

City of Hays
City Commission
Work Session Notes

Thursday, August 3, 2023 – 4:00 p.m.

Present: Shaun Musil, Sandy Jacobs, Reese Barrick, Alaina Cunningham, Mason Ruder, Toby Dougherty, and Kim Rupp

July 20, 2023 Work Session Notes

There were no corrections or additions to the minutes of the work session held on July 20, 2023; the minutes stand approved as presented.

Citizen Comments

Ken Kennedy, local resident, spoke to the Commission regarding the proposed budget. He stated that he sent a letter to the major taxing entities of the county and asked them to consider some tax relief for our citizens. He stated that there is a certain point when taxes become such a burden on a community that it is really hard to handle. He stated that the appraisals have gone up 12% last year and it appears will go up 10% this year and that directly correlates to a tax increase. He feels a 22% increase in ad valorem taxes in two years is too much. He asked that the City Commission consider lowering the mill levy by two mills for 2024. He noted that he is also asking Ellis County and the School District to do the same. He feels this will help offset the increase of the assessed valuation.

Leland Olive, owner of Couture for Men, a downtown business, expressed his concerns and opposition to the proposed common consumption area downtown. He was concerned with drinking being allowed in that area from 6:00 a.m. to 2:00 a. m. every day of the year and feels it may be promoting drinking and also drinking and driving. He asked how this is a benefit to businesses downtown as a whole with the exception of a few. He is concerned with the image this will give to our downtown area. He is also concerned with someone

bringing a glass of red wine into his store, spilling it and ruining thousands of dollars of merchandise. He also does not feel the sales tax generated from the common consumption area would pay for the signage that is required.

R9 Pipeline Land Acquisition Services Agreement

John Braun, R9 Project Manager, stated City staff is requesting that the Commission approve a contract with 4D Acquisition and Consulting, LLC to provide pre-acquisition services related to the construction of a water transmission pipeline from the City's R9 wellfield in Edwards County to the City's Smoky wellfield near the City of Schoenchen.

City staff solicited proposals from firms that specialize in land and right of way acquisition. Eight consultants submitted proposals. A selection committee consisting of City staff and select members of the Burns & McDonnell (BMcD) design team reviewed the qualifications of these firms and shortlisted those eight firms down to two.

The team of BMcD and City staff then worked with the two shortlisted firms to define a scope of services from which to base fee proposals. The lowest cost proposal was submitted by 4D Acquisition and Consulting of Onstead, Michigan.

The scope of services and work plan for the pre-acquisition phase of the project includes management and coordination of the project, performing a market analysis to determine the cost of acquiring right of way and easements, assist in selecting the best route to run the pipeline, and to begin populating a data management and GIS software for tracking and processing all the parcels that will need to be acquired. The pre-acquisition phase should take about 90 days to complete. The team will then develop a scope of services for the next phases, which include right of way acquisition and construction support services. Using that scope of services, the two shortlisted firms will again submit fee proposals that will be brought back to the Commission for consideration.

At the August 10, 2023 Commission meeting, Commissioners will be asked to authorize the City Manager to sign the Pre-Acquisition Services

Agreement with 4D Acquisition & Consulting, LLC, in the amount not to exceed \$28,375, to be funded out of Water Sales Tax Reserve.

Doonan Addition Final Plat

Jesse Rohr, Director of Public Works, reported that an application has been submitted for the final plat of the Doonan Addition. The property is located at the southeast corner of 230th Avenue and 55th Street, at the I-70 Exit 157 interchange. The proposed plat includes four total lots ranging in size from 4.3 acres to 9.7 acres. The property has been owned by BBJ, LLC for many years and has remained natural grassland except for the Doonan Peterbilt dealership that was built in 2014. The properties, with the exception of the Peterbilt dealership, were annexed into the City of Hays in April of 2023, and utility work for extending City water and sewer to the area is nearly complete. Per the pre-annexation agreement approved in 2022, the remaining property will be annexed within three to five years depending on certain triggering events. Completing the platting process will allow development to occur on the property.

The plat meets the requirements of the current subdivision regulations regarding lot size, setbacks, and specific utility requirements. Staff, as well as the Hays Area Planning Commission, recommends approving the Doonan Addition Final Plat.

At the August 10, 2023 Commission meeting, Commissioners will be asked to approve a Resolution accepting the Doonan Addition Final Plat.

2024 Budget Review

The 2024 Budget was presented to the Commission at the July 6, 2023 Work Session and reviewed at the July 20, 2023 Work Session. Collin Bielser, Deputy City Manager, recapped the previous budget discussions.

He stated that approximately \$8,000 was added to the Special Parks and Recreation Fund to accommodate additional pickleball courts. This would provide for creating a hybrid court in which pickleball court boundaries are painted on top

of the tennis courts. It would require pickleball players to provide temporary netting.

Discussion was held regarding the Convention and Visitor's Bureau (CVB) operating budget and the impact on outside agency funding.

Collin Bielser, Deputy City Manager, stated that visitors in Hays pay a 7% transient guest tax. However, 2% of that 7% is dedicated to the debt service on North Vine Street, so CVB operations is allotted 5%. Vice-Mayor Jacobs wanted a discussion regarding the Transient Guest Tax amount as it is a tax that isn't directly on our citizens. It is a tax on the visitors that stay in a hotel, and it is a way to continue to fund the CVB in a way they need to be funded. She feels CVB does an outstanding job marketing our community. Toby Dougherty, City Manager, stated that a Charter Ordinance was passed allowing the Commission to raise the Transient Guest Tax by resolution. Vice-Mayor Jacobs asked that this be discussed at a future work session for a possible increase in 2025.

Toby Dougherty, City Manager, stated that following discussion it was the consensus of the Commission to fund the Ellis County Historical Society at \$21,116, the Hays Arts Council at \$16,500, the Wild West Festival at \$12,000, DHDC at \$54,000, and Sister Cities at \$5,050.

Commissioner Cunningham asked for discussion regarding the Special Parks Budget. She wants the City to be prepared for replacement of the existing playground equipment in our parks and to have replacement costs budgeted. She would like staff to research the sustainability of the equipment we have. She added that the Kiwanis Park will likely see an increase in use when the middle school moves to that area.

The Commissioners also discussed funding the Rural Opportunity Zone (ROZ). The State program is a tool for communities to incentivize citizens to move to counties with populations of fewer than 40,000 residents. It includes financial incentives from the state for people to move to rural counties. Mr. Bielser stated that Grow Hays has offered to promote, market, and administer the ROZ Program. The Commissioners agreed that marketing the program is key to

its success. It was the consensus of the Commission to budget \$15,000 to the ROZ Program in 2024.

Mr. Bielser provided a recap of the Commission's discussions. It was the consensus of the Commission to fund all outside agencies as were requested with the exception of the Ellis County Historical Society, whose funding will remain at last year's amount. The ROZ Program will be funded at \$15,000 out of the Economic Development Budget. Staff will report back to the Commission regarding the Transient Guest Tax and what an increase would look like. Staff will also report back regarding the sustainability of the City's park equipment.

Other Items for Discussion

Commissioner Barrick stated that the Sunflower Summer Program brought just over 3,000 visitors to the Sternberg Museum.

Mayor Musil commented on the request from Mr. Kennedy regarding lowering the taxes. He stated that it is the Commission's obligation to do what's best for the taxpayers. He stated that he respects Mr. Kennedy's opinion and as a business owner, he understands how prices have gone up. He added that it is cheaper to retain employees than to retrain and he supports the raises that were given to employees. He also stated that he respects Mr. Olive's thoughts regarding the proposed common consumption area downtown.

The work session was adjourned at 5:01 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk