

City of Hays
City Commission
Work Session Notes

Thursday, May 20, 2021 – 6:30 p.m.

Present: Sandy Jacobs, Mason Ruder, Michael Berges, Ron Mellick, Shaun Musil, Toby Dougherty, Kim Rupp, and John T. Bird

May 6, 2021 Work Session Notes

There were no corrections or additions to the minutes of the work session held on May 6, 2021; the minutes stand approved as presented.

Water Production Supervisory Control and Data Acquisition (SCADA) Improvements: Design, Integration, and Installation Services

Jeff Crispin, Director of Water Resources, stated the SCADA system that operates the water plant and 25 ancillary sites including: production wells, booster stations, and water towers, was installed in 1993. The computer system is used for gathering and analyzing real time data and to monitor and control equipment both at the water plant and in the field. The current system is outdated, unreliable, and requires a substantial upgrade to ensure continuity of operations of the water system. Since installation 28 years ago, there have been many advancements in hardware and connectivity that have left our system behind.

The current system communicates data and allows general control to assets remotely from the water plant via radio frequency and has proven to be unreliable. Currently, the water plant is unable to communicate with 12 sites. Miscommunication is due to outdated equipment, software configuration problems, impairments such as antenna and cable issues, and clear line of site from antenna in the field to the water plant.

Mr. Crispin stated the best solution to ensure reliable communications between the water plant and assets is through a secure fiber optic connection.

Connectivity of this manner would be best accomplished through a paid monthly connection called a “Managed Option” from a local provider utilizing their infrastructure. Mr. Crispin stated 18 of our 25 assets have fiber access readily available. City staff is working to have the remaining seven locations connected and the local provider is willing to make those connections at no cost to the City. All 25 sites would have a firewall installed and fiber connection. This will ensure a reliable connection to our assets in all weather conditions. No longer will we have to rely on antennas, radio frequency, and interference.

Staff solicited proposals for the Water Production SCADA Improvements Project. The project included a Base Bid as well as 2 Alternates. Bids were opened on February 2, 2021 with R.E. Pedrotti of Mission, Kansas being the low bidder.

- Alternate 1 Site Surveillance System – To provide one camera at each remote site location, intrusion detection at each remote site location, and four cameras at the Water Treatment Plant.
- Alternate 2 Service Contract Extension – A three year extension to the maintenance/warranty contract.

City Staff recommends approval to authorize the City Manager to enter into an agreement with R.E. Pedrotti in the amount of \$801,225 for the base bid plus Alternate 2. Staff deemed that Alternate 1 is not necessary at this time due to the high costs.

The RFP was created specifying the same hardware and software that was installed with the upgrade of the Water Reclamation and Reuse Facility project. This would ensure that parts between plants could be interchanged if necessary.

Mr. Crispin stated that although the water and wastewater systems are computer operated, they are both separate from the City’s Information Technology (IT) Department. The system is not connected to the City’s intranet system.

Commissioner Berges asked if the system is not hooked up to the City internet, how is the system cyber secured. He noted that utilities are very

attractive targets to be hacked into right now. Mr. Crispin stated that IT Department Director, Chad Ruder, has lent his expertise to this project. He added that we have three or four firewalls within our system to protect our city water system. He stated even though the current system is outdated, the City is very well protected with our firewalls at the Water Plant. He added that this project, which includes the Managed Option, includes a firewall for all 25 site assets.

At the May 27, 2021 Commission meeting, Commissioners will be asked to authorize the City Manager to enter into an agreement with R.E. Pedrotti in the amount of \$801,225 for design, installation, and integration of a new SCADA system for the Water Plant to be funded from Water Capital.

Airport Apron Rehabilitation and Beacon Replacement – Award of Bid

Jamie Salter, Director of Hays Regional Airport, stated bids were received for the rehabilitation of the apron and replacement of the beacon at the Hays Regional Airport. This project is included in the 2021 Airport Capital Improvement Program and is eligible for Federal funding.

The apron was originally constructed in 1991 and is showing signs of deterioration. It is in need of rehabilitation to extend its service life. The primary purpose of the apron is aircraft parking. The damaged panels produce debris that can damage aircraft and become projectiles, creating a safety hazard for those accessing the areas.

The existing beacon was constructed in 1962 and has exceeded its expected service life of 20 years. Maintenance on the beacon requires the use of a bucket truck, as it is unsafe to climb. Replacement with a new rotating beacon with a tilt-down pole will make it easily accessible for maintenance as no special equipment is necessary for access. A new beacon will result in increased reliability and decreased maintenance costs. A beacon serves as a visual navigational aid to indicate the location of the airport.

The sole bid came from APAC Kansas, Inc. with a total price of \$1,142,393, which is below the engineer's estimate of nearly \$1.4 million. This

includes \$23,075 of items ineligible for FAA reimbursement. The ineligible items include portions of Taxiway F adjacent to the apron. Completing these areas at the same time will result in a more quality product and increase longevity in that area. The remaining cost is covered at 100% as part of the Airport Rescue Grants.

The total cost of this project is \$1,514,025. The FAA Airport Improvement Program projects are traditionally funded at 90%, with a local City match of 10% required. As a combination of Airport Improvement Program and American Rescue Plan Act funding, this project will be funded at 100% through the FAA with no City share required other than the \$23,075 for ineligible items.

Assuming a timely award of grant by the FAA, the project will be completed by the end of 2021. Construction will have no impact on commercial air service but will require aircraft to taxi to and from the terminal in a different location for the first 30 days of the project. Construction is also phased to minimize the effect on other airport operations.

Commissioner Ruder asked if this project would affect Eagle Med operations. Ms. Salter stated this project will not impact them.

At the May 27, 2021 Commission meeting, Commissioners will be asked to accept the bid from APAC Kansas, Inc. in the amount of \$1,142,393 to rehabilitate the apron and replace the beacon at the Hays Regional Airport, contingent upon the FAA awarding a grant for Federal funding.

Airport Apron Rehabilitation and Beacon Replacement – Construction Engineering Services

Jamie Salter, Director of Hays Regional Airport, stated bids were received for the rehabilitation of the apron and replacement of the beacon at the Hays Regional Airport. Inspection and observation of the construction needs to be accomplished according to FAA guidelines to satisfy the terms of the grant funding, to assure proper adherence to the plans, and to ensure quality construction. The City's Airport Engineering Consultant, Burns and McDonnell (BMcD), has presented a scope of services and fee to accomplish the required

construction oversight and project documentation. The cost for these services is \$247,000 and is eligible for 100% funding through the FAA.

At the May 27, 2021 Commission meeting, Commissioners will be asked to authorize the City Manager to execute Work Authorization No. 2 with BMcD in the amount of \$247,000, contingent upon the award of a Federal grant to be funded 100% through the FAA.

Rural Housing Incentive District (RHID) Section of the Economic Development Policy

At the May 6th Work Session, the City Commission held a lengthy discussion regarding whether or not to modify the Rural Housing Incentive District (RHID) section of the Economic Development Policy. The consensus of the Commission was to remove most restrictions on usage of the policy over and above what State law allows. The only part of the policy over and above what is in State Statute that the Commission determined is to remain in the policy is that it will be used for developer-financed projects.

Toby Dougherty, City Manager, reviewed the changes that were made to the policy. He stated this new policy would allow applicants to apply for an RHID for a project that meets the criteria of the state statute. The requirement of the state statute is that it has to be a housing need identified in a qualified housing analysis.

Commissioner Mellick stated he likes the RHID policy that Emporia, Kansas has in that they can say no if it is not something the City needs. He is concerned that if our housing study shows a need for low income housing and upper end housing, the developers may just build higher priced housing as it would be more profitable. He would like to be able to say no if it is not something the City needs. He questioned if Hays needs \$250,000 homes or \$750,000 homes. The City of Emporia also reserves the right for the City to buy land and create a RHID to address a particular need. He would like the Commissioners to look very carefully at this policy as he does not want to open this policy up to everything because he doesn't see the biggest housing needs, which is entry

level homes, being addressed. He believes that is why the lack of lower end homes has not been addressed; if a developer can make more money selling upper end homes. He stated he feels if we don't put some restrictions on this policy and open it up to everything, our true needs will not be addressed. He noted that in the last 10 years we have had five benefit districts. Our developers have done a good job. He does not feel our policy is broken.

Doug Williams, Executive Director of Grow Hays, stated when you use \$750,000 houses as an example, you are using an extreme example that doesn't happen. The majority of the homes that have been built in the last two to three years are in the \$300,000 to \$400,000 range and now have jumped up to \$450,000 because of the lack of available housing. He feels our ability to come up with low affordable housing is broken and has been for a long time and that is why we find ourselves in this situation. He added that every \$350,000 house that sells may open up a \$150,000 to \$200,000 house which helps that entry level market.

Commissioner Mellick stated housing needs have changed and will continue to change and that is why he feels we need to have some protection in the policy. If you have no rules and you try to put rules in later that will be difficult.

Commissioner Ruder feels our inventory is so low right now we need to open everything up. We may be better off approving the new policy and then tailoring it as we move along. He thinks limiting it now, when there are not developers knocking down the door to develop property, is not the direction we need to be going. He feels we need to allow for the potential for the homes to be built to get us out of this consistent problem of having only 30 homes on the market.

Mayor Jacobs stated she feels that we are addressing the work force housing needs with the current RHID housing development at 22nd and Wheatland Avenue. She also feels that we would be addressing it by expanding the availability of the RHID to put some houses in place that will open up inventory at different price ranges in this community.

Commissioner Musil stated we can always change this policy if it isn't working.

Mr. Dougherty stated that is correct that the City Commission can always change the policy they create. He added that if you have a Housing Needs Analysis that shows that you have five different types of housing and you have a need for three different types of housing the Commission has the right to weigh one over another. He added that it states in the Economic Development Policy, that the City Commission reserves the right to deviate from this policy when in the opinion of the Commission it is in the best interest of the City to do so. He clarified that the City Commission does have the right to deviate on any economic incentive request.

Commissioner Ruder stated we would lose the property tax should an RHID go through, but added that the property tax that we are getting off the empty lot is negligible so why not take that necessary risk or investment with the potential that we could have 75 more homes with each RHID.

Mayor Jacobs stated if people are willing to make an investment in our community, she does not want to try to control how much money they can make.

Commissioner Mellick stated he wants it to be stated clearly in the RHID section of the Economic Development Policy that the City Commission reserves the right to approve or disapprove RHID's.

Commissioner Musil stated he would like it to include a check list similar to the CID process, and if you meet the requirements they should be approved. He doesn't feel it is fair to make each developer jump through different hoops.

Commissioner Berges suggested the housing study possibly be done every two years so the Commission is clear as to what type of housing is needed. The current policy states the Housing Needs Assessment will be updated every three to five years.

The discussed revisions will be made to the RHID Policy and this item will be placed on the June 17, 2021 Work Session for further discussion.

Other Items for Discussion

Mayor Jacobs stated she was contacted by some of the general aviation people at the Hays Regional Airport and learned that the Experimental Aircraft Association (EAA) will be holding an information night on May 27, 2021 from 5:00 p.m. to 6:00 p.m. at Gellas. They have invited the City Commissioners and anyone else that is interested in learning about flying. They will even offer a lesson to those interested in learning to fly. Their goal is to share what is happening with general aviation at the airport.

Jami Salter, Director of the Hays Regional Airport, stated these General Aviation groups meet monthly and are very vested in the airport.

Commissioner Musil congratulated all of the Hays High School and Thomas More Prep-Marian student athletes and graduates.

Commissioner Ruder congratulated all of the graduates and their families. He also appreciates the good hearty discussions this Commission has.

Mayor Jacobs agreed and stated she appreciates all of the work her fellow Commissioners put in and added that they come to the meetings prepared, informed, and ready to discuss.

The work session was adjourned at 7:52 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk