

City of Hays
City Commission
Work Session Notes

Thursday, March 18, 2021 – 6:30 p.m.

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

March 4, 2021 Work Session Notes

There were no corrections or additions to the minutes of the work session held on March 4, 2021; the minutes stand approved as presented.

ARC Park Parking Lot – Award of Bid

Jeff Boyle, Director of Parks, stated to assist the ARC Park project, the Hays City Commission dedicated a portion of the Ellis County ¼ Cent Sales Tax funds to build a parking lot at Seven Hills Park. The intent of the parking lot is to provide off-street parking that is accessible and safe for all park visitors. The concrete parking lot will provide 46 parking stalls. With the assistance of Kaw Valley Engineering, Inc., City staff obtained six proposals, with T&T Builders, LLC submitting the low bid of \$200,136.36.

Mr. Boyle stated the project is moving along and he was notified they will begin work on the splash pad next week.

Commissioner Ruder asked about the time frame for this project. Mr. Boyle stated the parking lot must be done by July 1, 2021, but he anticipates it will be completed before then.

Sarah Meitner, Board President of the ARC of Central Plains, stated it is important to have adequate space for bus parking and handicap parking spaces, which will add to mobility options. This parking lot will meet those needs. She added that they are offering personalized memorial benches, as part of their sponsorship program. They intend to place the benches in the drop off area for people waiting to be picked up.

At the March 25, 2021 Commission meeting, Commissioners will be asked to authorize the City Manager to sign a contract with T&T Builders, LLC for the installation of a parking lot at Seven Hills Park for an amount of \$200,136.36 to be paid for from the Commission Capital Reserve.

Bickle-Schmidt Sports Complex Scoreboards – Award of Bid

Jeff Boyle, Director of Parks, reported that the scoreboards at the Bickle-Schmidt Sports Complex are not reliable and staff has received numerous complaints from visitors to the facility. The scoreboards are ten years old and are in need of replacement. Two responsive and responsible proposals were received with Daktronics submitting the low bid of \$79,905.

Mr. Boyle added that they would like to pursue possible sponsorships to put on the top panel of the scoreboards. He will present the options for a sponsor panel to the Commission at a later date.

At the March 25, 2021 Commission meeting, Commissioners will be asked to approve the low bid from Daktronics for new scoreboards at the Bickle-Schmidt Sports Complex for an amount of \$79,905 to be paid in 2021 from the Sports Complex Sales Tax Reserve, which will be reimbursed in 2022 with funding from the Special Park and Recreation Budget.

Public Works Aerial Platform Lift Truck – Award of Bid

Jesse Rohr, Director of Public Works, stated the 2021 Budget included \$125,000 for the purchase of a new aerial platform lift truck for the Public Works Service Division. The current articulating telescopic aerial bucket truck is a specialized piece of equipment necessary to maintain various infrastructures within the City. This truck is utilized daily by the Service Division for sign and signal light maintenance and repairs. It is also occasionally utilized by the Parks Department for trimming trees and removing limbs within City parks.

The current bucket truck was purchased in 2005 and has reached the end of its useful life. Delaying the purchase could result in costly repairs. For this equipment, which has a platform height of 36', safety is a critical factor in

determining when to replace; considering personnel are working in the platform at significant heights above grade.

Four qualified bids were received with the low bid coming from Stamm Manufacturing, Fort Pierce, Florida at \$104,474 after a \$15,000 trade-in allowance.

At the March 25, 2021 Commission Meeting, Commissioners will be asked to award the bid for the purchase of a 2021 Ford F550 w/Stamm ATR-41N Platform Lift and Hydraulic Control System, for the total amount of \$104,474 after a \$15,000 trade-in allowance, to be funded out of the New Equipment Reserve Fund.

Sanitary Sewer Lining – Award of Bid

Jeff Crispin, Director of Water Resources, reported that Staff requested proposals to complete Cure in Place Pipe (CIPP) lining for approximately 10,000 linear feet of 6", 8", and 21" sanitary sewer, remove 19 intruding taps, and perform scale removal on 300 linear feet of sanitary sewer line. Five proposals were received from qualified firms with the lowest cost proposal submitted by Midlands Contracting, Inc. of Kearney, Nebraska.

Mr. Crispin reviewed the CIPP lining process and stated it is trenchless, quick, and cost effective.

Commissioner Ruder asked what the life expectancy is for this lining. Mr. Crispin stated it is basically like putting in a brand new pipe and anticipates it lasting 40 to 50 years.

At the March 25, 2021 Commission meeting, Commissioners will be asked to authorize the City Manager to enter an agreement with Midlands Contracting to complete CIPP lining at a cost of \$239,693.25, with a budget not to exceed \$250,000, to be funded from Sewer Capital.

Ordinance and Resolution to Authorize the Issuance of General Obligation Bonds, Series 2021-A

Kim Rupp, Director of Finance, stated The City's share of the North Vine Street Corridor project costs were initially paid to KDOT in May 2020 from available Capital Projects funds. Using those funds and the BUILD Grant, KDOT has been paying project costs as incurred. After construction, KDOT will audit the project and credit or bill the City for any change orders or variations in cost.

On February 25, 2021, the City Commission took the second step of the process set forth in Kansas law, adopting a resolution authorizing GO bond financing for the project. The resolution authorized the Financial Advisor, Bond Counsel, in conjunction with the Finance Director, to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof, and all other preliminary action necessary to sell the GO bonds.

Mr. Rupp reported that on Thursday, March 25, 2021, in cooperation with the City's Financial Advisor, they will be taking bids for the purchase of approximately \$6,795,000 of General Obligation Bonds Series 2021A. The results of those bids will be presented at the commission meeting that evening. They will also present the next set of documents needed to continue with the issuance of the GO Bonds. The ordinance will authorize the bonds be issued to pay the costs of the improvements, it allows the City to levy taxes, and directs City officials and Staff to execute the necessary documents to complete the placement. The next item for action will be the resolution. It is a detail of the bonds including redemption, security, establishment of funds and accounts, application of bond proceeds, defaults and remedies, continuing disclosure and other miscellaneous provisions.

Mr. Rupp stated he is pleased to report that the City has received a AA rating from Standard & Poors. They also reaffirmed the AA rating for the City's other outstanding bond issues with a stable outlook. Final terms of the Bonds will be provided to the Commission following the sale on March 25, 2021. Total par amount of the bond issuance is estimated to be \$6,795,000. This reimburses the

City for its share of the project as well as covers the paying agent, Kansas Attorney General, CUSIP service bureau, Bond Counsel, Financial Advisor, the Rating Agency, and publication and printing. True interest cost is estimated to be 1.77% with an average debt service of \$338,553 beginning in 2022 for 25 years to be paid from the additional 2% Transient Guest Tax (TGT) that went into effect on October 1, 2018. It is suggested that a sinking fund will be used to capture any excess TGT over and above the annual debt service to use toward future payments thereby reducing interest costs and/or term of the bonds as they become available for early retirement.

At the March 25, 2021 Commission meeting, Commissioners will be asked to approve an ordinance authorizing and providing for the issuance of General Obligation Bonds Series 2021-A and approve a resolution prescribing the form and details of and authorizing and directing the sale and delivery of General Obligation Bonds Series 2021-A.

Add on item

Toby Dougherty, City Manager, stated in November, 2020, the US Department of Transportation (DOT) requested proposals for commercial air service at the Hays Regional Airport. One proposal was received from SkyWest Airlines, the current carrier. In January, 2021 the Commission authorized a letter of support for the selection of SkyWest Airlines to provide passenger service at the Hays Regional Airport.

Mr. Dougherty stated they received notice from the DOT that SkyWest Airlines has been selected. He noted that the terms are relatively the same as are currently provided. The contract includes 12 roundtrip flights a week to and from Denver. The annual subsidy is about \$3.6 million, which is about \$500,000 higher than the previous contract. The contract will run from August 1, 2021 through July 31, 2024. The proposal also includes \$20,000 to help market the Airport.

Other items for discussion

Mayor Jacobs thanked the City Department Heads for the work they do. She added that she appreciates how thorough their presentations are and the information that is given to show where the money will come from to pay for each project.

The work session was adjourned at 7:08 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk