

Hillsboro, Kansas
February 16, 2021

1. The City Council met in regular session via Zoom, due to the Corona Virus pandemic, on Tuesday, February 16, 2021 at 4:00 p.m. with Mayor Lou Thurston and Council members Renee Gehring, Brent Driggers, Byron McCarty, and David Loewen participating.

2. Others Participating: Jackie Nelson, Hillsboro Free Press; Phyllis Zorn, Hillsboro Star Journal; Leroy Just, 301 N. Adams; Susan Robson, Brookens and Robson, LLC; Brooke Carroll and Mark Chesney, Kansas Power Pool; Kimberlyn Gilchrist, City Attorney; Matt Stiles, City Administrator; and, Jan Meisinger, City Clerk.

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

4. **MINUTES** – Motion was made by Council member McCarty and seconded by Council member Loewen to approve the minutes of the 2-2-2021 regular meeting as submitted. Motion carried unanimously.

5. **VOUCHERS** – Motion was made by Council member Driggers and seconded by Council member McCarty to approve the vouchers in the amount of \$293,577.58. Motion carried unanimously.

6. **PUBLIC COMMENTS** – Leroy Just told Council that he could not afford a massive water rate increase. He felt the higher the rates were, the harder it was to get people to move to our community. (There is an article in this week's Free Press about the increase in the raw water price the City will be paying when our current contract with the State ends at the end of this year). Mayor Thurston assured Mr. Just that the water rate increase would be as minimal as we could make it.

7. **MARK CHESNEY – KANSAS POWER POOL** – Mark Chesney gave Council an update on KPP. He said this has been an interesting week due to the very cold weather and the Southwest Power Pool rolling blackouts, because of the high demand and tight supply of power. Market prices have increased from 10-13 cents per kwh to at least 60 cents per kwh and higher. These higher prices will be reflected in the cost adjustment on our electric purchase invoice from KPP. Hillsboro has not had a blackout; but, it is likely that more blackouts will occur tomorrow; unfortunately, with probably very little notice ahead of time. He felt all this reinforced KPP's decision to add quick-start generators to their system after KPP's contract with Westar ends. This change also results in a 7-9 million dollar per year savings, and gets KPP almost out of the coal business.

8. **ORDINANCE 1325 – KPP METER PURCHASE AGREEMENT** – Ordinance 1325 authorizes the City to sign off on the necessary documents with KPP for the meter improvement project. The project will be financed through KPP and charged back to the City through the power purchase contract the City has with KPP. The estimated project cost is \$187,530.00. We won't know what the interest will be until the bonds are sold. The term of the bonds will be 10 years. Approximately 850 personnel hours per year is spent preparing for, processing, and reading meters. The savings in personnel and equipment will offset the annual cost. Motion was made by Council member McCarty and seconded by Council member Loewen to approve Ordinance 1325 and authorize the mayor to sign – (ORDINANCE 1325 – AN ORDINANCE APPROVING A PROJECT TO BE UNDERTAKEN BY THE KANSAS POWER POOL ("KPP"), A MUNICIPAL ENERGY AGENCY FOR THE BENEFIT OF THE CITY OF HILLSBORO, KANSAS AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH DOCUMENTS AS SHALL BE NECESSARY IN CONNECTION THEREWITH). Council was polled with the following vote: Council member Driggers, yes; Loewen, yes; Gehring, yes; McCarty, yes. Motion carried unanimously.

Motion was made by Council member McCarty and seconded by Council member Loewen to approve Project Schedule 1 of the City's power purchase contract pending the sale of bonds by KPP and authorize the council president to sign. Motion carried unanimously.

9. **ORDINANCE 1326 – CONDITIONAL USE FOR AIR B&B** – Ordinance 1326 authorizes a Conditional Use Permit (Case NO. Z-CU2021-01) to allow a residential property at 201 East A Street to be used as a vacation rental by owner (VRBO). The Planning Commission held a public hearing on January 28, 2021 to hear the case. After the public hearing, the Commission voted unanimously to recommend approval to the City Council. Adjoining property owners shared concerns about potential security issues at the public hearing. Owners Mona and David Hein indicated that the rental would be for Tabor parents or visitors and talked about safety precautions. The rental will also not be placed on rental sites like Air B&B or VRBO. The Planning Commission discussed the issue and was sympathetic to the concerns. Ultimately, it came down to the fact that proposed use was not dramatically different than a residential

use, neighbors can't control who their neighbors are, and similar type permits have been issued by the City in similar situations. Motion was made by Council member Driggers and seconded by Council member McCarty to approve Ordinance 1326 for a Conditional Use Permit at 201 East "A" Street, and authorize the mayor to sign. Council was polled with the following vote: Council member McCarty, yes; Gehring, yes; Loewen, yes; Driggers, yes. Motion carried unanimously.

10. APPOINTMENT OF SUSAN ROBSON AS CITY PROSECUTOR – Mayor Thurston appointed Susan Robson as city prosecutor. Motion was made by Council member McCarty and seconded by Council member Driggers to approve this appointment. Motion carried unanimously. The hourly rate will be \$125.00.

11. KPERS 401A ADOPTION – In August of 2020, Council approved allowing employees to participate in the KPERS 457 plan. Enrollment for that plan has begun, and employee participation will begin in March. The City also needs to adopt the KPERS 401(a) program in order to meet the deferred compensation section of the city administrator's employment agreement. Under that section, the City will deposit 5% of City Administrator Stiles' annual salary in a deferred compensation account. IRS codes prevent the City from contributing to the 457 plan and require that city contributions be done in a 401(a) plan. Motion was made by Council member McCarty and seconded by Council member Gehring to approve the 401(a) Resolution and Adoption Agreement. Motion carried unanimously.

12. SET PUBLIC HEARING FOR EVALUATING THE PERFORMANCE OF GRANT #20-CV-088 – The City has distributed the COVID grant funds of \$122,000.00 to nine local businesses. The final part of the project is to hold a project performance hearing. Motion was made by Council member McCarty and seconded by Council member Driggers to set the Project Performance Hearing for the Community Development Block Grant CV funds at 4:00 p.m. on March 2, 2021 at the regular city council meeting. Motion carried unanimously.

13. EMS BUILDING LOCATION – The land request for the proposed EMS site is .37 acres. The property would start 10' into the current drive for the AMPI building by the Police Department. The drive is 33' across leaving 23' belonging to the City. This still leaves 1.33 acres for the proposed fire station to access Ash Street. The AMPI property is located in the City's Land Bank and requires a publication notice 30 days prior to the sale closing. Due to rising steel prices, the County has an interest in making a decision as soon as possible. Mayor Thurston said he felt this was the right spot for the building and that this would be a big benefit to the City of Hillsboro.

14. STAFFING ORGANIZATION – Due to several pending retirements, City Administrator Stiles is looking for ways to reorganize and opportunities to streamline operations. One big objective is cross training to allow for more flexibility. In summary, City Administrator Stiles would like to take the following actions:

- Promote an electrical supervisor before April 1
- Combine Water and Sewer Departments
- Promote Morgan Marler to Water and Sewer Director, starting March 1
- Advertise to hire a Sewer Department trainee immediately
- Promote Caren Funk to work with Mona immediately
- Move Steve Fast to full-time and have him begin working in the office half-time immediately
- Advertise to hire a golf superintendent to learn with Gary over 2021.
- Since Glenda Stoppel has announced her retirement, needs for the office will need to be re-evaluated. Council concurred.

15. GOLF SUPERINTENDENT JOB DESCRIPTION APPROVAL – Motion was made by Council member McCarty and seconded by Council member Gehring to approve the Golf Superintendent job description as amended. Motion carried unanimously.

16. BOARD APPOINTMENTS – Mayor Thurston reappointed Dana Maxfield and Dr. Karol Hunt to the Recreation Commission. 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 –

Water Feature: City Administrator Stiles and Morgan Marler did an interview with Jackie Nelson, from the Free Press, to follow-up on the discussion on the potential raw water rate increase. A lot of people jumped to the conclusion that their water bills would be jumping the 460%, the projected raw water rate increase. That's not the case, but it's easy to see how that could be the conclusion. Hopefully, the

follow-up interview provides more context. We are working on evaluating the rates and will talk with the Council about what we would need to do to accommodate the increase in raw water cost along with the other needs of the system.

New Hire: Dale Dalke has hired Jesse Dirks to fill his open street position. The Street position has been open since last summer. We had to do two application periods to find someone. Jesse will start March 1 pending passing a pre-employment physical and drug test. Once Jesse is onboard, we will introduce him to the City Council to put a face to the name.

Aquatic Center Manager: Applications for the Aquatic Center Manager were due on Friday, February 12. Doug Sisk will be interviewing candidates the week of February 15-19 and making a hiring decision. The Aquatic Center Manager will then begin the process of hiring staff for the pool, which normally begins in February.

Engineering RFQ: We received five proposals for City engineering services. The proposals are from Earles Engineering (McPherson), Schwab Eaton (Wichita), MKEC (Wichita), EBH (Hillsboro/Marion), and PEC (Wichita). Right now, Morgan Marler, Dale Dalke, Ben Steketee, and City Administrator Stiles are reviewing the proposals. If any of the Council would like to review the proposals now, we'd be happy to share. We plan on narrowing the field down and having presentations to the Council in March.

Concrete Crushing Bids: We received three bids for concrete crushing. We hope to be able to award the bid at the next meeting; however, Dale Dalke wanted an opportunity to review bidder's work.

Property and Liability Insurance Servicer: City Administrator Stiles has had multiple insurance agents inquire about being the City's property and liability insurance servicer. The current servicer is IMA out of Wichita, but previously the policy was serviced locally. Based on the services we use from IMA, City Administrator Stiles didn't think moving the policy back to a local agent would be detrimental to the City. However, the City's policy renews on April 1 and IMA has already done the work to prep the renewal. It doesn't seem fair to transition at this point with IMA doing most of the work already. City Administrator Stiles instead proposed allowing local agents bid on the work for the April 2022 renewal in December of 2021. If we have any problems with IMA's service before then, we can certainly make that change, but delaying a change for now seems like the fairest thing to do.

18. COUNCIL COMMENTS –

- Council member Driggers – none
- Council member Loewen – His questions concerning the water were answered earlier in the meeting.
- Council member Gehring – none
- Council member McCarty – none

19. ADJOURNMENT – Council meeting adjourned at 5:20 p.m.

LOUIS THURSTON, MAYOR

ATTEST:

JANICE K. MEISINGER, CITY CLERK