

Memo

To: City Commission
From: Toby Dougherty, City Manager
Date: 6-17-13
Re: June 20, 2013 Work Session

Please find the attached agenda and supporting documentation for the June 20, 2013 Work Session.

Item 2 – Commercial Insurance Renewal – 2013/2014

Please refer to the attached memorandum from Kim Rupp, Director of Finance. As you will see, the City's commercial insurance rates are slated to increase 2.6%, or \$4,971.

Item 3 – 13th Street Overlay (Vine to Harvest) – Award of Bid

Earlier this year the City Commission asked that City staff solicit proposals for a mill and overlay of 13th Street from Vine to Harvest. At that time, City staff estimated the project would cost \$750,000. City staff did solicit proposals and is recommending the low bid from APAC-Kansas, Inc. of Hays in the amount of \$621,506.95.

Item 4 – Presentation of Big Creek Study

There are no materials associated with this item. As you know, Burns and McDonnell has been studying the Big Creek Aquifer. Brian Meier will be in attendance on Thursday to present the findings of that study.

Item 5 – Various Water Issues

City staff will be updating the City Commission with regard to a myriad of water issues. There will be short, detailed presentations by several staff members at the work session on Thursday.

Item 6 – Water Customers Outside the City Limits

Please refer to the attached memorandum regarding water customers outside the city limits. It is currently the City's practice to allow customers outside the city limits to connect to water services as long as they sign the required pre-annexation agreement. City staff has evaluated this practice and feels it is not the best use of our limited water source; therefore, City staff is recommending the City Commission halt the practice of providing water to customers outside the city limits. Included with the memorandum is a policy for consideration by the City Commission.

Item 7 – 2nd Conservation Tier

Please refer to the attached memorandum from Nick Willis, Stormwater/Water Conservation Superintendent, regarding a second conservation tier. Currently, the City of Hays uses a two-tiered water rate structure. There is a base tier that includes a minimum that is calculated during the winter months. When a customer goes over this allotted amount, the water is charged at the conservation tier. City staff is recommending a second conservation tier be put into place. The second conservation tier would kick in after 1,000 cubic feet has been reached within the first conservation tier. City staff feels 1,000 cubic feet will allow adequate outdoor water usage for the majority of properties in Hays. A second conservation tier would charge higher rates to customers who are using an inordinately high amount of water or using water in an unwise manner. City staff is recommending that the second conservation tier be a permanent addition to the City's rate structure.

Item 8 – Amendment to Water Conservation Plan – Update to Drought Response Plan

Part of the City's comprehensive water plan includes a Drought Response Plan. This sets forth the actions the City will take during various stages of drought. City staff reviewed the Drought Response Plan and feels a few changes are in order. During the "Watch" status, City staff feels it needs to lead by example in reducing outdoor water use. Language to that effect is included in the new plan. The regulatory actions in the "Water Warning" and "Water Emergency" stages have also been modified from the current plan. Included in these regulatory actions is language that requires all private, domestic wells within the city limits to adhere to the regulations being set forth in that stage. This is language that is currently not included in the City's Drought Response Plan as cities did not have the ability to impose these types of regulations when the original Drought Response Plan was drafted. City staff has been in contact with the Division of Water Resources regarding the inclusion of private wells in our Drought Response Plan. There is a lengthy process that needs to be followed to accomplish this; however, City staff feels confident that we can work with DWR staff to make it happen.

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CITY OF HAYS
CITY COMMISSION WORK SESSION
THURSDAY, JUNE 20, 2013 – 6:00 P.M.
AGENDA

1. **ITEM FOR REVIEW: [June 6, 2013 Work Session Notes \(PAGE 1\)](#)**
DEPARTMENT HEAD RESPONSIBLE: Kim Rupp, Director of Finance
2. **ITEM FOR REVIEW: [Commercial Insurance Renewal – 2013/2014 \(PAGE 7\)](#)**
DEPARTMENT HEAD RESPONSIBLE: Kim Rupp, Director of Finance
3. **ITEM FOR REVIEW: [13th Street Overlay \(Vine to Harvest\) – Award of Bid \(PAGE 25\)](#)**
DEPARTMENT HEAD RESPONSIBLE: I.D. Creech, Director of Public Works
4. **ITEM FOR REVIEW: [Presentation of Big Creek Study](#)**
PERSON RESPONSIBLE: Brian Meier, Burns & McDonnell
5. **VARIOUS WATER ISSUES:**
 - **Current Status of Supply**
(Bernie Kitten, Director of Utilities)
 - **Lowhead Dam Study**
(Toby Dougherty, City Manager)
 - **Conservation Programs in the Works for 2014 and Beyond**
(Nick Willis, Stormwater/Water Conservation Superintendent)
 - **Demonstration Gardens/Turf Conversions of Existing Facilities**
(Jeff Boyle, Director of Parks)
 - **Ranch Costs**
(Kim Rupp, Director of Finance)
6. **ITEM FOR REVIEW: [Water Customers Outside the City Limits \(PAGE 33\)](#)**
PERSON RESPONSIBLE: Toby Dougherty, City Manager
7. **ITEM FOR REVIEW: [2nd Conservation Tier \(PAGE 41\)](#)**
STAFF MEMBERS RESPONSIBLE: Paul Briseno, Assistant City Manager
Nick Willis, Stormwater/Water Conservation Supt.
Bernie Kitten, Director of Utilities
8. **ITEM FOR REVIEW: [Amendment to Water Conservation Plan – Update to Drought Response Plan \(PAGE 47\)](#)**
PERSON RESPONSIBLE: Toby Dougherty, City Manager
9. **OTHER ITEMS FOR DISCUSSION**
10. **EXECUTIVE SESSION (IF REQUIRED)**

11. 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
June 6, 2013

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

2014 Budget Presentations

The following presented requests for Outside Agency funding in the 2014 Budget:

Traci Stanford and Sandy Jacobs

Downtown Hays Development Corporation \$ 53,655

Alan Stecklein and Aaron White

Ellis County Coalition for Economic Development 87,550

Craig Karlin and Dixie Balman

Fort Hays State University 100,000

Mary Karst and Jolene Younger

Wild West Festival Committee 9,500

Greg Sund and Jason Rauch

Care Council – Social Services 164,000

Donald Westfall and Brad Chatfield

Ellis County Historical Society 12,000

Ann Leiker, Ed Steno, Mehran Shahid, and Greg Sund

Hays Sister Cities Advisory Board 3,000

Jennifer Sauer and Brenda Meder

Hays Arts Council 12,000

TOTAL **\$441,705**

Note: A budget request was submitted for Alcohol Tax Funds in the amount of \$60,000; this request is not part of the Social Services, Economic Development or Quality of Life budgets.

Commissioner Schwaller recused himself during the Fort Hays State University funding request because he is an employee of the University.

During their presentation, Ann Leiker, president of the Sister Cities Advisory Board, relayed to the Commissioners that the group is shifting its focus from developing relationships with foreign sister cities to promoting a more localized effort of welcoming diverse cultures to Hays.

Contract Sewer Cleaning

Utilities Department staff does emergency call out for sewer backup removal as well as regular flushing maintenance. There is not enough manpower to achieve the goal of performing flushing maintenance to one-third of the town. This summer the intent is to clean the flushing maintenance route with Utilities staff, and to use contract cleaning for one-sixth of the regular sewer lines (19 miles). This will allow Utilities to reach the one-third goal of sanitary sewer line cleaning for 2013.

The 2013 budget includes \$120,000 for contract cleaning of sanitary sewer lines. Mayer Specialty Services, Goddard, KS submitted the low bid at a cost of \$1.19 per linear foot.

The Commissioners will be requested to approve the bid submitted by Mayer Specialty Services, with a cost not to exceed \$120,000, at the June 13, 2013 Commission meeting

Walker Mower Purchase for Parks Department

The Parks Department is scheduled to replace a 2003 Walker mower with a Walker MD mower as part of the Vehicle Replacement Schedule. This mower will be used to maintain Mount Allen and Memorial Garden cemeteries. The City has a snow blower attachment and a rotary broom attachment that will interchange with the Walker MD mower. The low bid is \$675 under budget.

The Commissioners will be requested to approve the low bid submitted by Pro-Green Total Lawn Care, in the amount of \$16,825, at the June 13, 2013 Commission meeting.

Resolution to Establish Benefit District for Lots 1-24 within the Replat of Lot 2, Block 9, Golden Belt 8th Addition

Laverne Schumacher has petitioned the City for alley paving, storm sewer, water and sanitary sewer improvements to an area containing 24 lots within the Replat of Lot 2, Block 9, Golden Belt 8th Addition at an estimated cost of \$356,876. The street, which will be private and not maintained by the City, is not included in the assessment and will be paid in full by the developer. The developer has requested that costs for the alley paving, storm sewer, water and sanitary sewer improvements be assessed to the developer. The developer must front 30% of the project cost and the remaining 70% will be assessed over a 15 year period.

The Commissioners will be requested to approve a resolution authorizing the improvements at the June 13, 2013 Commission meeting.

Golden Belt Estates 5th Addition – Rezoning

The developer of the proposed Golden Belt Estates 5th Addition has submitted a request to rezone the property from A-L (Agriculture District) to R-2 (Single-Family Dwelling District). This rezoning request is a continuation of an existing development that was started approximately 20 years ago.

The Commissioners will be requested to approve the rezoning request at the June 13, 2013 Commission meeting.

Golden Belt Estates 5th Addition – Final Plat

The owners of the proposed Golden Belt Estates 5th Addition have submitted a final plat for consideration. The proposed plat contains 34 residential lots.

The Commissioners will be requested to approve the final plat of the proposed Golden Belt Estates 5th Addition at the June 13, 2013 Commission meeting.

Golden Belt Estates 5th Addition – Annexation

The owners of the proposed Golden Belt Estates 5th Addition have requested annexation of the subdivision into the city limits to facilitate the development of residential lots. The area proposed to be annexed is located at the north end of the Golden Belt development and just south of Interstate 70. The property is contiguous with the city limits.

The Commissioners will be requested to approve an ordinance annexing the property into the city limits at the June 13, 2013 Commission meeting.

GO Bonds, Series 2013-A – Ordinance Levying Special Assessments

At the June 13, 2013 Commission meeting after the public hearing, the Commissioners will be requested to approve an ordinance levying special assessments for improvements in the Golden Belt Estates 4th Addition and the Replat of 46th Street 1st Addition. The costs for the improvements will be assessed to the property owners over a 15 year period if the costs are not paid within 30 days of the publication of the ordinance.

GO Bonds, Series 2013-A – Resolution Authorizing the Offering for Sale of General Obligation Refunding and Improvement Bonds

At the June 13, 2013 Commission meeting, the Commissioners will be requested to approve a resolution authorizing the offering for sale of General Obligation Refunding and Improvement Bonds, Series 2013-A. The bonds will reimburse the City for expenditures related to Golden Belt 4th Addition and Replat of 46th Street 1st Addition improvements and refund the City's General Obligation Internal Improvement Bonds Series 2002-A and Series 2003-A to save approximately \$130,000 in interest cost.

Via Christi TEFRA Resolution – Issuance of Revenue Bonds, Series 2012-A

Recently, Ascension Health Alliance became the sole owner of Via Christi Health, Inc. In connection with this change in ownership, Ascension intends to have the Wisconsin Health and Educational Facilities Authority issue revenue bonds in an amount not to exceed \$888,000,000. A portion of the proceeds will be used to redeem, provide for the payment of, and/or defease all of the outstanding Via Christi Health Care Facility Revenue Bonds, Series 2012-A.

After a public hearing, which will be held during the June 13, 2013 Commission meeting, the Commissioners will be requested to approve a resolution approving the issuance of the bonds by Wisconsin Health and Education Facilities Authority.

Via Christi Conveyance Resolution

Any time an industrial revenue bond is redeemed or defeased, the City is obligated to transfer the financed project to the bond tenant, upon the execution of its option to purchase.

At the June 13, 2013 Commission meeting, the Commissioners will be requested to approve a resolution to authorize the conveyance of title to Via Christi Village Hays from the City. This will clear any real estate encumbrances associated with the 2012 Bonds.

Other Items for Discussion

Commissioner Schwaller requested staff update the Commission on the lease with the North Central Kansas Technical College regarding their Main Street location. He also requested staff study the feasibility of providing every City employee with a membership to the Hays Recreation Center fitness facility. Commissioner Schwaller third request was due to recent action in the Legislature regarding concealed carry weapons. He would like the Commissioners to consider installing a metal detector for the Commission chambers, and also to consider passing a resolution regarding concealed knife carry.

Commissioner Steward requested staff research what is involved in providing an asphalt path from downtown Hays to Fort Hays State University.

Commissioner Musil asked if there are enough bike racks downtown.

City Manager Toby Dougherty stated the City will be adding bike racks throughout town in the near future.

Executive Session

Henry Schwaller IV moved, Eber Phelps seconded, that the Governing Body recess to executive session at 8:15 p.m. for 25 minutes to discuss attorney-client privileged information and property acquisition. The executive session included the City Commissioners, the City Manager, the Assistant City Manager, the Public Works Director, the Assistant Public Works Director, the City Attorney, and Carol Park, partner of the City Attorney. K.S.A 75-4319 authorizes the use of executive session to discuss attorney-client privileged information and property acquisition.

Vote: Ayes: Kent Steward

Henry Schwaller IV

Eber Phelps

Shaun Musil

Ron Mellick

Chairperson Steward called the work session back to order at 8:40 p.m. He stated no action was taken during executive session.

Submitted by: _____

Doris Wing – City Clerk

Commission Work Session Agenda

Memo

From: Kim Rupp, Director of Finance

Work Session: June 20, 2013

Subject: Commercial Insurance Renewal 2013/2014

Person(s) Responsible: Kim Rupp, Director of Finance
Dale Chaffin, Insurance Planning
Richard G Kraemer, Insurance Planning

Summary

The City's Commercial Insurance Policy with Companion Commercial Insurance will expire on 7/1/13. Insurance Planning provides for critical insurance oversight for the City as the Insurance Broker. Requested quotes to various companies by Insurance Planning resulted in one responsive and responsible bid from our current carrier in the amount of \$196,523. The outcome of this effort translates into an increase in premium for the property and liability package of 2.6% or \$4,971.

Background

Each year City staff and its Insurance Broker complete the task of reviewing and preparing for the renewal of the Commercial Insurance package. Below is a chart showing the history of premiums on this package the last four years. The Public Wholesale Water District coverage with EMC was omitted from this chart given its expiration this year.

	2010/2011	2011/2012	2012/2013	2013/2014
Annual Premiums	\$176,312 -1.33%	\$202,145 +14.65%	\$191,552 -5.24%	\$196,523 +2.6%

The package this year includes the following categories. For further detail please refer to the attached definitions page.

- *Commercial Property*
- *Inland Marine/Scheduled Equipment*
- *Crime*
- *General Liability*
- *Public Entity Management Liability*
- *Law Enforcement Liability*
- *Employment Practices Liability*

- *Airport Liability*
- *Commercial Auto*
- *Umbrella*
- *Public Entity Cyber Liability*

The City's Insurance Broker, Insurance Planning Inc (IPI) contacted multiple companies in regards to quoting the insurance program for the City for the 2013-2014 policy term. The following summary is the result of this activity.

Trident – Declined to quote due to their pricing not being competitive with current premiums.

Chubb – Would only consider property lines with pricing very similar to last years Travelers figures. It renders their quote useless when they do not quote all lines.

Travelers – Advised that their pricing has not changed from last year. In fact they indicated that it would most likely be 7-10% higher. They declined to quote due to their pricing not being competitive with current premiums.

OneBeacon – Declined to quote due to current pricing. Not competitive at this time.

Berkshire Hathaway – Declined to quote due to current pricing. Also cannot provide Cyber Liability.

Discussion

The following is a breakdown of the various lines of coverage in the City's insurance program. You will see that in some areas there was a decrease, in some cases a significant decrease, while in others areas there were increases. The natural question is "why". The answer we received from the broker representing Companion Insurance was that Companion reviews premiums, losses and program expenses on a nationwide basis each year. Companion decided that nationwide they needed to get as close to a 3% increase as possible. They accomplished this by increasing some lines and decreasing others based on nationwide experience. Obviously in some instances there is a connection. Number of insured autos or significant increases in property values will have an impact on our premiums.

When we look at all lines of coverage in our insurance program we see that we experienced a 2.6% increase in premiums. Based on today's market we feel that this is acceptable. The Broker also informed us that companies were looking at taking some significant increases in property premiums in the next several years. Catastrophic losses, Oklahoma comes to mind, have caused reinsurance companies to ask for sizeable increases in their premiums. This obviously impacts premiums at the retail level. As agents, we have heard similar warnings from other companies we represent. Our plans are to extensively market the City's program next year in hopes that we can limit the potential property increases that appear to be on the horizon.

Property

There is an overall increase of property values of \$1,333,358 which includes the following changes

- 1) Increased coverage for the turf at Larks Park from \$67,000 to \$150,000. Also increased the fence, backstop & foul ball net from \$36,050 to \$44,598.
- 2) 3% inflation guard added to all buildings to stay in compliance with Insurance to value on property policy.

In summary, we have an increase of 2.9% in property values and a 3.9% increase in premium for the 2013/2014 policy year.

Terms & Conditions: Company has asked for the date of updates to roofing, plumbing, heating & electrical systems for all buildings over 35 years old.

Scheduled Equipment

The scheduled equipment section showed an increase of \$536,039 which includes the following changes

- 1) Added a 2012 Volvo Pneumatic Roller Mdl PT125R valued at \$56,850 for the Public Works Service Division
- 2) Added a 2013 Lastec 3300 Mower Model 3300 ZT Unit 1419 valued at \$34,689 for the Golf Course
- 3) Increased Sign coverage at the Sports Complex from \$110,000 to \$160,000
- 4) Deleted the light at 41st & Hall valued at \$5,500
- 5) Amended the short term leased equipment coverage from \$100,000 to \$500,000.

In summary, we have a 5.9% increase in property values and a 38% decrease in premium for the 2013/2014 policy term.

Crime

There were no changes in coverage amounts. Premium is down 6.5% for the 2013-2014 policy year.

General Liability

There is a 4.9% increase in premium on the General Liability resulting in an additional premium of \$1,739 for the 2013-2014 policy year.

Public Entity Management Liability

There is a 7.6% increase in premium resulting in an additional premium of \$677.

Law Enforcement Liability

There is a 3.7% increase in premium on the Law Enforcement Liability resulting in an additional premium of \$583.

Employment Related Practices

There is an increase of 7.6% for this coverage resulting in \$537 additional premium.

Airport Liability

No change in exposure and no change in premium.

Commercial Auto

There were 6 additional autos added to the current coverage and there is a decrease in premium of \$2,257 or a 6% credit.

Umbrella

There is no change in limit for this coverage; however there is a 13.5% increase in premium resulting in an additional premium of \$1,058 for the 2013-2014 policy term.

Public Entity Cyber Liability

The premium for this coverage has increased by \$42. Coverage was also increased for Crisis Management Service Expense from \$100,000 to \$500,000.

Legal Consideration

There are no known legal obstacles to proceeding as recommended by City staff.

Financial Consideration

The renewal for 2013/2014 amounts to \$196,523 an increase of \$4,971 or 2.6%.

Options

The City Commission has the following options.

- Renew the policy with Companion Commercial Insurance as submitted
- Do nothing
- Provide staff with further guidance

Recommendation

City Administration recommends pursuing the 2013/2014 Commercial Insurance renewal with Companion Commercial Insurance given their submission of a complete package and responsible bid.

Action Requested

Authorize the City Manager to renew the 2013/2014 Commercial Insurance Policy with Companion Commercial Insurance for the coverage presented with an annual premium total amount not to exceed \$196,523 to be funded from the Intergovernmental Insurance and Surety line item.

Supporting Documentation

Insurance Proposal as prepared by Insurance Planning.
Commercial Insurance categorical definitions

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
COMMERCIAL PROPERTY				
Buildings, Contents, Fences, Bridges-Blanket	\$43,995,334	\$44,656,347	\$45,953,930	
Blanket Coverage applies	Yes – All Locs	Yes – All Locs	Yes – All Locs	
Agreed Amount Endorsement	Yes – All Locs	Yes – All Locs	Yes – All Locs	
Valuation	Replacement Cost	Replacement Cost	Replacement Cost	
Fences & Bridges – Blanket	\$899,122	\$899,122	\$934,897	
Deductible	\$10,000 Per Occurrence	\$10,000 Per Occurrence	\$10,000 Per Occurrence/\$2500 on Fences & Bridges	
Earthquake Coverage	Excluded	Excluded	Excluded	
Business Income	\$1,125,000	\$100,000/ \$1,025,000 Extra Expense	\$100,000/ \$1,025,000 Extra Expense	
Blanket Coverage Applies	Yes	Yes	Yes	
Included Extra Expense	Yes	Yes	Yes	
Co-Insurance	50%	N/A	N/A	
Deductible	72 Hours	\$10,000	\$10,000	
Equipment Breakdown	Blanket	Blanket	Blanket	
Locations Covered	All	All	All	
Coverage is Included in Property Limit	\$43,995,334	\$44,656,347	\$45,953,930	
Spoilage	\$250,000	\$250,000	\$250,000	
Deductible	\$10,000	\$10,000	\$10,000	
Commercial Property Additional Coverages/Extensions				
Property in Transit	\$50,000	\$100,000	\$100,000	
Fine Arts	\$50,000	\$5,000 per Item/\$100,000	\$5,000 per Item/\$100,000	
Pollution Cleanup Per Policy	\$100,000	\$25,000	\$25,000	
Building & Ordinance – Incr Cost of Construction Undamaged Bldg	\$250,000	\$350,000	\$350,000	
Personal Effects- Extension	\$50,000	\$25,000 Per Item/ \$50,000	\$25,000 Per Item/ \$50,000	
Valuable Papers – Blanket	\$100,000	\$250,000/\$50,000 away from Premises	\$250,000/\$50,000 away from Premises	
Accounts Receivable	\$100,000	\$250,000- On Premises/\$50,000 Off	\$250,000- On Premises/\$50,000 Off	
Ground Maintenance Equipment	Included in bldg value	Included in bldg value	Included in bldg value	
Confiscated or Commandeered Property	\$100,000	\$250,000	\$250,000	
Sewer Backup	\$50,000	\$10,000	\$10,000	
Property Premium – Annual	\$42,405	\$31,163	\$43,429	

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
SCHEDULED EQUIPMENT				
Mobile Contractors Equipment (ACV)	\$3,086,360	\$3,075,191	\$3,166,730	
Scheduled Camera Equip	\$124,325	\$124,325	\$124,325	
Scheduled Lights, Signs, Weather Sirens	\$4,418,536	\$4,206,197	\$4,250,697	
Leased /Rented Equipment	\$100,000	\$100,000/ \$250,000	\$500,000/ \$500,000	
EDP	\$677,826	\$677,826	\$677,826	
Scheduled Radios over \$5000	\$24,060	\$24,060	\$24,060	
Blanket Mobile Property Floater – Includes Contractors Equipment	\$350,000 – No one item over \$50,000	\$350,000 – No one item over \$50,000	\$350,000 – No one item over \$50,000	
Blanket Mobile Property Floater – Includes Cameras, Guns, Tazers, Intoximeters, Radios, Pagers, Sirens,	\$490,000 – No one item over \$5,000	\$490,000 – No one item over \$5,000	\$490,000 – No one item over \$5,000	
Total Insured Values	\$9,271,107	\$9,047,599	\$9,583,638	
Deductible	\$2,500	\$2,500	\$2,500	
Premium	\$18,498	\$24,966	\$15,366	
CRIME				
Employee Dishonesty	\$100,000	\$100,000	\$100,000	
Forgery & Alteration	\$100,000	\$100,000	\$100,000	
Money & Securities – Inside/Outside	\$25,000	\$25,000- \$10,000 Deductible	\$25,000-\$10,000 Deductible	
Computer Fraud	\$500,000	\$100,000	\$100,000	
Fund Transfer Fraud	\$500,000	None	None	
Deductible	\$1000	\$1000	\$1000	
Excludes Treasurer or Tax Collector	Yes	Yes	Yes	
Excludes Individually Bonded employees	Yes	Yes	Yes	
Premium	\$1,933	\$1,116	\$1,042	

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
GENERAL LIABILITY				
Coverage Form	Occurrence	Occurrence	Occurrence	
General Aggregate	\$2,000,000	\$2,000,000	\$2,000,000	
Products Completed Operations	\$2,000,000	\$2,000,000	\$2,000,000	
BI & PD Per Occurrence Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Personal/Advertising Injury	\$1,000,000	\$1,000,000	\$1,000,000	
Premises Damage Liability	\$100,000	\$500,000	\$500,000	
Medical Expenses per Person/Accident	Excluded	Excluded	Excluded	
Employee Benefits- CLAIMS MADE	\$1,000,000/3,000,000 \$1000 Ded Applies	\$1,000,000	\$1,000,000	
Cemetery Professional Liability	Included	Included	Included	
Sewer Back-Resulting form Negligent Acts Only	\$500,000	Policy Limits	Policy Limits	
Liquor Liability – Occurrence form	Excluded	Excluded	Excluded	
Herbicide or Pesticide Endorsement	Included	Included	Included	
Failure to Supply	\$500,000	\$500,000	\$500,000	
Increased Limits subject to Tort Liability Limitation	Yes	Yes	Yes	
EMT Professional Liability	Included	Included	Included	
Deductible – General Liability	None	None	None	
Premium	\$35,018	\$35,328	\$37,067	

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
PUBLIC ENTITY MANAGEMENT LIABILITY (PEML)				
Each Wrongful Act Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Total Limit	\$2,000,000	\$2,000,000	\$2,000,000	
Defense within limit or Outside the limit	Outside	Outside	Outside	
Coverage Form	Claims Made	Claims Made	Claims Made	
Retroactive Date	04/22/88	None	None	
Deductible – Each Wrongful Act	\$10,000	\$10,000	\$10,000	
Deductible Applies to Loss & Expenses	Yes	Yes	Yes	
Duty to Defend/ Pay on Behalf	Yes	Yes	Yes	
Punitive Damages included (where allowed by law)	Yes	Yes	Yes	
Architects, Engineers & lawyers Included	Yes- Employed	Yes- Employed	Yes- Employed	
Airport Committee/Board Members	Included	Included	Included	
Include Employees, Volunteer workers	Yes	Yes	Yes	
Board Members, Elected or Appointed Officials Included	Yes	Yes	Yes	
Public Officials Errors & Omission Premium (Annual)	\$3,949	\$8,819	\$9,496	

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
LAW ENFORCEMENT LIABILITY				
Coverage Form	Occurrence	Occurrence	Occurrence	
Each Wrongful Act	\$1,000,000	\$1,000,000	\$1,000,000	
Total Limit	\$2,000,000	\$2,000,000	\$2,000,000	
Defense Within Limit or Outside	Outside the Limit	Outside the Limit	Outside the Limit	
Deductible – Each Person	\$5,000	\$5,000	\$5,000	
Deductible applies to	Loss & Expense	Loss Only	Loss Only	
Subject to Ks Statutory Cap Limit	Yes	Yes	Yes	
Coverage Agreement Includes				
Bodily Injury, Personal Injury & Property Damage	Yes	Yes	Yes	
Authorized Moonlighting	Yes	Yes	Yes	
Canine & Equine Exposures	Yes	Yes	Yes	
False Arrest, Detention or Imprisonment	Yes	Yes	Yes	
Handling & Treatment of Corpses & Dispersing Medication	Yes	Yes	Yes	
Injury due to the use of Mace, Pepper Spray or Tear Gas	Yes	Yes	Yes	
Mental Anguish, Emotional Distress, Humiliation	Yes	Yes	Yes	
Mutual Aid Agreement	Yes	Yes	Yes	
Violation of Civil Rights protected under any federal, state or local law	Yes	Yes	Yes	
Duty to Defend	Yes	Yes	Yes	
Punitive Damages included (where allowed by law)	Yes	Yes	Yes	
Include Volunteer Officers as Insureds	Yes	Yes	Yes	
Rating Units	58	59	58	
Law Enforcement Premium (Annual)	\$17,177	\$15,464	\$16,047	

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
EMPLOYMENT PRACTICES LIABILITY				
Each Wrongful Act Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Total Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Defense within Limit or Unlimited	Included in Limit	Outside of Limits	Outside of Limits	
Coverage Form	Claims Made	Claims Made	Claims Made	
Retroactive Date	04/22/88	Full Prior Acts	Full Prior Acts	
Deductible – Each Wrongful Act	\$25,000	\$25,000	\$25,000	
Deductible Applies to Loss & Expenses	Yes	Yes	Yes	
Duty to Defend	Yes	Yes	Yes	
Punitive Damages Included (where allowed by law)	Yes	Yes	Yes	
Include Volunteer Workers as Insured	Yes	Yes	Yes	
Included Employees as Insureds	Yes	Yes	Yes	
Board Members, elected or Appointed Officials Included	Yes	Yes	Yes	
Pay on Behalf	Yes	Yes	Yes	
Rating Units # of Employees	224	232	215	
Employment Practices Liability (Annual Premium)	\$9,819	\$6,995	\$7,532	

City of Hays KS

Coverages	2011/2012 Old Republic	2012/2013 Old Republic	2013/2014 Old Republic	Comparisons
AIRPORT LIABILITY				
Coverage Form	Occurrence	Occurrence	Occurrence	
Non Owned Aircraft Liability	Not Covered	Not Covered	Not Covered	
Bodily Injury & Property Damage – Each Occurrence Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Products-Completed Operations Aggregate Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Personal/Advertising Injury	\$1,000,000	\$1,000,000	\$1,000,000	
Fire Damage Limit – Any One Fire	\$50,000	\$50,000	\$100,000	
Medical Expense Limit – Any 1 Person	\$1,000	\$1,000	\$3,000 Per Person/ \$15,000 Any One Occurrence	
Hangarkeepers Limit any 1 Aircraft	\$1,000,000	\$1,000,000	\$1,000,000	
Hangarkeepers Limit any 1 Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	
Hangarkeepers Deductible Each Loss	\$1,000	\$1,000	\$1,000	
Airport Liability Premium– (Annual)	\$3,845	\$3,845	\$3,845	No change

Note: Policy contains Parachuting Exclusion

Not taking possession of any aircraft & not engaging in direct operations for moving, taxing, towing or fueling.

Excludes of Non-Owned Aircraft Liability

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
COMMERCIAL AUTO				
Liability –Combined Single Limit (BI&PD)	\$1,000,000	\$1,000,000	\$1,000,000	
Medical Payments	\$5,000	\$5,000	\$5,000	
Uninsured/Underinsured	\$50,000	\$50,000	\$50,000	
Increased Limits subject to Tort Liability Limitation	Yes	Yes	Yes	
Rating Units	155	154	160	
Hired Auto (PD) – Excess Basis	\$50,000	Included	Included	
Deductible Hired Auto (PD)	\$500 Comprehensive/ \$500 Collision	\$1,000 Comprehensive/ \$1,000 Collision	\$1,000 Comprehensive/ \$1,000 Collision	
Deductible – Scheduled Autos (PD)	\$1,000 Comprehensive / \$1,000 Collision	\$1,000 Comprehensive / \$1,000 Collision	\$1,000 Comprehensive / \$1,000 Collision	
Units with Physical Damage	150	148	155	
Basis of Settlement	Actual Cash Value	ACV/ Stated Amt for Emergency Rescue Vehicles	ACV/ Stated Amt for Emergency Rescue Vehicles	
Catastrophic Loss Deductible Cap	\$25,000	\$25,000	\$25,000	
Garagekeepers at Scheduled Loc	\$25,000	\$25,000	\$25,000	
Deductible Garagekeepers Comprehensive	\$500/2,500	\$500/2,500	\$500/2,500	
Deductible Garagekeepers – Collision	\$1,000	\$1,000	\$1,000	
Commercial Auto Premium (Annual)	\$57,032	\$41,222	\$38,965	

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 Companion	2013/2014 Companion	Comparisons
UMBRELLA – OCCURRENCE FORM				
General Total Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Products & Completed Work Total Limit	\$1,000,000	Included	Included	
Personal Injury & Advertising Limit	\$1,000,000	Included	Included	
Each Event Limit	\$1,000,000	\$1,000,000	\$1,000,000	
Retained Limit applies only to losses covered by the umbrella excess but not covered under the primary.	\$10,000	\$10,000	\$10,000	
Coverage is provided over the following underlying coverages				
General Liability (Occurrence)	Included	Included	Included	
Auto Liability	Included	Included	Included	
Workers Compensation	Included	Included	Included	
Law Enforcement Liability (Occurrence)	Included	Included	Included	
Employment Related Practices	Included	Included	Included	
Cyber First Liability	Included	Excluded	Excluded	
Sewer Back Up & Failure to Supply	Excluded	Excluded	Excluded	
Public Entity Management Liability (Claims-Made)	Included	Included	Included	
Employee Benefit Plans Administration Liability	Included	Excluded	Excluded	
Premium (Umbrella & Excess E&O)	\$10,535	\$7,824	\$8,882	

City of Hays KS

Coverages	2011/2012 Travelers	2012/2013 National Union Fire In Co of Pittsburgh (Chartis – APEX)	2013/2014 National Union Fire In Co of Pittsburgh (Chartis – APEX)	Comparisons
PUBLIC ENTITY CYBER LIABILITY – Claims –Made				
General Total Limit	\$2,000,000	\$2,000,000	\$2,000,000	
Each Wrongful Act Limit	\$2,000,000 Includes Defense	\$2,000,000 Excludes Defense	\$2,000,000 Excludes Defense	
Deductible – Each Act	\$5,000	\$25,000	\$25,000	
Deductible Includes Damages & Defense	Included	Included	Included	
Retro Date	07/01/09	07/01/09	07/01/09	
Crisis Management Service Expense	\$50,000	\$100,000	\$500,000/ \$100,000 Electronic Data	
Crisis Fund Insurance	\$50,000	\$100,000	\$100,000	
Regulatory Action Sublimit of Liability	None	\$250,000	\$250,000	
Public Entity Cyber Liability Protection Premium	\$1,934	\$14,810	\$14,852	

City of Hays KS

Premiums	2011/2012	2012/2013	2013/2014	Comparisons
ANNUAL PREMIUMS	\$202,145	\$191,552	\$196,523	2.6% Increase + \$4,971

Public Wholesale Water District #15 (City of Hays /City of Russell R9 Ranch)

Coverages	2011/2012	2012/2013	2013/2014	Comparisons
Commercial Property – Water Operations				
Carrier	EMC	EMC	NOT RENEWED	
Building & Contents	No Coverage	No Coverage		
Office Business Personal Property				
Agreed Amount Endorsement				
Valuation				
Deductible				
Co-Insurance				
Property Premium (Annual)	0	0		
General Liability – Water Operations				
Carrier	EMC	EMC		
Coverage Form	Occurrence	Occurrence		
General Aggregate	\$1,000,000	\$1,000,000		
Products/Completed Operations	\$1,000,000	\$1,000,000		
BI & PD Per Occurrence Limit	\$500,000	\$500,000		
Personal/Advertising Injury	\$500,000	\$500,000		
Fire Damage – Legal	\$100,000	\$100,000		
Medical Expense Per Person/Accident	\$5,000	\$5,000		
General Liability Premium (Annual)	\$453	\$565		
Linebacker Liability (D & O)				
Each Loss Limit	\$1,000,000	\$1,000,000		
Aggregate Limit	\$1,000,000	\$1,000,000		
Deductible Per Loss	\$1,000	\$1,000		
Premium (Annual)	\$1,114	\$1,113		
Package Premium	\$1,567	\$1,678		

City of Hays KS

Coverages	2011/2012	2012/2013	2013/2014	Comparisons
FLOOD COVERAGE	Selective Ins. Co of America	Selective Ins. Co of America	Selective Ins. Co of America	
1546 E. HWY 40 By Pass- Park Office				
Effective Dates	05-28-11/12	05-28-12/13	05-28-13/14	
Building	\$172,800	\$172,800	\$172,800	
Deductible	\$5,000	\$5,000	\$5,000	
Premium	\$1,415	\$1,415	\$1,415	No Change
1507 Main – City/Fire Dept				
Effective Dates	04-26-11/12	04-26-12/13	04-26-13/14	
Building	\$500,000	\$500,000	\$500,000	
Contents	\$100,000	\$100,000	\$100,000	
Deductible Building	\$5,000	\$5,000	\$5,000	
Deductible Contents	\$5,000	\$5,000	\$5,000	
Premium	\$6,551	\$6,913	\$7,608	10% Increase

Commercial Insurance package categorical definitions

Commercial Property: Provides coverage for permanent structures and the contents of those structures.

Inland Marine: This is also referred to as scheduled equipment and provides physical damage coverage for items not meeting the definition of commercial property or automobiles: Example - road graders, backhoes, lights, tornado sirens, police equipment etc.

Crime: Provides coverage for employee dishonesty, forgery & alteration, money & securities, computer fraud and funds transfer.

General Liability: Provides coverage to all of the public entity premises and operations within the coverage territory, unless specifically excluded.

Public Entity Management Liability: Provides coverage for loss that results from the conduct of duties by or for a public entity and is caused by a wrongful act. Wrongful act means any error or omission. It includes defense for claims or suits alleging criminal, malicious, dishonest or fraudulent conduct until determinations or admission of such conduct in a legal proceeding.

Law Enforcement Liability: Provides coverage for bodily injury, personal injury or property damage that results from law enforcement activities or operations and is caused by a wrongful act while conducting those activities or operations.

Employment Practices Liability: Provides coverage for wrongful employment practice offenses committed by an insured against your employees and independent contractors including: employment discrimination, wrongful employment termination, employment-related harassment, retaliatory action against employees, wrongful, excessive or unfair discipline, wrongful hiring, supervision, demotion or failure to promote, employment-related misrepresentation, defamation, libel, slander disparagement or invasion of privacy.

Airport Liability: Provides coverage for bodily injury and property damage resulting from the premises and operations of the airport. This coverage is excluded under the general liability so coverage is provided by a separate general liability specifically for airports.

Commercial Auto: Provides bodily injury and property damage liability for any auto claim. In addition physical damage is provided for scheduled autos at actual cash value and hired autos physical damage limited to \$50,000.

Umbrella: Provides additional limits of liability for general liability, automobile liability, law enforcement liability, employment related practices, cyber liability and public entity management liability. This coverage is important in the event the suit is brought in court

outside the State of Kansas and the city does not have benefit of the immunity granted by the Kansas Torts Claims Act.

Public Entity Cyber Liability: Provides communications, media, network and information security liability coverage.

Commission Work Session Agenda

Memo

From: John Braun, Assistant Director of Public Works

Work Session: June 20, 2013

Subject: 13th Street Overlay – Vine to Harvest – Award of Bid

Person(s) Responsible: Toby Dougherty, City Manager
I.D. Creech, Director of Public Works

Summary

Bids have been received for the patching and asphalt overlay of 13th Street from Vine to Harvest and restriping of 13th Street to 3-lanes from Milner to Harvest. The low bid is from APAC-Kansas, Inc. of Hays in the amount of \$621,506.95. Staff recommends authorizing the City Manager to enter a contract with APAC for the rehabilitation of 13th Street from Vine Street to Harvest Road and striping from Milner to Harvest to be funded from Financial Policy Projects in the amount of \$621,506.95.

Background

In May, staff requested authorization to solicit bids for the rehabilitation of 13th Street from Vine Street to Harvest Road. The project would repair all areas of curb & gutter and full-depth patch all areas of failed pavement, correcting any subgrade problems. The edges and any high spots would be milled, manholes and water valves would be adjusted, and the entire surface would receive a new 1½ inch asphalt overlay. Finally, the road would be restriped to 3-lanes with bike lanes on each side. The lane reduction from 4-lanes to 3, and the bike lanes would extend west of Vine Street as well, all the way to Milner. Construction would be complete by the end of the 2013 construction season.

On May 23rd the City Commission authorized staff to solicit bids for said work.

Discussion

Bids from two contractors were opened on June 12, 2013, with the low bid coming from APAC-Kansas, Inc., Hays Branch, in the amount of \$621,506.95. The bid proposal was structured with alternate bid items for paving fabric and an alternative asphalt patching method. The recommendation for award to the low bidder includes those Bid Alternates. The tabulation of bids is attached.

The low bid of \$621,506.95 is less than staff's estimate of cost (\$768,243.50).

Due to the Federal Highway Administration funding eligibility requirements of the recently awarded Transportation Enhancement Grant for the Hays Bike Plan, the Bike Lane Symbols have been removed from the project to be included in a subsequent comprehensive project to mark bike routes across the City according to the Hays Bike Plan under an approved Transportation Enhancement Grant Project.

Improving 13th Street would be a highly visible project that would provide a benefit to a large portion of the City and regional population. The contractor plans to conduct pavement patching in July and August to be followed by the overlay and striping in September. All work is to be completed by October 31, 2013.

Legal Consideration

There are no known legal obstacles to proceeding as recommended by City Staff.

Financial Consideration

The low bid from APAC-Kansas, Inc. is \$621,506.95 to be funded by City Commission Financial Policy Projects.

The City Commission Financial Policy Projects Fund contains sufficient funds for this project and an amount remains to keep the levy at 25 mils for the next 5 years. This also meets the goals of the City Commission financial policy of utilizing excess funds as well as paying as you go.

Options

The Commission has the following options:

Option 1: Accept the bid from APAC in the amount of \$621,506.95.

Option 2: Provide alternate direction to staff.

Recommendation

City staff recommends proceeding with Option 1.

Action Requested

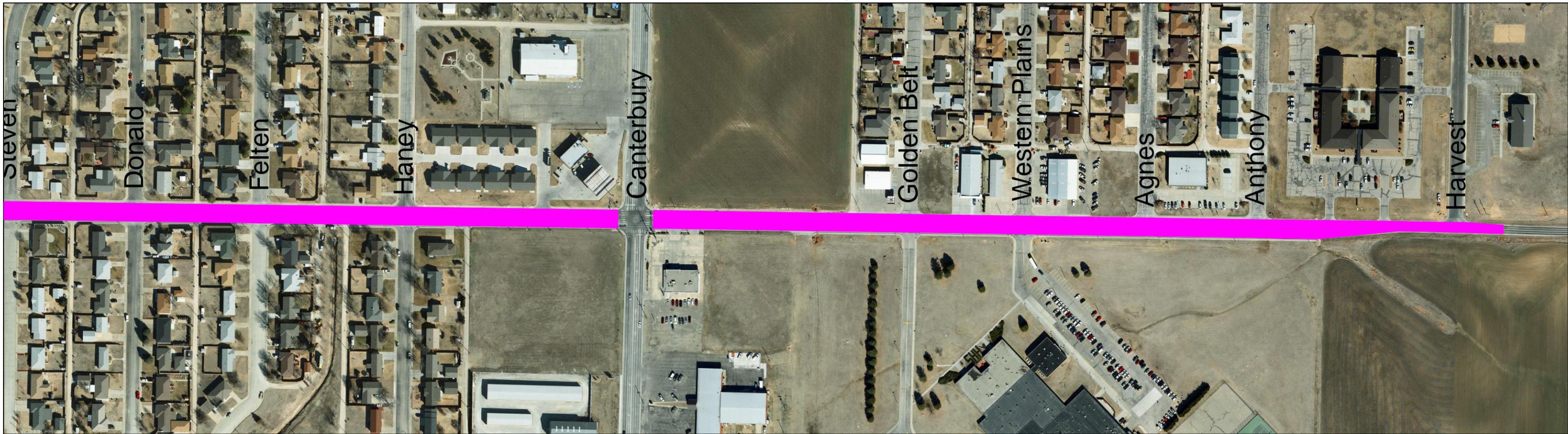
Consider authorizing the City Manager to enter a Contract with APAC-Kansas, Inc. in the amount of \$621,506.95 for the rehabilitation of 13th Street from Vine Street to Harvest Road including the restriping from Milner to Harvest from 4 lanes to 3 lanes, and funded from Financial Policy Projects.

Supporting Documentation

Location Map
Bid Tabulation



COH Project 2013-08 Mill and Overlay 13th Street from Vine to Harvest





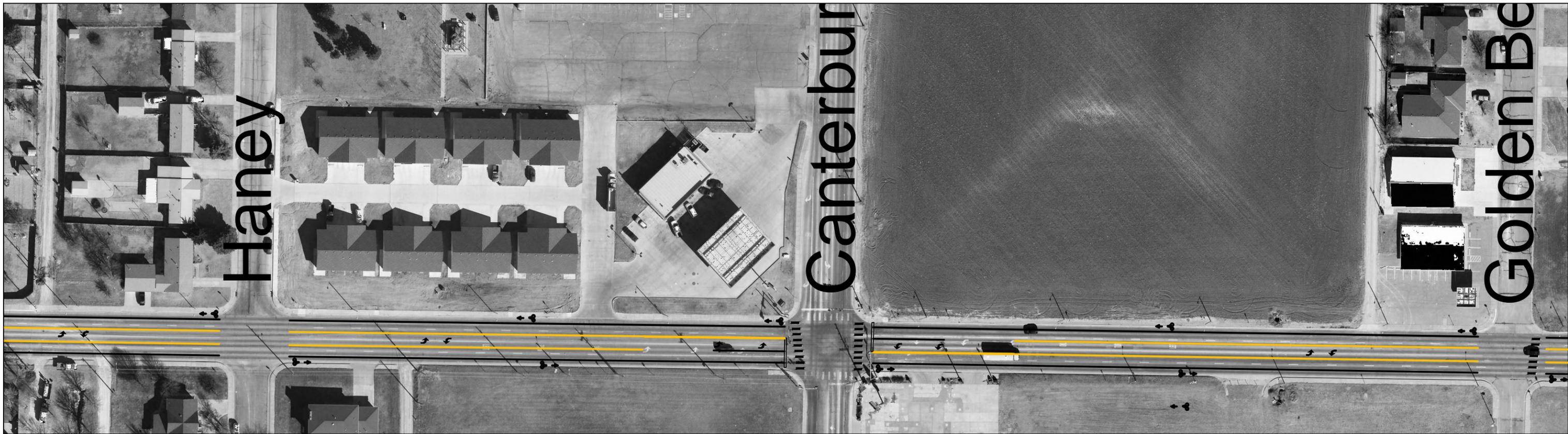
COH Project 2013-08 Striping 13th Street from Milner to Harvest (2/3)





COH Project 2013-08 Striping 13th Street from Milner to Harvest (1/3)





COH Project 2013-08 Striping 13th Street from Milner to Harvest (3/3)



City of Hays Project 2013-08
 13th Street Overlay
 Tabulation of Bids
 Opened June 12, 2013

				Staff Estimate of Cost		APAC		McCormick	
Base									
Bid Items	Description	Quantity	Unit	Price	Total	Price	Total	Price	Total
1	Curb and Gutter (R&R)	680	LF	\$ 45.00	\$ 30,600.00	\$ 48.95	\$ 33,286.00	\$ 40.00	\$ 27,200.00
2	Concrete Pavement 8" (R&R)	170	SY	\$ 100.00	\$ 17,000.00	\$ 93.50	\$ 15,895.00	\$ 109.00	\$ 18,530.00
3	Asphalt Patching (over concrete base)	5	ton	\$ 150.00	\$ 750.00	\$ 136.00	\$ 680.00	\$ 170.00	\$ 850.00
4	Asphalt Patching (7" Full Depth)	550	SY	\$ 80.00	\$ 44,000.00	\$ 82.00	\$ 45,100.00	\$ 74.00	\$ 40,700.00
5	Subgrade repair	360	CY	\$ 80.00	\$ 28,800.00	\$ 56.50	\$ 20,340.00	\$ 196.00	\$ 70,560.00
6	Edge Mill (10')	16,900	SY	\$ 2.75	\$ 46,475.00	\$ 2.19	\$ 37,011.00	\$ 2.77	\$ 46,813.00
7	1.5" HMA Commercial Grade Class A	3,263	tons	\$ 125.00	\$ 407,875.00	\$ 102.15	\$ 333,315.45	\$ 101.00	\$ 329,563.00
8	Manhole Adjustment	34	EA	\$ 550.00	\$ 18,700.00	\$ 425.00	\$ 14,450.00	\$ 480.00	\$ 16,320.00
9	Pavement Marking - White 6"	14,700	LF	\$ 1.00	\$ 14,700.00	\$ 0.90	\$ 13,230.00	\$ 0.94	\$ 13,818.00
10	Pavement Marking - Yellow 4"	17860	LF	\$ 0.90	\$ 16,074.00	\$ 0.60	\$ 10,716.00	\$ 0.70	\$ 12,502.00
11	Pavement Marking - White 24" Stop Bar	124	LF	\$ 18.00	\$ 2,232.00	\$ 12.00	\$ 1,488.00	\$ 22.00	\$ 2,728.00
12	Pavement Marking - White 24" Crosswalk	400	LF	\$ 20.00	\$ 8,000.00	\$ 15.00	\$ 6,000.00	\$ 22.00	\$ 8,800.00
13	Pavement Marking - Left Turn Arrows	52	EA	\$ 275.00	\$ 14,300.00	\$ 180.00	\$ 9,360.00	\$ 450.00	\$ 23,400.00
14	Pavement Marking - Bike Lane Symbols	52	EA	\$ 425.00	\$ 22,100.00	\$ 180.00	\$ 9,360.00	\$ 600.00	\$ 31,200.00
15	Temporary Pavement Marking (Type I Removable)	750	LF	\$ 1.25	\$ 937.50	\$ 0.91	\$ 682.50	\$ 1.39	\$ 1,042.50
16	Pavement Marking Removal	1	LS	\$ 5,500.00	\$ 5,500.00	\$ 3,600.00	\$ 3,600.00	\$ 5,700.00	\$ 5,700.00
Total Base Bid									
					\$ 678,043.50		\$ 554,513.95		\$ 649,726.50
Alternate Bid Items									
A1	Asphalt Patching (3" Oversized Surface)	720	SY	\$ 40.00	\$ 28,800.00	\$ 27.40	\$ 19,728.00	\$ 25.00	\$ 18,000.00
A2	Asphalt Patching (4" Base Course)	550	SY	\$ 50.00	\$ 27,500.00	\$ 63.50	\$ 34,925.00	\$ 29.54	\$ 16,247.00
A3	Geotextile Paving Fabric	40,000	SY	\$ 2.50	\$ 100,000.00	\$ 1.67	\$ 66,800.00	\$ 1.89	\$ 75,600.00

Total with A1+A2 minus Bid Item #4 \$ 690,343.50 \$ 564,066.95 \$ 643,273.50
 Total with A3 \$ 778,043.50 \$ 621,313.95 \$ 725,326.50
 Total with A1+A2+A3 minus #4 \$ 790,343.50 \$ 630,866.95 \$ 718,873.50

Recommended Award - Base Bid + A1 + A2 + A3 minus #4 and #14 \$ 768,243.50 \$ 621,506.95 \$ 687,673.50

Commission Work Session Agenda

Memo

From: Toby Dougherty, City Manager

Work Session: June 20, 2013

Subject: Water Customers Outside City Limits

Person(s) Responsible: Toby Dougherty, City Manager

Summary

Properties outside the city limits of Hays have been allowed to connect to the City's water system. The only requirements placed on the connections were that the customers pay an outside city limit rate and the owner signs a pre-annexation agreement. City staff has evaluated this practice and recommends that it be stopped. Water is in short supply and every new customer creates more demand on the system. New customers should provide the most benefit to the City of Hays.

Background

In the past, properties outside the city limits of Hays have been allowed to connect to the City's water system. The only requirement placed on these connections were that these customers pay an outside city limit rate and the owner sign a preannexation agreement. The City has tended to accommodate these types of requests if they do not require any additional infrastructure. At this time, there are 47 water accounts for customers outside the city limits. These customers pay a rate that is approximately 1.7 times the rate for those customers inside the city limits. The practice has been in place for many years, so staff is not certain when it began. A justification may have been that water is a utility and the more sold, the more revenue generated for the utility. When source is not limited, this line of thinking is valid. As a result of the ongoing drought, city staff has seen an increase in properties outside the city limits wishing to connect to City water.

Discussion

Recently City staff examined the practice of allowing customers outside the city limits to connect to the system. After examination, it is staff's recommendation that the practice be stopped as there is very little, if any, benefit to the City of Hays.

The justification for staff's position:

1. Hays is limited by the State of Kansas in its total water rights. In the past, the State has limited Hays' water rights to population projections within a reasonable planning period. Adding customers without adding people to the city population undermines the City's negotiating position in obtaining more water rights in the future. If and where growth occurs, it should be within the city limits.
2. Hays has the most secure and stable water supply within 30 miles. This should be seen as a powerful economic development tool and should only be used when a significant return on investment is expected.
3. Hays is limited in its water supply due to the current drought. It is unknown when the drought will end. Addition of more customers means Hays will reach a crisis level sooner than if the city did not add customers.
4. The City Commission recently adopted a Comprehensive Plan outlining the future of Hays. This plan was based off the city's available water rights and a reasonable growth projection. Any and all customers added outside the city limits could result in a disruption of the plan.
5. The current practice encourages development outside the city limits. Encouraging growth outside the city limits by providing water to un-annexed property can lead to haphazard development and sprawl.
6. Most properties inside the city limits pay for a portion of the water infrastructure through special assessments or through the lot purchase price. There is no impact or other fees for those outside the city limits.
7. Many potential customers outside of city limits have older houses and businesses which are most likely far less efficient than new construction added in Hays.
8. Many potential customers outside of city limits have large irrigated lawns and/or ponds filled with well water. Is this the type of customer that should be granted city supplies?
9. It can reasonably be assumed that many individuals located outside of Hays did so to avoid the rules and taxes levied by the City. Especially during periods of drought, the City needs understanding and responsive water customers.
10. Police powers end at the city limits. Subjecting in-town customers to a different set of rules, particularly when it comes to legal actions and potential fines against them for violations, is unfair.
11. Hays is looking at installing an AMI system (automated meter reading). It would be wise to know coverage areas, as some areas outside of city limits may not be covered with proposed tower locations.

12. Should the use of private water wells be regulated by the City as part of its drought plan, customers in the city would most likely have more rules than those outside of city limits.
13. The owner of a property in the city limits will pay \$1,883 in property taxes on an assessed valuation of \$150,000. The owner of the property just outside the city limits will pay \$1,483 on an assessed valuation of \$150,000. It is economically desirable to have City water and live outside of town, everything else being equal, especially on more valuable properties. This is unfair to persons owning property within city limits, that they should subsidize the tax bills of those outside city limits. If someone wants city water, they should be more than willing to pay for other city amenities via property taxes, such as the library and airport.
14. Businesses outside the city limits do not pay sales tax to the City.
15. The City of Hays is surrounded by Trego County Rural water district #2. There is a process that must be followed for the City to begin providing water service in Trego's territory. In short, either the water district must cede that territory to the City, or the City must buy out their infrastructure. While Trego may give their blessing to Hays providing service to small properties scattered around its perimeter, it may be reluctant to cede large chunks of territory. This could result in the City providing water to small parcels, in scatterplot fashion, without the ability to fill in the void, even if the property is annexed.
16. Lastly, given that our water supply is limited, there should be a direct and quantifiable benefit to the City of Hays when considering a customer outside the city limits. Customers requesting water should be required to demonstrate the economic benefit to Hays if provided with water.

Staff understands that there may be times when the Commission feels it is in the community's best interest to provide water to customers outside the city limits. The positive effects of economic development expand beyond the city limits. Staff's suggestion is not meant to harm economic development. It is meant to ensure that water is provided outside the city limits only when it is in the economic interest of Hays.

Legal Consideration

The rationale for using Pre-Annexation Agreements to allow for provision of limited City services outside City Limits is overridden by current exigencies and the addition of the Rural Water District since the beginning of the use of Pre-Annexation Agreements has changed the equation. There are no known legal obstacles to proceeding as recommended by City Staff.

Financial Consideration

Municipal utilities are dependent upon sales. So typically any customer added, without having to increase treatment capacity, means more revenue with very little added work. But when source is limited, this factor should not be considered.

Options

- 1) Accept staff's recommendation to stop allowing customers outside the city limits to connect to the City's water system unless a significant and quantifiable benefit can be demonstrated to the City Commission.
- 2) Deny staff's suggestion.
- 3) Do nothing.

Recommendation

Accept staff's recommendation to stop allowing customers outside the city limits to connect to the City's water system unless a significant and quantifiable benefit can be demonstrated to the City Commission.

Supporting Documentation

Policy

List of Water Customers Outside the City Limits

Map of Customers Outside City Limits

SUBJECT	ISSUED BY	EFFECTIVE DATE	REVISION DATE
<p align="center">CITY COMMISSION POLICY WATER SERVICE REQUESTS FOR PROPERTIES OUTSIDE THE CITY LIMITS</p>	<p align="center">City Commission</p>	<p align="center">06-28-2013</p>	

POLICY STATEMENT:

The City of Hays currently has a stable water supply. However, that supply is limited and subject to impact from periodic drought. Therefore, the City of Hays will only consider providing water to customers outside the city limits when it provides a significant economic benefit to the City.

Procedure:

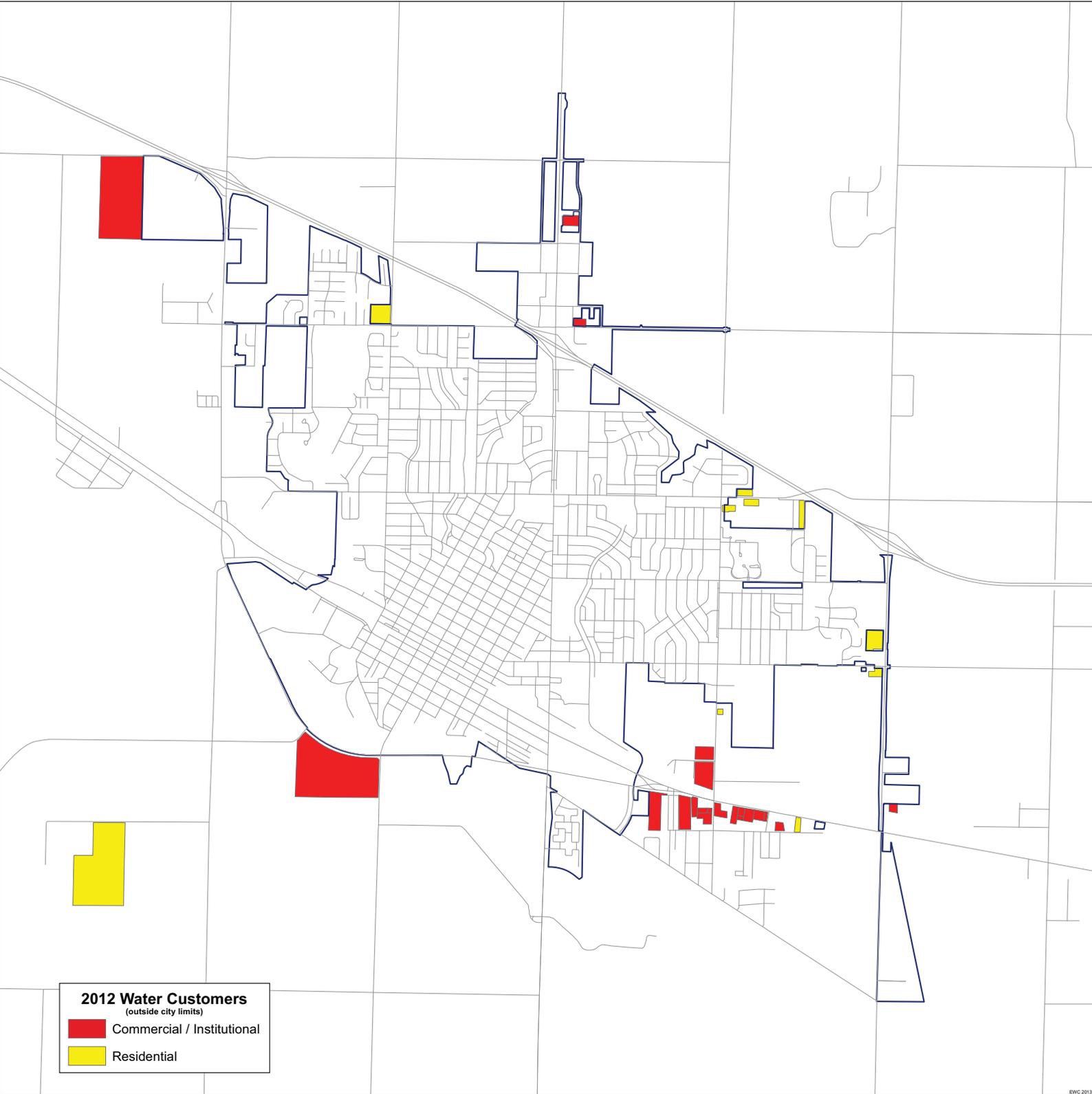
Any property owner outside the city limits wishing to apply for City water service must do so via a formal written request. The request must include a letter from the rural water district that serves the property. The letter must clearly state that the district has declined to serve the property with water and is transferring the ability to provide water to the City of Hays. The request must clearly outline intended use of the water, quantities needed on an annual and monthly basis, and the current and planned future use of the property being served. The request must also contain an economic analysis demonstrating the positive economic benefit to the City of Hays, not including revenues generated from water sales, by providing water service to the property. Applications that do not contain the above-mentioned information will be deemed incomplete and not considered.

Outside City Limits Water Customers

Acct #	Customer	Address	Cubic Ft Used	Status	Service Code
10267	STEEL FABRICATIONS, INC.	1640 HWY 40 BYPS	7,500.00	A	158BO
10268	VITZTUM COMMERCIAL FL.	2050 HWY 40 BYPS	2,500.00	A	134BO
10269	PEPSI BEVERAGES CO.	1860 E 8TH ST	2,700.00	A	140BO
10270	MYER'S ICE COMPANY	715 CANTERBURY DR	1,500.00	A	158BO
10271	HERRMAN LEROY	709 CANTERBURY DR	2,800.00	A	134BO
10272	WESTERN BEVERAGE INC.	2100 HWY 40 BYPS	4,800.00	A	134BO
10422	EAGLE MED	3950 E 8TH ST	9,700.00	A	158BO
10423	CHAMBERS RICK	3950 E 8TH ST	0.00	A	158BO
10424	ROME CORPORATION	3948 E 8TH ST	300.00	A	158BO
10426	HAYS AIRCRAFT	3930 E 8TH ST	1,200.00	A	158BO
10431	KANSAS HISTORICAL SOC.	1472 US 183 ALT HWY	3,700.00	A	110BO
10432	REISIG GENE	1348 BISON RD.	3,000.00	A	158RO
10815	DOLEZAL JOE F.	2020 E 8TH ST	112,100.00	A	1MUO
10816	KARST WATER WELL	2240 E 8TH ST.	3,700.00	A	158BO
10817	KANSAS ACID, INC.	2150 E 8TH ST	17,750.00	A	115BO
10818	GOTTSCHALK JUDE	2270 E 8TH ST	6,900.00	A	158BO
10819	FANCHON / LINNENBERGER	0 HWY 40 BYPS	6,900.00	A	110BO
10820	HAYS SENIOR CENTER	2450 E 8TH ST	7,800.00	A	158BO
12474	NORTHWEST DISTRIBUTORS	1005 CANTERBURY DR	2,200.00	A	134BO
12480	BEFORT CLAYTON	3210 E 13TH ST	7,800.00	A	158RO
12481	UNKNOWN	3300 E 13TH ST	0.00	I	158RO
12482	UNKNOWN	3302 E 13TH ST	0.00	I	158RO
14563	KISNER LLOYD	2165 E 27TH ST	6,400.00	A	158RO
14625	TOEPFER JENNYFER	2220 E 27TH ST	9,400.00	A	158RO
14637	MORGAN CHERYL	2515 WHEATLAND AVE	23,900.00	A	110RO
14639	NOWAK JODILYNN D	804 COMMERCE PKWY	800.00	A	158RO
16098	BRETHOUR JOHN	1555 W 41ST ST	1,300.00	A	158RO
16369	XX XX - DO NOT USE THIS ACCT.	0 WAY 183 BYP	0.00	I	158BO
16372	ELLIS COUNTY 4-H GROUNDS	1343 FAIRGROUND RD	112,900.00	A	120BO
16374	UNKNOWN	4602 US 183 ALT HWY	0.00	I	158BO
17608	UNKNOWN	4820 VINE ST	0.00	I	120BO
17710	WERTH AERIAL SPRAYING	3950 E 8TH ST	0.00	I	158BO
17827	CLARK ROSE	1521 COMMERCE PKWY	6,800.00	A	158RO
17841	UNREIN GLENN	375 E 41ST ST	5,200.00	A	110BO
17845	CUTTERS MACHINE, INC	2240 E 8TH ST	800.00	A	158BO
17907	LOW MACH AERO LLC	3950 E 8TH ST	100.00	A	158BO
17908	CHAMBERS RICK	3950 E 8TH ST	0.00	A	158BO
17909	MYERS JAMES	1104 CANTERBURY DR	5,700.00	A	158RO

17924	CROSS MANUFACTURING	901	CANTERBURY DR	76,510.00	A	120BO
18048	BARBER FRED E.	2620 E	8TH ST	300.00	A	158BO
18112	CHEM-TEK LLC	2615	EAST 7TH ST	1,200.00	A	158BO
18164	SPORTS COMPLEX - SOUTHWEST 4	1376	HWY 40	0.00	I	120BO
18165	SPORTS COMPLEX - SOCCER FIELD	1376	HWY 40	0.00	I	120BO
18166	SPORTS COMPLEX - NORTHEAST 4	1376	HWY 40	7,700.00	I	120BO
18167	SPORTS COMPLEX - MAINTENANCE	1376	HWY 40	4,000.00	I	110BO
18168	FORT HAYS STATE UNIVERS.	1451	HWY 183 ALT	17,350.00	A	120BO
19051	MCGINNIS DONALD	2520	CANTERBURY DR	2,600.00	A	158RO

01/04/2013



Commission Work Session Agenda

Memo

From: Nicholas Willis, Stormwater/Water Conservation Superintendent

Work Session: June 20, 2013

Subject: Second Conservation Tier

Person(s) Responsible: Paul Briseno, Assistant City Manager
Nick Willis, Stormwater/Water Conservation Supt.
Bernie Kitten, Director of Utilities

Summary

Water rates in the City of Hays are designed to incentivize conservation through the implementation of two pricing tiers. While staff believes the current structure has served to limit outdoor watering, much waste still occurs. This is evident in 2012 residential usage among the top customers. An additional conservation tier is proposed to curb the excess use of water among top residential users. This proposed system will not hinder those currently using water efficiently. Furthermore, it will financially encourage those who use water in excess to take measures to reduce usage.

During conditions when the City's Water Plan calls for 'warning' or "emergency" **ONLY** the proposed second conservation tier would increase to promote the most prudent use of water at our driest time.

This item is presented for further policy guidance from the City Commission.

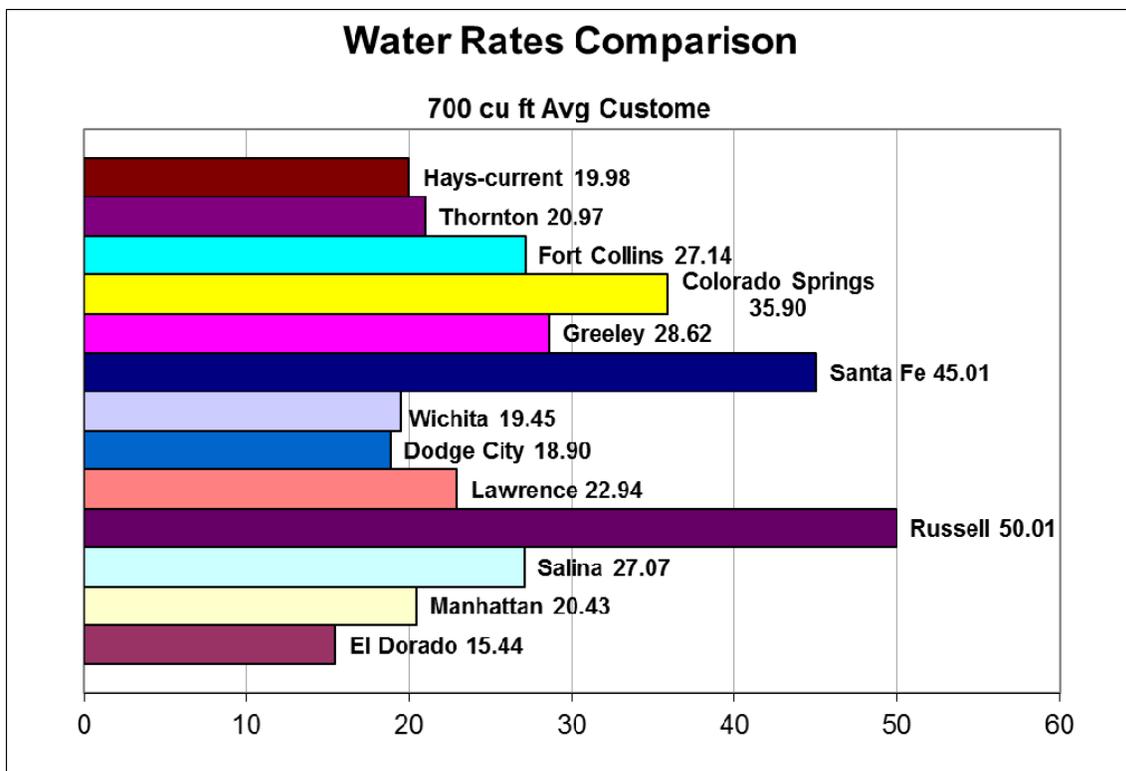
Background

In the 1990's Hays enacted its first water rate structure designed to limit excessive consumption. Hays' current water rate structure was implemented in 2004. It contains a base tier and conservation tier meant to encourage efficient and wise use of potable water. Staff believes the current rate structure, particularly in times of drought, does not adequately reflect the fact that less resource is available. The following information emphasizes this fact:

- Normal Total Daily Consumption is 1.8 Million Gallons per Day
- **Summer Total Daily Consumption is 3.8 Million Gallons per Day**
 - A majority of increased water usage is consumed on outside uses

- Top 20% of residential customers consume 44% of residential water
- Top 10% of residential customers consume 28% of residential water
- July 2012 the highest residential user consumed 23,600 cubic feet in one month
 - 700 cu ft is the winter average consumption
 - This amount would provide 34 (avg) customers water for one winter month
- July 2011 the highest water user applied 2.2 feet of water to their landscape, the second highest user applied 1.5 feet of water to their landscape, this is 2-3x more than needed
- City has 3,764 ac ft of water rights

Staff has examined water rates in other communities. All rates below are base rates, not rates implemented due to short-term supply concerns.



In short, water in Hays, when compared to other towns with less than ideal water supplies, is relatively cheap at the current rate of \$1.80 for the base tier and \$3.60 for the conservation tier.

Discussion

A year round additional conservation tier for residential customers on top of the current rate structure would encourage greater water efficiency throughout the year and not hinder those currently using water efficiently. The following implications are intentional with the proposed three tier system:

- Curb excessive residential use of water and extend viability of resources especially during summer months
- No impact to a majority (82%-85%) of residential customers who use water efficiently
- Only impact consumers that use water in excess with proportional increased costs
- No impact to commercial customers that do not have lawn meters

METHODOLOGY

To establish the parameters of an additional conservation tier staff considered three factors 1) the average customer who uses water efficiently, 2) not penalizing those who use their monthly average plus 1,000 cu ft, 3) anything above the average usage plus 1,000 cu ft was considered excessive.

The average usage is based on the Jan/Feb/Mar water usage and predominately establishes indoor water consumption. All water usage is billed using the Base Tier which is the meter minimum (includes 100 cf.) plus \$1.80 per/100 cf. Currently, the Conservation Tier allows for unlimited use at a price of \$3.60 per/100 cf. for usage over the average. Staff is proposing to add a 2nd tier to the Conservation Tier and limit usage in the 1st tier to 1,000 cf. at \$3.60 per/100 cf. The proposed 2nd tier of the conservation Tier would charge \$5.60 for all usage exceeding the water average + 1,000 cf. In the event of a water warning or emergency, the 2nd tier would be raised to \$7.20.

Staff feels that by allowing citizens to use an additional 1,000 cf over their water average at a reasonable cost would be adequate for efficient outdoor watering usage and would not adversely affect 82-85% of the residential customers. It is hoped that by adding a 2nd tier to the Conservation Tier, excess usage of water among the top residential users will be curbed and that efforts will be made to reduce usage by taking advantage of other landscaping measures.

	BASE TIER		CONSERVATION TIER 1		CONSERVATION TIER 2
USE	INDOOR USE	+	AVG WARM SEASON YARD	+	WATER MORE THAN AVG EFFICIENT CUSTOMER
QTY	AVG or 500 cu ft MIN	+	1st 1,000 c.f. OVER AVG	+	ALL USAGE EXCEEDING 1ST 1,000 CF. IN TIER 1
RATE	MIN + \$1.80	+	\$3.60 PER 100 cu ft	+	\$5.40 PER 100 cu ft
	RATE IF WATER WARNING/EMERGENCY ENACTED				\$7.20 per cu ft

An allowance of 1,000 cu ft at the 1ST conservation tier allows for one of the following watering practices to take place:

- Irrigation of 1.4 inches on an average size warm season yard (0.21 acres) per month to keep grasses growing.

- Approximately 3 inches per week on a 960 square foot flower or vegetable garden.
- Complete irrigation of most xeriscaped yards incorporating native and drought-tolerant vegetation.

POTENTIAL IMPACT

To adequately understand the impact to water customers' staff has calculated potential financial ramifications if the proposed rate system had been in place for July 2012 and July 2011.

- In 2012/2011 –
 - **Majority with NO impact** - 5,271/5,362 (83%/85%) of residential customers would have seen no increase and stayed within the base and 1st conservation tier
 - Minority would be charged in the second conservation tier – 1,118/977
 - **Less than \$10 Increase** - 408/423 (6%/7%) of residential customers would have entered the 2nd conservation tier
 - **More than \$10 Increase** - 710/554 (11%/8%) of residential customers
- There are families on limited incomes reliant on their gardens for a healthy food supply during the growing season. These are protected.

It is hoped the current drought will help spur people toward warm season grasses and appropriate vegetation for the High Plains climate. This water rate will place a higher price on landscapes with inefficient watering systems and inappropriate plants for the climate. Staff will continue to encourage the use of city incentives to reduce home and outside usage to maintain current quality of life standard while using water as efficiently as possible.

Legal Consideration

Because there is no action recommended and this is an informational item, there is no recommendation from the City Attorney at this time. Cities may set reasonable rates for use of services and water rates are within that purview. The City may take any course of action it deems necessary and reasonable under the circumstances.

Financial Consideration

Studies generally show a 3%-4% reduction in residential water usage for a 10% increase in water rates. The implementation of a 2nd conservation tier could provide a 15% - 20% reduction of water usage among the highest users. There will be many who will reduce that are within the base and 1st conservation tiers not understanding the implication of the tiered system. This will also contribute to the overall reduction in usage.

A reduction in use will have a direct correlation in decrease water revenue, impacting the operational budget. It is difficult to accurately forecast how the sale of less, but more expensive water, will impact both operational costs and revenues.

Options

The City Commission has the following options available.

1. Enact the recommended rate structure as directed by City Commission
2. Provide staff with further direction.
3. Do nothing.

Recommendation

This item is presented for further Commission Guidance. Should the Commission want to move forward with a 2nd conservation tier, an ordinance update would occur.

Action Requested

None, this item is provided for further discussion.

Commission Work Session Agenda

Memo

From: Toby Dougherty, City Manager

Work Session: June 20, 2013

Subject: Amendment to Water Conservation Plan – Update of Drought Response Plan

Person(s) Responsible: Toby Dougherty, City Manager

Summary

As part of the City’s Comprehensive Water Plan, the City of Hays has a Drought Response Plan. The initial Drought Response Plan was created in the 1990s and has not been significantly updated since the early 2000s. As you are aware, the City of Hays is in the midst of a prolonged drought that is significantly impacting the region. City staff felt it was time to revisit the Drought Response Plan and update it to reflect our current operations as well as our current limitations. Attached to this memo is the revised Drought Response Plan. The revised Drought Response Plan is not being submitted to you in redline format as it is significantly different from the previous Drought Response Plan. Both plans are included with this memo.

Background

As part of the Comprehensive Water Plan, the City has had a Drought Response Plan in place for many years. The Drought Response Plan provides a clear and concise set of guidelines that, if followed, will extend Hays’ water during periods of drought. The Drought Response Plan sets forth the conditions for how the City reacts to drought in three stages – “Water Watch”, “Water Warning” and “Water Emergency”. Each stage has progressively stronger administrative actions to reduce water usage.

When City staff reviewed the Drought Response Plan last summer, a few flaws were found in the plan that needed to be corrected. The plan language also needed to be updated to reflect the current operational procedures as well as our current source limitations. Therefore, City staff rewrote the Drought Response Plan with the intent of developing a plan that was clearer, more concise, with progressive restrictions throughout the stages. City staff also felt it was necessary to craft a plan where the City would lead by example rather than simply placing demands on its water customers.

Discussion

As previously mentioned, the Drought Response Plan was significantly overhauled. I will touch briefly on each stage.

Stage 1 – “Water Watch”

With the previous plan, “Water Watch” was simply a stage where the City made its customers aware of the fact that water sources were being stressed and asked for voluntary cutbacks. This is not uncommon; however, City staff feels that we need to lead by example if we are going to ask our customers to make voluntary cutbacks in their usage. Therefore, under “Management Actions”, you will see several changes in the way the City uses water internally. This will hopefully set a good example and encourage more of our customers to do the same.

Stage 2 – “Water Warning”

“Water Warning” is our second stage in the Drought Response Plan. As you will note under “Management Actions”, the City will curtail its water usage even more under this stage. You will also notice in the “Water Warning” stage the inclusion of regulatory actions. These are actions that will impact the water customers.

Stage 3 – “Water Emergency”

The third stage in the Drought Response Plan is “Water Emergency”. Please take note under “Management Actions” in this section that, if we reach this stage, the swimming pools will be closed. It is also noted that the City will request a release of water from Cedar Bluff Reservoir if we meet this stage and have not done so. Under “Regulatory Actions”, all outdoor water use will be banned. One thing that has been added is that the City will no longer approve the installation or connection of new water meters to the potable distribution system without City Manager approval.

Another item of note in the updated Drought Response Plan is the reference to a third tier water rate. Currently, the City does not have a third tier in its water rate structure; however, it was indicated to the City Commission in November of 2012 that City staff was working on a proposal for a third tier. The third tier is being brought forward for consideration with another agenda item.

Legal Consideration

There are no known legal obstacles to proceeding as recommended by City staff.

Financial Consideration

The most notable financial consideration of the Drought Response Plan would be the enactment of a potential third tier water rate. If a third tier is utilized, it could result in more revenues being received during drought periods. That being said, if there is an

overall reduction in usage during a drought, revenues will decrease, potentially offsetting any increase in revenues as a result of a third tier.

Options

1. Accept the Drought Response Plan as presented.
2. Deny the Drought Response Plan as submitted.
3. Provide staff with further direction or suggested amendments to the Drought Response Plan.
4. Do nothing.

Recommendation

City staff recommends the City Commission adopt the Drought Response Plan as amended.

Action Requested

Consider adopting the Drought Response Plan as presented.

Supporting Documentation

Drought Response Plan (Proposed)

Drought Response Plan (Current)

Supplement to
MUNICIPAL WATER CONSERVATION PLAN:
DROUGHT RESPONSE PLAN

FEBRUARY 2013

I. INTRODUCTION

The City of Hays has a very effective water conservation program. This program has resulted in Hays becoming the municipal efficiency leader in the State of Kansas. But Hays still depends primarily on alluvial aquifers for its water and these are subject to depletion during periods of drought. If Hays is going to continue as a viable city, it must be ready to react to these periods of drought.

The intent of this document is to be a drought response plan, and not to detract from the everyday emphasis on conservation and efficiency. This supplement is intended to provide a clear and concise set of guidelines that, if followed, will extend Hays' water sources during periods of drought.

DROUGHT AND/OR EMERGENCY CONTINGENCY

The City of Hays addresses its short-term water shortage problems through a series of stages based on conditions of supply and demand with accompanying triggers, goals and actions. Each stage is more stringent in water use than the previous stage since water supply conditions are more deteriorated. The Hays City Manager is authorized by ordinance to implement the appropriate conservation measures. Management and regulatory actions related to restricting outside irrigating and water usage do not prohibit the use of effluent water for public facilities. If conditions warrant, the City Manager, with approval of the City Commission, can declare a watch warning or emergency.

Stage 1: Water Watch

Triggers (1)

This stage is triggered by any one (1) of the following conditions:

- 1) The inability to maintain the City's underground storage reservoirs at or above 85 percent capacity for a 48 hour period.
- 2) Static Water levels in 3 or more of the Big Creek wells have fallen to water watch levels as defined in the City of Hays Water Supply Operating Plan.
- 3) The Smoky Well Field designated monitoring well(s) reach watch level.
- 4) Daily water usage is in excess of 3.5 million gallons per day (mgd) for three (3) consecutive days.

Goals (1)

The City's goal during this stage is to have consumption voluntarily reduced through increased public awareness of existing water conditions and the elimination of any waste.

Education Actions (1)

- 1) Regular news releases on water levels, water supply outlook, and ideas for conservation.
- 2) Provide an in depth summary of conditions of our water supply to the City Commission.
- 3) Increase water conservation education efforts city-wide.

Management Actions (1)

- 1) Review maintenance records to determine the last time wells with low specific capacities were rehabilitated. Schedule maintenance if any wells have gone an extended period without cleaning.
- 2) City will curtail or limit non-essential water use in all departments.
- 3) The City will reduce water usage, on all parks and ballfields that utilize potable water, by 30%.
- 4) The City will monitor its use of water and will curtail activities such as hydrant flushing and street cleaning.
- 5) Wells will be pumped according to the corresponding Water Source Utilization Plan within the City of Hays Water Supply Operating Plan.

Stage 2: Water Warning

Triggers (2)

This stage is triggered by any one (1) of the following conditions:

- 1) The inability to maintain the City's underground storage reservoirs at or above 70 percent capacity for a 48 hour period.
- 2) Static Water levels in 3 or more of the Big Creek wells have fallen to water warning levels as defined in the City of Hays Water Supply Operating Plan.
- 3) The Smoky Well Field Status monitoring well(s) reach warning level.
- 4) Daily water usage is in excess of 3.5 mgd for 7 consecutive days, with wellfield conditions depleting.

- 5) Well fields on February 15th, of a given year, in “watch” status, with conditions not improving, and in period of drought. Preemptive move to Water Warning must be approved by the Hays City Commission.

Goals (2)

The goals of this stage are to reduce peak demands by 30 percent and to reduce overall weekly consumption by 20 percent.

Education Actions (2)

- 1) The City will make presentations at public forums on the conditions of the water supply and the promotion of water conservation.
- 2) The City will make frequent news releases to the local media describing present conditions and indicating the water supply outlook.
- 3) The City may place inserts in each customer’s water bill outlining tips on conserving water indoors and outdoors.
- 4) Water conservation articles will be provided to the local media.

Management Actions (2)

- 1) The City water supplies will be monitored daily.
- 2) Wells will be pumped according to the corresponding Water Source Utilization Plan within the City of Hays Water Supply Operating Plan.
- 3) Standby wells will be prepared for contingency operation.
- 4) The City will curtail its water usage, including watering of City grounds and washing of vehicles.
- 5) The City will reduce water usage on all parks and ballfields that utilize potable water. The goal will be to water only enough to keep the roots of the grass alive.
- 6) Plantings, flower beds, and other vegetation in medians, rights of way, parks, and adjacent to City buildings will no longer be watered with potable water.
- 7) Notify KWO of conditions which may call for eventual release from Cedar Bluff.

Regulation Actions (2)

These regulations shall apply to all City of Hays water customers residents and shall include private domestic wells within the city limits by authority delegated by the Chief Engineer, Division of Water Resources, Kansas Department of Agriculture pursuant to K.S.A. 82a-733(i).

- 1) City will issue newly seeded lawn permits for warm season grasses only, and only during designated planting periods as outlined in the permit.
- 2) City will no longer approve connection to, or upsizing of, meters accessing the potable water system, for irrigation purposes.
- 3) City will enact its drought response second conservation tier water rate.
- 4) City will no longer authorize new connections to the potable water system for properties located outside the city limits.
- 5) City will stop issuing permits for benefit car washes, and the washing of houses and hard surfaces.
- 6) Outdoor water use, including lawn watering and car washing, will be restricted to before 10 a.m. and after 9 p.m. as authorized under the Water Allotment and Conservation Ordinance.

Stage 3: Water Emergency

Triggers (3)

This state is triggered by any one (1) of the following conditions:

- 1) The inability to maintain the City's underground storage reservoirs at or above 50 percent capacity for 3 consecutive days.
- 2) The Smoky Well Field monitoring well(s) reaches emergency level.
- 3) Static Water levels in 3 or more of the Big Creek wells have fallen to water emergency levels as defined in the City of Hays Water Supply Operating Plan.
- 4) Daily water usage is in excess of 3.5 mgd for 14 consecutive days, with wellfield conditions depleting.

Goals (3)

The goal is to limit all consumption to the base flow requirements equal to or less than normal winter usage.

Education Actions (3)

- 1) The City will make daily news releases to the local media describing present conditions and indicating the water supply outlook for the next day.
- 2) If necessary, the City will hold public meetings to discuss the emergency, the status of the City's supply and further action, which needs to be taken.

- 3) Continue to increase efforts to educate the general public (schools, civic groups, etc.) and hold public forums to discuss the water situation and conservation.

Management Actions (3)

- 1) All municipal swimming pools and water features will be closed.
- 2) If triggers are met, the City will request a release from Cedar Bluff Reservoir, from the joint use pool.
- 3) Standby wells will be considered for contingency operation.
- 4) The City may seek additional emergency supplies from other users, the state or the federal government.

Regulation Actions (3)

These regulations shall apply to all City of Hays water customers residents and shall include private domestic wells within the city limits by authority delegated by the Chief Engineer, Division of Water Resources, Kansas Department of Agriculture pursuant to K.S.A. 82a-733(i).

- 1) Second conservation tier water rate will continue.
- 2) Outdoor water use will be banned.
- 3) The City will no longer approve the installation or connection of new water meters to the potable distribution system without City Manager approval.
- 4) The filling of swimming pools will be prohibited.
- 5) Irrigation meters will be locked by City staff.

correspond to the City's outdoor watering restriction as defined in paragraph 2 above. More information related to the DWR order restricting watering can be found in Attachment A.

III. DROUGHT AND/OR EMERGENCY CONTINGENCY

The City of Hays addresses its short-term water shortage problems through a series of stages based on conditions of supply and demand with accompanying triggers, goals and actions. Each stage is more stringent in water use than the previous stage since water supply conditions are more deteriorated. The Hays City Manager is authorized by ordinance to implement the appropriate conservation measures. Management and Regulatory actions related to restricting outside irrigating and water usage do not prohibit the use of effluent water from the wastewater treatment plant.

Stage 1: Water Watch

Triggers

This stage is triggered by any one (1) of the following conditions:

- 1) The inability to maintain the City's underground storage reservoirs at or above 85 percent capacity for a 48 hour period,
- 2) Static Water levels in 3 or more of the Big Creek wells have fallen to water watch levels as defined in the City of Hays Water Supply Operating Plan,
- 3) The Smoky Well Field Status Condition is "Reduced Storage Alert – 1" as defined in the City of Hays Water Supply Operating Plan
- 4) Daily water usage is in excess of 3.5 million gallons per day (mgd) for three (3) consecutive days.

Goals

The City's goal during this stage is to have consumption voluntarily reduced through increased public awareness of existing water conditions and the elimination of any waste.

Education Actions

- 1) Regular news releases on water levels, water supply outlook, and ideas for conservation.
- 2) Provide an in depth summary of conditions of our water supply to the City Commission.
- 3) Increase water conservation education efforts city-wide.

Management Actions

- 1) Review maintenance records to determine the last time wells with low specific capacities were rehabilitated. Schedule maintenance if any wells have gone an extended period without cleaning.
- 2) The City will reduce water usage on all parks and ballfields that utilize potable water. The goal will be to water only enough to keep the roots of the grass alive.
- 3) The City will monitor its use of water and will curtail activities such as hydrant flushing and street cleaning.
- 4) Wells will be pumped according to the corresponding Water Source Utilization Plan within the City of Hays Water Supply Operating Plan.

Regulation Actions

- 1) City will curtail or limit non-essential water use in all departments.
- 2) If not already enacted, the City will request the Division of Water Resources to implement an afternoon watering prohibition within the intensive groundwater use control area (IGUCA) around the City of Hays.
- 3) The City will stop issuing permits for newly seeded or sodded lawns.

Stage 2: Water Warning

Triggers

This stage is triggered by any one (1) of the following conditions:

- 1) The inability to maintain the City's underground storage reservoirs at or above 70 percent capacity for a 48 hour period,
- 2) Static Water levels in 3 or more of the Big Creek wells have fallen to water warning levels as defined in the City of Hays Water Supply Operating Plan,
- 3) The Smoky Well Field Status Condition is "Reduced Storage Alert – 2"
- 4) Daily water usage is in excess of 3.5 mgd for 7 consecutive days.

Goals

The goals of this stage are to reduce peak demands by 30 percent and to reduce overall weekly consumption by 20 percent.

Education Actions

- 1) The City will make presentations at public forums on the conditions of the water supply and the promotion of water conservation.
- 2) The City will make frequent news releases to the local media describing present conditions and indicating the water supply outlook.
- 3) The City will place inserts in each customer's water bill outlining tips on conserving water indoors and outdoors.
- 4) Water conservation articles will be provided to the local media.

Management Actions

- 1) The City water supplies will be monitored daily.
- 2) Wells will be pumped according to the corresponding Water Source Utilization Plan within the City of Hays Water Supply Operating Plan.
- 3) Standby wells will be prepared for contingency operation.
- 4) The City will curtail its water usage, including watering of City grounds and washing of vehicles.
- 5) Plantings, flower beds, and other vegetation in medians, rights of way, parks, and adjacent to City buildings will no longer be watered with potable water.
- 6) The Hays Aquatic Park and Wilson Pool will be closed.

Regulation Actions

- 1) Limit per capita per day water consumption to 100 gallons and business to 90% of their annual use as authorized under the Water Allotment and Conservation Ordinance.
- 2) Outdoor water use, including lawn watering and car washing, will be restricted to before 10 a.m. and after 9 p.m. as authorized under the Water Allotment and Conservation Ordinance.
- 3) Refilling of swimming pools will be allowed one (1) day a week after sunset.
- 4) Notify KWO and City of Russell of conditions which may call for eventual release from Cedar Bluff.

Stage 3: Water Emergency

Triggers

This state is triggered by any one (1) of the following conditions:

- 1) The inability to maintain the City's underground storage reservoirs at or above 50 percent capacity for 3 consecutive days,
- 2) The Smoky Well Field Status Condition is "Reduced Storage Alert – 3"
- 3) Static Water levels in 3 or more of the Big Creek wells have fallen to water emergency levels as defined in the City of Hays Water Supply Operating Plan,
- 4) Daily water usage is in excess of 3.5 mgd for 14 consecutive days.

Goals

The goal is to limit all consumption to the base flow requirements equal to or less than normal winter usage.

Education Actions

- 1) The City will make daily news releases to the local media describing present conditions and indicating the water supply outlook for the next day.
- 2) If necessary, the City will hold public meetings to discuss the emergency, the status of the City's supply and further action, which needs to be taken.
- 3) Continue to increase efforts to educate the general public (schools, civic groups, etc.) and hold public forums to discuss the water situation and conservation.

Management Actions

- 1) The City water supplies will be monitored daily.
- 2) The City will no longer approve the installation or connection of new water meters to the potable distribution system.
- 3) Standby wells will be considered for contingency operation.
- 4) Wells will be pumped according to the corresponding Water Source Utilization Plan within the City of Hays Water Supply Operating Plan.
- 5) The City may seek additional emergency supplies from other users, the state or the federal government.

Regulation Actions

- 1) Reduce per capita per day consumption to 50 gallons and business use to 85% of their annual use as authorized under the Water Allotment and Conservation Ordinance.
- 2) Outdoor water use will be banned.
- 3) The filling of swimming pools with potable water will be prohibited.
- 4) Consider formal request for release from Cedar Bluff Reservoir.

PLAN REVISION, MONITORING AND EVALUATION

The City of Hays will monitor and review monthly totals for water production, consumptive use by water billing category, unsold water used by the City, and water that is unaccounted for. These totals will be compared to those from previous months and usage from previous years.

The City of Hays' Municipal Water Conservation Plan will be reviewed on an annual basis and on a more frequent basis during drought or other water shortage conditions. If the water conservation gallons per capita per day (gpcd) goal(s) for the previous year are not met, then the City will review the data collected from the previous year in relationship to the status and effectiveness of the conservation practices that are outlined in the plan and will provide a status report to the Division of Water Resources (or whatever state agency is responsible for approving and monitoring our plan), which will also include any additional water conservation practices that may need to be taken in order for the City to achieve and maintain its water use conservation gpcd goal(s).