

July 28, 1994

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays met in regular session, Thursday, July 28, 1994, at 7:30 p.m.

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

2. MINUTES: City Clerk Susie Grabbe made a correction on Item No. 12 regarding the lettering on the water tower. The first motion made by Commissioner Glassman and seconded by Commissioner Phelps should have included that the cost of the lettering will be paid by the City of Hays.

Commissioner Glassman questioned the wording of another motion regarding the lettering on the water tower. The City Clerk said she would listen to the tape of the meeting and report at the next meeting.

Sharon Leikam moved, Daniel Rupp seconded, that the minutes of the July 14, 1994, regular session, be approved, as corrected.

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

3. FINANCIAL STATEMENT: Eber Phelps, Daniel Rupp seconded, that the Financial Statement for June, 1994, be approved.

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

4. CITIZEN COMMENTS: There were no comments.

5. COMMISSION INFORMATIONAL MEMORANDUM: Mayor Albers ques-

tioned whether the recently passed City policy dealing with absenteeism on various City boards would apply retroactive for past absences. City Manager Zacharias said the policy became effective January 1, 1994. Any absences prior to January 1, 1994 would not count under the new policy.

Commissioner Glassman questioned whether the concrete scaling at 20th and Main would be repaired by the contractor. City Manager Zacharias said this is still a punch list item.

Commissioner Glassman cautioned against using salt on new concrete. City Manager Zacharias said the City does not use any more salt than absolutely necessary. Whenever possible sand is used, and a salt and sand mixture is used at the intersections.

6. BUDGET HEARING DATE: Joseph Glassman moved, Daniel Rupp seconded, that the public hearing for the 1995 Budget be held on August 11, 1994.

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

7. 1993 AUDIT: Ken Beran and Steve Baumrucker, City auditors, reviewed the 1993 Audit Report with the Commission. Mr. Beran said there were no budget violations and the overall financial condition of the City is sound. He pointed out that the General Fund cash carry-over is decreasing. It is important to maintain an amount equal to two months expenditures. The decrease is due to the tax lid, which limits the amount of tax dollars that can be levied. It has been necessary to use cash carry-over to fund the necessary expenses in the General Fund.

Mr. Beran pointed out that while the Water Sewer Fund has a substantial amount of cash at the end of 1993, capital improvements budgeted for 1994 and 1995 will drastically decrease that cash. A water rate increase will be necessary to fund future capital improvements.

Mr. Beran recommended that an account be set up to track prior year encumbrances. He also recommended a daily accounts

payable ledger be utilized.

A lengthy discussion took place regarding the City's purchasing policy. Commissioner Glassman expressed concern over the fact that purchase orders were not required on small local purchases. City staff explained the purchasing procedure to the Commission. Commissioner Glassman said he just wanted to be assured that a proper check and balance system was in place regarding purchases.

Daniel Rupp moved, Joseph Glassman seconded, that the 1993 Audit Report, be accepted.

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

8. CHARTER ORDINANCE: City Manager Zacharias said the proposed Charter Ordinance would exempt all expenditures related to police, fire and streets in the General Fund from the State imposed property tax lid. Due to the tax lid, the City cannot increase property taxes for General Fund expenses including police, fire, and street activities. The proposed Charter Ordinance will provide future City Commissions with the flexibility to increase property taxes by exempting police, fire, and street expenditures from the General Fund tax lid.

If the proposed charter ordinance is approved, the ordinance must be published and then withstand a 60 day protest period. Should a petition be submitted by 10 percent of the voters, that voted in the last City election, the issue would then be placed on the November ballot.

Eber Phelps moved, Daniel Rupp seconded, that Charter Ordinance No. 17, being an ordinance, exempting the City of Hays, Kansas from the provisions of K.S.A. Supp. 79-5028, and providing substitute and additional provisions on the same subject, increasing the rate levy limit, be approved.

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

9. HAYS PLAZA APARTMENTS: H. D. Woods, developer, and Ken Kraus, Chairman, Epworth Plaza, Inc. were present to answer questions regarding tax credits for Hays Plaza Apartments.

The credit is designed to stimulate private investment into the development of affordable rental housing for low income people. The credit is a major source of equity that can provide up to 35 percent of a project's development costs.

Daniel Rupp moved, Joseph Glassman seconded, that a letter of support be sent to the Kansas Department of Commerce and Housing regarding tax credits for Hays Plaza Apartments.

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

10. SPECIAL ASSESSMENT DISTRICT: City Manager Zacharias said a petition has been filed requesting that a special assessment district be formed to finance the installation of water lines, sanitary sewer lines, and paving within Blocks 2 and 3 of 41st Street Plaza First Addition.

The total estimated cost for these improvements is \$417,700 which would be split as follows: special assessment district - \$382,613; City-at-large - \$35,087. The city-at-large portion is for the intersections and the overage on the water lines in accordance with past practices. This special assessment district would be the first one to utilize the provisions in the newly adopted Development Policy, allowing developers to special assess all improvements within a development over a 15 year period. The developer is required to provide the City with an irrevocable letter of credit equal to 30 percent of the total

cost prior to any construction contracts being let.

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 151, 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 water lines, sanitary sewer lines, and the grading, paving, curbing and guttering of Smoky Hill Drive, Truman Circle, and a portion of Washington Circle all to be located in the 41st Street Plaza First Addition to the City of Hays, Kansas, be approved.

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

Joseph Glassman moved, Daniel Rupp seconded, that Resolution No. 152, being a resolution establishing a Special Assessment District for the installation of water lines, sanitary sewer lines, and the grading, paving, curbing and guttering of Smoky Hill Drive, Truman Circle and a portion of Washington Circle all to be located in the 41st Street Plaza First Addition to the City of Hays, Kansas, be approved.

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

11. PRE-ANNEXATION AGREEMENT: City Manager Zacharias said Oakley and Alberta Pierce, 2740 East 8th Street would like to connect to the existing City sewer line located on East Highway 40 leading to the Airport Industrial Park. As per established City policy, all such requests must come before the City Commission for approval. Following previous City Commission actions, the staff has requested that the Pierce's sign a pre-annexation agreement prior to being connected to the City sewer system. The agreement states that when the city limits extends to the point that it touches anywhere along the existing property, the

City has the right to file this annexation petition and thus annex the property. In the interim, the Pierces and any of their future owners would be allowed to use the City sewer system at the outside City sewer rates.

Eber Phelps moved, Daniel Rupp seconded, that a pre-annexation agreement from Oakley and Albert Pierce of 2740 East 8th Street, be approved, subject to the payment of \$463 for their proportional cost of placing the sewer line accessible to their property equaling one-half the eight inch sewer line installation cost.

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

12. FIRING RANGE LEASE: City Manager Zacharias said for many years the City of Hays Police Department has been using property west of town owned by Alan and Bonnie Schenk as a firing range. Improvements have been made to this property, however, without a formal lease for the property.

Daniel Rupp moved, Sharon Leikam seconded, that a 50 year lease agreement between the City of Hays and Alan and Bonnie Schenk for property used by the Hays Police Department for a firing range, contingent upon a more specific legal description of the property included in the lease agreement, be approved.

The Commission expressed appreciation to the Schenks for the use of the land, at no cost to the City.

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

13. ENGINEERING AGREEMENT AMENDMENT: City Manager Zacharias said the proposed amendment to the original Engineering Agreement for the Water Tower Project includes an exterior lighting system, and two Remote Terminal Units to the existing Radio

Telemetry System located at the Water Plant. The lighting system will be used to light the exterior of the new tower at night. The Telemetry System will connect to the SCADA System. The total cost of the amendment to the Contract is 6,948.

Commissioner Glassman questioned why these two basic items were omitted from the original contract. Bill Strait, representing Bucher, Willis and Ratliff, said in some instances the City will install the lighting system. As the SCADA System was under contract with Black and Veatch, it would have been logical for them to provide engineering for this phase also. It is his understanding, that there have been problems with the SCADA System and the City is not satisfied with the firm's work.

Commissioner Glassman said changing engineers will not solve this problem. The firm needs to be held accountable for their work. City Manager Zacharias said they will be held accountable, but the amount proposed by Black and Veatch to do this additional work would have been \$8,600. Commissioner Glassman said he was not comfortable having two different firms dealing with the same system. Mr. Strait said his firm has successfully designed similar systems, and can guarantee that the portion of the Project done by Bucher, Willis and Ratliff will work.

The Commission table action on this issue until more information can be obtained.

14. CHANGE ORDER: Joseph Glassman moved, Sharon Leikam seconded, that Change Order No. 1, a deduction of \$390, to the Water Tower Project, be approved.

City Manager Zacharias noted that Change Order No. 1 includes painting "Hays" on the water tower, and the elimination of fencing (to be installed by City crews).

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

15. BEER LICENSE: Sharon Leikam moved, Daniel Rupp seconded,

that a Cereal Malt Beverage License for CERV's Inc., 2701 Vine, be approved.

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

Abstain: Joseph Glassman

16. APPOINTMENTS: Joseph Glassman moved, Eber Phelps seconded, that the Mayor's appointments to the various boards, be approved, as follows:

Business Improvement District

Jeff Nelssen

Beautification Committee

Virgil Howe
Marianna Beach

Strategic Planning Financial Committee

Neil Dreiling
Martha Roberts
T. R. May
Paul MacDonald

Robert Albers moved, Joseph Glassman seconded, that the Commission recess to executive session for the purpose of discussing acquisition of real property, for 30 minutes, returning at 10:02 p.m.

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

No: Daniel Rupp

Mayor Albers called the meeting back to order at 10:04 p.m. He said acquisition of real property was discussed during the executive session. No action is necessary.

Joseph Glassman moved, Sharon Leikam seconded, that the

Commission recess to executive session for the purpose of discussing acquisition of real property for 30 minutes, returning at 10:35 p.m.

Vote: Ayes: Robert Albers
Sharon Leikam
Joseph Glassman
Eber Phelps
No: Daniel Rupp

Mayor Albers called the meeting back to order at 10:30 p.m. He announced that discussion of acquisition of real property took place during the executive session. No action is necessary.

17. ADD-ON ITEMS: City Manager Zacharias mention that the City has received a check totaling \$3,210 from the Men's Golf Association, which is the proceeds of a recent fund raising event. The money is to be used for the Golf Course Expansion Project.

Commissioner Leikam thanked City staff for their time and efforts put into the preparation of the 1995 Budget.

Commissioner Leikam asked for an overall review of the Fort Hays State University Scholarship Program.

Mayor Albers said he is frustrated over the two possible sites selected for a Subtitle D Landfill. One site is above valuable groundwater sources, and the other is near Cedar Bluff Reservoir.

At the time discussions for a joint pipe line in Trego County took place, Trego County Commissioners told the City they needed that water for economic development purposes, and then they turn around and risk contaminating the water by placing a landfill near the water supply.

Mayor Albers said if this is the plan, they would have no support from him. It makes more sense to place the landfill in an area where there is no groundwater, and also closer to its biggest participant.

Thereupon the Governing Body adjourned.

Submitted by _____

Clerk of the Board