

MINUTES OF A MEETING OF
THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON AUGUST 9, 2001

1. CALL TO ORDER BY CHAIRMAN: The Governing Body of the City of Hays, Kansas met in regular session, Thursday, August 9, 2001, at 7:30 p.m.

Roll Call: Present: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

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

2. MINUTES: Dick Bedard moved, Sunell Koerner seconded, that the minutes of the regular session held on July 26, 2001, be approved.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

3. CITIZEN COMMENTS: Ed Dies, representing the Hays Lions Club, presented a check for \$500 for playground equipment at the Daniel G. Rupp Northridge Neighborhood Park.

Leslie Paige, representing the Rural Safe Schools Healthy Students Project at USD 489, invited the Commissioners to attend the 2001 "Safe Instead of Sorry" conference to be held September 21, 2001 at the Memorial Union on the Fort Hays State University campus.

Paul Wildeman, 204 West 4th Street, appeared before the Commission regarding the nuisance complaint he voiced at the last Commission meeting. Mr.

Wildeman would like to see a speedier process to resolve complaints that involve health issues.

City Attorney John Bird stated he has researched state statutes relating to nuisance complaints that involve health issues. Those statutes would be more appropriate to be enforced in the situation Mr. Wildeman experienced. The City nuisance ordinance is designed to resolve problems that develop slowly such as an accumulation of trash and debris that are not health hazards. City ordinances can't be tailored to deal with the most extreme circumstances; state statutes address those kind of situations.

4. CONSENT ITEMS: Troy Hickman moved, Dick Bedard seconded, that the following mayoral appointments to the Smoky Hill Wellfield Rehabilitation Consultant Selection Committee and to the Beautification Committee be approved:

Smoky Hill Wellfield Rehabilitation Consultant Selection Committee

Citizens: Jim Aubel	City Staff: Elden Hammerschmidt
Bill Heimann	Paul Montoia
John Ratzlaff	

Beautification Committee

Carol Eddy – term expiring 8-1-04
Jason Milbradt – term expiring 8-1-04
Janet Brull – term expiring 8-1-04
Barbara King – term expiring 8-1-04
Danna Kaiser – term expiring 8-1-04

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner

Dick Bedard

OLD BUSINESS

6. NUISANCE ABATEMENT: Tom Loker, Building Inspector, recommended this item be tabled until the next meeting. The owner of the property in question is out of the country. Mr. Loker stated the owner has made some effort to clean up the property and he would like to give the owner an additional two weeks to finish cleaning up the property.

Troy Hickman moved, Dick Bedard seconded, that the abatement of property at 401 Riley be tabled until the August 23, 2001 meeting.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

7. BIG CREEK/PRAIRIE ACRES REVIEW: **A.** City Attorney John Bird recommended the City of Hays proceed with the appeal process involving the Big Creek/Prairie Acres lawsuit. Mr. Bird stated the appeal would do two things. If the City is successful, the appeal will generate a judgement against the Districts. It also may clarify the contract that is in place.

Henry Schwaller IV moved, Sunell Koerner seconded, that staff proceed with the appeal process involving the Big Creek/Prairie Acres lawsuit.

Vote: Ayes: Henry Schwaller IV
Troy Hickman
Sunell Koerner
Dick Bedard

No: Larry Schmidt

B. Discussion was held about future sewer rates for the Districts. Prairie Acres has proposed a rate of 1.25 times the inside commercial rate. Mr. Bird

suggested he and City staff be given the authority to negotiate with the Districts on future rates. The Commissioners agreed with Mr. Bird's suggestion.

Henry Schwaller IV moved, Larry Schmidt seconded, that City Attorney John Bird and City staff be given the authority to negotiate a potential future sewer rate structure with Big Creek Sewer District and Prairie Acres Sewer District representatives, which will then be considered and approved by the City Commission.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

7. CITIZEN SURVEY: Henry Schwaller IV moved, Troy Hickman seconded, that this item be tabled until the August 23, 2001 meeting.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

8. UNIFORM PUBLIC OFFENSE CODE ORDINANCE: Troy Hickman moved, Larry Schmidt seconded, that the Ordinance No. 3559, being an ordinance regulating public offenses within the corporate limits of the City of Hays, Kansas, incorporating by reference "The Uniform Public Offense Code for Kansas Cities," Edition of 2001, and repealing Ordinance No. 3538 of the Code of Ordinances of the City of Hays, Kansas, be approved.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

9. STANDARD TRAFFIC ORDINANCE: Troy Hickman moved, Larry Schmidt seconded, that Ordinance 3560, being an ordinance regulating traffic within the corporate limits of the City of Hays, Kansas, incorporating by reference “The Standard Traffic Ordinance for Kansas Cities,” Edition 2001, providing certain penalties and repealing Ordinance No. 3537-A of the Code of Ordinances of the City of Hays, Kansas, be approved.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

NEW BUSINESS

10. PUBLIC HEARING FOR 2002 BUDGET: Mayor Schwaller opened the public hearing regarding the 2002 City of Hays Budget.

Assistant City Manager Dorothy Stites stated \$28,395,288 is being requested in the 2002 budget for a total of 36.55 mills.

Mayor Schwaller stated the tax dollars levied in the 2002 Budget total \$4,609,746. The majority of this will go to the General Fund to fund general City services. Part of the increased mill levy (2 mills) is dedicated to park improvements.

Troy Hickman moved, Sunell Koerner seconded, that the public hearing be closed.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

11. ORDINANCE FOR BUDGET YEAR 2002 TAX INCREASE: Larry Schmidt moved, Dick Bedard seconded, that Ordinance No. 3563, being an ordinance

attesting to the possible increase in taxes levied for Budget Year 2002 necessary to finance public services for the City of Hays, Kansas, be approved.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

12. ADOPTION OF 2002 BUDGET: Troy Hickman moved, Sunell Koerner seconded, that Ordinance No. 3562, being an ordinance approving, adopting and appropriating by fund the Budget of the City of Hays, Kansas, for the year beginning January 1, 2002, be approved.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

13. NATIONAL DEVELOPMENT COUNCIL (NDC) CONTRACT REVIEW:

Community Development Coordinator Kent Laas stated this 90 day contract which was signed June 1, 2001 is being reviewed after 60 days, as was the Commission's desire.

Mayor Schwaller stated the NDC works for the City and their job is to audit the proposal brought to the City by developer Charles Comeau, president of Liberty Group, L.L.C., and to make changes and recommendations. They are also to help the City find sources of funding.

Commissioner Schmidt stated that when funding in the amount of \$15,000 for this contract was authorized, it was suggested some other entity contribute the other half.

Mayor Schwaller stated he didn't think the Downtown Hays Development Corporation was in a financial position to contribute to funding this contract. The number one goal of DHDC is to pay off the six buildings that are to be redeveloped.

Commissioner Koerner asked if it would be possible to approach the Ellis County Coalition to help fund this contract.

Commissioner Hickman stated he is in favor of approving this extension; this agreement is a small piece of the whole project. It will create dividends in the future. We should honor the balance of this agreement, which has four months left.

Henry Schwaller moved, Sunell Koerner seconded, that the contract be continued for an additional 90 days with the National Development Council, and that the Ellis County Coalition for Economic Development and the Hays Area Chamber of Commerce be approached to request their sharing in 1/3 installments for the payment of this contract. The contract will be reviewed again in 90 days.

Commissioner Hickman stated he felt the Commission should approve the whole contract, not piece by piece.

The Mayor called for the vote.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Sunell Koerner

Dick Bedard

No: Troy Hickman

14. NEIGHBORHOOD REVITALIZATION PLAN PUBLIC HEARING: Mayor Schwaller opened the public hearing to hear comments about expanding the boundaries of the Neighborhood Revitalization District.

H. D. Woods and David Van Doren, owners of Hadley Redevelopment L.L.C., have requested that Block 4 & 5, H. P. Wilson Addition to the City of Hays, be included in the Neighborhood Revitalization District boundaries. The two blocks include the former Hadley Campus of Hays Medical Center, S & W Supply, and the State of Kansas Unemployment Office. Hadley Redevelopment has recently purchased the Hadley Campus and is in the process of subdividing the areas into space for tenants that will operate separately from one another and it is the developer's intent to convert the upper floors to residential occupancy.

Mayor Schwaller stated the Downtown Hays Development Corporation supports this inclusion into the boundaries. He voted against this inclusion initially because Mr. Woods and Mr. Van Doren didn't own the building at that time.

Roger Moses, 216 East 6th Street, asked why the area he lives in was not included in the boundaries.

Commissioner Schmidt stated the recommendation was to keep the area smaller. When too many properties are included, it becomes burdensome. It is a lot of work to obtain legal descriptions to set up one of these districts. Originally the area was four times as large and was pared down to see if citizens take advantage of the benefits. Most of the communities that have done this type of project don't get much of a response.

Mayor Schwaller stated the area originally was from the Fort Hays State University campus to Vine Street. From an administrative standpoint, the County Appraiser's Office could never have done all the work for that large of an area. The Commission's desire was to focus on historic preservation. A number of the structures from Oak Street to Vine Street are not historic. If Mr. Moses wants his neighborhood included, he should visit with Community Development Coordinator Kent Laas, and then the Commission could consider it.

Mr. Laas stated the most significant impact is realized by new construction projects. Their taxes are 95% abated for three years; they only pay on the land value for three years.

Troy Hickman moved, Dick Bedard seconded, that the public hearing be closed.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

Troy Hickman moved, Henry Schwaller IV seconded, that the boundaries of the Neighborhood Revitalization District be extended to include Blocks 4 & 5, H. P. Wilson Addition to the City of Hays.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

The Ellis County Commission and USD 489 must also approve this inclusion.

15. SOUTHGATE MOBILE HOME PARK ANNEXATION: Henry Schwaller IV, representing Henry Schwaller and Associates, has requested annexation of the property known as Southgate Mobile Home Park at 1590 East Highway 40 Bypass. The legal description of the property is Lots 2,3,4,5, Block 1, and Lot 1, Block 2, Southridge Estates Addition to Ellis County, Kansas. The property is contiguous with the city limits and is currently serviced with both public water and municipal sewer service provided by the City of Hays. The Hays-Ellis County Planning Commission has approved this annexation.

Mayor Schwaller stated that the benefits of annexation such as reduced water and sewer rates, fire and police protection, and lower insurance costs will be financially beneficial. An indicator post valve will be installed to supply water from a 6" water line to a fire hydrant in order to provide adequate fire protection for the park. Annexation would be contingent upon meeting the Fire Chief's recommendation for increased water pressure for water going through this fire hydrant.

Dick Bedard moved, Troy Hickman seconded, Ordinance No. 3564, being an ordinance annexing land to the City of Hays, Kansas, be approved, contingent upon the fire protection needs being met.

Vote: Ayes: Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

Abstain: Henry Schwaller IV

16. WATER DIVISION – VALVE REPLACEMENT PROJECT: One bid was received from US Filter, Ames, Iowa, in the amount of \$80,876. The budgeted amount for this project is \$83,000.

Elden Hammerschmidt stated US Filter has performed work for the City in the past and they have always done a good job. The specifications for the project called for sealed bids; US Filter sent a faxed bid. Mr. Hammerschmidt stated it is hard to get contractors to bid on projects at the Water Treatment Plant and Wastewater Treatment Plant since it is specialized work.

Mayor Schwaller stated he is concerned about accepting a faxed bid when the specifications call for a sealed bid. The City needs to make sure bidding is a fair process that is above board. This bid was faxed a day before bids were to be received. Anyone could have picked up this fax and called the other vendors and informed them of the quote on the faxed bid. Every bid should be in a sealed envelope until bids are opened. Accepting a faxed bid spoils the process. He will vote for this, but in the future, faxed bids should not be accepted.

City Clerk Susie Berger stated the FAX machine is in the City Manager's Office. When a faxed bid comes through, staff is instructed to immediately put it in a sealed envelope. When bids are taken for temporary notes or when there is a bond sale, all the bids are faxed at the last minute. That is the process used by financial institutions. If the Commission chooses to change the process, an exception should be made for financing bids.

Mayor Schwaller stated notes and bond sales are different because time is of the essence. He would make an exception for notes and bond sales. However, infrastructure projects, vehicles, and equipment should be sealed bids or a dedicated fax line in someone's office.

Mr. Hammerschmidt stated that if there were three or four bidders, this faxed bid would have been thrown out because it did not meet specifications. He doesn't think the City would get any other bids if this project were bid again.

City Attorney John Bird suggested that a disclaimer be put in the specifications that states faxed bids are not sealed bids. A bid could be faxed to some other fax machine in Hays, placed in an envelope and then delivered to City Hall.

Henry Schwaller IV moved, Sunell Koerner seconded, that the bid from US Filter, Ames, Iowa, in the amount of \$80,876, be accepted.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

17. VINE STREET IMPROVEMENTS – SIGNAL LIGHTS: This addendum to the 2001 CIP Engineering contract with Bucher, Willis and Ratliff is for design and construction engineering related to the change order on the Vine Street project to switch the proposed signal lights from a loop detection zone to a video detection zone for signal lights at 29th Street and 32nd/33rd Street. The amount of the addendum is \$12,500 for signal and engineering design and \$5,200 for construction engineering for a total cost of \$17,700.

Mayor Schwaller stated the video detection system on north Vine Street near I-70 doesn't seem to be working very well.

Kurt Hassler, City Engineer, stated it works well during the day, but there are some problems at night. Some of that may be due to the cameras being mounted on temporary poles and temporary mounts and the wind does affect them. These video detections would be on permanent poles; they would be more stout and wouldn't vibrate as much as the ones near I-70.

Troy Hickman moved, Dick Bedard seconded, that the Mayor be authorized to sign Addendum No. 8 to the Agreement for Engineering Services to change proposed signal lights from a loop detection zone to a video detection zone at a total cost not to exceed \$17,700.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman
Sunell Koerner
Dick Bedard

18. EXECUTIVE SESSION: Henry Schwaller IV moved, Troy Hickman seconded, that the Governing Body adjourn to executives session at 10:08 p.m. for 45 minutes to discuss consultation with the City Attorney, personnel, and land acquisition issues. The executive session will include the City Commission, the Assistant City Manager, the City Attorney, the Community Development Coordinator, and the City Engineer.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

Mayor Schwaller called the meeting back to order at 10:53 p.m. He stated no action was taken during executive session.

Henry Schwaller IV moved, Larry Schmidt seconded, that Assistant City Manager Dorothy Stites be appointed Interim City Manager effective August 17, 2001, at 5:00 p.m. at a monthly salary of \$4,800 (\$57,600 a year) until a replacement City Manager is hired, contingent upon her acceptance.

Ms. Stites stated she will accept the Interim City Manager position, however, she would like to negotiate the salary. She has surveyed other City Managers who have held interim positions and has looked at the City Manager's current salary. Since she will be playing two roles (City Manager and Assistant City Manager), she feels a salary of 10% lower than what the current City Manager makes (\$71,000) plus his car allowance would be more equitable. She requested to be paid \$64,000.

Commissioner Schmidt stated the amount offered (\$4,800 a month) was based on what the City Manager started at and worked his way up to – it is in between those two figures.

Commissioner Hickman stated the City Manager's car allowance of \$400 should be given to the Interim City Manager.

Mayor Schwaller amended his motion, Larry Schmidt amended his second that Ms. Stites be paid \$60,000 per year or \$5,000 per month, plus the City Manager's car allowance of \$400 per month.

Commissioner Hickman stated there is a difference in experience levels so expectations from Ms. Stites will be different than they were for Mr. Zacharias.

Ms. Stites stated she arrived at that figure by looking at the market value for City Managers in the state of Kansas. The market value is around \$75,000. Her goal is to be a City Manager; if she were hired to be in the City Manager position, she would ask for the same salary. Ms. Stites stated she has the credentials and she is confident she can do a good job.

Commissioner Schmidt stated he would be comfortable with the \$5,000 per month salary. It took Mr. Zacharias 8 years of experience to get to his present salary.

Ms. Stites stated she would agree with that salary. She is committed to doing a good job for the citizens of Hays.

The Mayor called for the vote.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

20. ADD-ON ITEMS: Henry Schwaller IV moved, Troy Hickman seconded, that a cereal malt beverage license for U-Save Foods, 2704 Vine Street, be approved.

Vote: Ayes: Henry Schwaller IV
Larry Schmidt
Troy Hickman
Sunell Koerner
Dick Bedard

Assistant City Manager Dorothy Stites stated that three firms have been interviewed for the City Manager recruitment process. The three firms are The Par Group, DMG Maximus, and Ralph Anderson & Associates. The consensus of the Commission was to choose Ralph Anderson & Associates. Chuck Rohre, representing Ralph Anderson & Associates was very knowledgeable and experienced in this process.

Mayor Schwaller stated the cost would be \$13,500 for basic services and \$8,500 additional expenses for travel and other items.

Henry Schwaller IV moved, Dick Bedard seconded, that Ralph Anderson & Associates be hired to recruit a new City Manager at a cost not to exceed \$13,500 for basic services and \$8,500 for additional expenses.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

Commissioner Schmidt stated the Vine Street Enhancement Steering Committee would like to stress to KDOT the importance of keeping 41st Street and Mopar Drive to at least a minimum of right-in, right-out. He requested staff write a letter to KDOT stressing this point and asked the Commissioners to sign this letter showing their support.

Mayor Schwaller requested that the pool sales tax issue be put on a future agenda for review.

Thereupon the Governing Body adjourned.

Submitted by: _____

Clerk of the Board

