

City of Hays
City Commission
Work Session Notes

Thursday, March 17, 2022 – 6:30 p.m.

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

Absent: Reese Barrick

March 3, 2022 Work Session Notes

There were no corrections or additions to the minutes of the work session held on March 3, 2022; the minutes stand approved as presented.

2022 Street Maintenance Program – Award of Bid for Extra Work

Jesse Rohr, Director of Public Works, stated at the February 10, 2022, City Commission meeting, the Commission awarded just over \$705,000.00 in various street contract work, which when added to in-house work, the pavement assessment study, and sidewalk rebate program funds, left a remaining balance of about \$281,000.00 in the Special Highway fund for additional projects.

The additional 2022 street maintenance projects include sidewalk along West 27th Street from Thunderbird Drive to Englewood Drive, as well as curb and brick repair projects at six locations. Bids from three different contractors were opened on March 1, 2022, and staff recommends entering contracts with the low bidder. The total of the low bid contracts being recommended is \$299,787.15 and would be funded out of Special Highway.

At the March 24, 2022 Commission meeting, Commissioners will be asked to authorize the City Manager to enter contracts for construction as follows:

- J Corp in the amount of \$56,026.65 for an 8' wide sidewalk along West 27th Street.
- J Corp in the amount of \$243,760.50 for curb and brick repair at six locations.

Sanitary Sewer Point Repairs – Award of Bid

John Braun, Project Manager, stated there are several areas in the City of Hays where sanitary sewer lines need repair because of cracks, holes, or off-set joints. For 2022, the Sanitary Sewer Point Repair Project includes 39 locations where a repair needs to be made to ensure the integrity of the sewer line. Cracks and holes can impede the flow of sewer and allow inflow (stormwater) or infiltration (groundwater) to enter the sewer system and add additional load to the Water Reclamation and Reuse Facility.

City staff solicited bids to perform spot repairs of sanitary sewer through both internal patching and dig and replace methods. Bids were received on February 22, 2022 from two bidders, with the low bid coming from Utility Solutions of Basehor, Kansas in the amount of \$200,404.60. Due to the low bid amount of \$200,404.60, being below the budgeted amount of \$300,000.00, the City Project Manager has reached out to Utility Solutions to inquire if the contractor would perform additional work at the unit cost provided, up to the budget of \$300,000.00. If approved by the Commission, the contractor would accept 15 additional repair locations.

At the March 24, 2022 Commission meeting, Commissioners will be asked to authorize the City Manager to enter a contract with Utility Solutions in an amount not to exceed \$300,000.00 for Sanitary Sewer Point Repairs to be funded from Water Reclamation Reserves.

Self-Contained Breathing Apparatus Equipment – Award of Bid

Ryan Hagans, Fire Chief, stated the 2022 Budget includes the scheduled replacement of the department's Self-Contained Breathing Apparatus (SCBA) systems. The SCBAs were originally purchased in 2008 and their parts are becoming obsolete. He added that SCBA safety recommendations have become more advanced over the last 14 years. Chief Hagans stated that for the safety of our staff, we need to keep up with these advancements. This purchase will include 30 complete SCBAs and two Rapid Intervention Packs.

City staff solicited bids and received one proposal from Conrad Fire Equipment in the amount of \$262,022.53.

At the March 24, 2022 Commission meeting, Commissioners will be asked to approve the bid from Conrad Fire Equipment Inc., for an amount of \$262,022.53, for the replacement of SCBA equipment, funded from the Fire Department's portion of the Public Safety New Equipment Reserve Fund.

East Frontier Park Parking Lot – Award of Bid

Jeff Boyle, Director of Parks, stated that East Frontier Park is the most popular park area and houses the most reserved park shelter in the City's park system. The existing parking lot at this location consists of gravel and dirt and is unusable after moisture events due to standing water which creates muddy conditions. City staff budgeted \$40,000.00 in the Special Park and Recreation Budget to pay for concrete surfacing and drainage lines to correct the issue. One bid was received from J Corp in the amount of \$26,700.00.

At the March 24, 2022 Commission meeting, Commissioners will be asked to approve the low bid from J Corp, for an amount of \$26,700.00 from the Special Park and Recreation Budget, for the installation of a new parking lot in East Frontier Park.

Amendment to Development Agreement between the City of Hays and Hays Mall, LLC

In 2014, the City Commission approved a Community Improvement District (CID) for the Big Creek Crossing property, formerly known as The Mall. The agreement authorizes an additional one cent sales tax to be collected on the mall property for up to 22 years. The CID sales tax is used to reimburse the mall property owners for various improvement projects. The original Development Agreement listed a number of Phase 1 and Phase 2 improvements, along with completion dates, to be deemed eligible for reimbursement. These included lighting, flooring, façade, and other improvements to the property. The property owners completed and are in the process of being reimbursed for all

improvements in Phase 1 and Phase 2 of the agreement, except for \$1 million that was identified as an interior refinish to accommodate a large retailer. To date, the City has approved \$2 million in Phase 1 and Phase 2 eligible costs, of which the owners have been reimbursed \$1.33 million from CID proceeds.

Toby Dougherty, City Manager, stated that City staff has received a request from The Mall's owner asking for a modification to the Development Agreement that would allow them to be reimbursed for up to \$1 million for the cost of improving the north end of the facility to accommodate the forthcoming Ollie's Bargain Outlet. The property owners have identified improvements to the interior of the facility, HVAC system, exterior, and parking lot that could exceed \$1 million. He added that this does not change the original CID terms, this would simply extend the \$1 million reimbursement deadline.

Commissioner Jacobs stated she does not have a problem with the change, but added that there is a lot of disappointment, not only by the Commissioners, but the community, with things happening at the mall. She is pleased that Ollie's Bargain Outlet will be coming and feels it will be a good addition. She added that it would be detrimental to the area if the mall would sit empty.

Commissioner Musil stated that the key point is how much those stores bring into our community. He stated that from the numbers they have provided, next year it could be up to \$200,000.00 in sales tax revenue. He is disappointed that they seem to do everything on the cheap and added that the back parking lot is a mess. He stated that people are still going there to shop, and we are lucky to have the stores that we do, as malls in general are struggling.

Commissioner Jacobs stated there is a certain demographic that appreciates everything that is in the mall and there are some really good stores. She added that it is almost turning into a discount mall, and she is ok with that as they are providing necessities.

Commissioner Musil asked if the Commission could have any control on future CIDs; if for example, they don't take care of their parking lot. Mr. Dougherty stated this is the first time that the City has done a CID for a

renovation and that makes it a little more difficult than for new construction. He added that we could have done a better job in getting details to hold them more accountable. In the future we could include in the development agreement that they would have to maintain the property to a specific condition.

Mr. Dougherty clarified that this amendment simply extends the deadline to allow certain improvements to be included as reimbursable expenditures and does not increase the original CID cap.

Commissioner Musil wanted to be clear that the City is not providing any money. The CID is an extra sales tax that customers pay to shop at the mall.

Commissioners will be asked to approve a resolution modifying the CID Development Agreement at the March 24, 2022 Commission meeting.

Other Items for Discussion

Commissioner Jacobs stated Special Olympics will be held in Hays this weekend and encouraged everyone to attend. She also reminded everyone that the Kansas Mission of Mercy (KMOM) free dental clinic will be held in Hays next weekend.

Commissioner Jacobs also thanked Sara Wasinger, Chamber President, for everything she does, and stated she appreciates the work the Chamber has done with the Daycare Task Force. She added that a task force survey showed that there are 151 women in this community that would go back into the workforce if they had sufficient suitable daycare. She noted that daycare is so important for our community and thanked everyone involved for their efforts,

Commissioner Musil asked about getting QR codes directing citizens to the Sports Complex, restaurants, and various places in the community. Toby Dougherty, City Manager, stated Melissa Dixon, CVB Director, is working on getting that set up. Commissioner Jacobs added that it would be a great idea to add QR codes to the kiosks at the City parks as well.

The work session was adjourned at 7:16 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk