

City of Hays
City Commission
Work Session Notes
July 1, 2010

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

Absent: Henry Schwaller IV

Blues, BBQ, and Bargains Cereal Malt Beverage License

At the July 8, 2010 Commission meeting, the Commissioners will be requested to approve a Cereal Malt Beverage License for the Downtown Hays Development Corporation for the Blues, BBQ and Bargains event that will be held July 16 – 18 in Municipal Park.

Removal of Roller Hockey Rink/Expansion of Skate Park at Aubel-Bickle Park

The roller hockey rink at Aubel-Bickle Park is no longer being used for roller hockey. City staff recommended the fence around the rink be removed, including all the poles and the remaining goal. The existing skate board park would then be expanded utilizing the concrete from the hockey rink. The Hays Recreation Commission supports the recommendation to expand the existing skate park due to the lack of interest in roller hockey.

Discussion was held about other uses for the facility, such as a basketball court or a tennis court. Further discussion will take place at the July 8, 2010 Commission meeting.

Funding of Sewer Backup Claims/Non-profit Assistance

At the May 7, 2010 work session, Commissioner Schwaller requested staff research the possibility of creating a fund and have it administered through a local non-profit to assist homeowners who have sustained damage caused by sewer backups. The local agency would disburse funding as they see fit.

City Attorney John Bird commented that the City could empower and fund an outside agency to handle sewage backup claims, but there should be clear criteria dictated for claimants to be paid and it should be made clear that the City does not intend to admit any liability by establishing such a procedure. Someone would have to be responsible for investigating the claims. He feels insurance companies are better qualified to give opinions and do inspections; he does not feel this is an area that the City should get involved in. He understands that the residents who have had sewer backups have had some damage; however, looking at the City as a whole, this is not a chronic problem that a bureaucracy should be created to deal with such a problem. If the homeowner felt that the City acted negligently, he could file in Small Claims Court for damages.

Discussion was held about sewer line maintenance and previous sewer backup claims.

Dale Chaffin, representing Insurance Planning, the City's insurance broker, stated that insurance is available to homeowners to protect their property from sewer backups.

Resolution for Series 2000-A Bond Redemption

General Obligation Internal Improvement Bonds Series 2000-A maturing on or after September 1, 2011 are now subject to redemption prior to their maturity date. This debt service was set for a 20 year maturity. The City has an option to call these bonds on or after September 1, 2010. This will require the approval to expend \$915,750 in the City Commission Financial Policy Projects line item.

Finance Director Kim Rupp noted that these bonds fluctuate in rate of interest from 4.75% to 5.375%; given the current yield on investments weighed

against the interest bonds that can now be called, it is advisable to use those funds to redeem these high cost bonds. Redeeming the issue in September 2010 will save the City \$268,685.10 in interest costs over the remaining life of these bonds. He recommended the Commissioners authorize a resolution providing for the refunding of the Bonds and approval to expend \$915,750.

The Commissioners will take formal action on this request at the July 8, 2010 Commission meeting.

Other Items for Discussion

Commissioner Mellick stated that he would like to see an article in the "Hays Matters" newsletter informing homeowners that insurance is available that will cover sewer backup claims and consider purchasing it with their homeowners insurance.

Executive Session

Ron Mellick moved, Barbara Wasinger seconded, that the Governing Body recess to executive session at 7:22 p.m. for 10 minutes to discuss property acquisition. 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 property acquisition.

Vote: Ayes: Christopher Channell

Barbara Wasinger

Troy Hickman

Ron Mellick

Chairperson Channell called the work session back to order at 7:32 p.m. He stated no action was taken during executive session.

The work session was adjourned.

Submitted by: _____

City Clerk

