

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON MARCH 25, 2021

1. CALL TO ORDER BY CHAIRPERSON: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, March 25, 2021 at 6:30 p.m.

Roll Call: Present: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

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

2. MINUTES: There were no corrections or additions to the minutes of the regular meeting held on March 11, 2021; the minutes stand approved as presented.

3. FINANCIAL STATEMENT: Kim Rupp, Finance Director, reviewed the financial summaries of the revenue and expenditure activities of the City of Hays for the month ended February 28, 2021.

Month-to-date general fund sales tax collections were at \$712,861 which was a decrease of \$21,560 or -2.9% as compared to last year. Year-to-date general fund sales tax collections are at \$1,351,594, down \$21,390 or -1.56%. The six month average is at -.82% which was a decrease of 6.39% when compared to a year ago. Month-to-date county sales tax collections were at \$86,652 with the year-to-date total at \$161,289.

The portfolio of certificates of deposit on February 28, 2021 totaled \$41,150,000 with a weighted average interest rate of .33% down 1.71% from a year ago. The total par value of the US Treasury Notes is \$5,025,000 with a weighted average yield to maturity of .06%. The total balance of the Money

Market account on February 28, 2021 was \$11,750,000 with a current yield of .05%. Total investments are down \$5,352,000.

Ron Mellick moved, Mason Ruder seconded, to approve the Financial Statement for the month of February, 2021 as presented.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

4. CITIZEN COMMENTS: There were no comments.

5. CONSENT AGENDA: The following appointment was recommended by Mayor Jacobs at the March 11, 2021 City Commission meeting and is now being presented for approval.

Hays Housing Authority Board

Albert Klaus – four-year term to expire March 25, 2025 (3rd term)

Shaun Musil moved, Michael Berges seconded, to approve the Consent Agenda as presented.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

NEW BUSINESS

6. ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2021-A: Kim Rupp, Director of Finance, stated the City solicited bids for the purchase of approximately \$6,795,000 of General Obligation Bonds, Series 2021A earlier in the day. He stated they are very pleased with the results of the bond sale.

The City's share of the North Vine Street Corridor project costs were initially paid to KDOT in May 2020 from available Capital Projects funds. Using those funds and the BUILD Grant, KDOT has been paying project costs as incurred. After construction, KDOT will audit the project and credit or bill the City for any change orders or variations in cost.

On February 25, 2021, the City Commission took the second step of the process set forth in Kansas law, adopting a resolution authorizing general obligation bond financing for the project.

The City's financial advisor David Arteberry, Public Finance Director with Stifel, Nicolaus, & Company, joined the meeting by zoom. Mr. Arteberry reviewed the process and activities leading up to the bond sale. He noted the City of Hays received a AA rating from Standard & Poor's. He stated that is an excellent rating.

Mr. Arteberry stated four bids were received. The firm offering to purchase the bonds at the lowest overall interest rate was Robert W. Baird & Company, Inc., with a true interest cost of 1.780657%.

Mr. Rupp stated the actual bond issuance of \$6.48 million in general obligation bonds reimburses the City for its share of the North Vine Street Corridor Project as well as covers the paying agent, Kansas Attorney General, CUSIP service bureau, Bond Counsel, Financial Advisor, the Rating Agency, and publication and printing. Debt service will begin in 2022 for 25 years to be paid from the additional 2% Transient Guest Tax (TGT) that went into effect on October 1, 2018. Mr. Rupp noted that a sinking fund will be used to capture any excess TGT over and above the annual debt service to use toward future payments; thereby, reducing interest costs and/or term of the bonds as they become available for early retirement, which is in approximately 10 years.

The final step to authorize the issuance of bonds involves the approval of an ordinance and resolution. The ordinance authorizes the issuance of the bonds to pay the costs of the improvements, it allows for the collection of taxes for the repayment of principal and interest, and authorizes City staff to complete documentation and actions as may be necessary in the process.

Michael Berges moved, Ron Mellick seconded, to approve Ordinance No. 3996 authorizing and providing for the issuance of General Obligation Bonds Series 2021-A.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

7. RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES 2021-A:

Kim Rupp, Finance Director, stated the next item for action will be consideration of the resolution. He explained the resolution authorizes and details the description of the bonds, provides for the redemption and security of the issuance, establishes the funds and accounts for bond proceeds, and defines the continuing disclosure requirements.

Mason Ruder moved, Shaun Musil seconded, to approve Resolution No. 2021-006 prescribing the form and details of and authorizing and directing the sale and delivery of General Obligation Bonds, Series 2021-A.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

8. ARC PARK PARKING LOT – AWARD OF BID:

Jeff Boyle, Director of Parks, stated to assist the ARC Park project, the Hays City Commission dedicated a portion of the Ellis County ¼ Cent Sales Tax funds to build a parking lot at Seven Hills Park. The intent of the parking lot is to provide off-street parking that is accessible and safe for all park visitors. The concrete parking lot will provide 46 parking stalls. With the assistance of Kaw Valley Engineering, Inc., City staff obtained six proposals, with T&T Builders, LLC submitting the low bid of \$200,136.36.

Mr. Boyle stated the required minimum number of handicapped parking spaces at the facility is two. Following some concerns discussed at the Work Session last week, he confirmed that there will be seven handicapped parking spaces installed at the ARC Park. He also noted that work on the parking lot could begin the second week of April.

Mason Ruder moved, Michael Berges seconded, to authorize the City Manager to sign a contract with T&T Builders, LLC for the installation of the ARC Park parking lot at Seven Hills Park for an amount of \$200,136.36 to be paid for from the Commission Capital Reserve Fund.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

9. BICKLE-SCHMIDT SPORTS COMPLEX SCOREBOARDS – AWARD OF

BID: Jeff Boyle, Director of Parks, reported that the scoreboards at the Bickle-Schmidt Sports Complex are not reliable and staff has received numerous complaints from visitors. The scoreboards are ten years old and are in need of replacement. Two responsive and responsible proposals were received with Daktronics submitting the low bid of \$79,905.

Mr. Boyle added that they would like to pursue possible sponsorships to put on the top panel of the scoreboards. This provides the opportunity for the City to sell sponsorships on each scoreboard and would help pay for the scoreboards over a period of time. He confirmed with Daktronics that the sponsor panels can be added after the scoreboards are installed.

Shaun Musil moved, Ron Mellick seconded, to approve the low bid from Daktronics for new scoreboards at the Bickle-Schmidt Sports Complex for an amount of \$79,905 to be paid in 2021 from the Sports Complex Sales Tax Reserve, which will be reimbursed in 2022 with funding from the Special Park and Recreation Budget.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

10. PUBLIC WORKS AERIAL PLATFORM LIFT TRUCK – AWARD OF BID:

Jesse Rohr, Director of Public Works, stated the 2021 Budget included \$125,000 for the purchase of a new aerial platform lift truck for the Public Works Service Division. The current articulating telescopic aerial bucket truck is a specialized piece of equipment necessary to maintain various infrastructures within the City. This truck is utilized daily by the Service Division for sign and signal light maintenance and repairs. It is also occasionally utilized by the Parks Department for trimming trees and removing limbs within City parks.

The current bucket truck was purchased in 2005 and has reached the end of its useful life. Delaying the purchase could result in costly repairs. For this equipment, which has a platform height of 36', safety is a critical factor in determining when to replace; considering personnel are working in the platform at significant heights above grade.

Four qualified bids were received with the low bid coming from Stamm Manufacturing, Fort Pierce, Florida at \$104,474 after a \$15,000 trade-in allowance.

Mason Ruder moved, Michael Berges seconded, to award the bid for the purchase of a 2021 Ford F550 with Stamm Platform Lift and Hydraulic Control System, for the total amount of \$104,474 after a \$15,000 trade-in allowance, to be funded out of the New Equipment Reserve Fund.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

11. SANITARY SEWER LINING – AWARD OF BID: Jeff Crispin, Director of Water Resources, reported that Staff requested proposals to complete Cure in Place Pipe (CIPP) lining for approximately 10,000 linear feet of 6”, 8”, and 21” sanitary sewer, remove 19 intruding taps, and perform scale removal on 300 linear feet of sanitary sewer line. Five proposals were received from qualified firms with the lowest cost proposal submitted by Midlands Contracting, Inc. of Kearney, Nebraska at \$239,693.25.

Mr. Crispin reviewed the CIPP lining process and stated it is trenchless, quick, and cost effective. He added that per the contractor, the CIPP lining has a 50-year life expectancy.

Commissioner Mellick asked Mr. Crispin to explain to the public how they choose the section of lines that need repaired. Mr. Crispin stated since 2013 sanitary sewer cleaning and CCTV inspections have been performed by a contractor yearly. This inspection of sewer lines has given staff a data set, which they review to develop an annual repair program.

Ron Mellick moved, Mason Ruder seconded, to authorize the City Manager to enter an agreement with Midlands Contracting to complete CIPP lining at a cost of \$239,693.25 with a budget not to exceed \$250,000 to be funded from Sewer Capital.

Vote: Ayes: Sandy Jacobs
Mason Ruder
Michael Berges
Ron Mellick
Shaun Musil

12. PROGRESS REPORT: Collin Bielser, Assistant City Manager, presented a monthly report of city-related activities, services, and programs.

13. COMMISSION INQUIRIES AND COMMENTS: Commissioner Ruder stated he attended the World Water Day Fun Fest that was held at Sternberg Museum of Natural History. He stated staff did a wonderful job and they had a great turnout for the event.

Mayor Jacobs noted that there is a lot of street maintenance work going on throughout the City and asked that people be patient and considerate.

The meeting was adjourned at 7:20 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk