

December 22, 1994

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays met in regular session, Thursday, December 22, 1994, at 7:30 p.m.

Roll Call: Present: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

Absent: Sharon Leikam

2. MINUTES: Eber Phelps moved, Joseph Glassman seconded, that the minutes of the December 8, 1994, regular session, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

3. FINANCIAL STATEMENT: Joseph Glassman moved, Daniel Rupp seconded, that the Financial Statement for November, 1994, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

4. CITIZEN COMMENTS: There were no comments.

5. COMMISSION INFORMATIONAL MEMORANDUM: Mayor Albers announced that the City has been awarded a \$200,000 CDBG Economic Development Grant on behalf of Hays International Mailing. The Grant will be used to expand their operations, and create an additional 37 jobs.

6. APPROVAL OF COMPREHENSIVE PLAN: Joseph Glassman moved, Daniel Rupp seconded, that Ordinance No. 3329, being an ordinance approving and adopting a Comprehensive Plan for the City of Hays, Kansas, be approved.

Planning Commission Chairman Larry Gould said on behalf of the Planning Commission, Plan consultants, and the

administrative staff, we deliver this plan with a full sense of confidence that the Plan was given adequate deliberation by the Planning Commission and adequate citizen input. He mentioned that the Plan is a living plan and would require yearly review.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

7. WHEATLAND DRIVE AREA SPECIAL ASSESSMENTS: Assistant City Manager Linton Bartlett said the City has received petitions from Western Plains Service Corporation, who own 51 percent of the affected property, requesting street improvements in the Wheatland Drive area. A notice was sent to all affected property owners advising them of the proposed special assessments. A public meeting was held on November 30, 1994 concerning the proposed street improvements.

Two area property owners were present to protest the proposed assessment. One property owner stated that his assessment would be approximately \$500 per year, and he does not live on the street that is being improved.

Assistant City Manager Bartlett said it has been the tradition to assess property owners abutting the street to be improved, and to also assess property owners half way down the side streets. This spreads the total financial burden over more property. It is felt that property owners on the side streets benefit from the improvement.

Discussion took place regarding spreading the assessment over fifteen years rather than the traditional ten years to lessen the financial burden per year. City Manager Zacharias said the Resolutions authorizing the improvement could be approved tonight, and a decision regarding the number of years for payment could be made at a later date. No decision was made regarding the number of years of assessments.

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 162, being a resolution setting out the findings and determination of the Governing Body of the City of Hays,

Kansas, on the advisability of the installation of paving, curbing and guttering of a portion of East 20th Street located in the Golden Belt Eighth Addition to the City of Hays, Kansas, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 161, being a resolution authorizing the installation of paving, curbing and guttering of a portion of East 20th Street located in the Golden Belt Eighth Addition to the City of Hays, Kansas, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 164, being a resolution setting out the findings and determination of the Governing Body of the City of Hays, Kansas, on the advisability of the installation of paving, curbing and guttering of a portion of East 21st Street located in the Golden Belt Eighth Addition to the City of Hays, Kansas, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 163, being a resolution authorizing the installation of paving, curbing and guttering of a portion of East 21st Street located in the Golden Belt Eighth Addition to the City of Hays, Kansas, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 166, being a resolution setting out the findings and determination of the Governing Body of the City of Hays, Kansas, on the advisability of the installation of paving, curbing and guttering of a portion of Wheatland Drive located in the Golden Belt Eighth Addition to the City of Hays, Kansas, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 165, being a resolution authorizing the installation of paving, curbing and guttering of a portion of Wheatland Drive located in the Golden Belt Eighth Addition to the City of Hays, Kansas, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

8. WHEATLAND DRIVE AREA PAVING CONTRACTS: Bids were opened on November 30, 1994, for the paving, curbing and guttering of Wheatland Avenue from 17th Street to the alley north of 21st Street, East 20th Street from Harvest Road to Wheatland Avenue, and East 21st Street from the point where the pavement currently ends to Wheatland Avenue.

Bid results are as follows:

Allied, Inc.	\$226,600.09
Hays, Kansas	
Wes-Kan Construction	\$240,240.65
Hays, Kansas	
Engineer's Estimate	\$324,397.35

Joseph Glassman moved, Daniel Rupp seconded, that the low bid from Allied, Inc., totaling \$226,600.09, for improvements to portions of Wheatland Drive, East 20th Street and East 21st Street, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

9. VINE STREET ENGINEERING AMENDMENT: Bucher, Willis and Ratliff Engineer John Youll said the proposed amendment to the Vine Street Slurry Seal Project is for the redesign of the intersections of 13th and Vine and 22nd and Vine to adjust the concrete approaches on Vine Street.

Eber Phelps moved, Joseph Glassman seconded, that an Amendment to an Engineering Agreement with Bucher, Willis and Ratliff, totaling \$4,700, be approved.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

10. 41ST STREET SEWER BIDS: Engineer Youll said the low bid for the 41st Street Sanitary Sewer Project exceeded the engineer's estimate by \$55,728.51. There was some confusion on the part of the contractors in regard to the requirement of a five year maintenance bond for tamped backfill. Questions in regard to the maintenance bond arose the afternoon prior to the bid opening. There was not sufficient time to send out an addendum. Engineer Youll recommended that all bids be rejected, and the Project be rebid.

Joseph Glassman moved, Daniel Rupp seconded, that all bids for the 41st Street Sewer Project, be rejected and rebid at a later date.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

11. GENERAL SERVICE ENGINEERING AGREEMENT: City Manager Zacharias said this contract with Bucher, Willis and Ratliff covers general engineering services, not to exceed \$25,000.

