

I. Call to Order – Mayor Pete Murray

II. Roll Call:

___ Pitman ___ Meadows ___ Leeper ___ Honeycutt ___ Blumanhourst

III. Pledge of Allegiance

IV. Approval of April 18, 2016 Regular Meeting Minutes

Action: Motion to approve the April 18, 2016 minutes.

Motion: _____ *Second:* _____ *Vote:* _____

V. Discussion and Approval of Appropriations

Action: Motion to approve the appropriations.

Motion: _____ *Second:* _____ *Vote:* _____

VI. Determination of Agenda Additions

VII. Election of Mayor

Action: Motion to nominate _____ for Mayor

Motion: _____ *Second:* _____

Action: Motion to cease nominations for Mayor

Motion: _____ *Second:* _____

Election of new Mayor by majority vote

Action: Motion to elect _____ for Mayor

Motion: _____ *Second:* _____ *Vote:* _____

Oath of Office administered by City Clerk

VIII. Election of City Council President

Action: Motion to nominate _____ for President of the Council

Motion: _____ *Second:* _____

Action: Motion to cease nominations for President of the Council

Motion: _____ *Second:* _____

Election of new President by majority vote

Action: Motion to elect _____ for President of the Council

Motion: _____ *Second:* _____ *Vote:* _____

Oath of Office administered by the City Clerk

IX. Public Comments (Please limit comments to 5 minutes)

X. Appointments

a. Mayor’s appointment of City Attorney

ACTION: Motion to appoint Don Gottschalk as City Attorney.

Motion: _____ **Second:** _____ **Vote:** _____

b. Mayor’s appointment of Municipal Judge

ACTION: Motion to appoint Larry Bolton as Municipal Judge.

Motion: _____ **Second:** _____ **Vote:** _____

c. Mayor’s appointment of City Prosecuting Attorney

ACTION: Motion to appoint David “Rick” Roberts as City Prosecuting Attorney.

Motion: _____ **Second:** _____ **Vote:** _____

d. Mayor’s appointment of City Clerk

ACTION: Motion to appoint Denise McCue as City Clerk.

Motion: _____ **Second:** _____ **Vote:** _____

e. Mayor’s appointment of City Treasurer

ACTION: Motion to appoint Rhonda Stillwell as City Treasurer.

Motion: _____ **Second:** _____ **Vote:** _____

f. Mayor’s appointment of Chief of Police

ACTION: Motion to appoint Scott Jones as Chief of Police.

Motion: _____ **Second:** _____ **Vote:** _____

g. Mayor’s appointment of Fire Chief

ACTION: Motion to appoint Mike Patterson as Fire Chief.

Motion: _____ **Second:** _____ **Vote:** _____

h. Mayor’s appointment of official newspaper

ACTION: Motion to appoint the Hutchinson News as the official newspaper of the City.

Motion: _____ **Second:** _____ **Vote:** _____

i. Mayor’s appointment of official depository bank.

ACTION: Motion to appoint Bank SNB as the official depository of the City.

Motion: _____ **Second:** _____ **Vote:** _____

XI. Ordinances, Resolutions and Action Items

- a. Consideration of **A RESOLUTION AUTHORIZING THE CITY OF SOUTH HUTCHINSON, KANSAS TO EXECUTE AND DELIVER ITS SPECIAL WARRANTY DEED, BILL OF SALE AND TERMINATION AND RELEASE OF LEASE IN CONNECTION WITH THE CITY’S TAXABLE ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2005 (DAHLSTEN TRUCK LINE, INC.)**

ACTION: Motion to (approve/deny/table) Resolution 16-537 and authorize the Mayor to sign all related documents.

Motion: _____ **Second:** _____ **Vote:** _____

- b.** Consideration of bids for the water and sanitary sewer infrastructure in the Frontier Commerce Park addition, awarding the bid to Dondlinger Construction at a cost of \$321,168.70.

ACTION: Motion to (approve/deny/table) awarding the bid to Dondlinger Construction at a cost of \$321,168.70 and authorizing the Mayor to sign the notice of award.

Motion: _____ **Second:** _____ **Vote:** _____

- c.** Consideration of bids for the water improvement on Valley Pride for Morton Salt, awarding the bid to McCullough Excavation, Inc at a cost of \$119,500.00.

ACTION: Motion to (approve/deny/table) awarding the bid to McCullough Excavation, Inc at a cost of \$119,500.00 and authorizing the Mayor to sign the notice of award.

Motion: _____ **Second:** _____ **Vote:** _____

- d.** Consideration of a proposal from Unruh Fire for a firefighting skid for the Polaris Ranger at a cost of \$8,249.

ACTION: Motion to (approve/deny/table) the proposal from Unruh Fire for the firefighting skid at a cost of \$8,249.

Motion: _____ **Second:** _____ **Vote:** _____

- e.** Consideration of a proposal for Grasshopper Mowers for the purchase of a 727EFI power unit at a cost of \$8,834.25.

ACTION: Motion to (approve/deny/table) the proposal for Grasshopper Mowers for the purchase of a 727EFI power unit at a cost of \$8,834.25.

Motion: _____ **Second:** _____ **Vote:** _____

XII. Reports

- a.** Mayor & Council Members
- b.** City Attorney
- c.** City Administrator

XIII. Adjournment

Motion: _____ **Second:** _____ **Vote:** _____

I. **Call to Order – Mayor Pete Murray**

II. **Roll Call:**

Pitman Meadows Leeper Honeycutt Blumanhourst

III. **Pledge of Allegiance**

IV. **Approval of April 4, 2016 Regular Meeting Minutes**

Action: Motion to approve the April 4, 2016 minutes.

Motion: Meadows *Second:* Honeycutt *Vote:* 5-0

V. **Discussion and Approval of Appropriations**

Action: Motion to approve the appropriations.

Motion: Pitman *Second:* Honeycutt *Vote:* 5-0

VI. **Determination of Agenda Additions**

VII. **Public Comments** (*Please limit comments to 5 minutes*)

VIII. **Requested Appearance**

Jason McDade, Riveratz Inc.

Action: Motion to instruct the City Attorney to make changes to the waiver that reflects the discussion of the council.

Motion: Pitman *Second:* Honeycutt *Vote:* 5-0

IX. **Ordinances, Resolutions and Action Items**

a. **Consideration of AN ORDINANCE PROHIBITING LITTERING AND PROVIDING FOR PENALTIES IN THE CITY OF SOUTH HUTCHINSON, KANSAS.**

ACTION: Motion to approve Ordinance 16-867 and authorize the Mayor to sign.

Motion: Pitman *Second:* Blumanhourst

Vote: Pitman Meadows Leeper Honeycutt Blumanhourst

b. **Consideration of AN ORDINANCE PROVIDING FOR THE RECLASSIFICATION OF CERTAIN PROPERTY FROM ZONING DISTRICT C-2 GENERAL COMMERCIAL DISTRICT TO ZONING DISTRICT R-2 TWO FAMILY RESIDENTIAL DISTRICT, PURSUANT TO THE LAND DEVELOPMENT CODE FOR THE CITY OF SOUTH HUTCHINSON, KANSAS.**

ACTION: Motion to approve Ordinance 16-868 and authorize the Mayor to sign.

Motion: Pitman *Second:* Honeycutt

Vote: Pitman Meadows Leeper Honeycutt Blumanhourst

c. Consideration of **A RESOLUTION AUTHORIZING FIREWORKS DISPLAY IN THE CITY OF SOUTH HUTCHINSON, KANSAS**

ACTION: Motion to approve Resolution 16-536 and authorize the Mayor to sign for Flashing Thunder Fireworks Spectacular/Our Lady of Guadalupe.

Motion: Honeycutt **Second:** Leeper **Vote:** 5-0

d. Consideration of work order supplement with PEC for additional chip sealing to be completed during the base stabilization project at a cost of \$7,800.

ACTION: Motion to approve the proposed work order with PEC at a cost of \$7,800 and authorize the Mayor to sign removing the Walnut portion and approving Apollo portion.

Motion: Honeycutt **Second:** Blumanhourst **Vote:** 5-0

X. **Reports**

- a. Mayor & Council Members
- b. City Attorney
- c. City Administrator

XI. **Adjournment**

Motion: Pitman **Second:** Honeycutt **Vote:** 5-0

**Invoice Approval List
May 2, 2016**

Gen Gov	Description	Vendor	Inv. Amt
101-101-5001	Insruance premium	Freedom Claims	\$1,092.78
101-101-6000	Electric service	Westar	\$257.63
101-101-6000	Phone service	Ideatek	\$201.49
101-101-6000	Water bill	City of South Hutch	\$48.01
101-101-6002	Attorney service	Don Gottschalk	\$1,000.00
101-101-6002	Subscription	First Bank Card	\$9.95
101-101-6002	Insruance premium	Freedom Claims	\$835.69
101-101-6002	Littering Ordinance	Hutchinson News	\$18.87
101-101-6004	Microsoft	First Bank Card	\$32.00

\$3,496.42

Police	Description	Vendor	Inv. Amt
101-102-5001	Insruance premium	Freedom Claims	\$2,931.84
101-102-6000	Water bill	City of South Hutch	\$45.01
101-102-6000	Electric service	Westar	\$517.52
101-102-6000	Phone service	Ideatek	\$661.35
101-102-6008	Service AC	Decker Mattison	\$161.59
101-102-6012	Hotel-Mark	First Bank Card	\$564.48
101-102-7000	Chair-Jackie	Hon Company	\$290.93
101-102-7002	Repair pinter	Better Image	\$276.50
101-102-7005	Cartridge	Taser International	\$338.96
101-102-7009	Shirts, namestrips	Galls	\$244.73
101-102-7009	Shirts	Chief Supply	\$55.55

\$6,088.46

Street	Description	Vendor	Inv. Amt
101-103-5001	Insruance premium	Freedom Claims	\$1,910.83
101-103-6000	Electric service	Westar	\$582.71
101-103-6000	Phone service	Ideatek	\$101.98
101-103-6000	Water bill	City of South Hutch	\$179.75
101-103-6002	Repair broken window	Safelite	\$256.90
101-103-7001	Rolls-safety training	First Bank Card	\$14.18

\$3,046.35

Fire	Description	Vendor	Inv. Amt
101-104-6000	Electric service	Westar	\$412.26
101-104-6000	Water bill	City of South Hutch	\$77.02
101-104-6000	Phone service	Ideatek	\$145.67
101-104-6003	Flow test	Municipal Emergency Service	\$535.00
101-104-6004	Microsoft	First Bank Card	\$22.13
101-104-6004	Compressor sample	Breathing Air Service	\$85.00
101-104-6004	Background check	First Bank Card	\$39.95
101-104-7000	Phone belt clip, postage	First Bank Card	\$17.59
101-104-7002	Brake parts,grease gun, gr	Rose Motor	\$259.86
101-104-7002	Oil change	Great Plains	\$34.99
101-104-7004	Water, straw bales	First Bank Card	\$85.12
101-104-8000	Pager dual band	First Bank Card	\$1,004.95
101-104-8000	Facepieces	Hutchinson Fire-MERF	\$125.00

\$2,844.54

Park	Description	Vendor	Inv. Amt
101-105-5006	Contract	Robert Snyder	\$1,250.00
101-105-6000	Electric service	Westar	\$127.77
101-105-6000	Water bill	City of South Hutch	\$113.31

**Invoice Approval List
May 2, 2016**

101-105-7002	Sprayer	Westlake	\$35.99
			\$1,527.07

Court	Description	Vendor	Inv. Amt
101-106-5001	Insurance Premium	Freedom Claims	\$482.62
101-106-6016	Judge service	Larry Bolton	\$1,100.00
101-106-6016	Attorney service	Rick Roberts	\$1,100.00
101-106-6017	Jail fees	Reno County Sheriff	\$2,400.00
101-106-6018	Court apt atty	Benjamin Fisher	\$150.00

\$5,232.62

Code Enf	Description	Vendor	Inv. Amt
101-107-6002	Zoning Change	Hutchinson News	\$27.56
101-107-6011	Certification-James	KDHE	\$20.00

\$47.56

Non Dept	Description	Vendor	Inv. Amt
101-109-6000	Electric service	Westar	\$596.51

\$596.51

GENERAL TOTAL \$22,879.53

Water	Description	Vendor	Inv. Amt
201-000-5001	Insruance premium	Freedom Claims	\$735.07
201-000-6000	Water Bill	City of South Hutch	\$179.74
201-000-6000	Electric service	Westar	\$3,635.42
201-000-6002	Attorney service	Don Gottschalk	\$500.00
201-000-6002	Repair printer	Better Image	\$57.97
201-000-6002	Lab analysis	KDHE	\$108.00
201-000-6002	Morton Salt Waterline	PEC	\$12,420.00
201-000-6004	Tyson Water Main	PEC	\$62.50
201-000-7002	Ink cartridge	Better Image	\$28.97
201-000-7002	Postage-samples	First Bank Card	\$91.80
201-000-7002	Gloves	Mid-Continent Safety	\$28.46

\$17,847.93

Sewer	Description	Vendor	Inv. Amt
301-000-5001	Insruance premium	Freedom Claims	\$2,141.00
301-000-6000	Water Bill	City of South Hutch	\$179.75
301-000-6000	Electric service	Westar	\$11,835.81
301-000-6002	Attorney service	Don Gottschalk	\$500.00
301-000-6002	Repair printer	Better Image	\$57.98
301-000-7002	Ink cartridge	Better Image	\$28.98
301-000-7002	Mop, handle	Janitorial Supply	\$46.15
301-000-7002	Lamp	Midwest Electronic	\$12.00
301-000-7002	Gloves	Mid-Continent Safety	\$28.47

\$14,830.14

Special Hwy	Description	Vendor	Inv. Amt
401-000-7002	Sprayers	Colladay	\$108.16
401-000-7002	Trimmer head	Fairview	\$26.55
401-000-7002	Power rectifier-siren	Midwest Electric	\$129.95
401-000-7002	Phase 1 base stabilization	PEC	\$9,300.00
401-000-7002	Drain plug,fuel filter	Rose Motor	\$25.74
401-000-7002	Tape, paint marker	Westlake	\$10.97

**Invoice Approval List
May 2, 2016**

401-000-7002	Belt, pivot, blades, idler	Wichita Tractor	\$419.51
401-000-7002	Gloves	Mid-Continent Safety	\$28.47
401-000-7002	Oil, cold patch	Paving Maintenance	\$1,572.80
401-000-7002	Plates	Foley	\$481.06
401-000-7002	Keys	Pat's Key	\$9.40
			\$12,112.61

Emp Ben	Description	Vendor	Inv. Amt
501-000-5007	Insurance Premium	Freedom Claims	\$488.70
			\$488.70

Bike Skills	Description	Vendor	Inv. Amt
803-000-7001	Helmets	Harleys	\$1,807.80
			\$1,807.80

CDBG	Description	Vendor	Inv. Amt
809-000-6002	Architectural Services	Mann & Company	\$1,350.00
809-000-6002	Construction Com Ctr	Mark Borecky Construction	\$212,843.34
			\$214,193.34

Build Res	Description	Vendor	Inv. Amt
902-000-8024	Reset tracker, tower	Inman Irrigation	\$407.95
902-000-8024	Register-Irrigation system	McCrometer	\$86.59
			\$494.54

GRAND TOTAL \$284,654.59

RESOLUTION NO. 16-537

A RESOLUTION AUTHORIZING THE CITY OF SOUTH HUTCHINSON, KANSAS TO EXECUTE AND DELIVER ITS SPECIAL WARRANTY DEED, BILL OF SALE AND TERMINATION AND RELEASE OF LEASE IN CONNECTION WITH THE CITY'S TAXABLE ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2005 (DAHLSTEN TRUCK LINE, INC.)

WHEREAS, pursuant to Ordinance No. 05-723 duly adopted by the governing body of the City of South Hutchinson, Kansas (the "City") on September 6, 2005, the City previously authorized and issued its Taxable Economic Development Revenue Bonds (Dahlsten Truck Line, Inc.) Series 2005, dated September 1, 2005, in the aggregate principal amount of \$600,000 (the "Bonds"), for the purpose of paying the costs of acquiring certain real property and constructing and equipping a trucking terminal and service center thereon in the environs of the City (the "Project"), as more fully described in the Indenture and in the Lease hereinafter described, which Project is owned by the City and leased to Dahlsten Truck Line, Inc., a Nebraska corporation (the "Tenant"); and

WHEREAS, in connection with issuance of said Bonds the City also executed and entered into (1) a certain Trust Indenture dated as of September 1, 2005, (the "Indenture") with First National Bank of Hutchinson, Hutchinson, Kansas, as Trustee (the "Trustee"), for the purpose of issuing and securing the Bonds as provided therein and (2) a certain Lease dated as of September 1, 2005, (the "Lease"), with the Tenant pursuant to which the City caused the Project to be purchased and constructed and leased to the Tenant.

WHEREAS, the Trustee has certified that the principal of and interest on the Bonds has been paid in full and discharged in accordance with the provisions thereof and of the Indenture and Lease (the "Release, Cancellation and Discharge Certificate"); and

WHEREAS, it is now necessary and desirable to provide for termination and release of the Indenture and Lease and to transfer and convey to the Tenant in accordance with the Lease all of the City's right, title and interest in and to the Project as provided in the Lease.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SOUTH HUTCHINSON, KANSAS AS FOLLOWS:

Section 1. All terms and phrases not otherwise defined herein shall have the respective meanings set forth in the Indenture and Lease.

Section 2. The City is hereby authorized to transfer and convey to the Tenant all of the City's right, title and interest in and to the Project as provided herein.

Section 3. The Mayor or Vice Mayor of the City of South Hutchinson, Kansas is hereby authorized and directed to execute and deliver for and on behalf of, and as the act and

deed of the City, (1) the City's Special Warranty Deed, (2) the City's Bill of Sale and (3) the Termination and Release of Lease, substantially in the forms attached hereto as Exhibits A, B and C, respectively, with such minor corrections or amendments thereto as the Mayor or Vice Mayor shall approve, which approval shall be evidenced by his or her execution thereof. The Mayor or Vice Mayor is hereby further authorized to execute and deliver such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the purposes and intent of this Resolution. The City Clerk or the Deputy City Clerk of the City are hereby authorized and directed to attest the execution of such documents and other instruments by the Mayor or Vice Mayor. The delivery of all documents executed by the City and referenced herein is conditioned upon the City Attorney's receipt of Trustee's Release, Discharge and Cancellation Certificate duly executed by Trustee.

Section 4. The City shall, and the officers, agents and employees of the City are hereby authorized and directed to take such action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the provisions of this Resolution.

Section 5. This Resolution shall take effect and be in full force from and after its adoption and approval by the City's governing body.

Adopted and Approved by the Governing Body of the City of Hutchinson, Kansas this ____ day of _____, 2016.

CITY OF SOUTH HUTCHINSON, KANSAS

By _____
Pete Murray, Mayor

Attest:

Denise McCue, City Clerk

Exhibit A

Form of Special Warranty Deed

Exhibit B

Form of Bill of Sale

Exhibit C

**Form of
Termination and Release of Lease**

BILL OF SALE

For good and valuable consideration, the **City of South Hutchinson, Kansas**, a municipal corporation organized and existing under the laws of the State of Kansas (the "City") hereby grants, bargains, conveys and transfers to **Dahlsten Truck Line, Inc.**, a Nebraska corporation duly authorized and qualified to do business in the State of Kansas (the "Corporation"), all of the City's right, title and interest in and to the machinery, equipment and personal property of any kind or character, any portion of the purchase price of which was paid from the proceeds of the City's Taxable Economic Development Revenue Bonds, (Dahlsten Truck Line, Inc.) Series 2005 (the "Bonds") dated as of September 1, 2005, and issued in the original aggregate principal amount of \$600,000, located or installed on or constituting a part of the real property and improvements more particularly described in Schedule I attached hereto and incorporated herein by reference.

The City covenants with Corporation that the City's interest in such property is free from all encumbrances except (i) those transfers, liens and encumbrances to which title to the described property was subject when conveyed to the City; (ii) those transfers, liens and encumbrances created by the Corporation or to the creation of suffering of which Corporation has consented; and (iii) those transfers, liens and encumbrances resulting from the failure of the Corporation to perform and observe any of the agreements on its part contained in the Lease under which it has heretofore leased such property; and that it will warrant and defend the same against the lawful claims and demands of all persons claiming through the City.

Dated this ____ day of _____, 2016.

CITY OF SOUTH HUTCHINSON, KANSAS

By: _____
A.E. Murray, Mayor

Attest:

Denise McCue, City Clerk

SCHEDULE I

SCHEDULE I TO THE INDENTURE OF TRUST BETWEEN THE CITY OF SOUTH HUTCHINSON, KANSAS, AS ISSUER, AND FIRST NATIONAL BANK OF HUTCHINSON, AS TRUSTEE, DATED AS OF SEPTEMBER 1, 2005, AND TO THE LEASE DATED AS OF SEPTEMBER 1, 2005, BY AND BETWEEN SAID CITY AND DAHLSTEN TRUCK LINE, INC.

PROPERTY SUBJECT TO LEASE

(a) The following described real estate located in Reno County, Kansas, to wit:

A portion of the Southeast Quarter of Section 25, Township 23 South, Range 6 West of the 6th Principal Meridian, in the City of South Hutchinson, Reno County, Kansas described as follows:

Commencing at the Southeast corner of said Southeast Quarter; thence West along the South line of said Southeast Quarter 1145.34 feet to the centerline of Timothy Drive; thence with a deflection angle 90°00'00" right-North along the centerline of said Timothy Drive 413.50 feet; thence with a deflection angle 90°00'00" left-West parallel with the South line of said Southeast Quarter 30.00 feet for the point of beginning; thence continuing West without deflection 200.00 feet; thence with a deflection angle 90°00'00" left-South parallel with the centerline of said Timothy Drive 50.00 feet; thence with a deflection angle 90°00'00" right-West parallel with the South line of said Southeast Quarter 500.00 feet; thence with a deflection angle 90°00'00" right-North parallel with the centerline of said Timothy Drive 240.00 feet; thence with a deflection angle 90°00'00" right-East parallel with the South line of said Southeast Quarter 700.00 feet to the West line of said Timothy Drive; thence with a deflection angle 90°00'00" right-South along the West line of said Timothy Drive 190.00 feet to the point of beginning, containing 150,000 Square Feet, subject to any easements of record,

said real property constituting the "Land" as referred to in said Lease.

(b) All buildings, improvements, machinery and equipment now or hereafter constructed, located or installed on the Land pursuant to said Lease, constituting the "Improvements" as referred to in said Lease and said Indenture, and more specifically described as follows:

The property described in paragraphs (a) and (b) of this Schedule I together constituting the "Project" as referred to in said Lease and said Indenture.

**TRUSTEE'S RELEASE, CANCELLATION
AND DISCHARGE CERTIFICATE
RELATING TO
TRUST INDENTURE DATED AS OF SEPTEMBER 1, 2005
PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF
CITY OF SOUTH HUTCHINSON, KANSAS,
TAXABLE ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2005
(DAHLSTEN TRUCK LINE, INC.)**

First National Bank of Hutchinson, as trustee (the "Trustee") under that certain Trust Indenture dated as of September 1, 2005, (the "Indenture"), from the City of South Hutchinson, Kansas, (the "Issuer"), to the Trustee, providing for the issuance and securing payment of Issuer's Taxable Economic Development Revenue Bonds, Series 2005, (Dahlsten Truck Line, Inc.) (the "Bonds"), does hereby:

1. Certify that the principal amount of the Bonds together with the interest thereon have been paid in full in accordance with the terms and provisions of the Indenture;
2. Release, cancel and discharge the lien of the Indenture in, on and to, and all rights under, that certain Lease dated as of September 1, 2005, (the "Lease"), between the Issuer and Dahlsten Truck Line, Inc., a Nebraska corporation duly authorized and qualified to do business in the State of Kansas (the "Company"), assigned to and pledged with the Trustee, and in, on and to the trust estate of the Issuer as described in the Indenture and all Funds created thereunder.
3. Agree to execute and deliver any and all documents, instruments and termination, release and satisfaction statements which the Issuer may request to effectuate of record the release, cancellation and discharge of the Indenture, the Lease, and the assignment thereof and any liens and security interests thereby created.

IN WITNESS WHEREOF, First National Bank of Hutchinson has caused this document to be executed by one of its Authorized Officers and its corporate seal to be affixed hereto and attested by one of its Authorized Officers all as of this _____ day of _____, 2016.

Attest:

First National Bank of Hutchinson
As Trustee

Authorized Officer
[Seal]

Timothy G. Givan
Vice President and Trust Officer

TERMINATION AND RELEASE OF LEASE

THIS TERMINATION AND RELEASE OF LEASE, is made and entered into as of the ____ day of _____, 2016, by and between the **City of South Hutchinson, Kansas**, a municipal corporation, of Reno County, Kansas (hereinafter referred to as the “City”), **Dahlsten Truck Line, Inc.**, a Nebraska corporation, (hereinafter referred to as the “Tenant”) and **First National Bank of Hutchinson**, Hutchinson, Kansas, a national banking Tenant (hereinafter referred to as the “Trustee”).

WITNESSETH:

WHEREAS, the City heretofore leased to the Tenant certain real property together with improvements located thereon pursuant to a lease dated as of September 1, 2005, by and between the City, as Landlord and the Tenant, as Tenant (the “Lease”), and which Lease was assigned by the City to First National Bank of Hutchinson, Hutchinson, as Trustee (the “Trustee”) under that certain Indenture dated as of September 1, 2005, by and between the City as Issuer and the Trustee (the “Indenture”); and

WHEREAS, the real property and improvements located thereon covered by said Lease are described in Schedule I attached hereto and incorporated herein by reference.

WHEREAS, for the purpose of providing funds to finance the purchase of such real property and the construction and installation of the improvements thereon the City previously issued and sold its Taxable Economic Development Revenue Bonds, Series 2005 (Dahlsten Truck Line, Inc.) dated as of September 1, 2005, (the “Bonds”), which Bonds are issued and secured under the Indenture; and

WHEREAS, the Trustee as certified that the principal of and interest on the Bonds has been paid in full and discharged in accordance with the provisions thereof and of the Indenture and Lease; and

WHEREAS, in connection with the payment and discharge of the Bonds it is necessary to provide for the release and termination of the Lease.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and in consideration of the mutual covenants and agreements set forth, the parties hereby agree that the Lease is hereby terminated and released and of no further force or effect.

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

CITY OF SOUTH HUTCHINSON, KANSAS

ATTEST:

By: _____
A.E. Murray, Mayor

Denise McCue, City Clerk

FIRST NATIONAL BANK OF HUTCHINSON
As Trustee

ATTEST:

By _____
Timothy G. Givan
Vice President and Trust Officer

Authorized Officer
(Seal)

DAHLSTEN TRUCK LINE, INC.
A Nebraska Corporation

ATTEST:

By: _____
George Akerson, Vice President

ACKNOWLEDGMENT

STATE OF _____, COUNTY OF _____, SS.

This instrument was acknowledged before me on the _____ day of _____, 2016, by **George Akerson**, as Vice President and _____, as _____ of Dahlsten Truck Line, Inc. (the "Tenant") who duly acknowledged execution of the same on behalf of and as the act and deed of said Tenant.

Printed Name: _____
Notary Public

My Appointment Expires: _____

SCHEDULE I

SCHEDULE I TO THE INDENTURE OF TRUST BETWEEN THE CITY OF SOUTH HUTCHINSON, KANSAS, AS ISSUER, AND FIRST NATIONAL BANK OF HUTCHINSON, AS TRUSTEE, DATED AS OF SEPTEMBER 1, 2005, AND TO THE LEASE DATED AS OF SEPTEMBER 1, 2005, BY AND BETWEEN SAID CITY AND DAHLSTEN TRUCK LINE, INC.

PROPERTY SUBJECT TO LEASE

(a) The following described real estate located in Reno County, Kansas, to wit:

A portion of the Southeast Quarter of Section 25, Township 23 South, Range 6 West of the 6th Principal Meridian, in the City of South Hutchinson, Reno County, Kansas described as follows:

Commencing at the Southeast corner of said Southeast Quarter; thence West along the South line of said Southeast Quarter 1145.34 feet to the centerline of Timothy Drive; thence with a deflection angle 90°00'00" right-North along the centerline of said Timothy Drive 413.50 feet; thence with a deflection angle 90°00'00" left-West parallel with the South line of said Southeast Quarter 30.00 feet for the point of beginning; thence continuing West without deflection 200.00 feet; thence with a deflection angle 90°00'00" left-South parallel with the centerline of said Timothy Drive 50.00 feet; thence with a deflection angle 90°00'00" right-West parallel with the South line of said Southeast Quarter 500.00 feet; thence with a deflection angle 90°00'00" right-North parallel with the centerline of said Timothy Drive 240.00 feet; thence with a deflection angle 90°00'00" right-East parallel with the South line of said Southeast Quarter 700.00 feet to the West line of said Timothy Drive; thence with a deflection angle 90°00'00" right-South along the West line of said Timothy Drive 190.00 feet to the point of beginning, containing 150,000 Square Feet, subject to any easements of record,

said real property constituting the "Land" as referred to in said Lease.

(b) All buildings, improvements, machinery and equipment now or hereafter constructed, located or installed on the Land pursuant to said Lease, constituting the "Improvements" as referred to in said Lease and said Indenture, and more specifically described as follows:

The property described in paragraphs (a) and (b) of this Schedule I together constituting the "Project" as referred to in said Lease and said Indenture.

TERMINATION AND RELEASE OF LEASE

THIS TERMINATION AND RELEASE OF LEASE, is made and entered into as of the ____ day of _____, 2016, by and between the **City of South Hutchinson, Kansas**, a municipal corporation, of Reno County, Kansas (hereinafter referred to as the “City”), **Dahlsten Truck Line, Inc.**, a Nebraska corporation, (hereinafter referred to as the “Tenant”) and **First National Bank of Hutchinson**, Hutchinson, Kansas, a national banking Tenant (hereinafter referred to as the “Trustee”).

WITNESSETH:

WHEREAS, the City heretofore leased to the Tenant certain real property together with improvements located thereon pursuant to a lease dated as of September 1, 2005, by and between the City, as Landlord and the Tenant, as Tenant (the “Lease”), and which Lease was assigned by the City to First National Bank of Hutchinson, Hutchinson, as Trustee (the “Trustee”) under that certain Indenture dated as of September 1, 2005, by and between the City as Issuer and the Trustee (the “Indenture”); and

WHEREAS, the real property and improvements located thereon covered by said Lease are described in Schedule I attached hereto and incorporated herein by reference.

WHEREAS, for the purpose of providing funds to finance the purchase of such real property and the construction and installation of the improvements thereon the City previously issued and sold its Taxable Economic Development Revenue Bonds, Series 2005 (Dahlsten Truck Line, Inc.) dated as of September 1, 2005, (the “Bonds”), which Bonds are issued and secured under the Indenture; and

WHEREAS, the Trustee as certified that the principal of and interest on the Bonds has been paid in full and discharged in accordance with the provisions thereof and of the Indenture and Lease; and

WHEREAS, in connection with the payment and discharge of the Bonds it is necessary to provide for the release and termination of the Lease.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and in consideration of the mutual covenants and agreements set forth, the parties hereby agree that the Lease is hereby terminated and released and of no further force or effect.

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

CITY OF SOUTH HUTCHINSON, KANSAS

ATTEST:

By: _____
A.E. Murray, Mayor

Denise McCue, City Clerk

FIRST NATIONAL BANK OF HUTCHINSON
As Trustee

ATTEST:

By _____
Timothy G. Givan
Vice President and Trust Officer

Authorized Officer
(Seal)

DAHLSTEN TRUCK LINE, INC.
A Nebraska Corporation

ATTEST:

By: _____
George Akerson, President

ACKNOWLEDGMENT

STATE OF _____, COUNTY OF _____, SS.

This instrument was acknowledged before me on the ____ day of _____, 2016, by **George Akerson**, as President and _____, as _____ of Dahlsten Truck Line, Inc. (the "Tenant") who duly acknowledged execution of the same on behalf of and as the act and deed of said Tenant.

Printed Name: _____
Notary Public

My Appointment Expires: _____

SCHEDULE I

SCHEDULE I TO THE INDENTURE OF TRUST BETWEEN THE CITY OF SOUTH HUTCHINSON, KANSAS, AS ISSUER, AND FIRST NATIONAL BANK OF HUTCHINSON, AS TRUSTEE, DATED AS OF SEPTEMBER 1, 2005, AND TO THE LEASE DATED AS OF SEPTEMBER 1, 2005, BY AND BETWEEN SAID CITY AND DAHLSTEN TRUCK LINE, INC.

PROPERTY SUBJECT TO LEASE

(a) The following described real estate located in Reno County, Kansas, to wit:

A portion of the Southeast Quarter of Section 25, Township 23 South, Range 6 West of the 6th Principal Meridian, in the City of South Hutchinson, Reno County, Kansas described as follows:

Commencing at the Southeast corner of said Southeast Quarter; thence West along the South line of said Southeast Quarter 1145.34 feet to the centerline of Timothy Drive; thence with a deflection angle 90°00'00" right-North along the centerline of said Timothy Drive 413.50 feet; thence with a deflection angle 90°00'00" left-West parallel with the South line of said Southeast Quarter 30.00 feet for the point of beginning; thence continuing West without deflection 200.00 feet; thence with a deflection angle 90°00'00" left-South parallel with the centerline of said Timothy Drive 50.00 feet; thence with a deflection angle 90°00'00" right-West parallel with the South line of said Southeast Quarter 500.00 feet; thence with a deflection angle 90°00'00" right-North parallel with the centerline of said Timothy Drive 240.00 feet; thence with a deflection angle 90°00'00" right-East parallel with the South line of said Southeast Quarter 700.00 feet to the West line of said Timothy Drive; thence with a deflection angle 90°00'00" right-South along the West line of said Timothy Drive 190.00 feet to the point of beginning, containing 150,000 Square Feet, subject to any easements of record,

said real property constituting the "Land" as referred to in said Lease.

(b) All buildings, improvements, machinery and equipment now or hereafter constructed, located or installed on the Land pursuant to said Lease, constituting the "Improvements" as referred to in said Lease and said Indenture, and more specifically described as follows:

The property described in paragraphs (a) and (b) of this Schedule I together constituting the "Project" as referred to in said Lease and said Indenture.

(For Register of Deeds Use)

SPECIAL WARRANTY DEED

The City of South Hutchinson, Kansas, a municipal corporation organized and existing under the Constitution and laws of the State of Kansas, as Grantor (“Grantor”) hereby conveys to **Dahlsten Truck Line, Inc.**, a Corporation duly organized and existing under the laws of the State of Nebraska having its principal offices at 101 Edgar Street, Clay Center, Nebraska, as Grantee (“Grantee”), the Grantor’s interest in the real property situated in Reno County, Kansas described as follows, to wit:

A portion of the Southeast Quarter of Section 25, Township 23 South, Range 6 West of the 6th Principal Meridian, in the City of South Hutchinson, Reno County, Kansas described as follows:

Commencing at the Southeast corner of said Southeast Quarter; thence West along the South line of said Southeast Quarter 1145.34 feet to the centerline of Timothy Drive; thence with a deflection angle 90°00’00” right-North along the centerline of said Timothy Drive 413.50 feet; thence with a deflection angle 90°00’00” left-West parallel with the South line of said Southeast Quarter 30.00 feet for the point of beginning; thence continuing West without deflection 200.00 feet; thence with a deflection angle 90°00’00” left-South parallel with the centerline of said Timothy Drive 50.00 feet; thence with a deflection angle 90°00’00” right-West parallel with the South line of said Southeast Quarter 500.00 feet; thence with a deflection angle 90°00’00” right-North parallel with the centerline of said Timothy Drive 240.00 feet; thence with a deflection angle 90°00’00” right-East parallel with the South line of said Southeast Quarter 700.00 feet to the West line of said Timothy Drive; thence with a deflection angle 90°00’00” right-South along the West line of said Timothy Drive 190.00 feet to the point of beginning, containing 150,000 Square Feet,

together with the improvements located thereon and subject to easements, right-of-ways, the rights of any public or quasi-public authority in connection with any pending condemnation of said property, existing leases, tenancies and zoning laws, taxes and assessments, general and special, not now due and payable, and restrictions of record, if any, for the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged.

Grantor hereby covenants that its interest as conveyed hereby is conveyed free and clear of all liens and encumbrances except (i) those liens and encumbrances to which title to the described property was subject when conveyed to Grantor; (ii) those liens and encumbrances created by the Grantee or to the creation or suffering of which the Grantee has consented; (iii) those liens and encumbrances resulting

from the failure of the Grantee to perform and observe any of the agreements on its part contained in the Lease under which it has heretofore occupied the described property; (iv) any unpaid taxes or assessments, general or special; and (v) the rights, titles and interests of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the described property; and further covenants that it will warrant and defend the same in the quiet and peaceable possession of Grantee, its successors and assigns, forever, against all persons claiming the same through Grantor.

Dated this ____ day of _____, 2016.

CITY OF SOUTH HUTCHINSON, KANSAS

By _____
A.E. Murray, Mayor

Attest:

Denise McCue, City Clerk
[Seal]

STATE OF KANSAS, COUNTY OF RENO: ss

This instrument was acknowledged before me, a Notary Public, on the ____ day of _____, 2016, by Pete Murray, Mayor of the City of South Hutchinson, Kansas, and attested by Denise McCue, City Clerk of said City, who are personally known to me to be the persons who executed the within instrument and duly acknowledged the execution of the same for, on behalf of and as the act and deed of said City.

Printed Name: _____
Notary Public

My Appointment Expires:

TABULATION OF BIDS FOR:

Water & Sanitary Sewer Improvements for Frontier Commerce Park Bid Date: April 28, 2016, 2:00PM				APAC - Kansas Shears, Hays, KS		Dondlinger Const., Wichita, KS		McCullough Excavating, Wichita, KS	
Item No.	Description	Quantity	Unit	Unit Cost	Extension	Unit Cost	Extension	Unit Cost	Extension
Waterline and Sanitary Sewer Items									
1	12" Water Main in Place	2,127	L.F.	\$41.65	\$ 88,589.55	\$30.00	\$ 63,810.00	\$26.00	\$ 55,302.00
2	12" Water Line (Restrained Joint) in Place Directionally Drilled	363	L.F.	\$95.45	\$ 34,648.35	\$76.00	\$ 27,588.00	\$90.00	\$ 32,670.00
3	12" Gate Valve and Box	5	Each	\$3,710.00	\$ 18,550.00	\$2,600.00	\$ 13,000.00	\$3,000.00	\$ 15,000.00
4	Fire Hydrant Assembly	5	Each	\$8,125.00	\$ 40,625.00	\$4,600.00	\$ 23,000.00	\$3,000.00	\$ 15,000.00
5	12"x12" Tapping Sleeve and Valve	2	Each	\$5,475.00	\$ 10,950.00	\$5,250.00	\$ 10,500.00	\$4,709.00	\$ 9,418.00
6	Protective Fill	587	L.F.	\$14.05	\$ 8,247.35	\$0.60	\$ 352.20	\$3.00	\$ 1,761.00
7	Silt Fence Slope Barrier	2439	L.F.	\$1.65	\$ 4,024.35	\$1.10	\$ 2,682.90	\$1.00	\$ 2,439.00
8	Fertilizing, Seeding and Mulching (1.2 Acres)	1	L.S.	\$2,250.00	\$ 2,250.00	\$2,000.00	\$ 2,000.00	\$1,000.00	\$ 1,000.00
9	Clearing and Grubbing	1	L.S.	\$5,100.00	\$ 5,100.00	\$200.00	\$ 200.00	\$100.00	\$ 100.00
10	Mobilization, Waterline	1	L.S.	\$26,635.00	\$ 26,635.00	\$3,000.00	\$ 3,000.00	\$3,500.00	\$ 3,500.00
11	Contractor Construction Staking	1	L.S.	\$2,000.00	\$ 2,000.00	\$1,200.00	\$ 1,200.00	\$1,600.00	\$ 1,600.00
12	Silt Fence Slope Barrier	3,496	L.F.	\$1.65	\$ 5,768.40	\$1.10	\$ 3,845.60	\$1.00	\$ 3,496.00
13	8" Sanitary Sewer Pipe in Place	3,319	L.F.	\$56.60	\$ 187,855.40	\$27.00	\$ 89,613.00	\$36.00	\$ 119,484.00
14	Connect to Existing Manhole	1	Each	\$8,150.00	\$ 8,150.00	\$1,800.00	\$ 1,800.00	\$1,000.00	\$ 1,000.00
15	Standard Manhole (4' Dia.)	11	Each	\$6,500.00	\$ 71,500.00	\$3,000.00	\$ 33,000.00	\$3,000.00	\$ 33,000.00
16	Flowable Fill	66	L.F.	\$189.00	\$ 12,474.00	\$76.00	\$ 5,016.00	\$100.00	\$ 6,600.00
17	Sand Backfill Flushed and Vibrated	665	L.F.	\$36.70	\$ 24,405.50	\$18.00	\$ 11,970.00	\$10.00	\$ 6,650.00
18	Clay Backfill	202	L.F.	\$12.40	\$ 2,504.80	\$1.50	\$ 303.00	\$5.00	\$ 1,010.00
19	Concrete Encasement of Sanitary Sewer	124	L.F.	\$35.00	\$ 4,340.00	\$38.00	\$ 4,712.00	\$90.00	\$ 11,160.00
20	8" Cap	1	Each	\$50.00	\$ 50.00	\$50.00	\$ 50.00	\$250.00	\$ 250.00
21	6" Rip-Rap (12" Deep)	134	S.Y.	\$44.00	\$ 5,896.00	\$29.00	\$ 3,886.00	\$40.00	\$ 5,360.00
22	Cut off Wall	120	L.F.	\$67.00	\$ 8,040.00	\$52.00	\$ 6,240.00	\$50.00	\$ 6,000.00
23	Clearing and Grubbing	1	L.S.	\$7,600.00	\$ 7,600.00	\$400.00	\$ 400.00	\$100.00	\$ 100.00
24	Fertilizing, Seeding and Mulching (1.5 Acres)	1	L.S.	\$2,250.00	\$ 2,250.00	\$3,000.00	\$ 3,000.00	\$1,000.00	\$ 1,000.00
25	Contractor Construction Staking	1	L.S.	\$2,000.00	\$ 2,000.00	\$2,000.00	\$ 2,000.00	\$2,400.00	\$ 2,400.00
26	Mobilization, Sanitary Sewer	1	L.S.	\$42,950.00	\$ 42,950.00	\$8,000.00	\$ 8,000.00	\$3,500.00	\$ 3,500.00
WATER & SANITARY SEWER IMPROVEMENTS TOTAL					\$627,403.70	Low	\$321,168.70		\$338,800.00

TABULATION OF BIDS FOR:

Waterline & Sanitary Sewer Improvements for Frontier Commerce Park Bid Date: April 28, 2016, 2:00PM				MiddleCreek Mining, Peabody, KS		Mies Construction Wichita, KS		Nowak Construction Goddard, KS	
Item No.	Description	Quantity	Unit	Unit Cost	Extension	Unit Cost	Extension	Unit Cost	Extension
Waterline and Sanitary Sewer Items									
1	12" Water Main in Place	2,127	L.F.	\$39.00	\$ 82,953.00	\$38.00	\$ 80,826.00	\$30.00	\$ 63,810.00
2	12" Water Line (Restrained Joint) in Place Directionally Drilled	363	L.F.	\$73.00	\$ 26,499.00	\$80.00	\$ 29,040.00	\$73.00	\$ 26,499.00
3	12" Gate Valve and Box	5	Each	\$3,385.00	\$ 16,925.00	\$3,000.00	\$ 15,000.00	\$2,385.00	\$ 11,925.00
4	Fire Hydrant Assembly	5	Each	\$4,900.00	\$ 24,500.00	\$3,800.00	\$ 19,000.00	\$4,235.00	\$ 21,175.00
5	12"x12" Tapping Sleeve and Valve	2	Each	\$4,600.00	\$ 9,200.00	\$5,000.00	\$ 10,000.00	\$4,740.00	\$ 9,480.00
6	Protective Fill	587	L.F.	\$14.00	\$ 8,218.00	\$1.00	\$ 587.00	\$3.00	\$ 1,761.00
7	Silt Fence Slope Barrier	2439	L.F.	\$1.50	\$ 3,658.50	\$1.25	\$ 3,048.75	\$1.10	\$ 2,682.90
8	Fertilizing, Seeding and Mulching (1.2 Acres)	1	L.S.	\$4,500.00	\$ 4,500.00	\$2,852.00	\$ 2,852.00	\$3,480.00	\$ 3,480.00
9	Clearing and Grubbing	1	L.S.	\$10,000.00	\$ 10,000.00	\$20,000.00	\$ 20,000.00	\$504.00	\$ 504.00
10	Mobilization, Waterline	1	L.S.	\$30,000.00	\$ 30,000.00	\$5,000.00	\$ 5,000.00	\$8,520.00	\$ 8,520.00
11	Contractor Construction Staking	1	L.S.	\$2,500.00	\$ 2,500.00	\$1,175.00	\$ 1,175.00	\$1,105.00	\$ 1,105.00
12	Silt Fence Slope Barrier	3,496	L.F.	\$1.50	\$ 5,244.00	\$1.25	\$ 4,370.00	\$1.10	\$ 3,845.60
13	8" Sanitary Sewer Pipe in Place	3,319	L.F.	\$54.00	\$ 179,226.00	\$30.00	\$ 99,570.00	\$24.00	\$ 79,656.00
14	Connect to Existing Manhole	1	Each	\$2,600.00	\$ 2,600.00	\$1,500.00	\$ 1,500.00	\$1,100.00	\$ 1,100.00
15	Standard Manhole (4' Dia.)	11	Each	\$4,100.00	\$ 45,100.00	\$3,500.00	\$ 38,500.00	\$3,050.00	\$ 33,550.00
16	Flowable Fill	66	L.F.	\$95.00	\$ 6,270.00	\$80.00	\$ 5,280.00	\$102.00	\$ 6,732.00
17	Sand Backfill Flushed and Vibrated	665	L.F.	\$31.00	\$ 20,615.00	\$10.00	\$ 6,650.00	\$20.00	\$ 13,300.00
18	Clay Backfill	202	L.F.	\$8.00	\$ 1,616.00	\$10.00	\$ 2,020.00	\$10.00	\$ 2,020.00
19	Concrete Encasement of Sanitary Sewer	124	L.F.	\$85.00	\$ 10,540.00	\$120.00	\$ 14,880.00	\$101.00	\$ 12,524.00
20	8" Cap	1	Each	\$100.00	\$ 100.00	\$50.00	\$ 50.00	\$158.00	\$ 158.00
21	6" Rip-Rap (12" Deep)	134	S.Y.	\$76.00	\$ 10,184.00	\$50.00	\$ 6,700.00	\$33.00	\$ 4,422.00
22	Cut off Wall	120	L.F.	\$69.00	\$ 8,280.00	\$50.00	\$ 6,000.00	\$145.00	\$ 17,400.00
23	Clearing and Grubbing	1	L.S.	\$10,000.00	\$ 10,000.00	\$12,000.00	\$ 12,000.00	\$1,010.00	\$ 1,010.00
24	Fertilizing, Seeding and Mulching (1.5 Acres)	1	L.S.	\$5,500.00	\$ 5,500.00	\$3,815.00	\$ 3,815.00	\$4,450.00	\$ 4,450.00
25	Contractor Construction Staking	1	L.S.	\$2,900.00	\$ 2,900.00	\$1,175.00	\$ 1,175.00	\$1,265.00	\$ 1,265.00
26	Mobilization, Sanitary Sewer	1	L.S.	\$5,000.00	\$ 5,000.00	\$5,000.00	\$ 5,000.00	\$7,535.00	\$ 7,535.00
WATER & SANITARY SEWER IMPROVEMENTS TOTAL					\$532,128.50		\$394,488.75		\$339,909.50

OWNER: City of South Hutchinson
 PROJECT: Valley Pride Waterline (Morton Salt)
 PEC PROJECT NO: 35-15374-000-1173
 Bid Date/Time: April 28, 2016 at 1:45 p.m.

BID TABULATION



ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ENGINEER'S ESTIMATE		MCCULLOUGH EXCAVATION, INC.		NOWAK CONSTRUCTION CO., INC		MIES CONSTRUCTION, INC.		APAC-KANSAS, INC.		MIDDLECREEK CORPORATION	
				UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE	COST	UNIT PRICE	COST
BASE BID - WATERLINE IMPROVEMENTS															
1	8" Waterline Pipe	966	LF	\$ 35.00	\$ 33,810.00	\$ 18.00	\$ 17,388.00	\$ 18.50	\$ 17,871.00	\$ 37.50	\$ 36,225.00	\$ 22.00	\$ 21,252.00	\$ 38.00	\$ 36,708.00
2	8" RJ PVC Pipe by Directional Drill	845	LF	\$ 55.00	\$ 46,475.00	\$ 44.00	\$ 37,180.00	\$ 56.50	\$ 47,742.50	\$ 65.00	\$ 54,925.00	\$ 53.00	\$ 44,785.00	\$ 58.00	\$ 49,010.00
3	8" Valve Assembly	4	EACH	\$ 1,500.00	\$ 6,000.00	\$ 2,300.00	\$ 9,200.00	\$ 1,635.00	\$ 6,540.00	\$ 1,350.00	\$ 5,400.00	\$ 1,931.00	\$ 7,724.00	\$ 1,400.00	\$ 5,600.00
4	8" Anchored Valve Assembly	4	EACH	\$ 1,750.00	\$ 7,000.00	\$ 2,600.00	\$ 10,400.00	\$ 1,795.00	\$ 7,180.00	\$ 1,500.00	\$ 6,000.00	\$ 1,931.00	\$ 7,724.00	\$ 1,600.00	\$ 6,400.00
5	6" x 6" Tapping Sleeve, Valve and Valve Box	2	EACH	\$ 3,250.00	\$ 6,500.00	\$ 4,000.00	\$ 8,000.00	\$ 2,530.00	\$ 5,060.00	\$ 4,000.00	\$ 8,000.00	\$ 4,825.00	\$ 9,650.00	\$ 4,600.00	\$ 9,200.00
6	2" Blowoff Assembly	1	EACH	\$ 1,250.00	\$ 1,250.00	\$ 1,400.00	\$ 1,400.00	\$ 959.00	\$ 959.00	\$ 1,000.00	\$ 1,000.00	\$ 1,454.00	\$ 1,454.00	\$ 1,900.00	\$ 1,900.00
7	Fire Hydrant Assembly	5	EACH	\$ 4,200.00	\$ 21,000.00	\$ 4,000.00	\$ 20,000.00	\$ 4,730.00	\$ 23,650.00	\$ 3,500.00	\$ 17,500.00	\$ 7,134.00	\$ 35,670.00	\$ 4,400.00	\$ 22,000.00
8	Reinforced Concrete Encasement on 8" Sanitary Sewer	20	LF	\$ 125.00	\$ 2,500.00	\$ 75.00	\$ 1,500.00	\$ 105.00	\$ 2,100.00	\$ 150.00	\$ 3,000.00	\$ 196.00	\$ 3,920.00	\$ 120.00	\$ 2,400.00
9	Remove and Replace Gravel Pavement	47	LF	\$ 5.00	\$ 235.00	\$ 2.00	\$ 94.00	\$ 6.40	\$ 300.80	\$ 17.00	\$ 799.00	\$ 8.00	\$ 376.00	\$ 14.00	\$ 658.00
10	Remove and Replace Concrete Sidewalk	436	SF	\$ 5.00	\$ 2,180.00	\$ 5.00	\$ 2,180.00	\$ 6.00	\$ 2,616.00	\$ 8.00	\$ 3,488.00	\$ 8.00	\$ 3,488.00	\$ 5.50	\$ 2,398.00
11	Erosion Control	1	LS	\$ 3,000.00	\$ 3,000.00	\$ 4,150.00	\$ 4,150.00	\$ 1,535.00	\$ 1,535.00	\$ 100.00	\$ 100.00	\$ 1,000.00	\$ 1,000.00	\$ 4,000.00	\$ 4,000.00
12	Site Clearing & Restoration	1	LS	\$ 12,500.00	\$ 12,500.00	\$ 8,008.00	\$ 8,008.00	\$ 4,565.00	\$ 4,565.00	\$ 100.00	\$ 100.00	\$ 5,258.00	\$ 5,258.00	\$ 12,000.00	\$ 12,000.00
BASE BID - WATERLINE IMPROVEMENTS TOTAL				\$	142,450.00	\$	119,500.00	\$	120,119.30	\$	136,537.00	\$	142,301.00	\$	152,274.00
BID BOND				N/A		YES		YES		YES		YES		YES	
ADDENDUM NO. 1				N/A		YES		YES		YES		YES		YES	

April 5th, 2016

To: Matt Stiles, City Administrator
From: Mike Patterson, Fire Chief
Subject: Purchase of Firefighting Skid Unit for Polaris Ranger

The Fire Department recently decommissioned and subsequently sold a 1968 Kaiser Jeep Brush Truck. In its place, we would like to put a skid (slide-in) unit manufactured by Unruh Fire Equipment in our current Polaris Ranger. The skid unit is a 75 gallon, high-pressure system with Class A Foam capabilities, 100 feet hose reel, and an integrated platform that can be used for spine board placement or a platform for carrying chain saws, drip torches, rehab supplies (drinking water).

The skid unit makes the Polaris Ranger a more versatile piece of equipment for the City of South Hutchinson. Since selling the old Brush Unit (B-91), we do not have a piece of equipment that is as mobile as the old unit getting into tight areas. We do not use Rescue 86 for grass or wildland firefighting. Brush 92 is a very large unit that has cannot make tight areas and we have to be careful clearing bridge and railroad trestles' across the dike.

The limited water capacity (75 gallons) of the skid unit is greatly enhanced with the high-pressure pump (up to 550 psi) and the integrated Class A Foam system to make it a very effective grass/wildland firefighting tool. The skid unit can be removed when needed for use on other incidents and events.

We have the endorsement of Chief Jones as well on this proposal.

I have attached a quote from Unruh Fire Equipment as well as pictures of the unit.

The cost of the skid unit is \$8,249. We received \$7900 from the sale of the Kaiser Jeep. I have included this project in this year's Kansas Forest Service Grant and expect it to be funded. If we get the award, it will pay for ½ of cost of the skid unit \$4,124.50. The award notice usually come out at the end of the summer.

Thank you for your consideration on this project.



Mike Patterson, Fire Chief



SKID QUOTATION
FOR
SOUTH HUTCHINSON FIRE DEPT. - SKID UNIT

March 25, 2016

Quote #: 20160325SOUKS-3

South Hutchinson Fire Dept. - skid unit
 Attn: Mike Patterson
 2 S. Main
 South Hutchinson, KS 67505

Phone: 620-960-2821
 Email: mikep@southhutch.com

Qty	Description
High pressure skid package	
1	75 GALLON POLY TANK HYPRO D30 2 CYLINDER PUMP, Maximum Pressure: 580 PSI Maximum Volume: 9.5 GPM Maximum Speed: 550 RPM, ENGINE HONDA 5.5 HP GX160-K1 FREEZE PROTECTION KIT, HANNAY MANUAL HOSE REEL 1520-17-18-RT 175FT CAPACITY, HOSE ASSEMBLY 1/2in X 100ft W/ENDS, (1)GUN, MO-11 Nozzle Stokes basket carrier with storage 270 LBS. DRY 1010 LBS Wet
High pressure foam kit	
1	High pressure foam kit
1	5 Gallon Foam Cell for UTV Skids
Total:	
\$8,249	

April 5, 2016



South Hutchinson Public Works requests to purchase a Grasshopper 727EFI power unit to accommodate our 52 inch cutting deck. This unit would be used for our irrigated turf areas and hike bike trail maintenance. This unit could also power our dozer blade, snow thrower, for snow removal and an air turbine for blowing off hard surfaces.

Public Works also has a 2008 Grasshopper 430D with a 72 inch cutting deck mid-mount mower that is used for mowing the steep slopes at the wastewater treatment plant and wherever else needed, also we have a 2007 Grasshopper 928D with a 72 inch cutting deck that is used for mowing most all City owned rough areas, this unit also has a winter enclosure for winter snow removal maintenance. Funding would come from Street Department equipment reserve which has a balance of \$168,273.

If you like to look at the mowers and have a little more explanation please contact me and I'll make sure the mowers are available when you want to see them.

Moridge Manufacturing,
PO Box 810,
Moundridge, KS 67107



IT'S SO MUCH MOWER

Quote

Customer

Name **City of South Hutchinson**

Address _____

City South Hutchinson State KS ZIP _____

Fax: _____ Attention: James Dull

Phone: _____ Email: jamesd@southhutch.com

Misc

Date 4/13/2016

Contract No. #39902

Contract Name State of Kansas

Rep: Doug Storer

Demo Consultant: Dave Pitman

Qty	Order #	Description	List Price	Bid Price	TOTAL
		Grasshopper Zero Turn Mower			
1	531888	Model 727KTEFI 27 hp Kohler Command Pro EFI, 747 cc	\$10,345.00	\$ 7,758.75	\$ 7,758.75
1	533505	Wide-stance Tail Wheel Kit	\$190.00	\$ 171.00	\$ 171.00
1	533521	Hydraulic Lift	\$1,005.00	\$ 904.50	\$ 904.50

SubTotal \$ 8,834.25

Set up/Delivery

Tax

Trade Allowance \$0.00 \$0.00

TOTAL \$ 8,834.25

Dealer

Dealer Name _____

Address _____

Phone: _____

Contact: _____

PO#	
Signature:	

All Quotes are good for 30 days

For Additional Information

Please Contact: **Brent Dobson** Fax: 316-462-0593

Phone: 620-345-8621 Email: bdobson@grasshoppermower.com

Topic: 2016 Fourth Quarter Financials

Date: May 2, 2016

The City finished the first quarter of 2016 in good financial position. Revenue in the General Fund is slightly ahead of projections and the other major funds are at projected levels. Expenditures are below or on target with projections. The attached spreadsheets detail the revenue and expenditure levels for the three operational funds and the .25% local option sales tax fund. The numbers reflected in the report are through March 31, 2016.

GENERAL FUND

The General Fund ends the first quarter an operational surplus of \$52,586. The 2016 budget has a planned operational deficit or reduction in fund balance of \$905,294. The current cash balance or fund balance is \$808,329.

General Fund revenues are at or above budget targets as a whole. Franchise Fees ended the first quarter .27% lower than budgeted. There tends to be a slight seasonal variation in Franchise Fees with increased activity in the summer. Combined local and county sales tax are 3.58% behind the 5 year average benchmark. Receipts for the January 2016 for taxes paid in November 2015 were dramatically lower than expected, but have returned to near normal levels. With additional sales tax generating businesses opening in 2016, the city should see sales tax receipts stabilize and increase over the year. Ad Valorem tax distributions were \$8,100 or 1.70% above projections. Gaps in the major funding streams were supplemented by additional revenue in the motor vehicle tax, fines & penalties and miscellaneous income.

Expenditures in the General Fund are mostly below budgeted amounts. Personnel are the largest category of expenditure in the budget representing 46% of all expenditures. Personnel expenditures are currently \$47,101 (3.56%) below anticipated expenditures. Contractual services are currently \$32,261 (4.92%) below budget targets. Commodities are \$7,961 (5.48%) below budget targets. That may change slightly in the second and third quarters as purchases tend to be higher in summer months. Capital Outlays are 14.79% below budgeted amounts, but that will change as the community center and a portion of the road projects are paid through those line items.

For fiscal year 2016, there were \$250,000 of planned transfers to equipment and building reserve. This includes an additional \$100,000 in Parks funds designated to assist with outfitting the community center and saving for future expenditures. State law requires those transfers to be recorded as expenditures in the General Fund. However, those funds are transferred into the reserve funds and available for equipment or building purchases. Internal tracking is done to manage the amounts that are attributed to individual departments. State law views the reserve funds as a single fund meaning the funds can be used for the benefit of any department or city at large regardless of the internal tracking.

One important metric to consider in budget performance is the fund balance coverage ratio. The fund balance ratio measures available fund balance to anticipated expenditures. The resulting ratio shows what percentage of total expenditures could be covered with fund balance alone. The General Fund has coverage of 31%, meaning the fund balance could pay for 3 months of expenditures without taking in any revenue. This assumes all the budgeted capital expenditures and all other expenditures

take place normally. A standard measurement of financial health of a General Fund is between 25-33% or 3 to 4 months. Most cities in Kansas are operating on a ratio closer to 10-15% or 1.5 months.

WATER UTILITY

The Water Utility performance has improved compared in 2016 to the position in 2015. Revenues are tracking within \$1,000 of targeted expenditures. There should be a slight seasonal bump in summer as more residential usage occurs. With additional customers coming online and improved efficiency from the water meter replacement project, revenues should be on target for 2016.

The water meter replacement project has been slowed by delays in receiving equipment and some technical issues with installation of the reading station. Once those parts are received, public works can begin full scale replacement. One important thing to note, the main Tyson 6" meter will be replaced as part of the expansion project at their cost. That saves the city the capital cost and helps get them online more quickly than anticipated.

Operationally, the utility ended the first quarter with a surplus of \$17,888. The current cash balance or fund balance is \$256,881. The Water Fund also has a replacement fund with a balance of \$167,118. Replacement funds are separate from the equipment and building reserve funds. Water has \$91,052 in equipment reserve and \$43,834 in the building reserve funds.

Expenditures are \$19,612 (4.00%) below budgeted levels removing the budgeted capital outlays. An additional \$259,000 is budgeted for capital expenditures, but primarily represents carry over balance. Water service is also taxable under state law, meaning the City must remit sales tax to the state for water sold.

The fund balance coverage ratio for the water fund is 52.4% or just over 6 months. The norm for utilities is 33-50% depending on the capital costs of the utility. Capital costs for the water system are relatively small and could likely be covered through the water emergency replacement fund and reserve funds.

SEWER UTILITY

The Sewer Utility ended the first quarter with slightly lower than anticipated revenue. The utility has generated an operational surplus of \$135,096. Some additional capital costs for the UV modification will be paid in April 2016.

Sewer revenue is entirely dependent on sales. Residential sewer rates are set based on a winter average for the months of December, January and February. Residential customers compose approximately 25% of sales. The first billing cycle with the new rates will be in April. Commercial sewer rates are not averaged, but are directly tied to water usage. Commercial clients account for approximately 75% of the flow at wastewater plant, making their influence on the revenue disproportionate.

