

Hillsboro, Kansas  
April 27, 2021

1. The City Council met in special session via Zoom and in person due to the coronavirus pandemic on Tuesday, April 27, 2021 at 4:00pm with Mayor Lou Thurston, David Loewen, Brent Driggers, Renee Gehring and Byron McCarty participating.

2. **Others participating:** Jonah Gehring & Kent Becker, County Commissioners; Kimberlyn Gilchrist, City Attorney; Brandon Acton, Countryside Feed; David Rathman, Countryside Feed; Anthony Roy, Economic Development Director; Matt Stiles, City Administrator; and Jan Meisinger, City Clerk.

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

4. **PUBLIC HEARING FOR COUNTRYSIDE FEED TAX ABATEMENT:** City Administrator Stiles said proposed Ordinance 1328 would grant Countryside Feed a 97% tax abatement for 10 years on the proposed expansion of their current facility. The 97% abatement level was determined by the City's policy that has a formula that sets abatements based on capital investment, employment creation, and exporting of products. A Cost-Benefit Analysis was prepared by the office of Triplett, Woolf, Garretson and is part of the application process. The proposed abatement would also abate Marion County taxes and a portion of USD 410 taxes for the project. Both the County and USD 410 were notified of the public hearing and were provided a copy of the Cost Benefit Analysis.

The public hearing opened at 4:08pm.

The proposed abatement applies only to the new portions added to the facility. Countryside will still pay property taxes on the existing facility. The Cost-Benefit Analysis shows that the project will generate a net benefit to Hillsboro of \$316,375 over the abatement period. Marion County will see a net benefit of \$76,432. USD 410 would see a slight negative return of -\$4,412. An estimated 52 jobs will be created because of this activity, though only 7 are directly employed by Countryside Feed. Values include an estimated impact due to increased property tax, utilities, sales tax related activities and related employment.

Positive comments were received from County Commissioners Gehring and Becker.

The public hearing closed at 4:14pm and the special council meeting resumed.

5. **ORDINANCE 1328 – COUNTRYSIDE FEED TAX ABATEMENT:** Motion was made by Council member Driggers and seconded by Council member McCarty to approve Ordinance 1328 and authorize the Mayor to sign. ORDINANCE NO 1328 (AN ORDINANCE OF THE CITY OF HILLSBORO, KANSAS EXEMPTING CERTAIN PROPERTY FROM AD VALOREM TAXATION FOR ECONOMIC DEVELOPMENT PURPOSES). Council was polled with the following vote: Council member Loewen, yes; McCarty, yes; Gehring, yes; Driggers, yes. Motion carried unanimously.

6. **ADJOURNMENT:** Meeting adjourned at 4:17pm.

ATTEST:

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LOUIS THURSTON, MAYOR

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JANICE K. MEISINGER, CITY CLERK

Hillsboro, Kansas  
May 4, 2021

1. The City Council met in regular session via Zoom and in person, on Tuesday, May 4, 2021 at 4:00pm with council members David Loewen, Byron McCarty, Renee Gehring and Brent Driggers participating. Absent: Mayor Lou Thurston.

2. Others Participating: Kimberlyn Gilchrist, City Attorney; Alan Luttrell and Zach Collet, EBH & Associates; Tracy Lowe, Marion County Core Communities; Laura Paulus, Hillsboro Free Press; Phyllis Zorn, Hillsboro Star Journal; Danielle Bartel, Future City Clerk; Matt Stiles, City Administrator; and Jan Meisinger, City Clerk.

3. CALL TO ORDER: Council President Brent Driggers called the meeting to order at 4:00pm.

4. MINUTES: Motion was made by Council member Loewen and seconded by Council member Gehring to approve the minutes of the 4/20/2021 regular meeting as submitted. Motion carried unanimously.

5. VOUCHERS: Motion was made by Council member Loewen and seconded by Council member Gehring to approve the vouchers in the amount of \$93,987.28. Motion carried unanimously.

6. PUBLIC COMMENTS: Zach Collet gave council an update on the hike and bike trail and the 56/Industrial Road Intersection.

Tracy Lowe, Liaison for Marion County Core Community (formerly Circles program) met with council to explain the program and identify needs in the community; and, how we can get involved as leaders, friends, or volunteers.

7. SEWER LAGOON IMPROVEMENTS – ALAN LUTTRELL, EBH & ASSOCIATES: Alan Luttrell, EBH & Associates met with council to discuss the issues we are having at the wastewater lagoons with sludge buildup and meeting ammonia levels required by KDHE. Both of those issues cause unpleasant odors at certain times of the year. Potential improvements would be to install ten floating aerators and a series of baffles in the first cell of the lagoon. The aerators pull the sludge layer and waste up from the bottom of the lagoon and disperse them like a low fountain to incorporate more air in the mix. That air allows the biological process in the lagoon to accelerate, breaking down the waste more efficiently and reducing the sludge over time. The baffle system is needed to channel the flow of waste through the aerator. As part of this project, the City has had conversations with Barkman Honey about splitting the costs as they are a disproportionate contributor (40%). Improvements would also solve the problem with the current arrangement where Barkman hauls its washout waste to the old wastewater plant and dumps it in an old tank that is no longer serviceable. With the upgrades and the addition of a monitoring station on the site for Barkman, the honey washout could be discharged directly into the sewer system. The total cost for the improvements at the lagoon is estimated to be \$228,670.00. EBH proposes to request Barkman Honey to pay \$70,100.00 based on their contributions and the City pay the remaining \$158,570.00 for the lagoon improvements. Additionally, Barkman would be required to install the needed monitoring equipment on site at the proposed cost of \$83,900.00. The request for Barkman would be \$154,000.00 as projected, however the final cost would be based on actual costs. No action is needed today. More discussion with Barkman Honey is needed to negotiate their final commitment.

8. AMERICAN RESCUE PLAN ACT FUNDS: The City of Hillsboro is estimated to receive \$394,217.61 from the state as American Rescue Plan Act Funds. Payments would come in two parts, one around 5/10/2021 and a second in May of 2022. Funds must be expended by 12/31/2024 or returned to the US Treasury. The funds are restricted in use and must be tracked. Treasury guidance is needed on many items, but there are generally four areas that the money can be spent on:

1. To respond to the COVID-19 and its negative impacts including assistance to households, small businesses and nonprofits, or to aid industries such as tourism, travel and hospitality.
2. To provide premium pay to essential workers responding to the pandemic.
3. Revenue replacement as a result of the pandemic.
4. Making necessary investments in water, sewer, or broadband infrastructure (more guidance needed).

City administrator Stiles recommended proceeding with caution and wait for the appropriate guidance. There is some flexibility with these funds; however, there is a significant amount of grey area. With the one-time funds, such as these, it is wise to focus on capital projects, specifically ones that are impactful for the whole community.

9. EVERGY CIRCUIT PROPOSAL: Evergy is replacing the substation that services Hillsboro. Completing this project gives the city redundancy in supplying power from Evergy. In the event of an issue with the main feed into town, the city could switch over to the proposed configuration without cutting service. Essentially it gives the city a back-up option to reroute power supply for the whole community. KPP has recommended pursuing this project to enhance reliability. The meter that Evergy is going to install is approximately \$20,000.00 and mandatory based on our power supplier agreements. Installing the new circuit from the city shop to the interconnect has an estimated cost of roughly \$20,000.00 in materials assuming that the city electric crews can

do the work. If the city crews cannot do the work, it would likely be \$40,000.00. Currently the operating budget does not include this project. However, there are sufficient available revenues to complete the project. The budget would likely need to be amended at the end of the year to accommodate the project if it were to be completed in 2021. It is still unclear what the anticipated project date would be. Motion was made by Council member McCarty and seconded by Council member Loewen to move forward with the Evergy project and allow the construction of a new line from the interconnect on Adams between 1<sup>st</sup> and 2<sup>nd</sup> Streets up to the new meter by the City Shop. Motion carried unanimously.

**10. COUNTRYSIDE FEED REQUEST:** Countryside Feed has requested that the City assist with the replacement of the approach and drainage on the Industrial Street side of the project. They are requesting \$8,785.00 in assistance. Funds for participating would come from the CIP fund. Motion was made by Council member McCarty and seconded by Council member Loewen to share in the cost of this project with Countryside Feed. Motion carried unanimously.

**11. PROPOSAL TO MOVE REGULAR JULY 6 MEETING TO JULY 1:** City Administrator Stiles said that due to a family commitment, he will not be able to attend the regularly scheduled July 6 meeting. Since this meeting would normally be a budget presentation meeting, he asked council to move the meeting to Thursday, July 1<sup>st</sup>. Motion was made by Council member Gehring and seconded by Council member Loewen to move the regular July 6 council meeting to July 1<sup>st</sup> at 4:00pm. Motion carried unanimously.

**12. BOARD APPOINTMENTS:** Deferred.

**13. CITY ADMINISTRATOR'S REPORT:** City Administrator Stiles introduced Danielle Bartel who is working with Jan until her retirement in June.

**Website Launch:** The new website update from Baker Brothers will launch the third week of May. Along with that we will be launching our Front Desk platform. With front desk, we will work to transition our ACH customers over to the system. Front Desk will allow users to manage their own reoccurring utility payments. We'll have more information forthcoming including some tutorials on how to set up an account and all the features of the system.

**Credit Card Payment Changes:** To improve safety for customers, we are making some changes to how we are accepting credit cards. First, we are removing the option to write your credit card numbers on the bill forms. With the drop box at city hall, it's not good practice to have credit card information written on those forms that could be potentially accessed by others when the drop box is stuffed full. We are also phasing out taking credit card numbers over the phone for safety reasons. With the addition of Front Desk there are much more secure methods to pay their bills with credit cards and check. As always, we are happy to take cash, check and credit/debit card payments in person at City Hall and customers can mail or drop off their payments in cash or check with their bills.

**Sales Tax:** The sales tax receipts are currently \$34,769.81 or 16% higher than last year.

**Retirement Party:** Jan Meisinger's retirement party is set for Friday, June 11 from 4pm-6pm at City Hall.

**City Administrator 360 Evaluation:** The Governing Body will be receiving a link to a digital version of the 360 review on Monday, May 3. City Administrator Stiles thought doing it digitally would help speed up the process a little. If there is something in that review you feel would need to change, please let City Administrator Stiles know and he will get it updated.

**14. COUNCIL COMMENTS:** Council member Loewen asked when the fiber project was going to wrap up. City Administrator Stiles said it should be finished in late June.

**15. ADJOURNMENT:** Council meeting adjourned at 5:09pm.

ATTEST:

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LOUIS THURSTON, MAYOR

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JANICE K. MEISINGER, CITY CLERK