

Memo

To: City Commission
From: Toby Dougherty, City Manager
Date: 4-8-15
Re: April 16, 2015 Work Session

Please find the attached agenda and supporting documentation for the April 16, 2015 Work Session.

Item 2 – Ordinance Levying Special Assessments

Please refer to the attached memorandum from Kim Rupp, Director of Finance, regarding the ordinance levying special assessments. On April 23, 2015, the City Commission will hold a public hearing regarding the levying of special assessments for two benefit districts listed in Kim's memo. This is a routine item, and City staff does not see any issue with proceeding as planned.

Additionally, this is just a reminder that the reorganization of the Governing Body will also take place at the April 23rd regular meeting.

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**CITY OF HAYS
CITY COMMISSION WORK SESSION
THURSDAY, APRIL 16, 2015 – 6:30 P.M.
AGENDA**

1. **ITEM FOR REVIEW: [April 2, 2015 Work Session Notes \(PAGE 1\)](#)**
DEPARTMENT HEAD RESPONSIBLE: Kim Rupp, Director of Finance
2. **ITEM FOR REVIEW: [Ordinance Levying Special Assessments \(PAGE 5\)](#)**
DEPARTMENT HEAD RESPONSIBLE: Kim Rupp, Director of Finance
3. **OTHER ITEMS FOR DISCUSSION**
4. **EXECUTIVE SESSION (IF REQUIRED)**
5. **ADJOURNMENT**

ANY PERSON WITH A DISABILITY NEEDING SPECIAL ACCOMMODATIONS TO ATTEND THIS MEETING SHOULD CONTACT THE CITY MANAGER'S OFFICE 48 HOURS PRIOR TO THE SCHEDULED MEETING TIME. EVERY ATTEMPT WILL BE MADE TO ACCOMMODATE ANY REQUESTS FOR ASSISTANCE.

City of Hays
City Commission
Work Session Notes
Thursday, April 2, 2015 – 6:30 p.m.

Present: Henry Schwaller IV, Eber Phelps, Shaun Musil, Ron Mellick, Kent Steward, Todd Powell, John Bird, Toby Dougherty

March 19, 2015 Work Session Notes

There were no corrections or additions to the minutes of the work session held on March 19, 2015; the minutes stand approved as presented.

HDR Contract for Owner Representative of the Wastewater Treatment Plant Project

The current City of Hays wastewater treatment facility was built in the 1950's and received some modifications and upgrades since its original construction. The plant was built to treat to specific wastewater standards. Discharge standards have become more stringent over the years and harder to meet due to technological limitations of the facility.

The reconstruction of the wastewater treatment plant is necessary to meet KDHE permit requirements in 2018. This is expected to cost \$26-\$28 million. Traditional design-bid-build processes have caused issues historically with larger projects; therefore, City staff has recommended utilizing the design-build process. To ensure we build the most efficient and effective facility as possible, control costs, and protect the City's interest, staff recommended the expertise of an owner representative to guide us through the design-build process.

Assistant City Manager, Paul Briseno, stated the City solicited request for qualifications for an owner representative and received eight proposals in February. Based on proposal criteria three firms were narrowed and interviewed in March. These firms were asked to clarify their proposal, answer specific questions and give an estimated cost of services. Though HDR Engineering, Inc.

is not the lowest cost, their experience, open approach, state revolving loan assistance experience, guaranteed part-time/full-time inspector, and warranty administration led the selection committee to unanimously recommend them as the owner representative.

Stan Christopher, Sr. Vice President with HDR Engineering, Inc. and also the designated principal as well as project manager for this project was present to answer questions and explain the services they provide. Mr. Christopher has 31 years experience with HDR in wastewater projects.

At the April 9, 2015 Commission meeting, Commissioners will be requested to approve a contract with HDR Engineering, Inc. for an amount not to exceed \$1,708,412 for owner representative services of the Wastewater Treatment Plant Project.

Resolution for Series 2003A Bond Redemption

Kim Rupp, Finance Director, informed the Commissioners that bonds in General Obligation Series 2003A maturing on or after September 1, 2014 are now subject to redemption prior to their maturity dates. The City now has the option to call these bonds. This requires a resolution providing for the refunding of the General Obligation Internal Improvement Bonds, Series 2003A. It also requires the approval to expend \$449,045.44 out of the City Commission Capital Reserve of which funds are available. Redeeming the bonds will save the City \$31,000 in interest charges. City staff is recommending this action.

At the April 9, 2015 Commission meeting, Commissioners will be requested to adopt the Resolution authorizing the refunding of the remaining maturities of the General Obligation Internal Improvement Bonds, Series 2003A, and the expenditure of \$449,045.44 from the City Commission Capital Reserve.

Consider Increase Pay for City Commissioners

At the March 19, 2015 Work Session, Commissioner Steward requested the Commission consider an increase in pay for the Hays City Commissioners.

Chairperson Schwaller recused himself from the discussion.

Commissioner Steward had suggested to increase the pay for City Commissioners from \$150 to \$1,500 per month. Commissioner Steward is not running for re-election and stated he stands to gain nothing from this. He thought it was an important thing to do for people who are working a second job and couldn't afford to be on the City Commission, and that it would make working on the Commission a lot less elite.

Commissioner Mellick felt it should be raised but thought a \$50 to \$100 raise would be more reasonable. He also stated he would not be at the Commission meeting next week to vote on this.

Commissioner Musil stated when he ran for election he did not know the Commissioners were paid. He stated it is time consuming, but it is a choice he made and feels it is an honor to serve on the Commission. He agreed with Commissioner Mellick on the amount and would like to see this begin in two years.

Commissioner Phelps suggested leaving the amount and beginning date blank for discussion.

At the April 9, 2015 Commission meeting, Commissioners will consider approving an ordinance to increase the pay for City Commissioners.

Other Items for Discussion

Commissioner Phelps complimented the candidates running for City Commission for obeying the ordinance regarding the placement of signs in yards.

Chairperson Schwaller stated he feels there is no reason to raise the Commissioners' pay at this time, that we have qualified Commissioners and the money could be put to better use.

Executive Session

Ron Mellick moved, Shaun Musil seconded, that the Governing Body recess to executive session at 7:40 p.m. for 15 minutes to discuss matters pertaining to labor negotiations. The executive session included the City Commission, the City Manager, the Assistant City Manager and both

representatives from the City Attorney firm. K.S.A. 75-4319 authorizes the use of executive session to discuss the topics stated in the motion.

Vote: Ayes: Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

Kent Steward

No action was taken during executive session.

The work session was adjourned at 7:55 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk

Commission Work Session Agenda

Memo

From: Kim Rupp, Director of Finance

Work Session: April 16, 2015

Subject: Ordinance Levying Special Assessments

Person(s) Responsible: Kim Rupp, Director of Finance

Summary

After holding the public hearing April 23, 2015, the Commissioners will be asked to approve an ordinance levying assessments in two special assessment districts. City staff recommends the approval of the ordinance.

Background

Property owners have petitioned for improvements, resolutions have been passed authorizing the improvements; the improvements have been completed, a resolution setting a public hearing date of April 23, 2015 has been approved, and it is now time to assess the cost of the improvements to the property owners in the following special assessment districts:

- 46th Street Second Addition – Water, Sanitary Sewer, Storm Sewer & Street improvements
- Golden Belt Estates Fifth Addition – Water, Sanitary Sewer, Storm Sewer & Street improvements

Discussion

A “Notice of Assessment” will be mailed to each property owner responsible for the cost of the improvements on April 27, 2015, allowing the property owner 30 days to pay the assessment in full. If they choose not to pay the assessment, the cost of the improvement plus interest charges, will be placed on the tax rolls of Ellis County. The first installment will be included with the 2015 tax statements issued by the Ellis County Treasurer’s Office in November 2015. The ordinance allows for the assessments to be paid over a 15-year period.

Legal Consideration

Bond Counsel for the City has approved all documents and proceedings and there are no known legal obstacles to proceeding as recommended by staff.

Financial Consideration

The statement of final costs for each of the two districts is summarized below as prepared by Bond Counsel with Gilmore and Bell.

46TH STREET SECOND ADDITION WATER, SANITARY SEWER, STORM SEWER & STREETS

RESOLUTION NO. 2012-015

ENGINEERING	\$31,730.00
CONSTRUCTION	607,818.60
COSTS OF ISSUANCE	8,953.68
<i>TOTAL COSTS</i>	<u>\$648,502.28</u>
CITY SHARE OF TOTAL COSTS (30%)	194,550.68
IMPROVEMENT DISTRICT SHARE OF TOTAL COSTS (70%)	453,951.60
LESS UP-FRONT PAYMENT BY DEVELOPER	(188,112.00)
<i>NET COSTS</i>	<u>\$460,390.28</u>
<i>NET CITY SHARE</i>	<u>\$6,438.68</u>
<i>AMOUNT TO BE ASSESSED</i>	<u>\$453,951.60</u>

46th Street Second Addition will be a fifteen year assessment split equally among 28 lots. Per City policy, the City's 30% apportionment stated in Resolution No. 2012-015 will be largely paid from an upfront payment made by the developer (noted as City's Share on the previous chart); such amount was determined based on estimates of the final costs of the improvements. The amount of the proposed assessment per lot in this area is \$16,212.56.

GOLDEN BELT ESTATES FIFTH ADDITION – DANBY LANE (RESOLUTION NO. 2013-021) WATER, SANITARY SEWER, STORM SEWER & STREETS

RESOLUTION NO. 2013-021

ENGINEERING/CONSTRUCTION	\$289,835.58
COSTS OF ISSUANCE	5,796.71
<i>TOTAL</i>	<u>\$295,632.29</u>
<i>City Share</i>	<u>\$0.00</u>
<i>Amount to be Assessed</i>	<u>\$295,632.29</u>

Golden Belt Estates Fifth Addition – Danby Lane (Resolution No. 2013-021) will be a fifteen year assessment split equally among 18 lots. The amount of the proposed assessment per lot in this area is \$16,424.02.

**GOLDEN BELT ESTATES FIFTH ADDITION –
JAGGER COURT (RESOLUTION NO. 2013-023)
WATER, SANITARY SEWER, STORM SEWER & STREETS**

RESOLUTION NO. 2013-023

ENGINEERING/CONSTRUCTION	\$257,631.62
COSTS OF ISSUANCE	5,152.63
<i>TOTAL</i>	<i><u>\$262,784.26</u></i>
<i>City Share</i>	<i><u>\$0.00</u></i>
<i>Amount to be Assessed</i>	<i><u>\$262,784.26</u></i>

Golden Belt Estates Fifth Addition – Jagger Court (Resolution No. 2013-023) will be a fifteen year assessment split equally among 16 lots. The amount of the proposed assessment per lot in this area is \$16,424.02.

Options

The City Commission has the following options:

- The City Commission can approve the requested ordinance assessing the cost of the improvements to the property owners in the two special assessment districts.
- The City Commission can decline the ordinance and provide alternate guidance to staff.

Recommendation

Staff recommends approving the ordinance assessing the cost of the improvements to the property owners in the two special assessment districts.

Action Requested

Approve ordinance assessing the cost of improvements to 46th Street Second Addition and Golden Belt Estates 5th Addition as presented.

Supporting Documentation

Ordinance

(Published in the *Hays Daily News*, on April 27, 2015)

ORDINANCE NO. _____

AN ORDINANCE LEVYING SPECIAL ASSESSMENTS ON CERTAIN PROPERTY TO PAY THE COSTS OF INTERNAL IMPROVEMENTS IN THE CITY OF HAYS, KANSAS, AS AUTHORIZED BY RESOLUTION NOS. 2012-015, 2013-021, AND 2013-023 OF THE CITY; AND PROVIDING FOR THE COLLECTION OF SUCH SPECIAL ASSESSMENTS.

WHEREAS, the governing body of the City of Hays, Kansas (the “City”) has authorized certain internal improvements (the “Improvements”) to be constructed pursuant to K.S.A. 12-6a01 *et seq.* (the “Act”); and

WHEREAS, on this date, the governing body has conducted a public hearing in accordance with the Act and desires to levy assessments on certain property benefited by the construction of the Improvements.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS:

Section 1. Levy of Assessments. For the purpose of paying the costs of the following described Improvements:

46th Street Second Addition – Water, Sanitary Sewer, Storm Sewer & Streets

Resolution No. 2012-015

The installation of water lines, sanitary sewer lines and storm sewers along, and the grading, paving, curbing and guttering of 46th Street from Adams Drive west to Van Buren Drive, Jefferson Drive from its current northern terminus to complete the cul-de-sac, and Van Buren Drive from its current northern terminus to the north edge of the subdivision, all in the 46th Street Second Addition to the City of Hays, Kansas.

Golden Belt Estates Fifth Addition – Danby Lane (Resolution No. 2013-021) Water, Sanitary Sewer, Storm Sewer & Streets

Resolution No. 2013-021

The installation of water lines, sewer lines, storm sewer and grading, paving, curbing and guttering of Danby Lane, all in the Golden Belt Estates 5th Addition to the City of Hays, Kansas.

Golden Belt Estates Fifth Addition – Jagger Court (Resolution No. 2013-023) Water, Sanitary Sewer, Storm Sewer & Streets

Resolution No. 2013-023

The installation of water liens, sanitary sewer lines, and storm sewers along, and the grading, paving, curbing and guttering of Jagger Court, all in the Golden Belt Estates 5th

Addition to the City of Hays, Kansas.

there are hereby levied and assessed the amounts (with such clerical or administrative amendments thereto as may be approved by the City Attorney) against the property described on *Exhibit A* attached hereto.

Section 2. Payment of Assessments. The amounts so levied and assessed in *Section 1* of this Ordinance shall be due and payable from and after the date of publication of this Ordinance. Such amounts may be paid in whole by May 23, 2015.

Section 3. Notification. The City Clerk shall notify the owners of the properties described in *Exhibit A* attached hereto insofar as known to said City Clerk, of the amounts of their respective assessments; and, said notice shall further state that unless such assessments are paid by May 23, 2015, bonds will be issued therefor, and the amount of such assessment will be collected in installments with interest.

Section 4. Certification. Any amount of special assessments not paid within the time prescribed in *Section 2* hereof shall be certified by the City Clerk to the Clerk of Ellis County, Kansas, in the same manner and at the same time as other taxes are certified and will be collected in 15 installments, all together with interest on such amounts at a rate not exceeding the maximum rate therefor as prescribed by the Act. Interest on the assessed amount remaining unpaid between the effective date of this Ordinance and the date the first installment is payable, but not less than the amount of interest due during the coming year on any outstanding bonds issued to finance the Improvements, shall be added to the first installment. The interest for one year on all unpaid installments shall be added to each subsequent installment until paid.

Section 5. Effective Date. This Ordinance shall take effect and be in force from and after its passage, approval and publication once in the official City newspaper.

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PASSED by the governing body of the City on April 23, 2015 and signed and **APPROVED** by the Mayor.

(SEAL)

Mayor

ATTEST:

City Clerk

EXHIBIT A

ASSESSMENT ROLL

**46TH STREET SECOND ADDITION –
WATER, SANITARY SEWER, STORM SEWER & STREETS**

RESOLUTION NO. 2012-015

<u>Description of Property</u>	<u>Amount of Proposed Assessment</u>
Lot 2, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	\$16,212.56
Lot 3, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 4, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 5, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 6, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 7, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 8, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 9, Block 1, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 1, Block 2, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 2, Block 2, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 3, Block 2, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 4, Block 2, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 5, Block 2, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 6, Block 2, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 1, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 2, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 3, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 4, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 5, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56

Lot 6, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 7, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 17, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 18, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 26, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 27, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 28, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 29, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
Lot 30, Block 3, in the 46th Street Second Addition to the City of Hays, Ellis County, Kansas.	16,212.56
TOTAL ASSESSMENTS =	\$453,951.60
UPFRONT PAYMENT BY DEVELOPER =	188,112.00
NET CITY-AT-LARGE SHARE =	<u>6,438.68</u>
TOTAL COST =	\$648,502.28

**GOLDEN BELT ESTATES FIFTH ADDITION –
DANBY LANE (RESOLUTION NO. 2013-021)
WATER, SANITARY SEWER, STORM SEWER & STREETS**

RESOLUTION NO. 2013-021

<u>Description of Property</u>	<u>Amount of Proposed Assessment</u>
Lot 1, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	\$16,424.02
Lot 2, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 3, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 4, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 5, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 6, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 7, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 8, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 9, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02

Hays, Ellis County, Kansas.	
Lot 10, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 11, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 12, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 13, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 14, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 15, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 16, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 17, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 18, Block 2, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
TOTAL ASSESSMENTS =	\$295,632.29
CITY-AT-LARGE SHARE =	0.00
TOTAL COST =	\$295,632.29

**GOLDEN BELT ESTATES FIFTH ADDITION –
JAGGER COURT (RESOLUTION NO. 2013-023)
WATER, SANITARY SEWER, STORM SEWER & STREETS**

RESOLUTION NO. 2013-023

<u>Description of Property</u>	<u>Amount of Proposed Assessment</u>
Lot 1, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	\$16,424.02
Lot 2, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 3, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 4, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 5, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 6, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 7, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 8, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 9, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02

Hays, Ellis County, Kansas.	
Lot 10, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 11, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 12, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 13, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 14, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 15, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
Lot 16, Block 1, in the Golden Belt Estates 5th Addition to the City of Hays, Ellis County, Kansas.	16,424.02
TOTAL ASSESSMENTS =	\$262,784.26
CITY-AT-LARGE SHARE =	<u>0.00</u>
TOTAL COST =	\$262,784.26