

Hillsboro, Kansas  
January 23, 2018

1. The city council met in special session on Tuesday, January 23, 2018 at 4:00 p.m. in council chambers with Mayor Lou Thurston and Council members David Loewen, Byron McCarty, Jonah Gehring, and Brent Driggers present.

2. Others Present: Dale Dalke, Street Superintendent; Don Ratzlaff, Hillsboro Free Press; Phyllis Zorn, Hillsboro Star Journal; Josh Boehm, City Attorney; Larry Paine, City Administrator; and, Jan Meisinger, City Clerk.

**3. CALL TO ORDER** – Mayor Thurston called the meeting to order at 4:00 p.m.

**4. PUBLIC COMMENTS** – none

**5. APPROVAL OF MINUTES** – Motion was made by Council member Loewen and seconded by Council member Driggers to approve the minutes of the 1-2-18 special meeting and the 1-8-18 special meeting as presented. Motion carried unanimously.

**6. VOUCHERS** – City Clerk Meisinger said Invoice #10626 to Ag-Power, Inc. for \$567.56 should be removed from the voucher listing. The new voucher listing total would then be \$114,089.34. Grand total - \$331,243.84. Motion was made by Council member Loewen and seconded by Council member McCarty to approve the vouchers as corrected. Motion carried unanimously.

**7. PURCHASE OF 16' BRUSH MOWER** – In August 2011, we purchased a 16' pull-type mower for mowing large areas such as along the highway, airport, sewer lagoon dikes, and the undeveloped lots owned by the city. However, we've found out that this mower is not strong enough for our use; and, it is requiring a lot of maintenance. We budgeted for a replacement in the 2018 budget. Street Superintendent Dale Dalke secured two proposals:

G&R Implement	\$17,850.00
Lang Diesel	\$17,885.00

Since we have a 10% local purchasing policy and the difference between the two proposals is \$35.00, the preference is to purchase the mower from Lang Diesel. Motion was made by Council member Driggers and seconded by Council member Gehring to purchase the mower from Lang Diesel for \$17,885.00. Motion carried unanimously.

**8. LEASE PURCHASE – SKID LOADER** – We only received one bid for the skid loader lease purchase. It came from Marion National Bank. Their proposal was to have six equal payments over three years at 3.34% totaling \$44,324.58. We have two options when we get only one bid. (1) Accept the bid as presented figuring the other banks either ignored, forgot, or didn't want to provide a bid. (2) Re-bid the proposal hoping to get more participants. Motion was made by Council member Driggers and seconded by Council member McCarty to accept the proposal for financing from Marion National Bank for the skid loader. Motion carried unanimously.

**9. SEWER MANHOLE REHAB FOR 2018 – MAYER SPECIALTY SERVICE** – Every year, we have been hiring Mayer Specialty Services to rehab a portion of our sewer manholes to protect against deterioration from

sewer gases; and, to prevent water infiltration from rain and snow melt. We have 300-400 manholes and try to rehab at least 10 per year. Mayer's proposal for 2018 is 100 vertical feet at \$125/ft = \$12,500.00. Motion was made by Council member McCarty and seconded by Council member Driggers to approve the agreement. Motion carried unanimously.

**10. ORDINANCE 1286 – KDHE WATER BOND PROJECT** – We have received an agreement from KDHE to fund the construction of water line replacements. Total cost of project is \$3,107,750.00; interest rate – 2.15%; 20-year loan package; additional principal payments are possible throughout the life of the loan. The repayment schedule is shown on page B-2. The total payment each year is \$192,003.78. There is an annual service fee, and overall, the total payments will be \$3,840,075.60. Ordinance 1286 authorizes the mayor to sign the agreement to get us moving on the project. This amount does include the automatic read meters. When we bid the projects, this will be a separate line item and can be revisited. This ordinance does not address any street repair/replacement costs. That will be handled with a different ordinance later. Motion was made by Council member Loewen and seconded by Council member McCarty to approve Ordinance 1286 – (*AN ORDINANCE AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN HILLSBORO, KANSAS AND THE STATE OF KANSAS, ACTING BY AND THROUGH THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT FOR THE PURPOSE OF OBTAINING A LOAN FROM THE KANSAS PUBLIC WATER SUPPLY LOAN FUND FOR THE PURPOSE OF FINANCING A PUBLIC WATER SUPPLY PROJECT; ESTABLISHING A DEDICATED SOURCE OF REVENUE FOR REPAYMENT OF SUCH LOAN; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AND, AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE LOAN AGREEMENT*). After further discussion, council was polled with the following vote: Council member Loewen, yes; McCarty, yes; Gehring, yes; Driggers, yes. Motion carried unanimously.

**11. BOARD APPOINTMENTS** – Mayor Thurston appointed Peggy Goertzen to the Museum Board (fulfilling the unexpired term of Deanne Nelson, expiring 3/15/2020). Motion was made by Council member McCarty and seconded by Council member Driggers to approve this appointment. Motion carried unanimously.

**12. CITY ADMINISTRATOR'S REPORT** – City Administrator Paine updated council on the meetings he has and will be attending.

CDBG – The grant we applied for was not funded. City Administrator Paine said we may want to consider including some elements in our street project.

**13. ADJOURNMENT** – Motion was made by Council member Driggers and seconded by Council member McCarty to adjourn at 4:42 p.m. Motion carried unanimously.

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/s/  
LOUIS THURSTON, MAYOR

ATTEST:

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/s/  
JANICE K. MEISINGER, CITY CLERK