

City of Hays
City Commission
Work Session Notes

Thursday, November 3, 2022 – 6:30 p.m.

Present: Mason Ruder, Michael Berges, Shaun Musil, Sandy Jacobs, Reese Barrick, Toby Dougherty, Kim Rupp, and Don F. Hoffman

October 20, 2022 Work Session Notes

There were no corrections or additions to the minutes of the work session held on October 20, 2022; the minutes stand approved as presented.

2023 Waterline Improvements – Award of Bid

Jeff Crispin, Director of Water Resources, stated the 2023 Capital Improvement Plan includes projects to upgrade waterlines and add new fire hydrants at various locations around the city. Bids were received from two contractors with the low bid coming from J Corp, Inc. of Hays in the amount of \$629,573.54.

The 2023 project replaces three, 4” water mains in residential areas that have had multiple breaks and quality issues in the past and adds six new fire hydrants at various locations that have been identified as needed. The current schedule calls for construction to begin in May of 2023 and be completed within 75 working days. Inspection of the project would be completed in-house.

At the November 10, 2022 Commission meeting, Commissioners will be asked to authorize the City Manager to enter a contract with J Corp in the amount of \$629,573.54 for the construction of the 2023 Waterline Improvements project, to be funded from Water Capital.

Fort Hays Municipal Golf Course – Fee Increase

Jeff Boyle, Director of Parks, stated fees at the Fort Hays Municipal Golf Course (FHMGC) have remained the same since 2014 and are below the state-

average pricing for similar 18-hole golf courses. Overall costs to operate and maintain the golf course have increased dramatically and staff is hoping to reduce the gap between revenue and expenditures by implementing some much-needed fee increases.

At the September 15, 2022 Work Session, fee increases were discussed. Originally, only fee increases for 2023 were proposed; however, at the direction of the City Commission, staff is presenting a series of fee increases through 2029.

Mr. Boyle reviewed the recommended increases and noted that the recommended rates carefully balance the need to increase revenue yet remain market competitive. It is suggested these new rates be implemented at the beginning of the 2023 golf season. If approved, staff would expect an annual increase in revenue of \$49,558. Additionally, the increased trail fees will allow the City to initiate a project to replace the front 9, hole 10, and hole 18 cart paths. The following are the recommended increases for 2023:

	<u>Current Rate</u>	<u>Proposed</u>	<u>Increase</u>	<u>Increase</u>
Green Fee 9-Hole	\$14.00	\$16.00	(+) \$2.00	(+) \$5,080.00
Green Fee 18-Hole Weekday	\$20.00	\$22.00	(+) \$2.00	(+) \$2,354.00
Green Fee 18-Hole Weekend	\$23.00	\$25.00	(+) \$2.00	(+) \$2,824.00
Membership Single	\$465.00	\$535.00	(+) \$70.00	(+) \$15,120.00
Membership Couple	\$575.00	\$645.00	(+) \$70.00	(+) \$3,430.00
Membership Family	\$645.00	\$715.00	(+) \$70.00	(+) \$1,260.00
Cart Shed (Gas Cart)	\$275.00	\$300.00	(+) \$25.00	(+) \$1,725.00
Trail Fees	\$105.00	\$200.00	(+) \$95.00	(+) \$17,765.00
Total				(+) \$49,558.00

In addition to the recommended 2023 fee increases, staff determined average fee increases for future years. Based on the findings, staff recommends the following increases, every other year, beginning in 2025. These are assuming approval of the 2023 recommendations.

	<u>2023</u>		<u>2025</u>	<u>2027</u>	<u>2029</u>
	<u>Proposed</u>				
Green Fee Junior Golf	\$10.00 (no increase)		\$10.50	\$11.00	\$11.50
Green Fee 9-Hole	\$16.00		\$16.50	\$17.00	\$17.50
Green Fee 18-Hole Weekday	\$22.00		\$22.50	\$23.00	\$23.50
Green Fee 18-Hole Weekend	\$25.00		\$25.50	\$26.00	\$26.50
Membership Single	\$535.00		\$555.00	\$575.00	\$595.00
Membership Couple	\$645.00		\$670.00	\$695.00	\$720.00
Membership Family	\$715.00		\$740.00	\$765.00	\$790.00
Cart Shed (Gas Cart)	\$300.00		\$315.00	\$330.00	\$345.00
Cart Shed (Electric Cart)	\$300.00(no increase)		\$315.00	\$330.00	\$345.00
Trail Fees	\$200.00		\$220.00	\$240.00	\$260.00

Commissioner Musil suggested approving the recommended increase for 2023 but beginning the next increase in 2024 instead of waiting until 2025 and continuing the increases every two years. He added that the Commission can back off of the increases should surveys show our rates are getting too high.

Commissioner Jacobs added that this is becoming a wonderful golf course and she feels our prices today are very reasonable. She thinks the increases being suggested are reasonable as well. She believes other golf courses will be seeing big increases in the future as all costs are increasing significantly.

