

MINUTES OF A MEETING OF
THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON AUGUST 12, 1999

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session, Thursday, August 12, 1999, at 7:30 p.m.

Roll Call: Present: Wayne Billinger
Troy Hickman
Henry Schwaller IV
Larry Schmidt
Howard Rome

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

2. MINUTES: Howard Rome moved, Troy Hickman seconded, that the minutes of the regular session held on July 22, 1999, be approved.

Vote: Ayes: Wayne Billinger
Troy Hickman
Henry Schwaller IV
Larry Schmidt
Howard Rome

3. CITIZEN COMMENTS: There were no comments.

4. COMMISSION INFORMATIONAL MEMORANDUM: The study session to review Wes-Kan and J Corp activities has been rescheduled for August 23, 1999 at 7:00 p.m. in the Commission chambers.

5. CONSENT ITEMS: Troy Hickman moved, Larry Schmidt seconded, that a Cereal Malt Beverage License for Greeks Pizzeria, 130 West 9th Street, be approved, and further that the street from 126 West 9th Street to 132 West 9th Street, be closed from 6:00 p.m. to 9:00 p.m. on Monday, August 23, 1999.

Vote: Ayes: Wayne Billinger
Troy Hickman

Henry Schwaller IV

Larry Schmidt

Howard Rome

6. 2000 BUDGET: A. Mayor Billinger opened a public hearing regarding the 2000 Budget.

There being no comments, Troy Hickman moved, Howard Rome seconded, that the public hearing be closed.

Vote: Ayes: Wayne Billinger

Troy Hickman

Larry Schmidt

Howard Rome

No: Henry Schwaller IV

B. Commissioner Schwaller stated he would be voting against the potential mill levy increase, due to the economics of the community and because the City does not have a clear direction of how it spends its money.

Commissioner Schmidt stated he would also be voting against approval of the 2000 Budget. City staff is growing at a greater rate than the population. Because of the addition of equipment and four additional staff members in 2000, it will be hard to trim expenses in the year 2001. The City should be eliminating positions instead of adding them. Personnel and equipment costs are ongoing and will drive the budget up in succeeding years. The proposed 2.5% wage increase is not fair; 2.5% of management wages is a larger increase than the union employees receive.

Commissioner Hickman stated he could not say there would be a mill levy increases every year because of what was budgeted in 2000. Our community is growing and we need to continue providing services that our citizens have grown accustomed to receiving.

Commissioner Rome stated the City of Hays has a high caliber staff and it is necessary to compensate them comparable to their peers.

Mayor Billinger stated he did not like to see taxes increase either. This budget is paying for services and maintenance items the city needs.

City Manager Hannes Zacharias stated that General Fund expenditures have decreased by \$400,000. Commissioner Schwaller stated the dollar amounts in the budget are not solely from the mill levy, they include money that is rolled over from the previous year and includes revenue from other sources. Since 1998, valuations have increased 9.5%, but City expenditures have increased 11.2%.

Mayor Billinger stated he welcomes any ideas from Commissioners that would improve the budget process. The incumbent Commissioners have been very innovative and have initiated many new ideas for improvement. Commissioner Hickman stated the budget was worked on as a unit; there were some things that any one of the Commissioners would have liked to add, change, or delete. The 2000 Budget was the consensus of the Commission. Commissioner Rome stated a lot of effort was put into the budget; if Commissioners Schwaller and Schmidt had more concerns, they should have voiced them earlier.

Troy Hickman moved, Howard Rome seconded, that Ordinance No. 3470, being an ordinance attesting to the possible increase in taxes levied for budget year 2000 necessary to finance public services for the City of Hays, be approved.

Vote: Ayes: Wayne Billinger

Troy Hickman

Howard Rome

No: Henry Schwaller IV

Larry Schmidt

C. Troy Hickman moved, Wayne Billinger seconded, that Ordinance No. 3469, being an ordinance approving, adopting and appropriating by fund the budget of the City of Hays, Kansas, for the year beginning January 1, 2000, be approved.

Vote: Ayes: Wayne Billinger

Troy Hickman

Howard Rome

No: Henry Schwaller IV

Larry Schmidt

7. SHERMAN LOT BIDS: Bids received for Lots 2 through 9 located on Sherman Avenue between 30th and 33rd Streets were considerably lower than the appraised value.

Troy Hickman moved, Howard Rome seconded, that all bids received for Lots 2 through 9 located on Sherman Avenue between 30th and 33rd Streets, be rejected.

Vote: Ayes: Wayne Billinger

Troy Hickman

Henry Schwaller

Larry Schmidt

Howard Rome

8. AIRPORT AGRICULTURAL CHEMICAL STORAGE AND HANDLING

POLICY: The Hays-Ellis County Planning Commission evaluated proposed amendments to the current Zoning and Subdivision Regulations which would address the storage and handling of agricultural chemicals as it relates to the Hays Municipal Airport. After consulting with Bucher, Willis, and Ratliff, Community Development Coordinator Kent Laas recommended to the Planning Commission that the best approach would be to add one sentence to Item 12 of the current Supplementary District Regulation. This sentence would state that chemicals shall be stored and handled in accordance with City of Hays Policy, Hays Municipal Airport Agricultural Chemical Storage and Handling Policy, as adopted by the City Commission. The Planning Commission recommended that the City and County Commissions adopt this addition.

Chris Wilson, representing the Kansas Agriculture Aviation Association, stated Hays is ahead of other cities in addressing this issue. The concern of KAAA is that there be a consistent system of pesticide containment throughout the state. Terry Urban, Airport Manager, serves on the KAAA task force that is studying this issue and is close to agreement on a good set of regulations. Quantities, volumes, size of containers, what should and should not be regulated have all been discussed.

Howard Rome moved, Troy Hickman seconded, that city staff be directed to prepare an ordinance amending current zoning and subdivision regulations to address the storage and handling of agricultural chemicals at the Hays Municipal Airport.

Vote: Ayes: Wayne Billinger
Troy Hickman
Henry Schwaller IV
Larry Schmidt
Howard Rome

9. ABOVEGROUND FUEL STORAGE TANKS AT THE HAYS MUNICIPAL

AIRPORT: Albert Hunt, owner of Eagle Aviation, has requested the City change the ordinance to allow aboveground fuel storage tanks. Mr. Hunt would like to install two 12,000 gallon, double wall aboveground tanks at the airport, with room for another 12,000 gallon tank if needed in the future. The need for the fuel farm is partially required because of Eagle Aviation's successful bids to supply fuel to both United Express/Great Lakes and US Airways Express/Air Midwest. The Airport Advisory Board voted 3-1 to support the existing ordinance, but if the City Commission choose to change the ordinance to include aboveground storage tanks, the Airport Advisory Board would support that decision.

City Manager Zacharias stated current fire code does allow aboveground fuel tanks if they follow prescribed regulations. When the City adopted the Fire Code, it was decided to not allow that provision. Mr. Urban stated Kansas Department of Health and Environment representatives told him the State is seeing more aboveground fuel tanks, but not as large as 12,000-gallons.

Commissioner Schmidt expressed concern about the ability to fight a fire from a 24,000-gallon explosion and also the proximity of the fuel farm to the terminal and other hangars.

Commissioner Schwaller stated he has visited with a member of the Airport Advisory Board, and he indicated that the firm installing the fuel farm provides annual fire training and equipment to conduct the training. The overall esthetics and the location of the fuel farm are also important. The Airport Master

Plan needs to be upgraded and consistent standards developed to address issues such as this. More information is necessary before a decision to change the ordinance can be made.

Commissioner Hickman expressed a concern that if the ordinance was changed, would this apply only to the airport or could aboveground tanks be installed anywhere in the community? A policy decision will affect not only what happens today, but also the future. More information regarding security and safety is necessary.

Steve Pfeifer, co-owner of Rich's Air Service, said Mr. Hunt has other options he can pursue to resolve this situation. The City should not have to rewrite the ordinance just for Mr. Hunt. Changing the ordinance would cause more headaches in the long run.

Commissioner Schmidt stated that if Mr. Hunt has another option, he should pursue it. Once an ordinance is changed, the City is leaving itself open in the future. It is in the best interest of the City to not do anything at this time.

Mr. Urban stated the Airport Layout Plan needs updating and he has asked FAA to do that. It will probably be two to three years before that is completed. A new Airport Layout Plan is estimated to cost \$40,000 to \$60,000. Commissioner Schwaller suggested a task force study the issue; minimum standards and consistent policies need to be developed.

Troy Hickman moved, Larry Schmidt seconded, that City staff gather additional information regarding aboveground fuel tanks being utilized in other cities and the fire safety training necessary.

Vote: Ayes: Wayne Billinger

Troy Hickman

Larry Schmidt

No: Henry Schwaller IV

Howard Rome

10. WERTH HANGAR RELOCATION: City Attorney John Bird suggested the Commission recess to executive session to discuss the possible relocation of the Werth hangar. Foulston and Siefkin attorney Dave Traster, representing the City

in litigation on this issue, wanted to meet in executive session prior to public discussion.

Troy Hickman moved, Howard Rome seconded, that the Governing Body adjourn to executive session at 9:10 p.m. for 15 minutes to discuss litigation, returning at 9:25. The executive session will include the City Commission, the City Manager, the Assistant City Manager, the City Attorneys, and the Airport Manager.

Vote: Ayes: Wayne Billinger

Troy Hickman

Larry Schmidt

Howard Rome

Absent: Henry Schwaller IV

Mayor Billinger called the meeting back to order at 9:25 p.m. He stated no action was taken.

Terry Urban, Airport Manager, stated to relocate the John Werth hangar from its present location to a lot south of Taxiway D would cost approximately \$41,294 in infrastructure costs. These costs would cover the construction of a 24'X300' concrete runway, and the construction of 8" water and 8" sewer lines. This would provide the same level of services Mr. Werth is receiving at his present location. To relocate the building is estimated to cost \$60,195 bringing the total cost to \$188,731. The Airport Advisory Board voted 4-0 to move the building. The Board feels the building is too tall and too large for its present location.

Commissioner Schmidt stated he also checked on the cost of moving this hangar and feels it could be done cheaper. It is not necessary to have a concrete taxiway in front of the hangar; it could be asphalt. There isn't any need to run an 8" water or 8" sewer line at this time; those improvements could be done when future development occurs. Even if those improvements were done to accommodate Mr. Werth, they are improvements that will need to be done in the future anyway. Commissioner Schmidt received an estimate of \$7,500 to move the hangar. He said whom ever leases the old site would pay for the

foundation and site work at the new location. Total costs to move and rebuild the building would be approximately \$27,000. Part of the money that is allocated for the construction of 10 T-hangars could be spent for this hangar relocation. Agricultural operations should be located at the south end of the airport; this hangar should never have been allowed to be placed this close to the terminal.

Mayor Billinger stated chemical safety is a legitimate issue to consider, however, the chemicals for aerial spraying are mixed far away from hangar sites. He asked if the City would be liable for down time to Mr. Werth while his hangar is being relocated? City Attorney John Bird stated that is a potential factor to consider. Commissioner Schmidt feels this should be resolved so Mr. Werth knows where he stands. Mayor Billinger asked when his lease would expire. Mr. Urban stated in approximately four years.

Mayor Billinger asked Commissioner Schmidt what dangers concerned him; are they safety or esthetic concerns? Commissioner Schmidt replied that right now the City has a buyer for the slab, the City may not have that at the end of the lease. Mayor Billinger stated that if the plan is to eventually locate all agriculture sprayers to the south end, the City would have time to make those changes, rather than forcing him out now and giving him several months of down time. Commissioner Schmidt stated he didn't think it would take several months, he could probably be back in business in a week. The infrastructure work would be completed long before his hangar is moved.

Mr. Urban stated he did not feel it would be wise to install an asphalt taxiway regardless of what type of building is placed there. It should be concrete; asphalt would not be wise decision as far as FAA is concerned. Mayor Billinger stated he didn't feel the airport should have a patchwork of asphalt and concrete taxiways.

Commissioner Hickman stated he would like to see agriculture sprayers located at the south end, however, at this time he saw no need to make Mr. Werth relocate his hangar. Mayor Billinger agreed with Commissioner Hickman since chemicals were not mixed close to the terminal area. Commissioner Rome stated he did not think the City should be paying to move this hangar.

Larry Schmidt moved that the John Werth hangar be relocated from its present location to a lot south of Taxiway D at the Hays Municipal Airport. The motion died for lack of a second.

Commissioner Schwaller stated the hangar should not have been built at its present location, and should be moved in the future. He urged the Commission to put in place a master plan of consistent standards at the airport.

11. RURAL TELEPHONE FRANCHISE AGREEMENT: Mayor Billinger did the second reading of Ordinance No. 3468, which grants to RTSC Communications, Inc., a subsidiary of Rural Telephone Service Company, Inc., a Kansas corporation, its successors and assigns the right to construct and operate a communication system within the City of Hays, Kansas, defining the manner and place of construction of communication lines, prescribing the terms and conditions thereof, and providing for the payment of franchise fees to the City of Hays, Kansas.

12. HAYS CITY SPORTSMEN'S CLUB, INC. LEASE: The current lease between the City of Hays and Hays Sportsmen's Club expires December 31st. The shooting range is located on land owned by the City located at the old gravel pit northeast of Yuasa just off 230th Avenue. The current agreement is being revised with an exception that the area be expanded to include a portion of the new Hays Police Department Shooting Range. This is to allow the Sportsmen's Club to apply for \$34,000 in state funds to improve the shooting range, and allow access to the public as required by the grant agreement. The City will still be allowed to use the facility, however, the Sportsmen's Club will take on the liability for such public use while maintaining City access.

Troy Hickman moved, Howard Rome seconded, that the City Manager be authorized to sign a ten-year lease with the Hays City Sportsmen's Club, Inc.

Vote: Ayes: Wayne Billinger

Troy Hickman

Henry Schwaller IV

Larry Schmidt

Howard Rome

13. SOLID WASTE GRANT: Henry Schwaller IV moved, Troy Hickman seconded, that the Mayor be authorized to sign a contract with KDHE to accept a \$46,500 grant to purchase a baler and skid loader.

Vote: Ayes: Wayne Billinger
Troy Hickman
Henry Schwaller IV
Larry Schmidt
Howard Rome

14. GENERATOR BIDS: Bids for a new generator and enclosure at the Water Treatment Plant were received from the following:

Central Detroit Diesel-Allison	\$ 94,282.00
Comet Industries	100,359.00
Foley Equipment Co.	104,510.49
S & W Supply, Inc.	109,991.00

Elden Hammerschmidt, Director of Public Works, stated the low bid meets all of the criteria.

Larry Schmidt moved, Henry Schwaller IV seconded, that the low bid from Central Detroit Diesel-Allison, in the amount of \$94,282.00, be accepted.

Vote: Ayes: Wayne Billinger
Troy Hickman
Henry Schwaller IV
Larry Schmidt
Howard Rome

15. GENERAL OBLIGATION AND INTERNAL IMPROVEMENT BONDS:

General Improvement Bonds totaling \$592,000 need to be issued to finance the construction of the improvements in Tallgrass Addition, costing \$427,000 and the engineering expenses associated with 27th Street, costing \$165,000. A portion of Tallgrass Addition will be paid with special assessments assessed against the property owner.

Troy Hickman moved, Wayne Billinger seconded, that Resolution No. 311, being a resolution authorizing the offer for sale of approximately \$592,000 of

General Obligation Internal Improvement Bonds, Series 1999-C, of the City of Hays, Kansas, be approved.

Vote: Ayes: Wayne Billinger
Troy Hickman
Henry Schwaller IV
Larry Schmidt
Howard Rome

16. EXECUTIVE SESSION: Troy Hickman moved, Howard Rome seconded, that the Governing Body adjourn to executive session at 10:15 p.m. for 40 minutes to discuss personnel issues, consultation with legal counsel, and acquisition of real estate, returning at 10:55 p.m. The executive session will include the City Commission, the City Manager, the Assistant City Manager, the City Attorneys, and the Airport Manager.

Vote: Ayes: Wayne Billinger
Troy Hickman
Henry Schwaller IV
Larry Schmidt
Howard Rome

Mayor Billinger called the meeting back to order at 10:55 p.m. He stated no action was taken.

17. ADD-ON ITEMS: Commissioner Rome suggested the Hays Municipal Airport be designated as a regional airport. If the other Commissioners agreed with him, he would like to direct City staff to start the process. City Manager Zacharias stated he would have this on the next agenda and have the Airport Manager report on what it entails to become a regional airport.

Commissioner Schmidt proposed changing the charter ordinance relating to the quorum of the Governing Body. On a five member Commission, a quorum is three, making a majority two. If the quorum were changed to four, the majority would be three. Therefore when two Commissioners meet privately at committee meetings, public events, or a chance encounter, it would not appear they are doing so improperly. This ordinance shall expire annually and would have to be

adopted every year by the Commissioners, requiring the affirmative votes of four members-elect of the Governing Body. The public could object to the charter ordinance by petition.

City Manager Zacharias stated this item would be placed on the next agenda for discussion.

Commissioner Schwaller stated he would like to place an item on the next meeting's agenda regarding site plans. The current ordinance allows commercial development to occupy only 25% of its land. This causes a number of businesses to be landlocked. He would like a presentation by city staff explaining the intent of the ordinance at the next Commission meeting. Also that comments from the Planning Commission on this subject be made available. Commissioner Schwaller requested a member of the Planning Commission attend the next City Commission meeting for further discussion.

Commissioner Hickman stated he felt it would be valuable for the Airport Advisory Board or a study group to reevaluate the Airport Master Plan. City Manager Zacharias stated he would place this on the next agenda for discussion.

Thereupon the Governing Body adjourned.

Submitted by: _____

Clerk of the Board