Expenditures remain below budgeted amounts. The fund has not executed its transfers for bond payments representing 36% expenditures for 2016. As with General Fund and Water fund, personnel

are the one of the largest costs centers representing 25% of expenditures. Personnel expenditures are performing slightly ahead of projections, \$5,188 or 1.32%.

The current cash balance or fund balance is \$747,627. The system replacement fund has a balance of \$146,518, a reduction of approximately \$100,000 spent as part of the meter replacement project. Sewer equipment reserve fund has a current balance of \$97,199. Building reserve funds have a current balance of \$171,179.

The fund balance coverage ratio for the sewer fund is 45.84% or approximately 5.5 months. The norm for utilities is 33-50% depending on the capital costs of the utility. Capital costs for the sewer utility are much higher than the water utility, due to the mechanical treatment process. Despite the higher capital requirements, sewer utility sufficiently capitalized with the replacement fund and reserve funds able to cover the costs of the majority of any equipment failures in the system.

SPECIAL HIGHWAY

The Special Highway fund receives revenue from the State and County Fuel / Highway tax. Expenditures are restricted to only road maintenance related costs. Revenue for the fund ended the first quarter \$646 (.88%) ahead of budget projections. Current expenditures in the fund ended the quarter at \$12,102 spent on commodities, primarily crack sealing and patching materials. The result is a operational surplus of \$6,962 for the quarter. The fund paid half of the chip seal cost for the year and also for materials associated with road maintenance. The ending fund balance is \$122,500.

SALES TAX FOR ECONOMIC DEVELOPMENT / STREET IMPROVEMENTS

The .25% local option sales tax levied for economic development and street improvements has performed below anticipated levels for 2016. At the end of the quarter the collections were \$4,505 (17.92%) behind the five year average.

Expenditures in 2016 are budgeted for \$213,000. Those expenditures include \$20,000 in Maintenance Services and \$35,000 in Economic Developer incentives. An additional \$148,000 for council approved expenditures and \$10,000 for commodities were also budgeted in 2016. Through the first quarter there have been no expenditures though the City is committed to paying the final Siemens incentive payment and Sallee Lawn Care for Main Street maintenance. Additional funds will be used for the base stabilization project and road surfacing this year.

The current fund balance for the Economic Development / Street Improvement fund is \$203,150. For the 2016 budget, local sales tax revenue has been budgeted 10% lower than 2015 due to the departure of ALCO. However, with effect of ALCO's closing has been less than expected and the addition of projects like Wichita Tractor Company and the Love's Store in 2016. Revenue collections could ultimately surpass projections.

City of South Hutchinson
2016 First Quarter General Fund Revenues and Expenditures

General Fund Revenues	Budget	YTD Balance	Remaining	Remaining
Ad Valorem Taxes	\$476,479	\$255,887	\$220,592	46.30%
County Sales Tax	\$350,000	\$92,510	\$257,490	73.57%
Local Sales Tax	\$180,000	\$41,272	\$138,728	77.07%
In Lieu of Taxes	\$2,400	\$0	\$2,400	100.00%
Motor Vehicle Tax	\$60,000	\$6,144	\$53,856	89.76%
Local Alcohol Liquor Tax	\$200	\$0	\$200	100.00%
Delinquent Taxes	\$15,000	\$513	\$14,487	96.58%
Fines, Penalties	\$100,000	\$25,284	\$74,716	74.72%
Permits/Licenses/Fees	\$10,000	\$7,532	\$2,469	24.69%
Franchise Fees	\$620,000	\$153,334	\$466,666	75.27%
Refuse	\$105,000	\$27,397	\$77,603	73.91%
Reimbursed Expenses	\$10,000	\$415	\$9,585	95.85%
Miscellaneous Income	\$30,000	\$4,027	\$25,974	86.58%
Interest Income	\$1,000	\$476	\$524	52.36%
Donations	\$0	\$0	\$0	---
TOTAL	\$1,960,079	\$614,790	\$1,345,289	68.63%

General Fund Expenditures

PERSONNEL SERVICES	Budget	YTD Balance	Remaining	% Remaining
General Government	\$160,105	\$29,243	\$130,862	81.74%
Police	\$655,700	\$136,621	\$519,079	79.16%
Street	\$216,556	\$60,261	\$156,295	72.17%
Fire	\$206,100	\$38,278	\$167,822	81.43%
Park	\$10,000	\$0	\$10,000	100.00%
Court	\$73,600	\$19,011	\$54,589	74.17%
Code Enforcement	\$0	\$0	\$0	---
Non-Departmental	\$0	\$0	\$0	---
TOTAL	\$1,322,061	\$283,414	\$1,038,647	78.56%

CONTRACTUAL SERVICES	Budget	YTD Balance	Remaining	% Remaining
General Government	\$51,500	\$12,011	\$39,489	76.68%
Police	\$108,225	\$29,000	\$79,225	73.20%
Street	\$51,900	\$5,050	\$46,850	90.27%
Fire	\$78,042	\$45,538	\$32,504	41.65%
Park	\$133,000	\$764	\$132,236	99.43%
Court	\$82,900	\$14,800	\$68,100	82.15%
Code Enforcement	\$2,925	\$425	\$2,500	85.47%
Non-Departmental	\$175,000	\$31,019	\$143,981	82.27%
TOTAL	\$683,492	\$138,607	\$544,885	79.72%

\$32,261

COMMODITIES	Budget	YTD Balance	Difference	% Difference
General Government	\$20,000	\$3,238	\$16,762	83.81%
Police	\$60,500	\$8,554	\$51,946	85.86%
Street	\$11,800	\$2,544	\$9,256	78.44%
Fire	\$16,370	\$1,968	\$14,402	87.98%
Park	\$15,150	\$1,727	\$13,423	88.60%
Court	\$2,000	\$1,028	\$972	48.60%
Code Enforcement	\$4,450	\$2,726	\$1,724	38.74%
Non-Departmental	\$15,000	\$6,575	\$8,425	56.17%
TOTAL	\$145,270	\$28,360	\$116,910	80.48%

\$7,960.80

City of South Hutchinson
2016 First Quarter General Fund Revenues and Expenditures

CAPITAL OUTLAYS	Budget	YTD Balance	Difference	% Difference
General Government	\$1,000	\$0	\$1,000	100.00%
Police	\$9,000	\$3,408	\$5,592	62.13%
Street	\$200	\$0	\$200	---
Fire	\$15,000	\$2,256	\$12,744	84.96%
Park	\$10,000	\$0	\$10,000	100.00%
Court	\$1,350	\$0	\$1,350	---
Code Enforcement	\$1,000	\$0	\$1,000	---
Non-Departmental	\$427,000	\$41,784	\$385,216	90.21%
TOTAL	\$464,550	\$47,448	\$417,102	89.79%

TRANSFERS	Budget	YTD Balance	Difference	% Difference
General Government	\$18,000	\$4,500	\$13,500	75.00%
Police	\$60,000	\$15,000	\$45,000	75.00%
Street	\$10,000	\$2,500	\$7,500	75.00%
Fire	\$43,000	\$10,750	\$32,250	75.00%
Park	\$100,000	\$25,000	\$75,000	75.00%
Court	\$1,500	\$375	\$1,125	75.00%
Code Enforcement	\$2,500	\$2,500	\$0	0.00%
Non-Departmental	\$15,000	\$3,750	\$11,250	75.00%
TOTAL	\$250,000	\$64,375	\$185,625	75.00%

GENERAL FUND TOTALS	Budget	YTD Balance	Difference	% Difference
Personnel Services	\$1,322,061	\$283,414	\$1,038,647	78.56%
Contractual Services	\$683,492	\$138,607	\$544,885	79.72%
Commodities	\$145,270	\$28,360	\$116,910	80.48%
Capital Outlays	\$464,550	\$47,448	\$417,102	89.79%
Transfers	\$250,000	\$64,375	\$185,625	74.25%
TOTAL	\$2,865,373	\$562,204	\$2,303,169	80.38%

TOTAL EXPENDITURES	\$562,204
TOTAL REVENUES	\$614,790
OPERATIONAL SURPLUS	\$52,586
BUDGETED DEFICIT	-\$905,294
FUND BALANCE	\$808,329
EQUIP RESERVE	\$262,753
BUILDING RESERVE	\$187,683

City of South Hutchinson
2016 First Quarter Water Utility Revenues and Expenditures

Water Fund Revenues	Budget	YTD Balance	Difference	% Difference
Reimbursed Expenses	\$18,000	\$5,427	\$12,572.73	69.85%
Interest Income	\$500	\$47	\$453.15	90.63%
Transfers In	\$0	\$0	\$0.00	---
Sales / Charges	\$470,000	\$115,619	\$354,380.96	75.40%
Farm Income	\$0	\$0	\$0.00	---
Late Fees	\$0	\$0	\$0.00	---
Permits/Connects/Reconnects	\$5,000	\$1,350	\$3,650.00	73.00%
TOTAL	\$493,500	\$122,443	\$371,056.84	75.19%

Water Fund Expenditures	Budget	YTD Balance	Difference	% Difference
Personnel Services	\$325,300	\$60,777	\$264,523	81.32%
Contractual Services	\$71,500	\$29,153	\$42,347	59.23%
Commodities	\$53,500	\$6,085	\$47,415	88.63%
Sales Tax	\$40,000	\$8,540	\$31,460	78.65%
Capital Outlays	\$259,000	\$0	\$259,000	100.00%
Transfers	\$0	\$0	\$0	---
TOTAL	\$749,300	\$104,555	\$644,745	86.05%

TOTAL EXPENDITURES	\$104,555
TOTAL REVENUES	\$122,443
OPERATIONAL SURPLUS	\$17,888
BUDGETED DEFICIT	-\$255,800
FUND BALANCE	\$256,881
SYSTEM REPLACEMENT	\$167,118
EQUIP RESERVE	\$91,052
BUILDING RESERVE	\$43,834

City of South Hutchinson
2016 First Quarter Sewer Utility Revenues and Expenditures

Sewer Fund Revenues	Budget	YTD Balance	Difference	% Difference
Reimbursed Expenses	\$5,000	\$135	\$4,865	97.30%
Interest Income	\$5,000	\$153	\$4,847	96.93%
Sales / Charges	\$1,200,000	\$286,511	\$913,489	76.12%
Permits/ Connections	\$3,500	\$0	\$3,500	---
TOTAL	\$1,213,500	\$286,800	\$926,700	76.37%

