

Hillsboro, Kansas
September 17, 2019

1. The city council met in regular session on Tuesday, September 17, 2019 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: Renee Gehring, Candidate for City Council; Greg Vahrenberg, Managing Director, Raymond James Public Finance; Anthony Roy, Economic Development Director; Phyllis Zorn, Hillsboro Star Journal; Laura Paulus, Hillsboro Free Press; Josh Boehm, City Attorney; Dayton Foster, Thelma Wilson, and Jacob Denholm, Students in Mr. Knoll's Government Class; and, Jan Meisinger, City Clerk. Absent: City Administrator Larry Paine.
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 Gehring and seconded by Council member Driggers to approve the minutes of the 9-3-19 regular meeting as submitted. Motion carried unanimously.
6. **VOUCHERS** – Motion was made by Council member Loewen and seconded by Council member Driggers to approve the vouchers in the amount of \$609,488.84. Motion carried unanimously.
7. **GREG VAHRENBERG – FINAL ANALYSIS – BOND REFUNDING** – Greg Vahrenberg, the city's financial advisor, met with council to present the final analysis of the refunding of the city's 2006A and 2009A bonds. Due to the rapid decline of interest rates in August, the net savings to the city will be \$1,070,101.04 for this refunding, which is over twice what we initially expected to save. The most meaningful savings will be in the next 4 years. The current interest rates on the 2006A and 2009A issues are 4 ½ - 4 3/8%. The new interest rate will be 3.47%. The closing is October 10th. Mr. Vahrenberg felt it was also important to come back and complete a multi-year plan to keep the mill levy steady and to build fund balances up to our target. This will also help our bond rating. Council concurred.
8. **ORDINANCE 1302** – Motion was made by Council member Driggers and seconded by Council member Gehring to approve Ordinance 1302 (with the correction to paragraph 1 removing City of Mulvane and inserting City of Hillsboro). *(AN ORDINANCE OF THE CITY OF HILLSBORO, KANSAS, AUTHORIZING THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION REFUNDING BONDS, SERIES B, 2019, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$5,195,000.00, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.* Council was polled with the following vote: Council member Loewen, yes; Council member McCarty, yes; Council member Gehring, yes; and, Council member Driggers, yes. Motion carried unanimously.
9. **RESOLUTION 2019-08** – Motion was made by Council member McCarty and seconded by Council member Gehring to approve Resolution 2019-08 – *(A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION*

REFUNDING BONDS, SERIES B, 2019, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$5,195,000.00, OF THE CITY OF HILLSBORO, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 1302 OF THE CITY; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

Council was polled with the following vote: Council member Loewen, yes; Council member McCarty, yes; Council member Gehring, yes. Council member Driggers, yes. Motion carried unanimously.

10. ELECTRIC TRUCK FINANCING – Three bids were received:

- Central National Bank – 3.36% with \$250.00 fee
- Marion National Bank – 3.07% - no fee
- Emprise Bank – 3.23% - no fee

The lease amount is \$249,045.00 for 7 years (14 semi-annual payments). Motion was made by Council member McCarty and seconded by Council member Driggers to approve the proposal from Marion National Bank for 7 years, 3.07% with no fees – total annual payment of \$39,808.84. Motion carried unanimously.

11. KDOT AVIATION GRANT – The total project estimate is \$112,550.00 (KDOT share - \$101,550.00, city's share - \$11,250.00; plus design engineering \$5,000.00, total city share = \$16,250.00). This project would be crack sealing and then an asphalt seal on the runway. The application is due September 30th. Motion was made by Council member McCarty and seconded by Council member Driggers to approve the submittal of the grant request to KDOT. Motion carried unanimously.

12. BOARD APPOINTMENTS – none

13. OTHER ITEMS – Mayor Thurston thanked the students present from Mr. Knoll's Government class for attending the council meeting.

City Attorney Boehm encouraged council members to attend some of the training sessions that will be available at the upcoming League meeting.

Council would like City Administrator Paine to check into the possibility of putting some flexibility for the use of golf carts on city streets. The mayor and Council member Gehring have both been approached about this.

14. ADJOURNMENT – Council meeting adjourned at 4:32 p.m.

/s/
LOUIS THURSTON, MAYOR

ATTEST:

/s/
JANICE K. MEISINGER, CITY CLERK