

City Commission

Work Session Notes

December 19, 2002

Present: Troy Hickman, Sunell Koerner, Dick Bedard, Larry Schmidt, Henry Schwaller IV, Randy Gustafson, John Bird

Acceptance of Corridor Management Grant for the Construction of Reverse Access Roads East and West of Highway 183 between 45th Street and 48th Street:

A KDOT Corridor Management Grant has been approved for the construction of reverse access roads both east and west of Highway 183 between 45th and 48th Street. The grant monies would allow the developers to take advantage of sharing costs for construction at 1/3-developer costs and 2/3 KDOT costs.

City Manager Randy Gustafson requested the City Commission proceed with the acceptance of the Grant for land acquisition and street construction of the reverse access roads. Verbal commitments have been made by both property owners on the east and west side of Highway 183 to proceed with building the reverse access roads. Water and sewer lines will be installed at the expense of the developer. Accepting the grant does not obligate the building of the street, but does obligate the KDOT funds for use by the developers.

Acceptance of the Grant will be on the January 9, 2003 agenda.

Airport Transportation Security Administration (TSA) Lease:

TSA is interested in leasing the meeting room at the Hays Municipal Airport for \$400 per month. This space will be vacated by Eagle Med in the near future.

Approval of the lease will be on the next agenda.

Agreement for Recycling Services:

A three-year agreement with Stutzman Recycling is up for renewal. The new agreement is \$220 per year higher than the previous agreement.

Commissioner Schwaller asked why this wasn't opened up to bid.

City Manager Gustafson stated the City could go with Stutzman on a month-to-month basis for now and go out for bids at the same time.

The consensus of the Commission was to follow the City Manager's suggestion.

Public Wholesale Water Supply District #15:

Lavern Squier, Alan States, and John Ratzlaff representing Public Wholesale Water Supply District #15 (PWWSD#15) presented options and their recommendations for pursuing a future water source for the cities of Hays and Russell.

The recommendation of PWWSD#15 is for Hays to work together with Russell for joint water releases from Cedar Bluff Reservoir. Russell owns 2,700 acre-feet of reservoir storage in Cedar Bluff. They are proposing to share their water right with Hays, in exchange for Hays paying for the cost of installing a pipeline to Cedar Bluff. Hays has \$8 million in cash which could be used as a down payment. It may be necessary to finance about \$3 million.

Discussion was held about the effect of withdrawing 2,000 acre-feet of water a year from the Reservoir. A study conducted by McLaughlin Water Engineers found that taking that amount, which is equal to 5.48 acre-feet per day, is such a small amount it wouldn't make a difference. The Reservoir is losing about 75 acre-feet per day due to evaporation.

Numerous releases for irrigation between 1963 and 1978 possibly contributed to the low water levels the Reservoir experienced in the 80's and early 90's. Irrigation has not been allowed since 1978. More water was released for irrigation than Hays or Russell could obtain.

Pursuing water options at Cedar Bluff is part of an overall plan. The City of Hays will continue to use water from the Schoenchen Well Fields, Big Creek, and the Dakota Well Field. Cedar Bluff would be an insurance policy for the City; however, Russell needs Cedar Bluff water soon because of industrial demands in that community.

Commissioner Bedard asked what would happen to the South Russell Water Exploration Project.

Mr. Squier stated that some of those applications that have not yet been perfected would expire over time because of a lack of development and use. Any of the rights that are perfected would continue to stand.

Commissioner Schwaller stated he would agree to pursue the Cedar Bluff option but wanted to sell the R-9 Ranch in Edwards County. The sale of the Ranch would free up capital for the Cedar Bluff project.

Commissioner Schmidt stated he wants the City to sell the Ranch, however, he wants to pursue Wilson Lake as a source that will meet our short term and long-term water needs. Cedar Bluff is an option that should be pursued in time if there is extra money.

Commissioner Bedard stated he felt the City should pursue the Cedar Bluff option and he also feels the City should sell the Ranch.

Commissioner Koerner stated she supports the Cedar Bluff option as well.

Mayor Hickman thought pursuing Cedar Bluff as a water option is worthwhile.

The Commission informally directed City staff to prepare an agreement between the City of Russell, PWWSD#15 and the City of Hays to be formally approved in 2003.

City Manager Gustafson requested an executive session to discuss negotiations.

The work session was then adjourned.

Submitted by: _____
Clerk of the Board