

Hillsboro, Kansas  
October 17, 2017

1. The city council met in regular session on Tuesday, October 17, 2017 at 4:00 p.m. in council chambers with Mayor Delores Dalke and Council members David Loewen, Byron McCarty, Bob Watson, and Brent Driggers present.

2. Others Present: Charlotte Kennedy Takahashi, Candidate for Mayor; Don Ratzlaff, Hillsboro Free Press; Jonah Gehring, Candidate for City Council; Andrew Brunner, EBH Engineers; Mark Chesney, KPP; Josh Boehm, City Attorney; Russell & Jeanne Groves, 1065 140<sup>th</sup>; Larry Paine, City Administrator; and, Jan Meisinger, City Clerk.

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

4. **PUBLIC COMMENTS** – none

5. **MINUTES** – The minutes of the 10-3-17 regular meeting were approved as distributed.

6. **VOUCHERS** – City Clerk Meisinger said the following correction was made: A deduction for a discount on the invoice from Cottonwood Law Group in the amount of \$72.50 needs to be subtracted from the total (\$297,847.25 - \$72.50 = \$297,774.75). Motion was made by Council member Watson and seconded by Council member McCarty to approve the vouchers as corrected in the amount of \$297,774.75. Motion carried unanimously.

7. **KPP UPDATE** – Mark Chesney gave council an update on KPP. This summer, they did a partial refunding of the \$29,000,000.00 tax exempt revenue bonds that were issued in 2012 for the purchase of a portion of the Dogwood Power Plant. These bonds have a call date of 2020. They were bank qualified bonds, and Capital One purchased \$9,000,000.00 of that debt, which stays in escrow drawing interest for the payment of that debt in 2020. Doing this saved KPP \$450,000.00 over the life of the bonds. He said there was a good possibility KPP will do another advance refunding next year. In order to keep the bonds tax exempt, they cannot refund more than \$10,000,000.00 per calendar year. Mr. Chesney also told council that in 2022, KPP will lose 75 Mwh due to expiring contracts. KPP is currently exploring options to replace that power. The peak for the 24 participating entities is 210 Mwh. Mr. Chesney also talked about cyber security, the upcoming rate forum, and annual meeting.

8. **ASSESSMENT DISTRICT** – The estimate to construct the sewer line in Russell Groves' subdivision is \$311,000.00. The cost assessment is as follows:

Groves	81.23%	\$	252,626.58
HDC	2.62%	\$	8,145.56
Grace Church	8.05%	\$	25,036.87
City	8.10%	\$	25,191.00
	100.00%	\$	311,000.01

Approval of the resolution starts the process to construct the sewer line. After construction is completed, a public hearing will be held to assess the final costs. Property owners at that time can

choose to pay the entire amount or finance it through special assessment bonds. Motion was made by Council member McCarty and seconded by Council member Loewen to approve Resolution 2017-10 – *(A RESOLUTION DETERMINING THE ADVISABILITY OF MAKING CERTAIN INTERNAL IMPROVEMENTS IN THE CITY OF HILLSBORO, KANSAS; SETTING FORTH THE GENERAL NATURE OF THE IMPROVEMENTS, THE ESTIMATED OR PROBABLE COSTS THEREOF, THE EXTENT OF THE BENEFIT DISTRICT TO BE ASSESSED FOR THE COSTS THEREOF, THE METHOD OF ASSESSMENT AND THE APPORTIONMENT OF THE COSTS BETWEEN THE BENEFIT DISTRICT AND THE CITY-AT-LARGE; AUTHORIZING AND PROVIDING FOR THE MAKING OF THE IMPROVEMENTS IN ACCORDANCE WITH THE FINDINGS OF THE GOVERNING BODY; AND DIRECTING THE PUBLICATION AND RECORDING OF THIS RESOLUTION (GROVES FIRST ADDITION SANITARY SEWER IMPROVEMENTS)*. Council was polled with the following vote: Council member Loewen, yes; McCarty, yes; Watson, yes; Driggers, yes. Motion carried unanimously.

Motion was made by Council member Watson and seconded by Council member McCarty to approve Ordinance 1283 – *(AN ORDINANCE AUTHORIZING THE CONSTRUCTION OF CERTAIN INTERNAL IMPROVEMENTS IN THE CITY OF HILLSBORO, KANSAS, AS HERETOFORE DETERMINED ADVISABLE AND AUTHORIZED TO BE MADE BY RESOLUTION NO. 2017-10 OF THE CITY, UNDER THE AUTHORITY OF K.S.A. 12-6a01 ET SEQ., AS AMENDED AND SUPPLEMENTED; PROVIDING FOR THE PAYMENT OF THE COSTS OF SAID IMPROVEMENTS; AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR THE PAYMENT OF THE COSTS OF SAID IMPROVEMENTS AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF TEMPORARY IMPROVEMENT NOTES FROM TIME TO TIME AS FUNDS ARE NEEDED FOR THE ORDERLY CONSTRUCTION OF SAID IMPROVEMENTS)*. Council was polled with the following vote: Council member Loewen, yes; McCarty, yes; Watson, yes; Driggers, yes. Motion carried unanimously.

**9. BID AWARD B STREET** – The engineer’s estimate to rebuild B Street on the north side of the new fine arts center on the Tabor College campus is \$332,650.00. Two bids were received – Vogt’s Parga - \$259,882.50, and Hett Construction - \$240,581.50. Low bidder is Hett Construction, who can begin work 10-31-17. Motion was made by Council member McCarty and seconded by Council member Driggers to award the bid to Hett Construction for \$240,581.50 – (Design \$20,000.00 + Construction Inspection \$35,000.00 = total project cost \$295,581.50). Motion carried unanimously.

**10. BOARD APPOINTMENTS** – deferred

**11. CITY ADMINISTRATOR’S REPORT** –

City Administrator Paine distributed copies of the September dashboard.

The mayor and city clerk signed the Certificate of Available Funds for the CDBG application.

The USDA Water Project application has been submitted.

Tuesday, October 24, 2017, at 4:00 p.m. will be the public hearing for the KDHE Revolving Loan Fund application.

**12. ADJOURNMENT** – Motion was made by Council member McCarty and seconded by Council member Watson to adjourn at 4:37 p.m. Motion carried unanimously.

\_\_\_\_\_/s\_\_\_\_\_  
DELORES DALKE, MAYOR

ATTEST:

\_\_\_\_\_/s\_\_\_\_\_  
JANICE K. MEISINGER, CITY CLERK