

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON
OCTOBER 13, 2005

1. CALL TO ORDER: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, October 13, 2005 at 7:30 p.m.

Roll Call: Present: Kent Steward
Wayne Billinger
Troy Hickman
Barbara Wasinger
Henry Schwaller IV

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

2. MINUTES: Deputy City Clerk Doris Wing made a correction to the minutes of the regular session held on September 22, 2005. The correct ordinance number for the ordinance annexing the Golden Belt Estates 2nd Addition is Ordinance No. 3690. There were no corrections to the minutes of the special session held on September 27, 2005; the minutes stand approved as corrected.

3. CITIZEN COMMENTS: Christopher Zvolanek addressed the Commission regarding a claim that he filed against the City of Hays regarding an accident that occurred on September 15, 2005. Mr. Zvolanek filed a claim with the City's insurance provider, which was reviewed and denied. It was determined that there was no negligence on the City's part. Due to Mr. Zvolanek being profoundly deaf, he felt there was a miscommunication problem between himself, the insurance company, law enforcement, and the court system.

Mr. Zvolanek was advised to contact the City Prosecutor and City staff will contact the City's insurance provider.

4. HAYS EMPLOYEE SERVICE RECOGNITION: Employee service awards were presented to the following employees in recognition for their length of service to the Hays community:

5-YEAR AWARDS

Troy Basgall	John Braun	Larry Bryant
Brian Dawson	Aaron Ditter	Karen Fiegel
Marvin Honas	Mark Loughry	Keith Mermis
Mikel Sarver	Justin Summers	Steve Werth

10-YEAR AWARDS

Dustin Degenhardt

15-YEAR AWARDS

Dave Bunger	Jeffery Gerstner	Leroy Kreutzer
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20-YEAR AWARDS

Kurt Arnhold	Blaine Dryden	Brian Hiller
Ronald Rounkles	Carolyn McCollum-Scantlin	

25-YEAR AWARDS

Brenda Kitchen	Cornelius Onyeador
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30-YEAR AWARDS

Lorraine Hertel	Wendelin Schumacher
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5. CONSENT AGENDA: Chairman Steward submitted the following names for the Commission's consideration for Mayoral appointment to various committees:

Board of Zoning Appeals: Jerry Sonntag

Beautification Committee: William Paul

Hays Housing Authority: Mary Ridgway and Shirley Green

The Commissioners will be requested to approve the Mayoral appointments at the October 27, 2005 Commission meeting.

NEW BUSINESS

6. ELLIS COUNTY/CITY OF HAYS TRANSPORTATION COMMITTEE

FINDINGS & REPORT: In February 2005, Ellis County and the City of Hays established a Transportation Committee initially comprised of seven residents of Ellis County. This Committee was given the charge of examining current public transportation in Ellis County as well as other methods of providing reliable, safe and adequate transportation services to all of the citizens of Ellis County. Since that time, the Committee has conducted surveys of citizens, reviewed the ACCESS Transportation system with current employees, met with other agencies and groups that provide transportation in Ellis County, met with State officials responsible for State funding, and reviewed transportation in other Kansas communities.

Allen Leiker, chairman of the Committee reported on the findings of the Committee. The Committee made recommendations in several areas in regard to tracking expenses, rider fares, and performance. The Committee also recommended that public education campaigns be ongoing to make the public more aware of the services available. Mr. Leiker stated that Reno and Lyon counties have established programs that would be a good model for Hays to mirror.

Troy Hickman moved, Henry Schwaller IV seconded, that the report of the Ellis County/City of Hays Transportation Committee be accepted.

Vote: Ayes: Kent Steward

Wayne Billinger

Troy Hickman

Barbara Wasinger

Henry Schwaller IV

Commissioner Schwaller suggested that an exploratory committee be formed to look at the possibility of forming a county-wide transportation authority.

City Manager Gustafson recommended that the City get a copy of the Reno and Lyon counties' programs. Further discussion will take place at a future work session.

7. GENERAL OBLIGATION INTERNAL IMPROVEMENT BONDS, SERIES

2005-A – ORDINANCE: Bids to finance various infrastructure improvements in the City were opened on October 13, 2005 at 1:30 p.m. and 2:00 p.m. Bids were taken for the issuance and delivery of \$1,360,000 principal amount of General Obligation Internal Improvement Bonds and for \$1,985,000 of General Obligation Temporary Notes.

Dave Arteberry, first vice-president of George K. Baum and Co., Kansas City, MO, reviewed the bids with the Commissioners. The low bid for the General Obligation Temporary Notes was received from UBM Bank with an average interest rate of 3.243004%. The low bid for the General Obligation Bonds was received from Country Club Bank with an average interest rate of 3.831536%.

Wayne Billinger moved, Troy Hickman seconded, that Ordinance No. 3693, being an ordinance authorizing the issuance and delivery of \$1,360,000 principal amount of General Obligation Internal Improvement Bonds, Series 2005-A, of the City of Hays, Kansas; providing for the levy and collection of an annual tax and special assessments for the purpose of paying the principal of and interest on said bonds as they become due; and making certain covenants with respect thereto, be approved.

Vote: Ayes: Kent Steward

Wayne Billinger

Troy Hickman

Barbara Wasinger

Henry Schwaller IV

8. GENERAL OBLIGATION INTERNAL IMPROVEMENT BONDS, SERIES

2005-A – RESOLUTION: As part of the process to sell bonds to fund various infrastructure improvements, a resolution must be approved prescribing the form and details of and authorizing the delivery of \$1,360,000 principal amount of

General Obligation Internal Improvement Bonds, Series 2005-A, which were approved by Ordinance No. 3693.

Troy Hickman moved, Barbara Wasinger seconded, that Resolution No. 2005-021, being a resolution prescribing the form and details of and authorizing the delivery of \$1,360,000 principal amount of General Obligation Internal Improvement Bonds, Series 2005-A, of the City of Hays, Kansas, previously authorized by Ordinance No. 3693 of the City; and making certain covenants with respect thereto, subject to inclusion into the resolution the interest rate provided by the winning bid submitted by Country Club Bank, be approved.

Vote: Ayes: Kent Steward
Wayne Billinger
Troy Hickman
Barbara Wasinger
Henry Schwaller IV

9. GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2005-1 –

RESOLUTION: As part of the process to issue temporary notes for the purpose of temporarily financing a portion of the costs of certain internal improvements, it will be necessary to approve a resolution. The proposed resolution authorizes the issuance and delivery of \$1,985,000 principal amount of General Obligation Temporary Notes.

Troy Hickman moved, Barbara Wasinger seconded, that Resolution No. 2005-022, being a resolution authorizing the issuance and delivery of \$1,985,000 principal amount of General Obligation Temporary Notes, Series 2005-1, of the City of Hays, Kansas, for the purpose of temporarily financing a portion of the costs of certain internal improvements of the City; and prescribing the terms and details of the said notes, subject to the inclusion into the resolution the interest rates provided by the winning bid submitted by UMB Bank, be approved.

Vote: Ayes: Kent Steward
Wayne Billinger
Troy Hickman
Barbara Wasinger

Henry Schwaller IV

10. OFFICE BUILDING/VISITORS CENTER – HAYS CONVENTION & VISITORS BUREAU (CVB):

A. Alan Stecklein, representing Stecklein & Brungardt Architects, presented a design for the Convention and Visitors Bureau building to be constructed at 27th and Vine Street.

Mr. Stecklein stated he had received a letter from the City Manager directing him to design a building for a total construction cost to be at or below \$1,000,000, including signage, and also to provide a design that would better reflect the heritage or marketing value of Hays. The estimated base bid for the new design is \$1,048,838 with added-on costs for alternatives or upgrades to the building. The total base bid estimate with all the alternatives is \$1,512,893. The final costs for the base and alternatives would not be known until such time as bids are taken. Mr. Stecklein chose the old Union Pacific Depot, which was demolished in 1984, as a model to base his design on.

Troy Hickman moved, Wayne Billinger seconded, that the proposed general design of the Convention and Visitors Bureau building be accepted.

Vote: Ayes: Kent Steward

Wayne Billinger

Troy Hickman

Barbara Wasinger

Henry Schwaller IV

B. Jana Jordan, Director of the Convention and Visitors Bureau (CVB), requested that a resolution be approved allowing the CVB staff to apply to the Kansas Department of Transportation for Transportation Enhancement grant funding. If the grant is approved, the funds would be used for the construction of the proposed CVB building. The grant could pay up to 80% of the construction cost.

Troy Hickman moved, Wayne Billinger seconded, that Resolution No. 2005-023, being a resolution declaring the eligibility of the Hays Convention and Visitors Bureau to submit an application to the Kansas Department of Transportation for use of Transportation Enhancement funds set forth by the

Federal Transportation Equity Act for the 21st Century for the Tourist Information and Welcome Center Project in the City of Hays and authorizing the Mayor and City Manger to sign the application, be approved.

Commissioner Wasinger stated that while she approves of the building's design, it is too costly. With all the alternatives added onto the base bid, plus the cost of the land, the project would run about \$1.8 million. She asked if that by agreeing to apply for this grant is she agreeing to the bid for the building.

The City Manager stated the grant should not be applied for if the City does not intend to build the building. If the City applies for the grant using the proposed design, at some point, the building will be bid with or without the grant. The City would not be committing to the construction of the building. If the grant is received, it is implied that the building would be constructed.

Commissioner Schwaller stated that there are other funds available that would be applied to the cost of the building, bringing down the cost to around \$900,000. All of the alternatives do not have to be chosen. He wants the building to be adequate, but austere. He wants the CVB to apply for the grant. If the grant funding does not come through, he is concerned about how the City will pay for upkeep of the building and the various CVB programs. If the grant does not materialize, the Commission will have to make some decisions about how to proceed.

Commissioner Billinger stated that the additional one-percent transient guest tax, if approved, will be applied toward the payment of this building. This has helped weigh his decision to approve the CVB request to apply for the grant.

City Attorney John Bird stated the resolution states that the City is willing and able to do the project if the City receives the grant. Implied in that, is that if costs come in too high, the bids would be rejected.

The City Manager stated that the Commission should be aware that the grant may not be awarded. If it is not received, the decision would have to be made at some point whether or not to proceed.

Vote: Ayes: Kent Steward

Wayne Billinger

Troy Hickman
Henry Schwaller IV

No: Barbara Wasinger

C. The CVB building would be paid for with an increase in transient guest tax fees utilizing a lease-purchase agreement. The increase would sunset once the building was paid for. The City Manager recommended a one-percent increase to pay off the building as soon as possible. He projected that a one-percent increase would raise approximately \$112,000 in 2006.

Wayne Billinger moved, Troy Hickman seconded, that staff be directed to prepare the necessary documents to implement an additional one-percent Transient Guest Tax to pay for the lease-purchase of the CVB building, with the additional one-percent tax to sunset as soon as the building is paid for.

Mrs. Jordan stated that there is a maximum of 7% that can be charged for Transient Guest Tax. Some of the larger communities in Kansas are already at that rate. A lot of the small communities collect 2%. Most communities the size of Hays are at 4-6%. Hays collects 4%.

Commissioner Schwaller stated that a one-percent tax generating \$112,000 a year will barely cover the debt service. If the City does not receive the grant, it will be years before the one-percent sunsets. He is not sure what the benefit of having a new building is in comparison to the cost. He will be voting no. The City is putting itself into a financial bind.

Vote: Ayes: Kent Steward

Wayne Billinger

Troy Hickman

No: Barbara Wasinger

Henry Schwaller IV

Commissioner Hickman left the meeting at this point.

11. DOWNTOWN HAYS DEVELOPMENT CORPORATION (DHDC) – GRANT

FUNDING: 8TH Street enhancements will take place in 2006, and the DHDC recommends that 11th Street be the next step in downtown enhancements per the order of preference submitted by the DHDC. The DHDC recommends

pursuing the Transportation Enhancement Application to fund 80% of the constructions costs for the 11th Street enhancements.

Sabrina William, Coordinator for the DHDC, requested the Commissioners approve a resolution approving an application to the Kansas Department of Transportation for Transportation Enhancement funds. The program is a federal reimbursement program; it is not a grant program. It requires a 20% minimum cash match, which will be approximately \$77,400. The area to be included in the enhancements is a two block area from Oak Street to Fort Street and will mimic the improvements on 8th Street. The application has to be submitted by a governing agency.

Wayne Billinger moved, Henry Schwaller IV seconded, that Resolution No. 2005-024, being a resolution declaring the eligibility of the downtown Hays Development Corporation to submit an application to the Kansas Department of Transportation for use of Transportation Enhancement Funds set forth by the Federal Transportation Equity Act for the 21st Century for the 11th Street Enhancement Project in the City of Hays and authorizing the Mayor and City Manager to sign the application, be approved.

Vote: Ayes: Kent Steward

Wayne Billinger

Barbara Wasinger

Henry Schwaller

12. FOX THEATRE: The City has been approached by Sabrina William of the Downtown Hays Development Corporation about installing Christmas lights on the Fox Theatre building. The Downtown Promotions Group has contracted with Rohleder Electric for the installation of lights on the downtown businesses in order to maintain uniformity and consistency, and they would like to include the Fox Theatre building this season. It is estimated to cost between \$400-\$550 for the lights.

City Manager Gustafson discussed options for the City divesting itself of the Fox Theatre. There has been discussion of a standard auction, an on-line auction, sealed bids, etc. He recommended an auction be held at the facility.

The consensus of the Commission was to direct staff to prepare plans to auction the property at public auction.

Wayne Billinger moved, Barbara Wasinger seconded, that Christmas lights for the Fox Theatre be approved, at a cost not-to-exceed \$400-\$550.

Commissioner Schwaller stated that it is ridiculous to place lights on a building with broken neon signs, doors and windows.

Vote: Ayes: Kent Steward

Wayne Billinger

Barbara Wasinger

No: Henry Schwaller IV

13. COVENANT PLACE ADDITION – RESOLUTION: In January 2005, Covenant Builders, Inc. petitioned the City for improvements to the Covenant Place Addition. Since that time, the project was designed, bid, and awarded to APAC. The actual project costs are expected to exceed the original petition amount of \$352,669.20. Therefore, the developer has submitted an amended petition in the amount of \$400,000. A resolution amending Resolution No. 2005-004 was submitted for approval.

Wayne Billinger moved, Kent Steward seconded, that Resolution No. 2005-025, being a resolution amending sections of Resolution No. 2005-004, determining the advisability of the making of certain internal improvements in the City of Hays, Kansas, making certain findings with respect thereto; and authorizing and providing for the making of the improvements in accordance with such findings (water, sewer, storm sewer and street improvements/Covenant Place Addition), be approved.

Vote: Ayes: Kent Steward

Wayne Billinger

Barbara Wasinger

Henry Schwaller IV

14. GOLDEN BELT ESTATES, SECOND ADDITION – RESOLUTION: Western Plains Service Corporation has petitioned the City for improvements to Golden Belt Estates, Second Addition. Improvements are to include grading, pavement,

curb and gutter, storm water sewer, sanitary sewer, and water lines associated with the construction of 45th Street, Larned Circle, Newton Circle, and Vista Drive.

Wayne Billinger moved, Barbara Wasinger seconded, that Resolution No. 2005-026, being a resolution determining the advisability of the making of certain internal improvements in the City of Hays, Kansas, making certain findings with respect thereto; and authorizing and providing for the making of the improvements in accordance with such findings (water, sewer, storm sewer and street improvements/Golden Belt Estates, Second Addition), be approved.

Vote: Ayes: Kent Steward

Wayne Billinger

Barbara Wasinger

Henry Schwaller

15. GOLDEN BELT ESTATES, SECOND ADDITION – ENGINEERING

SERVICES AGREEMENT: Ruder Engineering and Surveying, L.L.C. has submitted an Engineering Services Agreement for the design and inspection of improvements to the Golden Belt Estates, Second Addition. The agreement covers design, bid specifications, contract documents, contractor solicitation, construction inspection, and warranty for an amount not to exceed \$136,300.

Henry Schwaller IV moved, Wayne Billinger seconded, that an Engineering Services Agreement with Ruder Engineering and Surveying, L.L.C., for the design and inspection of improvements to Golden Belt Estates, Second Addition, be approved.

Vote: Ayes: Kent Steward

Wayne Billinger

Barbara Wasinger

Henry Schwaller

16. SPEED LIMIT ON 8TH STREET/HIGHWAY 40: The Citywide Traffic Study

addressed citizen concerns regarding the speed limit on 8th Street east of Vine, and recommended a reduction in speed. City staff conducted speed counts, reviewed accident data, and found it appropriate to reduce the speed limit from

40 mph to 30 mph on 8th Street between Vine Street and 900 feet east of Vine Street.

Henry Schwaller IV moved, Wayne Billinger seconded, that Ordinance No. 3694, being an ordinance amending Title 10, Chapter 10.16 of the City of Hays, Kansas, Municipal Code, by modifying Section 10.16.010, Subsection B.3, regarding speed restrictions, be approved.

Vote: Ayes: Kent Steward
Wayne Billinger
Barbara Wasinger
Henry Schwaller IV

17. NOVEMBER MEETING SCHEDULE: Wayne Billinger moved, Henry Schwaller IV seconded, that the regularly scheduled November 24, 2005 City Commission meeting be changed to Tuesday, November 22, 2005 due to the Thanksgiving holiday.

Vote: Ayes: Kent Steward
Wayne Billinger
Barbara Wasinger
Henry Schwaller

18. REPORT OF THE CITY MANAGER: The City Manager had no additional items to report on.

19. COMMISSION INQUIRIES AND COMMENTS: Chairperson Steward stated that parking in downtown Hays will be discussed at a future work session. The Hays Public Library has made some recommendations in regard to parking.

Chairperson Steward stated he would like to see the City take some leadership in helping low income citizens with their heating bills this winter. He would like to discuss this at a future work session.

Commissioner Billinger suggested the Commission review the program the City followed several years ago that provided assistance to those who needed help with their heating bills.

The City Manager stated staff has discussed this issue. At this point, staff does not have a recommendation or knowledge of the financial wherewithal that

would be available, appropriate, or necessary. Staff will continue to monitor the situation.

Thereupon the Governing Body adjourned.

Submitted by: _____

City Clerk