in good repair over the past several years.

The 5-year Fixed Base Operator contract will expire June 27, 2009. A proposed new 5-year contract addresses the increase in hangar fees but does not increase the office space rent. The new contract also proposes that the City's share of fuel sales be increased from \$.05 to \$.06 per gallon, which will net approximately \$2,800 more per year based on 2008 fuel sales.

Randall Buchanan, general manager of Hays Aircraft at the Hays Regional Airport, spoke about how Hays Aircraft, as the fixed based operator, leases two hangars from the City and sub-leases them. The leases for the hangars are proposed to be increased from \$3,000.00 to \$6,270.60 per hangar. He requested the Commissioners consider not raising the rate that high so that his firm can continue to provide the services they now provide. Additionally, one of the hangars is in need of repairs.

Commissioner Schwaller stated there are many variables in determining the value of a lease and he is willing to consider a different formula for

determining the cost of the leases. He also felt that the leases should be looked at annually and adjusted accordingly.

City Manager Dougherty stressed that if the Commissioners decide to go with a lower lease cost that there be a graduated approach to raising the lease cost because there is a lot of maintenance that needs to be done to the city-owned hangars.

City Attorney John Bird suggested that the lease holders be given notice that lease payments will be on a month-to-month basis until the amount of increase has been determined.

Water & Sewage System Revenue Bonds, Series 2009-A

At the May 28, 2009 Commission meeting, the Commissioners will be required to approve an ordinance and resolution relating to the issuance of Water & Sewage Revenue Bonds, Series 2009-A.

Executive Session

Henry Schwaller IV moved, Troy Hickman seconded, that the Governing Body recess to executive session at 8:41 p.m. for 20 minutes to discuss union negotiations. The executive session included the Commissioners, the City Manager, the Assistant City Manager, and the City Attorney. K.S.A. 25-4319 authorizes the use of executive session to discuss union negotiations.

Vote: Ayes: Ron Mellick

Christopher Channell

Barbara Wasinger

Troy Hickman

Henry Schwaller IV

Chairman Mellick called the work session back to order. He stated no action was taken during executive session.

The work session was adjourned.

Submitted by: _____

City Clerk