

City of Hays
City Commission
Work Session Notes
Thursday, July 6, 2023 – 4:00 p.m.

Present: Shaun Musil, Sandy Jacobs, Reese Barrick, Mason Ruder, Collin Bielser, Kim Rupp, and Melvin Sauer, Jr.

Alaina Cunningham joined the meeting by phone.

June 15, 2023 Work Session Notes

There were no corrections or additions to the minutes of the work session held on June 15, 2023; the minutes stand approved as presented.

Common Consumption Area

Collin Bielser, Deputy City Manager, stated that the idea of a Common Consumption Area (CCA) has been discussed in the past at City Commission retreats. A Common Consumption Area is a defined indoor or outdoor area where the possession and consumption of alcoholic liquor and cereal malt beverages (CMB) are allowed pursuant to an approved State permit. It gives business owners the ability to designate a defined area, allowing patrons of restaurants and bars to move freely in the public right-of-way with consumption allowances. Kansas law allows municipalities the ability to establish CCA's. Recent changes in State law have renewed interest for the possibility of establishing a CCA.

Prior to July 2023, it was a requirement for roads within a CCA to be blocked, prohibiting vehicular traffic. This was the primary hinderance of past efforts to establish a CCA. However, recent legislation modified this requirement, and now at a minimum, only requires boundaries of a CCA to be conspicuously posted with signage designating the boundaries of the area.

To establish a CCA, the City must pass an ordinance creating the area and designating the boundaries. Any City-specific rules or guidelines, such as

dates and time of operation, applicable to the area must be included in the ordinance. Following ordinance approval, the City would need to seek approval of a CCA permit from the State. Permits are valid for up to one year.

Businesses licensed to sell alcoholic beverages must apply to the State to participate in an established CCA. Only businesses located within or immediately adjacent to the district are eligible to participate. Drinks must be purchased inside the place of business, and then they may be carried outside into the CCA. Drinks must be served in a container that displays the licensee's trade name or logo or other identifying mark that is unique to the participating business.

The Hays Police Department has been consulted and their foremost request is for the district to be a clearly defined geographical shape. A district with zigzagging boundaries could create confusion for both law enforcement and patrons of the CCA, which could impact effective enforcement. The smaller the area, the easier it is to control. Including residential areas could be a concern. If a resident decides to have a party and walk out into the area, the CCA permit holder is going to be responsible for the violations if there are underage violations.

Dates and hours of operation would have to be posted on the signage. The boundaries of a CCA must be clearly marked using a physical barrier or any apparent line of demarcation. Every CCA shall have signs conspicuously posted identifying the boundaries of such area in a size and manner that provides notice to such persons entering or leaving the area. Signage will have to be on every access point, streets, alleys, and sidewalks.

Mr. Bielser stated that City Code Sections 14-141 and 14-143 prohibit public drinking and possession on public property except in the City's public parks and where an outdoor dining permit has been issued. If the City Commission desires to implement a CCA, the City Attorney recommends modifying sections 14-141 and 14-143 to include a statement that specifies the consumption and possession of alcoholic liquor and cereal malt beverages are allowed within a CCA established by the City pursuant to State law.

Justin Whyte, Enforcement Agent, Kansas Alcoholic Beverage Control, reviewed the changes to the CCA laws. Mr. Whyte clarified that the CCA permit holder is liable and can be fined for the violation of the person that leaves the common consumption designated area, not the establishment that served the drink. Mr. Whyte added that any business in the CCA has the right to say they won't allow alcohol in their business.

Mayor Musil stated that he has heard from customers that they would like a common consumption area downtown, but as a business owner he is a little concerned.

Vice-Mayor Jacobs stated that she believes this could be made simpler by thinking through what the Commission is trying to accomplish. She stated that if you have a defined area downtown, she thinks it would be enjoyable for certain events like the downtown Art Walk and Wines and Steins. She doesn't believe it would cause many issues. Mayor Musil stated that if you limit this to special events it will not benefit other downtown businesses.

Following a lengthy discussion, it was the consensus of the Commission to direct staff to prepare information regarding establishing a CCA in the downtown corridor. Boundaries would include a rectangular area from 7th Street to 13th Street and from Fort Street to Oak Street. Consideration of a CCA will be discussed at a future work session.

Commission Receives 2024 Proposed Budget

Collin Bielser, Deputy City Manager, presented the draft 2024 Budget to the City Commission and noted the following highlights.

- The budget is balanced.
- Reserves will continue to be funded.
- The budget contains a programmed 2% step and 3% COLA increase for all employees.
- The mill levy is maintained at 25.000 for the 15th year in a row.
- The total assessed valuation is up 11.6%.
- The budget includes a new fund, specific to the R9.

- The budget contains three additional employees - two for the R9 Ranch and the third is the Management Analyst in the City Manager's Office.

Mr. Bielser reviewed the budget calendar and stated the Commission will have the opportunity to review, discuss, provide input, and make modifications to the budget at the July 20, 2023, August 3, 2023, and August 17, 2023 Work Sessions. Outside Agency funding requests will be discussed at the August 3, 2023 meeting. The 2024 Budget will be presented to the Commission for final approval at the September 14, 2023 Commission meeting.

Mr. Bielser stated that as proposed, the budget does exceed the Revenue Neutral Rate by maintaining the 25 mills. Mr. Rupp stated that the County Clerk set the Revenue Neutral Rate at 22.571. Based on our current assessed valuation that is the number of mills it takes to raise the same amount of dollars as last year. There was Commission consensus to send a notification to the County Clerk stating the City of Hays will exceed the Revenue Neutral Rate.

Vice-Mayor Jacobs stated Mr. Bielser, Mr. Rupp, and the Department Heads have done an outstanding job in preparing this budget.

Mayor Musil stated that this budget is very clear and easy to understand. He also noted that it is important to provide raises and continue to take care of the City employees. He added that it is cheaper to retain than to retrain employees.

Other Items for Discussion

The Commissioners thanked staff for the work that went into preparing the 2024 Budget. They commented that they appreciate that the budget is balanced, maintains the 25 mills, all while adequately funding reserves.

Mayor Musil added that he appreciates that the community is moving forward with new developments and housing.

Executive Session

Mason Ruder moved, Sandy Jacobs seconded, that the Governing Body recess to an executive session at 5:42 p.m. under the justification and purpose of

the preliminary discussion pertaining to the acquisition of real property; pursuant to K.S.A. 75-4319(b)(6), for a period not to exceed 10 minutes. The executive session included the City Commission, City Attorney, Deputy City Manager, Management Analyst, and the Director of Grow Hays.

Vote: Ayes: Shaun Musil
Sandy Jacobs
Reese Barrick
Alaina Cunningham
Mason Ruder

The open session was resumed at 5:52 p.m. and no action was taken.

The work session was adjourned at 5:52 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk