

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON SEPTEMBER 26, 1996

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays met in regular session, Thursday, September 26, 1996, at 7:30 p.m.

Roll Call: Present: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

Mayor Rupp declared that a quorum was present and called the meeting to order.

Mayor Rupp welcomed Boy Scout Cub Pack #111 to the meeting.

2. MINUTES: Eber Phelps moved, Sharon Leikam seconded, that the minutes of the September 12, 1996, regular session, be approved.

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

3. FINANCIAL STATEMENT: Commissioner Wuertz noted that sales tax revenue is down somewhat compared to the same time period last year. Mayor Rupp noted that expenditures in the General Fund are below the norm and revenues are above. Revenue is also higher in the Water Fund. City Manager Zacharias felt this was probably due to newly installed lawns and landscaping.

Jayne Clarke moved, Eber Phelps seconded, that the Financial Statement for the month of August, 1996, be approved.

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

4. CITIZEN COMMENTS: Harlan Murphy, chairman of the Hays Housing Authority, addressed the Commission. Mr. Murphy reported the Hays Housing Authority has received notice from the U.S. Department of Housing and Urban Development that the application for Comprehensive Improvement Assistance Program funding, in the amount of \$206,000, has been approved. These funds will be used to update and upgrade the grounds, living units and the office. Mayor Rupp thanked Mr. Murphy, the Board of Directors, and Executive Director Charlene Barber for their efforts in securing this funding.

Ray Winters, citizen, distributed a budget summary from the City of Salina, Kansas. Mr. Winters feels Salina has some good ideas and feels Hays could emulate, or do even better than Salina.

5. COMMISSION INFORMATIONAL MEMORANDUM: Commissioner Clarke stated she noticed in the Hays Recreation Commission minutes there was discussion about closing Massey Swimming Pool. City Manager Hannes Zacharias stated there is discussion among the Recreation Commission concerning the value of keeping the pool open versus the costs. Massey Pool is in bad condition and the personnel does not feel the pool is used as frequently as Sunrise Pool. The final decision to close the pool will rest with the City Commission.

Commissioner Leikam commended police officers Matt McNemee and Dennis Schumacher regarding the SWAT and Emergency Response Team training.

Commissioner Phelps asked the City Manager who would be dividing up the Emergency Air Service funding of an additional \$18,000,000 in 1997. Mr. Zacharias said the distribution of funds will probably be done by the FAA. The City Manager also stated he will be urging Congress to reinstate dual hub service.

6. CONSENT ITEMS: Errol Wuertz moved, Jayne Clarke seconded, that the following recommended Mayor's appointments, be approved.

Convention and Tourism Committee

Dr. Jerry Choate - unexpired term ending December 1, 1996

Kent Werth - unexpired term ending December 1, 1998

Recreation Commission

Ray Haas - unexpired term ending August 1, 2000

Beautification Committee

Connie Wilson (Garden Clubs) term ending August 1, 1999

Judy Folsom (Shade Tree) term ending August 1, 1999

Ann Furman (Hays Arts Council) term ending August 1, 1999

Karen Beal (Garden Clubs) unexpired term ending August 1, 1998

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

7. STERNBERG MUSEUM GRANT: City Manager Zacharias reported the City of Hays, in cooperation with Fort Hays State University, has received a grant from the Economic Development Administration to construct an access road to the proposed Sternberg Museum of Natural History. Fort Hays will administer this grant.

Sharon Leikam moved, Jayne Clarke seconded, that the Mayor be authorized to sign a Financial Assistance Award Agreement with the U.S. Department of Commerce to pave Sternberg Drive.

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

8. PAVEMENT MANAGEMENT SERVICES: City Manager Zacharias recommended the Commission accept a proposal from E. T. Archer and Associates to conduct a pavement management survey of city streets.

Brenda Cary, Assistant Director of Public Works, reported staff has researched pavement management system providers, and has selected E. T. Archer and Associates as having the best program that fits within the City's financial resources. Their program will aid Public Works staff and the Citizen's Committee on Street Maintenance in evaluating and recording existing street conditions, projecting costs, and prioritizing the repairs and replacement of streets. Ms. Cary stated the basic contract is for \$21,550, with an additional cost of \$5,000 to purchase GIS MapInfo. The MapInfo software is convertible to other GIS formats for future networking capabilities.

Jayne Clarke moved, Errol Wuertz seconded, that the proposal from E. T. Archer and Associates to conduct a pavement management survey of city streets at a cost of \$26,550, be approved.

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

9. BACKHOE BIDS: Bids were received from the following for the purchase of a new loader/backhoe:

Foley Tractor	Caterpillar 416 C	\$73,830.96
Murphy Tractor	John Deere 310 D	65,006.73
Victor L. Phillips	Case 580 SL	64,641.35
Foley Tractor	416 B	76,486.70

Eber Phelps moved, Sharon Leikam seconded, that the bid

from Victor L. Phillips for the purchase of a new loader/backhoe for a total cost of \$64,641.35, be approved.

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

10. SEWER DISTRICT AGREEMENTS: Both Big Creek Sewer District and Prairie Acres Sewer District signed separate agreements with the City of Hays in January of 1983, to provide sewage treatment services. The rate established in these contracts was at 1.5 times the amount charged to residential customers of the City for sewage disposal. From 1983 to 1991 both Districts faithfully paid the amount billed by the City using this rate structure based on flows measured through devices established by the Districts.

In 1992, the City Commission increased sewer rates to accommodate the newly expanded Wasterwater Treatment Plant. The Commission at that time set up a rate structure where all customers were bracketed into a classification system based on either residential or commercial usage, meter sizes and/or usage. Additionally, the Commission set up a category for "nonprofit" users. With the new rate structure the Districts would have seen their rate increased eight times. Based on this high increase, representatives from both Districts met with City Manager Ken Carter to develop an alternate rate structure. At that time, it was decided to allow the Districts to be categorized as outside city limit "nonprofit" customers to take advantage of that particular rate, which was a 2.6 times increase over what they were paying previously. Through 1992 and most of 1993, both Districts faithfully paid the amount charged by the City at 1.7 times the inside nonprofit rate.

In the latter part of 1993, representatives from the Districts contended that charges made by the City were unfair because 1) the volumes for sewage treatment were allegedly inaccurate; and 2) charging premiums rates for outside city

limit customers was allegedly illegal. Since that time the Big Creek Sewer District has been paying the inside city limit nonprofit rate of \$1.00 per hundred cubic feet of sewage as measured by their own independent calculations. This amount has been significantly less than what has been billed to them by the City. Prairie Acres Sewer District has been paying amounts equal to the amount of revenue received from the District irrespective of the amount billed by the City. The difference between the amount owed and the amount paid for both Districts has resulted in a substantial arrearage owed the City by both Districts.

City staff has been working with attorneys for both Districts to resolve this dispute. New flow meters have been installed in different locations to insure accurate measurements for sewage discharges. Numerous conversations have been conducted between the Kansas Department of Health and Environment officials and Federal Environmental Protection Agency officials to determine what legal standing the City has in requiring a premium payment for sewage services to those who are not annexed into the City.

In August of this year, both Districts and City staff came to a resolution of this matter. The resolution involves signing of an amendment to the existing 1983 agreement, stating the Districts will be charged the commercial outside city limit rate. The resolution also states the amount owed will be based on the amount of volume recorded by the City. The agreement also stipulates a payment plan for the arrearage as follows:

1. Beginning April 1, 1996, volumes for sewage disposal as recorded by the City (versus the District) will govern the amount owed to the City of Hays.
2. Beginning April 1, 1996, the amount owed to the City of Hays for sewage services on a quarterly basis will be the amount of volume recorded by the City times the amount charged for commercial customers plus a 70% premium, as prescribed by City ordinance.
3. An arrearage of \$77,343.78 for Big Creek Improvement

District will be paid back to the City of Hays, in addition to quarterly fees, over a two-year or perhaps longer period beginning January 1, 1997. Unless modified, quarterly payments of \$9,667.91 will be due beginning January 31, 1997, and each three months following until the full amount of \$77,323.78 is paid ending with the last payment due on January 31, 1999.

4. Prairie Acres Improvement District shall pay \$10,000 in arrearage, in addition to the quarterly fee, in one lump sum, due on or before January 31, 1997.
5. All future disputes regarding charges and user fees will follow procedures authorized in City ordinances.

John Bird is drafting the details of this amendment. City Manager Zacharias recommends the City Commission authorize the resolution of this settlement.

Sharon Leikam moved, Jayne Clarke seconded, the City of Hays accept modifications to the existing agreements with the Big Creek Sewer District and Prairie Acres Sewer District.

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

11. LEAGUE VOTING DELEGATES: Jayne Clarke moved, Sharon Leikam seconded, that Daniel Rupp, Eber Phelps, Errol Wuertz, and Sharon Leikam be nominated to be the City of Hays' voting delegates and four City staff members be designated as alternates.

Vote: Ayes: Daniel Rupp
Eber Phelps
Jayne Clarke
Errol Wuertz
Sharon Leikam

12. ADD-ON ITEMS: City Manager Zacharias stated the Canadian

Air Force precision flying team "The Snowbirds" will be in Hays on October 9th. The performance will start at 5:00 p.m. A reception will be held on October 8th at the Holiday Inn at 6:30 p.m. for anyone who is interested in visiting with the pilots.

Commissioner Wuertz congratulated Kent Steward for his article in the Kansas Government Journal regarding Hays being designated an All-America City.

Commissioner Leikam wanted to assure the community that nothing illegal occurred during the August 22, 1996, meeting when the City Commission approved the plat on a parcel of land in which Commissioner Wuertz was the real estate agent.

Thereupon the Governing Body adjourned.

Submitted by: _____

Clerk of the Board