

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON MAY 28, 2009

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, May 28, 2009 at 7:30 p.m.

Present: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
Henry Schwaller IV

Chairperson Mellick 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 May 14, 2009; the minutes stand approved as presented.

3. FINANCIAL STATEMENT: Finance Director Kim Rupp reported that investments on April 30, 2009 totaled \$41,250,000, which is a \$1,500,000 increase when compared to April 2008. The weighted average interest rate on the total investment portfolio as of April 30th is 1.35%. In April, the Finance/City Clerk's Office invested \$7,350,000 of maturing certificates of deposits with a weighted average interest rate of .65%. Year-to-date sales tax collections, when compared to 2008, are up \$86,975 or 2.84%.

Troy Hickman moved, Barbara Wasinger seconded, that the Financial Statement for the month of April 2009, be approved.

Vote: Ayes: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
Henry Schwaller IV

4. CITIZEN COMMENTS: There were no comments.

5. CONSENT AGENDA: Barbara Wasinger moved, Christopher Channell seconded, that the following Mayoral appointments be approved:

Airport Advisory Committee

Weeden Nichols – 3-year term to expire April 30, 2012

Mark Schroeder – 3-year term to expire April 30, 2012

Daniel Stecklein – 3-year term to expire April 30, 2012

Building Trades Board

Arlen Flax – term to expire August 27, 2012

Hays Area Board of Zoning Appeals

Jerry Befort – 3-year term to expire May 1, 2012

Jerry Sonntag – 3-year term to expire May 1, 2012

Hays Area Planning Commission

Dr. Paul Phillips – 3-year term to expire April 30, 2012

Pam Rein – 3-year term to expire April 30, 2012

Hays Public Library Board

Ann Crowley – 4-year term to expire April 30, 2013

Jenifer Riat – 4-year term to expire April 30, 2013

Vote: Ayes: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
Henry Schwaller IV

NEW BUSINESS

6. PRESENTATION OF WATER AND SEWER SYSTEM REVENUE BONDS,

SERIES 2009-A, SALES RESULTS: Dave Arteberry, representing George K. Baum and Associates, reported on the bond sale that was conducted this afternoon on \$4,240,000 of Water and Sewer System Revenue Bonds. Country Club Bank, Prairie Village, KS, submitted the only bid with a 3.950038% true interest cost. The bid was reviewed and meets all the bidding parameters and is acceptable. Based on the interest rate bid and an underwriting discount, it was possible to resize the issue down to \$4,200,000.

Barbara Wasinger moved, Troy Hickman seconded, that the bid received from Country Club Bank for Water and Sewer System Revenue Bonds, Series 2009-A be approved.

Vote: Ayes: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
Henry Schwaller IV

7. WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2009-A –

ORDINANCE: Barbara Wasinger moved, Troy Hickman seconded, that Ordinance No. 3770, being an ordinance authorizing and providing for the issuance of \$4,200,000 principal amount of Water and Sewage System Revenue Bonds, Series 2009-A, of the City of Hays, Kansas; making certain covenants and agreements to provide for the payment and security thereof and authorizing certain other documents and actions in connection therewith, be approved.

Vote: Ayes: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
Henry Schwaller IV

8. WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2009-A –

RESOLUTION: Barbara Wasinger moved, Troy Hickman seconded, that Resolution No. 2009-016, being a resolution prescribing the form and details of and authorizing and directing the sale and delivery of \$4,200,000 principal amount of Water and Sewage System Revenue Bonds, Series 2009-A, of the City of Hays, Kansas, previously authorized by Ordinance No. 3770 of the issuer; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith, be approved.

Vote: Ayes: Ron Mellick

Christopher Channell

Barbara Wasinger

Troy Hickman

Henry Schwaller IV

9. SPORTS COMPLEX PROFESSIONAL SERVICES AGREEMENT: A

November 2008 ballot question passed allowing for a ½ cent sales tax to fund the construction of a sports complex. Subsequently, a Sports Complex Project Development Advisory Committee was established to assist in the selection of a design firm and provide guidance during the development and construction of the project, and a partnership with Fort Hays State University (FHSU) was established for coordinated effort in the design and construction of the sports complex and the University's proposed collegiate soccer facility.

Utilizing the State of Kansas process for acquisition of Architectural/Engineering Services, the City and FHSU selected Olsson Associates of Kansas City to design the projects. Staff then proceeded to negotiate the scope of services and fee for services in the amount of \$620,410.

Christopher Channell moved, Troy Hickman seconded, that the City Manager be authorized to enter an agreement for professional services with Olsson Associates in the amount of \$620,410 for the design of the Hays Sports Complex.

Vote: Ayes: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
Henry Schwaller IV

10. PROPOSED CHANGE IN AIR SERVICE AT THE 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).

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, and concerns about flight delays and cancellations, Ms. Herrman met with Great Lakes in February 2009 to discuss possible solutions. Great Lakes has taken steps to add pilots and aircraft to improve their delays and cancellations. 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. Frequency to one hub allows the availability of better connectivity and convenience to the public.

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.

Research on ticket prices indicate that only 3 out of 24 flights are cheaper going through Kansas City. This research was done in March aware that ticket prices are constantly changing. It was noted that many people fly to Kansas City to get to their destination, but fly back to Hays through Denver because of the availability of a later flight.

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. 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.

If this change is approved by the Commissioners, the change in scheduling could go into effect in August 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 Letter of Agreement with Great Lakes contains a statement that should the four flights to Denver not be successful, dual flight service would be returned to Kansas City and Denver.

Troy Hickman moved, Barbara Wasinger seconded, that the City Manager be authorized to enter a Memorandum of Agreement with Great Lakes Airlines to make changes in air service serving the Hays Regional Airport.

Commissioner Schwaller stated he will be voting no on this change because of complaints he has heard about flight scheduling. He does not think this will work out because Great Lakes' track record is quite poor.

The City Manager suggested that the monthly enplanement report track which flights came in on time, were delayed or cancelled.

Vote: Ayes: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
No: Henry Schwaller IV

11. ENGINEERING SERVICES AGREEMENT FOR HEART OF AMERICA

FIRST ADDITION: 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. A resolution authorizing the improvements was approved at the May 14, 2009 Commission meeting.

Ruder Engineering and Surveying, L.L.C. has prepared a contract for engineering services to include engineering design, contractor solicitation, construction engineering, and warranty inspection.

Christopher Channell moved, Troy Hickman seconded, that the City Manager be authorized to enter an agreement for professional services with Ruder Engineering in the amount of \$18,600 for the design of improvements in the Heart of America First Addition.

Vote: Ron Mellick
Christopher Channell
Barbara Wasinger
Troy Hickman
Henry Schwaller IV

12. 2009 FIREWORKS RESOLUTION: According to the Code of Ordinances, the City of Hays shall adopt a resolution prior to June 15th of every year setting the days and hours for the consumer use of fireworks within the city limits. The proposed resolution sets the dates of use as July 3, 4, 5, 2009 and the hours of use between 10:00 a.m. and midnight.

Henry Schwaller IV moved, Christopher Channell seconded, that Resolution No. 2009-017, being a resolution setting the days and hours for consumer use of fireworks within the city limits of the City of Hays, Kansas for 2009, be approved.

Commissioner Schwaller stepped out of the room.

Police Chief James Braun stated the County Commissioners have not yet made any determination of dates for consumer use of fireworks in Ellis County.

Vote: Ayes: Ron Mellick

Christopher Channell

Barbara Wasinger

Troy Hickman

Commissioner Schwaller returned to the meeting.

13. AWARD OF BID – REPLACEMENT OF EAST AND WEST PRIMARY BASIN LAUNDERS AT THE WATER TREATMENT PLANT: Barbara Wasinger moved, Henry Schwaller IV seconded, that the bid submitted by Walters-Morgan Construction, Inc. in the amount of \$159,000 for the removal and replacement of launders at the Water Treatment Plant, be approved.

Vote: Ayes: Ron Mellick

Christopher Channell

Barbara Wasinger

Troy Hickman

Henry Schwaller IV

14. REPORT OF THE CITY MANAGER: Assistant City Manager Mark Loughry reported on recent activities and programs in various City departments.

15. COMMISSION INQUIRIES AND COMMENTS: Commissioner Hickman thanked the Parks Department and the Hays Recreation Commission for all their work in getting the Hays Aquatic Park open.

Chairperson Mellick encouraged everyone to go see the new baby buffalo at Frontier Park. He also recognized all the work and clean-up being done at Lark Parks.

The meeting was adjourned.

Submitted by: _____

City Clerk