

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON JUNE 23, 2011

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, June 23, 2011 at 6:30 p.m.

Roll Call: Present: Barbara Wasinger
Troy Hickman
Kent Steward
Henry Schwaller IV
Ron Mellick

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

2. MINUTES: There were no additions or corrections to the minutes of the regular session held on June 9, 2011; the minutes stand approved as presented.

3. FINANCIAL STATEMENT: City Manager Toby Dougherty reported that month-to-date sales tax collections for the Sports Complex are \$232,474, which is an increase of \$20,860 when compared to a year ago. Year-to-date collections are \$1,342,942 and year-to-date expenditures are \$150. Inception-to-date collections total \$5,493,502 and inception-to-date expenditures total \$7,128,075. General Fund sales tax collections are \$50,258 higher than for the same time period a year ago. This brings the year-to-date up 12.35% from a year ago. Total year-to-date collections for the General Fund are \$2,835,707. The six month running average is up 9.54%.

The Finance/City Clerks Office invested \$5,200,000 of maturing or renewing certificates with a weighted average interest rate of .34%. The portfolio of certificates of deposit on May 31, 2011 totaled \$39,900,000 with a weighted average interest rate of .3793%. The total balance of the Money Market account on May 31, 2011 was \$700,000 with a current yield of .15%. Total investments are down \$3,500,000 from a year ago.

Ron Mellick moved, Henry Schwaller IV seconded, that the Financial Statement for the month of May 2011 be approved.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Kent Steward

Henry Schwaller IV

Ron Mellick

4. CITIZEN COMMENTS: Chairperson Wasinger noted that Brenda Herrman, Director of Public Works is attending her last Commission meeting this evening because she is retiring June 30, 2011. She wished her well in her retirement.

5. CONSENT AGENDA: Henry Schwaller IV moved, Troy Hickman seconded, that a Cereal Malt Beverage License be approved for the Downtown Hays Development Corporation (Blues, BBQ, and Bargains event).

Vote: Barbara Wasinger

Troy Hickman

Kent Steward

Henry Schwaller IV

Ron Mellick

NEW BUSINESS

6. PAVING OF BICKLE-SCHMIDT SPORTS COMPLEX ACCESS ROAD: The crushed concrete access road constructed at the Bickle-Schmidt Sports Complex provides a solid road base; however, is somewhat rough and dusty. City staff solicited proposals to donate services to install a cold mix asphalt overlay to the access road. J Corp, a local heavy construction contractor, submitted a proposal to prepare the existing access road to receive the 2" overlay, haul the City's rejuvenated asphalt millings to the site, place them with a lay down machine, and pack them in tight. The value of these services is approximately \$11,000. This is at no cost to the City. In turn, J Corp requested the right to name the access

road "SP Drive" in honor of Steve Pfannenstiel, with street signs installed at each end.

Ron Mellick moved, Kent Steward seconded, that the proposal submitted by J Corp, to pave the access road at the Bickle-Schmidt Sports Complex and recognize J Corp for their donated services by allowing them to name the road "SP Drive" be approved.

Commissioner Schwaller questioned how long the access road would be named SP Drive – 10 years? Or in perpetuity? Because there is no policy on naming rights for a street, and was not stated in the Request for Bids as an option, he stated he will vote no on this issue. He noted that he appreciates the donation from J Corp; however, he feels that this would set a precedent.

City Manager stated that J Corp's bid was the only one received; the City Commission has the power to rename a street whenever it decides to do so.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Kent Steward

Ron Mellick

No: Henry Schwaller IV

7. BICKLE-SCHMIDT SPORTS COMPLEX PROGRESS UPDATE: Assistant City Manager Paul Briseno updated the Commissioners on the progress of the construction of the Bickle-Schmidt Sports Complex, which is scheduled to open this fall.

8. HAYS REGIONAL AIRPORT – WILDLIFE HAZARD ASSESSMENT – FEDERAL AVIATION ADMINISTRATION (FAA) GRANT AGREEMENT: On May 12, 2011, the City Commission authorized the execution of an agreement with USDA Wildlife Services for a Wildlife Hazard Assessment contingent upon FAA grant funding. Congress recently authorized FAA program funding, and the FAA has subsequently submitted a Grant Agreement to fund 95% of the cost of the assessment. The total cost of the assessment is \$56,285, with FAA paying \$53,471, leaving the City's 5% share at \$2,814.

If approved, the Wildlife Hazard Assessment will take approximately one year to complete and will determine the type and severity of wildlife hazards present on the airport property, provide training for airport personnel in dealing with potential hazards, and provide recommendations for the control or elimination of the hazards.

Kent Steward moved, Henry Schwaller IV seconded, that the City Manager be authorized to enter into an Agreement with the FAA for grant funding of 95% of the costs for a Wildlife Hazard Assessment to be conducted by the USDA Wildlife Services.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Kent Steward

Henry Schwaller IV

Ron Mellick

9. HAYS REGIONAL AIRPORT – RUNWAY 16/34 REHABILITATION – FEDERAL AVIATION ADMINISTRATION (FAA) GRANT AGREEMENT:

On April 14, 2011, the City Commission authorized the execution of an agreement with Burns and McDonnell for professional engineering services regarding the rehabilitation of Runway 16/34 at the Hays Regional Airport contingent upon FAA grant funding. Congress recently authorized FAA program funding, and the FAA has subsequently submitted a Grant Agreement to fund 95% of the cost of the design services. The total cost of the engineering phase is \$369,165, with FAA paying \$350,706, leaving the City's 5% share at \$18,459. If approved, the engineering design services will take place this year and the rehabilitation of the runway is planned for 2012.

Ron Mellick moved, Henry Schwaller IV seconded, that the City Manager be authorized to enter into an Agreement with the FAA for grant funding of 95% of the costs for the design phase of a project to rehabilitate Runway 16/34 to be conducted by Burns and McDonnell.

Vote: Ayes: Barbara Wasinger
Troy Hickman
Kent Steward
Henry Schwaller IV
Ron Mellick

10. IMPLEMENTATION OF ANTICIPATED ADJUSTMENTS AND CREDITS TO FORT HAYS STATE UNIVERSITY PROPERTIES AT FIRST BILLING IN

JULY: Commissioner Schwaller left the Commission Chambers during the vote and discussion of this topic because he is an employee of Fort Hays State University (FHSU).

FHSU's stormwater utility bill will be approximately \$42,000 per year for their main campus. During the development of the stormwater utility, adjustments and credits were discussed for FHSU's properties. These adjustments and credits, as detailed in the final consultant report from Camp, Dresser, and McKee (CDM), reduce the annual stormwater fee for FHSU's main campus property to approximately \$25,000 per year.

Currently, City staff is developing a policy for adjustments and credits for nonresidential stormwater fees. Staff anticipates incorporating the methodology described in CDM's final report in the City's policy for adjustments and credits to stormwater fees. Allowing FHSU to receive the anticipated adjustments and credits at the beginning of the utility as a good faith gesture will avoid a situation where the City owes the University a significant sum of money later in the year.

Ron Mellick moved, Troy Hickman seconded, that City staff be directed to implement the anticipated adjustments and credits with the first month's billing for Fort Hays State University's monthly stormwater fee.

Vote: Ayes: Barbara Wasinger
Troy Hickman
Ron Mellick

Abstain: Kent Steward

Commissioner Steward abstained because he is an employee of FHSU.

Commissioner Schwaller rejoined the meeting.

11. COMMERCIAL INSURANCE RENEWAL – 2011/2012: The City's commercial insurance policy with Travelers Insurance will expire on July 1, 2011. Insurance Planning provides for critical insurance oversight for the City as the insurance broker. Requested quotes to various companies by Insurance Planning resulted in one responsive and responsible bid, which was submitted by Travelers. The premium bid submitted by Travelers indicates an increase of 8.68%, or \$16,281, for a total cost of \$203,712 for 2011/2012 coverage.

Rich Kraemer, representing Insurance Planning, explained that the majority of the increase is due to updates in equipment values and the purchase of new equipment throughout various City departments, as well as new equipment at the Sports Complex.

Henry Schwaller IV moved, Ron Mellick seconded, that the City Manager be authorized to renew the commercial insurance policy with Travelers Insurance for 2011/2012.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Kent Steward

Henry Schwaller IV

Ron Mellick

12. RECENT CHANGES IN ALCOHOL LICENSING STATUTES – LICENSE FEES AND OCCUPATION TAX:

Recent changes to state statutes have led to a need for City ordinances to be amended regarding license fees for liquor retailers, clubs and drinking establishments. Currently, the City issues alcohol licenses on an annual basis. K.S.A. 41-2622 permits a city to levy and collect a biennial license fee. In order to bring the City into compliance with state statutes, an ordinance will need to be approved amending the license fees to reflect a two-year period.

Ron Mellick moved, Kent Steward seconded, that Ordinance No. 3835, being an ordinance amending Chapter 14 of the City of Hays, Kansas, Municipal Code, by modifying Article II, Division 3, Section 14-82 regarding license fees and occupation tax, be approved.

Vote: Ayes: Barbara Wasinger
Troy Hickman
Kent Steward
Henry Schwaller IV
Ron Mellick

13. RECENT CHANGES IN ALCOHOL LICENSING STATUTES – BIENNIAL FEE FOR OCCUPATION TAX LEVY:

Recent changes to state statutes have led to a need for City ordinances to be amended regarding the occupation tax levy for the manufacture and distribution of alcoholic liquors. Currently, the City issues annual occupational licenses. K.S.A. 41-310 permits a city to levy and collect a biennial license tax for packaged liquor retailers. In order to bring the City into compliance with state statutes, an ordinance will need to be approved amending the license fees to reflect a two-year period.

Kent Steward moved, Ron Mellick seconded, that Ordinance No. 3836, being an ordinance amending Chapter 14 of the City of Hays, Kansas, Municipal Code, by modifying Article II, Division 4, Section 14-111, Subsection 14-111 (a) regarding occupation tax levy, be approved.

Vote: Ayes: Barbara Wasinger
Troy Hickman
Kent Steward
Henry Schwaller IV
Ron Mellick

14. LICENSING OF PAWNBROKERS AND PRECIOUS METAL DEALERS:

The Kansas Legislature has made it mandatory for pawnbrokers and precious metal dealers to obtain a license to do business with a particular city effective July 1, 2011. The City of Hays has not previously required such a license and will require an ordinance if it chooses to do so in the future. However, K.S.A. 16-707 is not uniformly applicable to all cities (K.S.A. 16-707 does not apply to cities of the 3rd and 4th class); therefore the City of Hays can choose to charter out of this provision and not require licensing for these businesses. If the Commission

should decide to enforce K.S.A. 16-707, it will be necessary to amend Chapter 14 of the Code of Ordinances to require an annual license fee of \$25.

City Manager Toby Dougherty stated that there are two of these types of businesses in the city limits and the City has never had a problem with them; therefore he sees no need to start requiring them to be licensed.

Kent Steward moved, Henry Schwaller IV seconded, that Charter Ordinance No. 26, being a charter ordinance exempting the City of Hays, Kansas from the provisions of K.S.A. 16-707 be approved.

Vote: Ayes: Barbara Wasinger

Troy Hickman

Kent Steward

Henry Schwaller IV

Ron Mellick

15. REPORT OF THE CITY MANAGER: City Manager Dougherty thanked Director of Public Works Brenda Herrman for her years of service to the City. He then introduced I.D. Creech to the Commissioners. Mr. Creech is the newly-hired Public Works Director who will start work with the City on July 11, 2011.

16. COMMISSION INQUIRIES AND COMMENTS: There were no additional inquiries or comments.

The meeting was adjourned at 7:11 p.m.

Submitted by: _____

City Clerk