

February 10, 1994

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays met in regular session, Thursday, February 10, 1994, at 7:30 p.m.

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

2. MINUTES: Robert Albers moved, Sharon Leikam seconded, that the minutes of the January 27, 1994, regular session, be approved.

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

3. CITIZEN COMMENTS: There were no comments.

4. COMMISSION INFORMATIONAL MEMORANDUM: City Manager Zacharias reviewed a graph illustrating building trends from 1984 through 1993. A dramatic drop off in the number of building permits issued occurred in 1986, and remained low until 1992. Commissioner Rupp said the building trend coincides with the closing of the Travenol Plant in 1984, and the reduction in oil prices beginning in 1986.

5. 1994 WATER REVENUE REVIEW: City Manager Zacharias reviewed a graph illustrating water consumption patterns since 1990. He said projections were made as to whether or not (given a normal or dry summer) consumption would increase during the summer months. If so, would this be enough to generate the needed shortfall without increasing rates and remain within the existing allocation system?

The greatest potential for increased usage would be between the months of May and October. Staff's research indicates that if during this time period usage was to increase by

approximately 35% above 1992 and 1993 usage levels, enough revenue could be generated to hold off a rate increase.

As a result, City staff suggests that if the City experiences a normal or dry summer, and if consumers are willing to spend more for outside watering than the the amount spent in 1993 for similar activities, a proposed rate increase could be held in abeyance. While the ability to increase revenues by increasing consumption, instead of increasing water rates is risky, it is not beyond the realm of reasonable projections. Should revenues not be realized, reduction in spending would be required. This action will result in month to month monitoring by City staff.

Staff also discussed the idea of imposing a surcharge for water use. Because so few water users exceed their allocation, any surcharge would have to be extremely high to generate any significant revenue based on the current allocation plan. Therefore, City staff did not pursue the surcharge option any further.

Commissioner Rupp said he is concerned that people are not going to want to use more than their allocation. If we are trying to raise revenue, we may not reach our goal. He felt the best method of raising revenue would be to impose a surcharge for high water users. City Manager Zacharias said the people who exceed their allocation are at various usage levels. City staff questioned how to implement this plan.

Commissioner Glassman said he would need to see an analysis of this plan before he could make a decision. The allocation system is very flexible, it may be feasible to raise the allocation or do away with it entirely and see what happens. We have water to sell. The allocation system can always be reestablished.

Commissioner Rupp said the surcharge is an opportunity to gain revenue from the high water users. He favors leaving the allocation system in place, and impose a nonrefundable surcharge instead of a penalty.

Mayor Phelps pointed out that the high water users are a

small percentage. This may not generate enough revenue.

Commissioner Leikam said we are sending mixed messages. If we have to go back to being conservative, it will be difficult.

Mayor Phelps said the bottom line is we have a bond obligation to meet. If a shortfall occurs, what are our options? City Manager Zacharias said we would have to cut back on equipment purchases, or fund the bond obligation out of reserves. Using reserves, could result in a budget violation.

The Commission directed the City Manager to prepare an analysis using the surcharge method for review at the next meeting.

6. CDBG STROMGREN GRANT PUBLIC HEARING: Mayor Phelps opened a public hearing to receive comments regarding the close out of the CDBG Grant for Stromgren Supports.

Steve Arensdorf, representing Stromgren Support, said the Grant was used to expand marketing in foreign countries. This has proven to be a successful venture. The Company has experience growth in overseas marketing over the past fourteen months. He extended appreciation to the Commission for their support.

Bill Strait, Grant Administrator, said Stromgren Support met all of the CDBG requirements. Originally, the intent was to create and retain 34 jobs, and they have created and retained 39 jobs.

There being no further comments, Mayor Phelps closed the public hearing.

7. DIGESTER COVER ENGINEERING AGREEMENT: City Manager Zacharias said City staff has reviewed the Engineering Agreement for the digester cover repairs. We have been able to trim back the services that we think are appropriate, reducing the Agreement by \$5,000.

Daniel Rupp moved, Sharon Leikam seconded, that an Amendment to the Engineering Agreement with Black & Veach, for digester cover repairs, totaling \$7,000, be approved.

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

8. NORTHWEST SEWER LINE ENGINEERING SERVICE AGREEMENT: Joseph Glassman moved, Daniel Rupp seconded, that an Engineering Agreement, with Bucher, Willis and Ratliff, in an amount not to exceed \$27,900, for the replacement of a sewer interceptor line north of 41st Street and west of Hall Street, be approved.

City Manager Zacharias said this project has been moved ahead of schedule, per your instructions, to coincide with the laying of water lines along 41st Street in 1994.

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

9. CDBG GRANT ADMINISTRATIVE SERVICES CONTRACT: City Manager Zacharias said this Contract is for Grant administration services for the CDBG Grant awarded to A-1 Plank. These services will be paid 100 percent by the grant proceeds.

Robert Albers moved, Sharon Leikam seconded, that a Contract totaling \$14,420, with Bucher, Willis and Ratliff to administer the CDBG Grant for A-1 Plank, be approved.

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

10. GOLF COURSE MAINTENANCE CONTRACT: City Manager Zacharias said bids were solicited for this service in area newspapers with Neil DeWerff being the only responding bidder. Mr. DeWerff's bid was \$67,250. A total of \$71,500 was budgeted in 1994 to accommodate personnel and consulting fees for this identical activity.

City Manager Zacharias said it is our intent to make this a one year contract with a review following the summer season to insure that the course is adequately maintained.

Commission Glassman said he supported this idea, but questioned what the check and balance would be on private enterprise. How will we know what services are being done, and are they being done in a timely manner?

City Manager Zacharias said Park Director John Shaver has mapped out a performance schedule. Mr. DeWerff will be monitored by City staff as well as the Golf Course Advisory Committee.

Commissioner Rupp asked how much City staff time will be involved in overseeing the services. City Manager Zacharias said at the present time Mr. Shaver does a great amount of oversight. This is why the Contract is only for one year. We will reevaluate the services next year.

Joseph Glassman moved, Sharon Leikam seconded, that a Contract with Neil Dewerff, totaling \$67,250, for golf course maintenance services, be approved.

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

11. VEHICLE BID FOR WASTEWATER TREATMENT PLANT: Bids for a 4 X 4 Pickup for the Wastewater Treatment Plant were opened on January 28, 1994. The bids are as follows:

Paul MacDonald Chevrolet Inc.	\$14,190.03
Hays Ford Toyota	14,903.25
James Lincoln Mercury GMC	15,695.00

Joseph Glassman moved, Daniel Rupp seconded, that the bid from Paul MacDonald Chevrolet, Inc., totaling \$14,190.03, for a 4 X 4 Pickup, be accepted.

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

12. ADD-ON ITEMS: City Manager Zacharias updated the Commissioners on proposed legislation regarding the Open Meetings Act. Under this proposed legislation a casual meeting between two Commissioners could be a violation of the Open Meetings Act.

The Commission felt this legislation would be entirely too restrictive; they directed the City Manager to send a letter expressing opposition to this legislation.

City Manager Zacharias said Representative Delbert Gross has proposed a Constitutional Amendment making it illegal for the federal or state to impose mandates which would not be funded by the state or federal government.

Commissioner Glassman, who is a member of the Kansas Water Authority, reported that the State of Kansas has purchased the water rights to Cedar Bluff Reservoir from the Bureau of Reclamation.

Commissioner Glassman said the State of Kansas is expected to receive several million dollars from FEMA to aid flood damaged areas. Hays is eligible to apply for this funding. This may help to resolve some of our flood control issues.

Commissioner Glassman said he would like to pursue a City Commission Internship Program for college and high school students.

Commissioner Rupp asked how much it will cost the City, if the League of Kansas Municipalities purchases a new building to house the League offices. City Manager Zacharias said the City would be assessed between \$1,200 and \$1,600, per year for 20 years. Commissioner Rupp questioned whether cities should be assessed for this building. The building is located in Topeka, and Topeka receives benefits. Another option may be to use grant funds to finance the building.

Commissioner Leikam said it has been brought to her attention that a Hays resident has a cougar in his home. She has discussed this issue with wildlife authorities and Niki Philips, Animal Control Officer. Commissioner Leikam is very concerned about public safety, should the animal ever get out of its cage. She asked that this issue be researched and discussed further at a Commission Meeting with Ms. Philips present.

Mayor Phelps recognized a communications student and several nursing students from Fort Hays State University, who were in attendance as part of a class assignment.

Thereupon the Governing Body adjourned.

Submitted by _____
Clerk of the Board