

City of Hays
City Commission
Work Session Notes

Thursday, July 18, 2019 – 6:30 p.m.

Present: Henry Schwaller, IV, Shaun Musil, Sandy Jacobs, Ron Mellick, Eber Phelps, John T. Bird, Toby Dougherty, and Kim Rupp

July 2, 2019 Work Session Notes

There were no corrections or additions to the minutes of the work session held on July 2, 2019; the minutes stand approved as presented.

Municipal Park Tennis Court Resurfacing – Award of Bid

Jeff Boyle, Director of Parks, stated there are four tennis courts at Municipal Park and these courts have not been resurfaced since 2004. Staff has been contacted by numerous citizens requesting to have one of the courts resurfaced into two pickleball courts. He stated Pickleball is one of the fastest growing sports in the nation. The Hays Recreation Commission has a pickleball league and they say it is very popular. Staff solicited proposals for the resurfacing of three tennis courts and two pickleball courts. Two proposals were received with Hellas Construction, Inc. being the low bidder at \$36,475, which is \$13,525 below the budgeted amount.

Commissioner Jacobs stated as you get older, pickleball is a great sport to stay active with because you can play at any level you want. She has noticed there are a lot of young people playing it as well.

Commissioner Phelps was concerned that there may be some complaints from the tennis players as those courts are already often used for other activities like remote control cars, volleyball, skateboarding, and rollerblading.

Mayor Schwaller agreed noting that tennis players have come to the Commission numerous times over the last 15 years complaining that the City has

cut down on the number of tennis courts converting them to basketball courts and they believe their sport has been maligned.

Commissioner Jacobs felt these are two compatible activities and a great way to play pickleball outside, but if we do not have enough tennis courts, that is another issue.

Vice-Mayor Musil added that he thinks it is a great idea. Pickleball is a popular activity and it is bringing people to Hays to play.

Commissioner Jacobs asked if the two pickleball courts could be converted back to tennis courts if needed. Mr. Boyle stated they could easily be converted back to tennis courts.

Commissioner Mellick stated that he has talked to quite a few tennis players that are now playing pickleball and enjoy playing both.

At the July 25, 2019 Commission meeting, Commissioners will be asked to approve the proposal from Hellas Construction, Inc. for an amount of \$36,475 for the resurfacing of three tennis courts and two pickleball courts in Municipal Park with funds budgeted in the 2019 Special Park and Recreation Budget.

Solid Waste Fee Increase

Jesse Rohr, Director of Public Works, stated that expenses within the Solid Waste Division have slowly increased in the past 12 years due to items such as fuel increases, higher hauling and sorting fees for recyclables, salaries, and higher tipping fees at the Ellis County landfill.

The monthly collection fee of \$15.20 began in 2006, in advance of the 2007 move to automated collection, and is still in place today. Maintaining fees at the current rate will not allow expenditures to be covered from fees collected. Staff recommends increasing the Solid Waste collection fees by 15% from the current rate of \$15.20 to \$17.48 effective August 2019. Staff further recommends a 5% increase beginning January 2021, a 3% increase beginning January 2022, and a 2% increase in 2023 and 2024.

Mr. Rohr noted in addition to expenses going up, revenues have declined, mostly due to the decline in the funds collected for the sale of paper/cardboard

recyclables. Revenues have gone from over \$63,000 in 2011 to less than \$5,000 in 2018. The trend going forward is not looking positive and increases in this area should not be expected.

Kim Rupp, Director of Finance, reviewed various solid waste rate projections. He noted they are attempting to bring the unreserved fund balance to zero, while meeting expenditure needs. They are confident in their projections and the ability to go back to reserves if necessary. Mr. Rupp prepared a spreadsheet allowing Commissioners to explore different increase amounts.

Mayor Schwaller asked if staff has looked at a different alternative for a transfer station since 77 percent of our revenue is used for disposing of regular trash.

City Manager, Toby Dougherty, stated currently our trash is taken to the Ellis County Landfill and the bulk of the household trash is transferred to Garden City by Ellis County. The City pays tipping fees to Ellis County and those fees were raised last year. Staff has looked into two options, building our own transfer station; which was cost prohibitive. He stated staff did come up with another contractual option from a different hauler which was less than what Ellis County is charging. The County was asked if they could give us a better rate and we haven't had a formal response from them at this time. Mr. Dougherty stated he was reluctant to recommend going with the private hauler. While the City might initially save 50 cents per month on the rate, there may be some potential negatives down the road that have not been worked out. The offer was a five year contract with the first three years guaranteed, but we do not know what might happen after that.

Mayor Schwaller stated Ellis County raised the rate on every taxpayer in this county without any notice last year. When asked if they could get something together for us this year, they can't do it. He stated he would vote to move to a private hauler. He noted that at least 80 percent of the solid waste is produced by the City, and if we are no longer their customer they will collapse. If they can't sharpen their pencil and have had months to do it, then he will vote to go with the other contractor.

Commissioner Phelps asked for more information regarding the City building a transfer station. Mr. Dougherty stated the revenue generated would not be sufficient to exceed the capital investment to buy the equipment and build the facility.

Vice-Mayor Musil asked about the economics of the City's recycling program noting he has heard complaints about the rate increase. Mayor Schwaller stated we have a great program in which 80 percent of households participate, but the world of recycling is changing, particularly in the area of plastics. While paper, metals, and glass are still in demand, no one is buying plastics anymore. Mayor Schwaller suggested possibly changing our recycling program to no longer accept plastics.

Commissioner Phelps noted plastic has become an environmental problem all over the world.

Commissioner Mellick stated he would hate to see our recycling program go away and thinks our citizens want it, even if there are costs to the city. We want to take care of not only our local environment, but our nation and planet.

It was the consensus of the Commission to resume the solid waste rate increase discussion at the second meeting in August. City Manager, Toby Dougherty, stated he would contact the County and make it clear that they need to confirm the landfill rates they will charge the City over the next five years. That would also give the Commission time to consider changes to the recycling program.

2020 Budget Review

The City Commission was presented the 2020 Budget at the July 2, 2019 Work Session. City Manager, Toby Dougherty, asked if there were any questions, concerns, or suggested changes to the Budget. He also asked for a consensus on the funding for outside agencies.

The following agencies presented requests for Outside Agency funding in the 2020 Budget:

CARE Council – Social Services/Special Alcohol Tax	\$168,000
Grow Hays, Doug Williams, Grow Hays Executive Director	\$100,000
Fort Hays State University Scholarship Program	\$100,000
Downtown Hays Development Corp. (DHDC)	\$50,973

It was the consensus of the Commission to fund the Outside Agencies at their requested amounts with the exception of Grow Hays. Mayor Schwaller and Vice-Mayor Musil did not participate in discussion regarding Fort Hays State University funding.

The Commission agreed to not move forward with year three, the final year of the Retail Strategies Contract, at a cost of \$45,000.

Mayor Schwaller stated he feels we have gotten the information we need from them. They have not been able to recruit anyone and we have not heard from them in a year. Commissioner Mellick stated in the future if they decide they can make something happen we might enter another contract with them.

Commissioner Jacobs thinks we may see some impact on our retail side from additional work being done by Grow Hays.

Commissioner Phelps agreed and stated Grow Hays has some momentum and drive going. He does not feel that we have seen a return on the investment with Retail Strategies.

Vice-Mayor Musil noted that there is \$42,500 of unspent monies in the 2019 budget for economic development and he suggested they offer that to Grow Hays this year and possibly that same amount for 2020.

Commissioner Jacobs agreed stating if they are not going to renew the contract with Retail Strategies, that they use the \$42,500 of unspent monies. She also suggested that they go back to the 2019 Budget amount of \$87,500 on the \$100,000 request from Grow Hays for 2020.

It was the consensus of the Commission to authorize the allocation of \$42,500 to Grow Hays, representing the final disbursement of the economic development activities in the 2019 Economic Development Budget and \$87,500 be allocated to Grow Hays in the 2020 Budget.

Other Items for Discussion

Commissioner Phelps commended the Hays Fire Department for standing guard in the City of Plainville during the funerals of two retired Fire Chiefs. He suggested the Commission draft a letter to the Fire Department expressing their appreciation.

Commissioner Jacobs added she is proud of what goes on in this community and is extremely proud of our Firefighters. She also commended City Manager, Toby Dougherty, and City staff for their work on the Budget.

Vice-Mayor Musil thanked City staff for all the work they do.

The work session was adjourned at 7:31 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk