

Hillsboro, Kansas
July 2, 2019

1. The city council met in regular session on Tuesday, July 2, 2019 at 4:00 p.m. in council chambers with Mayor Lou Thurston and Council members David Loewen, Byron McCarty, and Jonah Gehring present. Absent: Council member Brent Driggers.

2. Others Present: Renee Gehring, Candidate for City Council; Alex Johnson and Grace Huxman, Adams Brown Beran & Ball; Anthony Roy, Economic Development Director; Laura Paulus, Hillsboro Free Press; Phyllis Zorn, Hillsboro Star Journal; Josh Boehm, City Attorney; Randy Frank, Marion County Emergency Management; Larry Paine, City Administrator; and, Jan Meisinger, City Clerk.

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

4. PUBLIC COMMENTS – none

5. MINUTES – Motion was made by Council member McCarty and seconded by Council member Loewen to approve the minutes of the 6-18-19 regular council meeting as submitted. Motion carried unanimously.

6. VOUCHERS – Motion was made by Council member Loewen and seconded by Council member McCarty to approve the vouchers in the amount of \$258,625.05. Motion carried unanimously.

7. 2018 AUDIT PRESENTATION – Grace Huxman, Adams Brown Beran & Ball, presented the 2018 audit report. Our 2018 ending cash balance has increased 1.5 million dollars largely due to the Street Improvement Project Fund. Note #9: The City of Hillsboro, Kansas exceeded its budget authority by \$11,176.00 in the Utility Sales Tax Fund; \$18,020.00 in the Capital Improvements Fund; and, \$192,394.00 in the Electric Operating Fund, which are violations of KSA 79-2935. The City exceeded its cash authority by \$16.00 in the Library Fund, which is a violation of KSA 10-1113. The hospital bankruptcy was mentioned in Note 17 – subsequent event. All of the utility funds are building reserves. She also reviewed the management letter and the governance letter with council. Motion was made by Council member Gehring and seconded by Council member McCarty to receive the 2018 audit. Motion carried unanimously.

8. SET BUDGET HEARING FOR AUGUST 6 – Motion was made by Council member Loewen and seconded by Council member McCarty to set August 6, 2019 at 4:00 p.m. for a public hearing to consider the 2020 annual budget. Motion carried unanimously.

9. HETT PROGRESS PAYMENT #1 – City Administrator Paine said the East Grand project was moving quickly along. July 15 has been set for laying bricks. Anthony Roy, Dale Dalke and the school superintendent are recruiting volunteers. Motion was made by Council member Gehring and seconded by Council member Loewen to approve Payment #1 to Hett Construction for the East Grand Street project in the amount of \$135,450.12. Motion carried unanimously.

10. ZONING CODE TEXT AMENDMENT – Anthony Roy reported that the Hillsboro Planning Commission, at their meeting on June 27, approved the city's request to add storage units as a permitted use in the CS Highway Service District. The exact wording is #21 Mini-warehouse which may include the accessory outdoor storage of boats and vehicles. Motion was made by Council member Loewen and seconded by

Council member McCarty to approve Ordinance 1300 – *(AN ORDINANCE AMENDING THE CITY OF HILLSBORO, KANSAS ZONING CODE TO AMENDING ARTICLE XVIII C-S HIGHWAY SERVICE DISTRICT BY ADDING MINI-STORAGE FACILITIES TO THE LIST OF AUTHORIZED USES IN THE HIGHWAY SERVICE ZONING DISTRICT)*. Council was polled with the following vote: Council member Loewen, yes; Council member McCarty, yes; Council member Gehring, yes. Motion carried unanimously.

11. ELCON INVOICES – Motion was made by Council member Loewen and seconded by Council member McCarty to approve invoices to Elcon Services, Inc. - #11503, \$85.00; and #11504, \$42.24, for water and electric supplies. Vote: Council members Loewen and McCarty, yes; Council member Gehring, abstained. Motion carried.

12. PUBLIC BUILDING COMMISSION MEETING – TWG INVOICE – At 4:25 p.m., council recessed into a Public Building Commission meeting to approve an invoice to Triplett, Woolf, Garretson, LLC. The meeting adjourned at 4:27 p.m. and the regular council meeting resumed.

13. EBH SEWER ENGINEERING CONTRACT – City Administrator Paine said that earlier this year, he received a letter from KDHE saying that we needed to engage an engineer to address issues relating to ammonia in our sewer discharge and “inflow and infiltration” of stormwater in our sewer collection system. He is recommending using EBH & Associates because they already have some video inspection tapes and smoke testing results. Their agreement is not to exceed \$20,000.00. Motion was made by Council member McCarty and seconded by Council member Loewen to approve the agreement with EBH & Associates for study of the wastewater system, ammonia limits, and inflow & infiltration issues in the sewer collection system, not to exceed \$20,000.00. Motion carried unanimously.

14. BOND ISSUE DOCUMENT AMENDMENTS – Attorney J.T. Klaus discovered that some of the expenses were missing from the documents we approved at the last council meeting. Motion was made by Council member McCarty and seconded by Council member Gehring to approve Resolution 2019-04 – *(A RESOLUTION OF THE CITY OF HILLSBORO, KANSAS AUTHORIZING AND PROVIDING FOR THE PUBLIC SALE OF THE CITY’S GENERAL OBLIGATION BONDS, SERIES 2019, IN A TOTAL PRINCIPAL AMOUNT OF APPROXIMATELY \$4,075,000.00; SETTING FORTH THE DETAILS OF SAID PUBLIC SALE; AND, PROVIDING FOR THE GIVING OF NOTICE THEREOF)*. Council was polled with the following vote: Council member Loewen, yes; Council member McCarty, yes; Council member Gehring, yes. Motion carried unanimously.

Motion was made by Council member Gehring and seconded by Council member McCarty to approve Ordinance 1299 – *(AN ORDINANCE AMENDING ORDINANCE NO. 1289 (AS PREVIOUSLY AMENDED BY ORDINANCE 1298) OF THE CITY OF HILLSBORO)*. Council was polled with the following vote: Council member Loewen, yes; Council member McCarty, yes; Council member Gehring, yes. Motion carried unanimously.

15. KDHE REIMBURSEMENT #11 – EBH INVOICE – Motion was made by Council member Loewen and seconded by Council member Gehring to approve Reimbursement Request #11 from KDHE for EBH Engineering Invoice #12056 in the amount of \$16,331.46. Motion carried unanimously.

16. BOARD APPOINTMENTS –

CVB – Mayor Thurston appointed Lisa Donahue and Casey Moore (vacancies) to the CVB for 2 year terms expiring 12/31/2020. Motion was made by Council member McCarty and seconded by Council member Gehring to approve these appointments. Motion carried unanimously.

17. CITY ADMINISTRATOR’S REPORT – City Administrator Paine distributed copies of a letter from the League that encourages governing body members to reach out and thank their legislators for their service and support for local government.

City Administrator Paine also distributed copies of the May month end dashboard report.

18. EXECUTIVE SESSION – ATTORNEY/CLIENT – Motion was made by Council member Loewen and seconded by Council member McCarty to recess into executive session regarding consultation with an attorney which would be deemed privileged in the attorney-client relationship pursuant to KSA 75-4319(b)(2). Attendance will include Josh Boehm and Larry Paine. The open meeting will resume in the Council Chambers at 4:58 p.m. Motion carried unanimously. Council meeting resumed at 4:58 p.m. Motion was made by Council member McCarty and seconded by Council member Loewen to extend the executive session by another 15 minutes. Motion carried unanimously. Council meeting resumed at 5:15 p.m. No action was taken.

Council briefly discussed recycling concerns.

19. ADJOURNMENT – Council meeting adjourned at 5:18 p.m.

/s/
LOUIS THURSTON, MAYOR

ATTEST:

/s/
JANICE K. MEISINGER, CITY CLERK