Vice-Mayor Berges stated that he feels the Commission can set the increases for every two years, but believes there should be a stipulation that it would be brought to the Commission for approval on the years of the increase. He added that we are living in a high inflation time period right now, but hopefully things will improve.

Toby Dougherty, City Manager, stated that every year the Commission gets a report at the joint meeting with the Hays Recreation Commission on the performance of the Hays Aquatic Park and the Sports Complex; similarly the Commission could make a stipulation that every two years when the rate increase is slated to begin that Mr. Boyle give a report on the revenue and

expenditures at the Golf Course and the Commission could make a decision at that time if the increase is necessary.

At the November 10, 2022 Commission meeting, Commissioners will be asked to approve the Fort Hays Municipal Golf Course 2023 rate increases and the future increases beginning in 2024 as presented by City staff, with the caveat that the Parks Director will update the Commission on the performance of the golf course and evaluate statewide golf course fees prior to the subsequent increases.

Hays Aquatic Park – Fee Increase

Jeff Boyle, Director of Parks, reported that fees at the Hays Aquatic Park (HAP) and Wilson Pool have remained the same since 2014. The overall cost to operate pool facilities has gone up due to increased supply and labor costs. Average daily rates at the pool facilities are well below the state average and the average season pass rates are the lowest in the state for similar sized facilities. The average annual loss for the pool facilities over the last five years is \$165,985. City staff is hoping to reduce the gap between revenue and expenditures by implementing these much-needed fee increases. The recommended fee increases will continue to keep fees below the overall average in the state.

City Staff and the Hays Recreation Commission are recommending a fee increase of \$1.00 for daily fees and \$10.00 for seasonal passes. In addition to the 2023 fee increases, staff also recommends implementing smaller biennial rate increases beginning in 2025.

As operating losses have increased over the years, the City's contribution to Hays Recreation Commission's shortfalls have also increased. This arrangement is in accordance with the Pool Services Agreement between the City and Hays Recreation Commission which states, "any operating loss or surplus incurred by the contractor will be shared on a 50% City-50% Contractor basis, as long as the Contractor's portion of the loss does not exceed \$26,000."

The following are the recommended increases for 2023:

	<u>Current</u>	<u>Proposed</u>	<u>Expected Revenue</u> <u>Increase</u>
Daily age 3-17 (Aquatic Park)	\$3.00	\$4.00	\$13,308
Daily age 18-up (Aquatic Park)	\$4.00	\$5.00	\$10,711
Daily age 3-17 (Wilson Pool)	\$2.00	\$3.00	\$1,200
Daily age 18-up (Wilson Pool)	\$3.00	\$4.00	\$600
Season Passes	\$40.00	\$50.00	\$12,350
Total			\$38,169

In addition to the recommended 2023 fee increases, staff determined average fee increases for future years and is also presenting them for consideration. Based on the findings, staff recommends the following increases, every other year, beginning in 2025. These are assuming approval of the 2023 recommendations above.

	<u>2023</u> <u>Proposed</u>	<u>2025</u>	<u>2027</u>	<u>2029</u>
Daily age 3-17 (Aquatic Park)	\$4.00	\$4.25	\$4.50	\$4.75
Daily age 18-up (Aquatic Park)	\$5.00	\$5.25	\$5.50	\$5.75
Daily age 3-17 (Wilson Pool)	\$3.00	\$3.25	\$3.50	\$3.75
Daily age 18-up (Wilson Pool)	\$4.00	\$4.25	\$4.50	\$4.75
Season Passes	\$50.00	\$53.00	\$56.00	\$59.00

It is suggested these rates be implemented at the start of the 2025 swimming season.

Commissioner Jacobs stated that she believes these rates are very reasonable especially when you look at other communities. She believes very soon the City will need to add some kind of fun addition to the Aquatic Park. She added that this is a quality-of-life issue in the community, and we know there will always be a loss with operating a pool.

Commissioner Musil suggested future rate increases begin in 2024 rather than 2025 as was suggested for the Fort Hays Municipal Golf Course rate increases.

Vice-Mayor Berges suggested having a daily flat rate at both pool facilities regardless of age and asked if staff could run some numbers to see if that would be beneficial and what that rate would be. Mayor Ruder and Commissioner Musil agreed and would like to have that option.

At the November 10, 2022 Commission meeting, Commissioners will be asked to approve the 2023 rate increases and the future fee increases, beginning in 2024, for the Hays Aquatic Park and Wilson Pool as recommended by staff, with the caveat that City staff will evaluate statewide pool fees and report to the City Commission every other year prior to implementing the future fee increases.

Other Items for Discussion

Commissioner Barrick requested that staff look into what it would cost for the City to pick up Christmas trees at the curb in January rather than requiring citizens to take them to the drop off site themselves as many citizens don't have pickups to haul them.

Vice-Mayor Berges congratulated the Fort Hays Athletic Department on their announcement to begin a Women's Wrestling Program in 2024. He believes it will strengthen their overall athletics program.

Mayor Ruder encouraged everyone to get out and vote.

The work session was adjourned at 7:11 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk