

MINUTES OF A MEETING OF  
THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON DECEMBER 13, 2001

**1. CALL TO ORDER BY CHAIRMAN:** The Governing Body of the City of Hays, Kansas met in regular session, Thursday, December 13, 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:** Sunell Koerner moved, Dick Bedard seconded, that the minutes of the November 20, 2001, regular session, be approved.

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

**3. CITIZEN COMMENTS:** Jane Vanek, pastoral associate at St. Joseph's Church, 215 West 13<sup>th</sup> Street, made a request to have the stop signs that were removed from 13<sup>th</sup> Street and placed on Ash Street revert back to 13<sup>th</sup> Street. Mrs. Vanek stated it is very difficult and dangerous for pedestrian traffic to cross 13<sup>th</sup> Street since 13<sup>th</sup> Street has been designated as a through street.

Commissioner Bedard stated he agreed with Mrs. Vanek. He has observed the traffic and the cars do not stop to allow pedestrian crossing. He stated he has heard more complaints about this intersection since the stop signs were switched around than any other issue. He voted for this change but is willing to admit this was a bad decision on his part.

Dick Bedard moved, Henry Schwaller IV seconded, that the stop signs on Ash Street at the 13<sup>th</sup> Street intersection be removed and placed on Ash Street at the 13<sup>th</sup> Street intersection.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

Lavern Squier, Ellis County Coalition Director, addressed the Commission about the effects of the September 11<sup>th</sup> terrorist attacks on the airline boardings at the Hays Municipal Airport. This November there were 498 boardings compared to 842 in November 2000. In 2000, the boardings were on a record pace that would have put the Airport at 10,000 boardings per year, which would have given the City access to a lot of federal funds. Things changed after September 11<sup>th</sup>.

The Essential Air Service program provides funding to subsidize airlines to provide air service to smaller communities such as Hays. In past years, that funding was at the \$50 million level and Congress was considering a \$63 million appropriation for this fiscal year which started October 1<sup>st</sup>. After the terrorist attacks, the airlines asked for an additional \$57 million due to lower passenger loads. This would bring the total program funding to \$120 million to maintain service as it now stands. If those dollars are not gained, some choices may have to be made. Currently, the City has two carriers serving Hays. Great Lakes carries passengers west to Denver and Air Midwest serves passengers going east to Kansas City. The City may have to choose one over the other if extra funding is not received.

Mr. Squier stated he would keep the Commission informed of any decisions made by Congress.

**4. CONSENT ITEMS:** Troy Hickman moved, Dick Bedard seconded, that the following mayoral appointments be approved:

**Hays Convention & Visitors Bureau:**

Lloyd Riedel – 3-year term expiring December 1, 2004

Larry Schlaht – 3-year term expiring December 1, 2004

Kate Schmidtberger – 3-year term expiring December 1, 2004

**Hays Housing Authority:**

Gwen Houston – unexpired 4-year term expiring February 14, 2002

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

**NEW BUSINESS**

**5. HEALTH INSURANCE REPORT:** Susie Billinger, Director of Human Resources and Charlie Krull, Blue Cross/Blue Shield representative, addressed the Commission regarding the City's employee health insurance program and the recommendation of the Employee Health Insurance Committee.

In 2000, a two-year agreement was reached with the City's three unions to budget \$5,425 per employee per year for 2001 and 2002. In 2001, this amounted to \$850,800. In 2002, allowing this same amount per employee (\$5,425) will cost \$916,800. The quote to maintain our current level of coverage in 2002 increased by 23%, with the expected annual liability at \$1,005,773 and the total maximum liability at \$1,134,033. This will cause the City to draw from the reserve account, which currently has \$293,806.

The City's Employee Health Insurance Committee has been studying various options to decrease the cost of health insurance. The main goal of the committee has been to maintain continued full payment of premiums by the City. Mrs. Billinger stated she agreed with this decision because this is the best new employee recruitment tool the City has.

The current policy provides for a \$200/single deductible, \$400/family, and 50/50 co-insurance up to \$500/single out of pocket, \$1000/family out of pocket. All prescription drugs go towards these deductibles. Everything is then covered at 100%. After reviewing numerous options, the Committee voted 5-2 (2 absent) to recommend the medical deductibles remain the same, but that a separate stand alone deductible and co-insurance be implemented for prescriptions. The drug rider would consist of a \$100/single deductible, \$200/family, and 50/50 co-insurance up to \$1000/single out of pocket and \$2000/family out of pocket. This option includes continuing with a partially self-insured plan and a \$20,000 stop/loss. The expected cost of this option is \$962,511 with a maximum liability of \$1,082,205. This plan still poses a potential to exceed the budgeted amount by a considerable amount; however, the additional funds would be available from the reserve account. The reserve account has been built from funds budgeted for health insurance but not spent since 1989.

Mrs. Billinger stated the committee members polled their employees concerning health insurance. Twelve to fifteen options were considered; the majority of the employees preferred to have the expense put on the prescription area versus the entire medical program.

Larry Schmidt moved, Troy Hickman seconded, that the recommendations from the Employee Health Insurance Committee regarding 2002 health insurance coverage be accepted. The health insurance plan will provide for a \$200/single deductible, \$400/family deductible, and 50/50 co-insurance up to \$500/single out of pocket, \$1000/family out of pocket. Prescription drugs costs will not go toward that deductible. There will be a separate stand-alone deductible and co-insurance for prescriptions. The drug rider would consist of a \$100/single deductible, \$200/family, and 50/50 co-insurance up to \$1000/single out of pocket and \$2000/family out of pocket.

Commissioners Koerner and Bedard stated they would abstain from voting because their spouses are City employees.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Abstain: Sunell Koerner

Dick Bedard

**6. 2002 STREET IMPROVEMENTS: A.** City Engineer Kurt Hassler stated \$200,000 has been budgeted for 2002 Slurry Seal/Micro-surfacing improvements. The streets needing improvements have been prioritized into three groups. Bids will be taken on the highest priority group with alternates for the other two groups. This allows the City to spend the maximum dollars budgeted.

Mr. Hassler stated the Commission had requested that the alley between 7<sup>th</sup> and 8<sup>th</sup> Street from Ash to Walnut be evaluated for possible slurry seal. The alley was evaluated by City staff and determined to be in better condition than the streets selected for 2002.

**B. & C.** Assistant Director of Public Works Brenda Herrman stated that over the past two years staff has been experimenting with different types of sealant to seal transverse crack problems. Transverse cracks are those that are 2-3 inches wide. The best product staff found is polypatch. Pavement Management Systems, Inc. (PMSI) produces polypatch and is a sole source supplier of the material. Mrs. Herrman proposes that two years of activity be funded separately; one with 2001 budgeted funds (\$100,000 in Special Highway) and another with 2002 budgeted money. An outside contractor would lay the material. Quotes for labor were requested from three local contractors; two responded. Stripe & Seal provided the lowest quote for the work.

The 2001 project equates to \$36,182.95 for material and \$52,287.50 for labor for a total cost of \$88,470.45. Staff recommends awarding the labor for the project to Stripe & Seal and purchasing the material from PMSI.

Henry Schwaller IV moved, Sunell Koerner seconded, that the bid from Stripe & Seal for labor costs of \$52,287.50 for the 2001 polypatch project be accepted and that the bid from Pavement Management Systems, Inc. in the amount of \$36,182.95 for project supplies be accepted.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt  
Troy Hickman  
Sunell Koerner  
Dick Bedard

**7. MIDWEST ENERGY EASEMENT AND PROPERTY USE REQUEST: A. &**

**B.** Bob Swift, Midwest Energy field service representative, and Dennis Radford, Midwest Energy engineer, appeared before the Commission to request two easements. A 10-foot easement is being requested to allow Midwest Energy to install a 6-inch gas line along 55<sup>th</sup> Street between U.S. Highway 183 Alternate and Vine Street. A 25-foot by 25-foot easement for a gas regulator station to be located south of the water tower was also requested, along with a 25-foot easement along the west side of the property for access. A building would be built to house the gas regulator station. Mr. Swift stated this location was chosen because it is near a rocky area on which a commercial business is located and it appears that future development in that area will be commercial development.

Commissioner Bedard stated he would abstain from voting on this because he is an employee of Midwest Energy.

Interim City Manager Dorothy Stites stated the 10-foot easement would also be available in the future for other franchise utility uses, not just Midwest Energy. Staff has some concerns about the placement of the regulator station on City property. The City has been approached before about using City property for different types of utility buildings. If the City allows Midwest Energy to do this, it would set a precedent. If the Commission does allow Midwest Energy to place the station on City property, Mrs. Stites requested that the station be placed as near to 55<sup>th</sup> Street as possible.

City Engineer Kurt Hassler stated the station would be 85 feet back from 55<sup>th</sup> Street.

Troy Hickman moved, Larry Schmidt seconded, that the City of Hays grant a 10 foot utility easement along 55<sup>th</sup> Street (Fairground Road).

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman  
Sunell Koerner

Abstain: Dick Bedard

Troy Hickman moved, Larry Schmidt seconded, that the City of Hays allow Midwest Energy to install a gas regulator station (25X25') in the southwest corner of the City's property on 55<sup>th</sup> Street (Fairground Road) located by the City's water tower.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt  
Troy Hickman  
Sunell Koerner

Abstain: Dick Bedard

**8. HALL STREET WATER/SEWER LINE UPGRADES:** Director of Engineering Kurt Hassler stated that \$120,000 has been budgeted in 2002 for water line upgrades and \$120,000 has been budgeted in 2002 for sewer line upgrades along Hall Street. Mr. Hassler reviewed the improvements that need to be done prior to installing the new street. This should minimize the need to dig into Hall Street after it has been constructed. It is necessary to approve Amendment No. 9 to the Agreement for Engineering Services with Cook, Flatt & Strobel Engineers in the amount of \$22,850.

Troy Hickman moved, Larry Schmidt seconded, that Amendment No. 9 to the Agreement for Engineering Services with Cook, Flatt & Strobel Engineers, P.A., in the amount of \$22,850, be approved.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt  
Troy Hickman  
Dick Bedard

Absent: Sunell Koerner

**9. INTERSECTION OF 17<sup>TH</sup> & ELM:** Discussed with Item #10.

**10. INTERSECTION OF 17<sup>TH</sup> & ASH:** The Traffic Advisory Committee made a recommendation to remove the stop signs on 17<sup>th</sup> Street at the Elm Street

intersection and at the Ash Street intersection. Currently, 17<sup>th</sup> & Elm is a four-way stop intersection, and 17<sup>th</sup> & Ash is marked as three-way stop intersection.

Director of Engineering Kurt Hassler stated these intersections do not meet the minimum traffic volumes for a multi-way stop.

Mayor Schwaller stated there is such anger in the community about all the recent stop sign changes. He would like to leave well enough alone.

Mr. Hassler stated these recommendations came from him. The previous City Manager directed him to review all intersections in regard to being in compliance with the Manual on Uniform Traffic Control Devices.

Mayor Schwaller stated he appreciated the MUTCD guidelines, but the problem is that Hays is not a uniform city; Hays is not a true grid city.

Commissioner Bedard agreed with Mayor Schwaller.

No action was taken.

**11. LEASE AGREEMENT WITH THOMAS MORE PREP-MARIAN HIGH**

**SCHOOL (TMP-M):** The City was approached by TMP-M representatives about putting up a fence along the north side of 12<sup>th</sup> Street to the south of their new baseball diamond. They are interested in leasing a portion of the right-of-way along 12<sup>th</sup> Street. TMP-M agrees to maintain the property and construct and maintain the fence. The agreement is for one year and automatically renews unless one party terminates the agreement in writing six months prior to the expiration date.

Dick Bedard moved, Sunell Koerner seconded, that the Interim City Manager be authorized to sign a lease agreement with Thomas More Prep-Marian High School for the use of property along the north side of 12<sup>th</sup> Street adjacent to the baseball diamond for one (1) year.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

**12. SMOKY HILL RIVER PROJECT CONSULTANT SELECTION:** Paul Montoia, Well Field Planner, reported on the search for a groundwater consulting firm to provide services regarding the development of the Smoky Hill wellfield. The Committee's plan is to develop the project in two stages. The first stage would be a comprehensive study of the wellfield, aquifer, and groundwater recharge conditions. After reviewing the submitted proposals, the Smoky Hill River Project Study Committee (SHRPSC) interviewed three firms. The Committee recommends that the City enter into a contractual agreement with University of Texas – Dallas Geosciences Department (UT-Dallas) to provide a comprehensive study of the wellfield. UT-Dallas would also provide a model of the aquifer. The estimated completion date for the comprehensive study would be February 2002 with a report completed by May 2002.

The second stage would be a review of the City's current water rights and the amount of safe and sustainable yield that can be reasonably expected from the Smoky Hill River Wellfield during adverse conditions. The review would also consider the renewability of the aquifer. As part of determining the wellfield condition, the second stage would involve step draw down tests of five existing wells. If needed, the second stage would also include the development of an exploration program to investigate potential sites identified in the geophysical analysis. The exploration program would involve the drilling and pump testing of potential production wells above and below the existing well field, and propose a plan to operate the well field. The Committee recommends the City enter into a contractual agreement with Burns and McDonnell to conduct the exploration program. It is estimated their findings and recommendations will be completed by August 2002.

Larry Schmidt moved, Dick Bedard seconded, that the City of Hays enter into a contract for groundwater consulting services with the University of Texas – Dallas Geosciences Department to perform a comprehensive study of the Smoky Hill River Wellfield at a cost not to exceed \$70,000, subject to review by the City Attorney.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt  
Troy Hickman  
Sunell Koerner  
Dick Bedard

The Commission directed Mr. Montoia to start negotiations with Burns & McDonnell for the second phase of this project.

**13. COMMISSION INFORMATIONAL MEMORANDUM:** There were no comments.

**14. ADD-ON ITEMS:** City Attorney John Bird stated the property at 403 Oak Street has passed its environmental test and the City of Hays will take title of the property on December 14, 2001.

Interim Manager Stites covered the following items:

The Hays Recreation Commission has requested a joint meeting with the City Commission on January 17, 2002. The City Commissioners are to check their calendars and get back to the Interim Manager.

The City of Russell would like to meet with the City of Hays Commissioners every three to four months to discuss the joint venture with Hays concerning future water supplies. The Commission was agreeable to this suggestion.

The two in-pavement lights are almost completed. They are located at 22<sup>nd</sup> & MacArthur and at 28<sup>th</sup> & Hall Street. They both should be completely done by next week.

Signs have been placed in City parks reminding pet owners to clean up after their animals.

Interviews for the City Manager position are scheduled to start Tuesday, December 18, 2001.

Commissioner Hickman stated he would like City staff to investigate the possibility of having one insurance carrier that could handle all governmental employees (city, county, and school district) health insurance. He felt there might be some savings through a larger group plan. This would be beneficial to the taxpayers since they pay for all three units of government.

Larry Schmidt moved, Troy Hickman seconded, that the Governing Body adjourn to executive session for 10 minutes at 9:45 p.m. to discuss the purchase of real property. The executive session will include the City Commission, the Interim City Manager, the City Engineer, and the City Attorney.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman

Sunell Koerner

Dick Bedard

Mayor Schwaller called the meeting back to order at 9:55 p.m. He stated no action was taken during executive session.

Commissioner Schmidt asked for information regarding Eagle Aviation. He has had reports that they at times are not able to supply fuel. City Attorney Bird said he is communicating with Eagle Aviation's attorney and a report regarding the issue will be forth coming.

Commissioner Schmidt stated he would like to have some updated information from Public Wholesale Water Supply District #15 showing projected water quantities, site locations, and water rights.

Mayor Schwaller suggested that Commissioner Hickman give an update of PWWSD #15 activities at the second Commission meeting of each month.

Mayor Schwaller suggested that staff take a more pro-active approach to handling abatement nuisances. A new employee has been hired to handle these types of complaints and the Mayor would like to see him issue abatements without first receiving complaints.

Mayor Schwaller stated the City needs to clean up its own property. Ditches need to be mowed and all areas around City buildings need to be cleaned up. If the law is to be enforced, the City needs to also follow the law.

Henry Schwaller IV moved, Larry Schmidt seconded, that the Governing Body recess until December 18, 2001 at 10:00 a.m.

Vote: Ayes: Henry Schwaller IV

Larry Schmidt

Troy Hickman  
Sunell Koerner  
Dick Bedard

Submitted by: \_\_\_\_\_