Commissioner Rupp said he would like to compare the hourly rates for this contract with last year's hourly rates. The Commission agreed to table approval of the contract until last year's hourly rates can be obtained.

12. WATER AND SEWER RATE REVIEW: City Manager Zacharias reviewed various graphs illustrating water consumption in comparison to rain patterns over the last few years. The graphs indicated that even though the summer of 1994 was very dry, water usage was less than previous dry years. This indicates that the water conservation efforts of the citizens of Hays have paid off. However, the decrease in consumption has caused an approximate \$560,000 shortfall in revenue over expenditure projections for 1995. This amount includes depreciation expense. Without depreciation, the shortfall would amount to approximately \$228,000, or a 12 percent deficit.

A 33 percent increase in sewer revenue would be necessary to meet sewer expenditures in 1995. This increase is partly due to a \$400,000 annual loan payment for improvements to the Wastewater Treatment Plant.

City Manager Zacharias asked for some direction as to what method the Commission wishes to use to obtain the necessary revenue. He pointed out that presently, 80 percent of water revenue comes from residential customers. One area to consider would be the nonprofit and commercial rate category, which under the current rate structure are very low in comparison to residential rates.

City Manager Zacharias said under the present rate schedule, which is an aggressive, stair step rate system, the majority of customers use less water and avoid a surcharge, thus the present surcharge has generated very little revenue.

Commissioner Rupp said he was not opposed to a minimal increase in the base charge, but opposed a flat across-the-board increase.

The Commission felt the equity issue of residential, commercial and nonprofit water customers should be addressed. They asked for more time to study the information presented tonight, and ask City staff to prepare various rate scenarios to generate the needed revenue.

13. BOUNDARY ORDINANCE: Joseph Glassman moved, Eber Phelps seconded, that Resolution No. 167, being a resolution re-defining the boundaries or corporate limits of the City of Hays, Kansas, as required by Section 12-517 of Kansas Statutes annotated, be approved.

City Manager Zacharias said this Resolution is required annually, if annexation has taken place during the year.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

14. UNION PACIFIC AGREEMENTS: City Manager Zacharias explained that the three supplemental agreements with Union Pacific Railroad Company are for the use of railroad right-of-way for water and sewer lines. The supplemental agreements include an indefinite extension of the agreements and eliminate annual rentals. The one-time fee for all three agreements is \$7,010.

Commissioner Rupp asked if we could request that Union Pacific improve the Elm Street Crossing which they promised to do more than a year ago. The City has spent a great amount of money to improve railroad crossings in the City. It is time for the Railroad to take some responsibility. City Manager Zacharias said he can understand the frustration of this issue, but the City has no leverage. There is speculation that the railroad will reduce the number of crossings within a City, rather than improve them. The only leverage to pursue would be to reduce the train speed limit within the City.

Joseph Glassman moved, Eber Phelps seconded, that the Mayor be authorized to sign three separate agreements with Union Pacific Railroad Company providing for perpetual easements for City water and sewer lines.

Vote: Ayes: Robert Albers
Joseph Glassman
Daniel Rupp
Eber Phelps

15. CEREAL MALT BEVERAGE LICENSES: Joseph Glassman moved, Eber Phelps seconded, that the Cereal Malt Beverage Licenses for 1995, as attached hereto, be renewed.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

16. CARRY-OVER FUNDS: Eber Phelps moved, Joseph Glassman seconded, that the following 1994 budgeted expenditures be encumbered in the 1995 Budget.

General Fund

Sound System for City Commission Room	\$10,000
Computer for Deputy Fire Chief	\$ 5,000

Water Fund

Painting Primary Clarifier No. 1	\$20,000
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Special Highway Fund

Slurry Seal Funds	\$80,000
Soil Testing - Railroad Corridor Project	\$4,000

<u>Total</u>	\$119,000
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Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

17. APPOINTMENTS: The Business Improvement District appointments were tabled until the next meeting.

Joseph Glassman moved, Daniel Rupp seconded, that Eber Phelps be designated to act as a City representative to the Ellis County Coalition for Economic Development.

Vote: Ayes: Robert Albers
Daniel Rupp
Joseph Glassman
Eber Phelps

18. ADD-ON ITEMS: City Manager Zacharias thanked the City Commission, particularly Mayor Albers; City staff, and all the volunteers for all the work on the Cessna Program. We should be proud that we made the final list of five. We need to keep our head up and move forward; using what we learned for future actions.

Commissioners commended Police Chief Lawrence Younger, for the recognition he recently received for his years of service.

Commissioner Phelps said losing Cessna was disappointing, but he felt comfortable that the best effort was made, and we need to move forward.

Commissioner Glassman said the "Kansas City Star" has stated that Hays was the number two choice for Cessna. The citizens of Hays deserve credit. We need to move on; something else will come along.

Commissioner Rupp thanked the voters for approving the sales tax election and positioning Hays for economic growth. From a quality of life standpoint, Hays was second to none, but he concluded that quality of life was not as significant as the bottom line.

Mayor Albers said he still felt a great sense of disappointment over Cessna. It was unique to see the citizens of Hays pull together for the cause. He commended City Manager Zacharias, Lavern Squier, and Dr. Edward Hammond for their sincere, impressive presentation to Cessna.

Thereupon the Governing Body adjourned.

Clerk of the Board