Sewer Fund Expenditures	Budget	YTD Balance	Difference	% Difference
Personnel Services	\$393,000	\$93,056	\$299,944	76.32%
Contractual Services	\$183,000	\$31,716	\$151,284	82.67%
Commodities	\$55,000	\$10,839	\$44,161	80.29%
Capital Outlays	\$418,344	\$1,093	\$417,251	99.74%
Transfers	\$581,656	\$15,000	\$566,656	97.42%
TOTAL	\$1,631,000	\$151,704	\$1,479,296	90.70%

TOTAL EXPENDITURES	\$151,704
TOTAL REVENUES	\$286,800
OPERATIONAL SURPLUS	\$135,096
BUDGETED DEFICIT	-\$417,500
FUND BALANCE	\$747,627
SYSTEM REPLACEMENT	\$146,518
EQUIP RESERVE	\$97,199
BUILDING RESERVE	\$171,179

City of South Hutchinson
2016 First Quarter Special Highway Fund Revenues and Expenditures

Special Highway Fund Revenues	Budget	YTD Balance	Difference	%Difference
State Fuel/Highway Tax	\$64,640	\$16,728	\$47,912	74.12%
County Fuel/Highway Tax	\$8,740	\$2,335	\$6,405	73.28%
TOTAL	\$73,380	\$19,064	\$54,316	74.02%

Special Highway Fund Expenditures	Budget	YTD Balance	Difference	% Difference
Personnel Services	\$0	\$0	\$0	---
Contractual Services	\$90,000	\$0	\$90,000	100.00%
Commodities	\$85,000	\$12,102	\$72,898	85.76%
Capital Outlays	\$0	\$0	\$0	---
Transfers	\$0	\$0	\$0	---
TOTAL	\$175,000	\$12,102	\$162,898	93.08%

TOTAL EXPENDITURES	\$12,102
TOTAL REVENUES	\$19,064
OPERATIONAL DEFICIT	\$6,962
BUDGETED DEFICIT	-\$101,620
FUND BALANCE	\$122,500

City of South Hutchinson
2016 First Quarter Economic Development / Streets Sales Tax

Local Option Sales Tax	Budget	YTD Balance	Remaining	%Difference
Sales Tax	\$110,000	\$20,636	\$89,364	81.24%
Reimbursed Expenses	\$10,000	\$0	\$10,000	100.00%
TOTAL	\$120,000	\$20,636	\$99,364	82.80%

Sales Tax Expenditures	Budget	YTD Balance	Remaining	% Remaining
Maintenance Services	\$20,000	\$0	\$20,000	100.00%
Eco Devo Incentives General	\$35,000	\$0	\$35,000	100.00%
Misc. Commodities	\$10,000	\$0	\$10,000	100.00%
Loan Payments to the State	\$0	\$0	\$0	---
Council Approved Expenditures	\$148,000	\$0	\$148,000	100.00%
TOTAL	\$213,000	\$0	\$213,000	100.00%

CURRENT AVAILABLE ASSETS \$203,150

HISTORY 2011-2016 (.25% Local Option Sales Tax)

Month	2011	2012	2013	2014	2015	2016	5 YR Average
January	\$7,188	\$7,904	\$10,243	\$9,218	\$9,742	\$4,917	\$8,859
February	\$8,425	\$7,207	\$8,312	\$7,476	\$8,249	\$7,997	\$7,934
March	\$8,341	\$7,461	\$9,667	\$7,756	\$8,517	\$7,721	\$8,348
April	\$6,877	\$8,086	\$10,960	\$8,373	\$6,511	\$7,440	\$8,161
May	\$8,409	\$10,188	\$8,519	\$8,800	\$9,509		\$9,085
June	\$8,261	\$7,903	\$10,252	\$8,212	\$7,657		\$8,457
July	\$6,912	\$7,485	\$8,908	\$8,658	\$9,247		\$8,242
August	\$9,419	\$8,415	\$9,069	\$9,151	\$7,466		\$8,704
September	\$7,974	\$7,855	\$9,654	\$8,070	\$8,501		\$8,411
October	\$8,392	\$9,502	\$8,955	\$8,866	\$8,747		\$8,892
November	\$8,425	\$9,146	\$9,206	\$8,786	\$9,507		\$9,014
December	\$7,514	\$6,022	\$8,983	\$8,950	\$7,704		\$7,835
ANNUAL TOTALS	\$96,137	\$97,172	\$112,726	\$102,316	\$101,356	\$28,076	\$101,942

Topic: 1st Quarter 2016 Strategic Planning Update

Date: May 2, 2016

The City Council approved a revision to the Strategic Plan in August 2014. As part of the implementation of the plan, a quarterly update is provided to the public and City Council. The attached Appendix has all the revised goals in the plan. The notes and implementation sections detail the actions that have been taken in that area of the plan. Recent updates are added to the below list that details the goal number and objective; not all goals and objectives are listed. Updates are also provided on the City’s website.

Goal 1a. Increase business opportunities, enhance economic development and sustain growth in existing businesses /Maintain and enhance the quality of existing structures

Objective: Develop and maintain a central point of information related to starting a business in South Hutchinson including incentives and available land and buildings.

- The rebuild website will be live on February 1. The revised “Doing Business” section serves as the one point of contact for those interested in starting a business in South Hutchinson.
- The City Administrator has also been working with the Hutchinson / Reno County Chamber of Commerce on standardized information on the community for new projects that come through the Chamber.

Objective: Foster a positive environment for entrepreneurial development

- The City Administrator is chairman of Reno County E-Community in 2015-2016. The E-Community program will be providing an entrepreneurial education in the form of a boot camp program in Colorado Springs and through the 8-week ICE House program in partnership with HCC.
- E-Communities is sponsoring a Chamber Lunch in June. John Schallert will be discussing building destinations with small business clustering on May 19, 8AM -9:30AM at Justice Theatre on HCC campus.

Objective: Develop entrepreneurial opportunities for USD 309 students that could be incorporated into a project based learning model.

- E-Communities sponsored the Central Kansas Youth Entrepreneurship Competition on March 2. The Reno County participant won the competition and moved to the state competition.
- E-Communities and K-State Extension are organizing a local entrepreneurship competition for Reno County students including USD 309 students.
- Staff is in the preliminary stages of pursuing a project based learning opportunity with USD 309 and McPherson College.

Goal 1b: Promote job creation to increase retail growth and increase population

Objective: Develop a core retail growth zone and provide infrastructure for new/expanded development.

- The Frontier Commerce Park has completed its encroachment agreements and will begin construction in spring 2016.
- A hotel feasibility study was completed in April 2015 for a potential new upper mid level hotel brand. The hotel developers are currently looking for investors.
- Love’s Travel Center will be on the corner Des Moines West and Main Street. Design work has begun and construction will begin in summer 2016.
- City staff continues to work with real estate representatives for a fast service restaurant interested

<p>in a location on the K-96/US-50 Interchange.</p> <ul style="list-style-type: none"> • Staff have provided support to the Applewood Restaurant at the Plaza Go Truck store to help facilitate the opening of the restaurant in May 2016.
<p><i>Objective: Actively seek opportunities for investment in retail development leveraging private and public funds when appropriate.</i></p> <ul style="list-style-type: none"> • Wichita Tractor Company will be building a new facility at Avenue D and Main. The facility should be opened in May 2016. • The Food Policy Council funded a revised grocery store feasibility study focusing on the ALCO building. Staff is pursuing a local grocery developer working with the ALCO building owner.
<p><i>Objective: Actively seek to identify, secure and develop sites for future industrial, commercial and retail development consistent with desired industries and financial capacity.</i></p> <ul style="list-style-type: none"> • Sun Valley Inc. has successfully petitioned for \$1.5 million in IRBs for a warehousing project in the Wilbeck Industrial area. • Staff is a member of the Reno County Chamber of Commerce on Industrial Site Development team. The leading non-rail served site would be in South Hutchinson territory and is in the initial stage of development. An additional rail served site is also being considered, but due to complications with ownership will probably only be used for specific clients and not as a full industrial park.
<p><i>Objective: Promote the establishment of housing developments that provide housing for various income levels.</i></p> <ul style="list-style-type: none"> • The Southern Hills Development has a group of developers looking at the project. Staff are working with the developers to reach an agreement. Homes would be starter homes in the \$145,000-\$165,000 range.

<p>GOAL 2: Develop and implement a formal plan to improve the appearance of Main Street and major gateways</p>
<p><i>Develop zoning modifications to promote redevelopment of commercial corridors and control the type of structures consistent with a vibrant community.</i></p> <ul style="list-style-type: none"> • The City’s Comprehensive Plan was adopted on March 7. The code makes limited provisions for zoning changes. Further work will need to be completed to established mixed use zoning classifications.

<p>GOAL 3: Create and promote a unique identity for South Hutchinson</p>
<p><i>Objective: Explore opportunities for a monthly/quarterly newsletter or community happenings that would encourage more engagement.</i></p> <ul style="list-style-type: none"> • The City and South Hutch Chamber are working to develop a quarterly newsletter to be direct mailed to all residents and distributed by email.
<p><i>Objective: Encourage the continuation of annual community events and the development of more opportunities that encourage community interaction</i></p> <ul style="list-style-type: none"> • Big Fireworks leased Lionette Field on April 22 and provided a fireworks show. The show was for vendors, but a large number of community members attended. • SHPD and SHFD will help host the annual bike skills clinic at the ALCO parking lot on June 4. The event is a partnership between the departments and the Reno County Development Group. • Staff worked with the organizers of the Salt Fest Car Show and helped facilitate the event. Another event is planned for the second weekend in June.

- The Fiesta at OLG Church will be the first weekend in June.
- The 2016 Trunk or Treat event is scheduled for Saturday, October 22 from 4-6PM. The event has not been confirmed by the SHPD.
- The Food Policy Council will be hosting a Farmer’s Market on Tuesday nights, 5-7PM from May to October.

GOAL 6: Sustain and expand programs to maintain a high quality of life and build community pride.

Objective: Develop and complete a community center project to provide a gathering point for the community’s use.

- The City received CDBG funding for the community center project. Contracts will be awarded at the February 1 Council meeting. Construction is 40% completed, with substantial completion set for July 15 or sooner. Rentals will begin being accepted for August 2016.

Objective: Continue to enhance existing parks and green spaces and seek opportunities for park expansions when feasible

- The Food Policy Council will open the farmers market in 2016 and is also pursuing a community garden project with grant funds.
- The City is working with the Hutchinson Kennel Club to bring their main training facility to South Hutchinson within the main city park near Avenue B and Washington.

Objective: Develop partnerships with local organizations to expand health, wellness and recreational opportunities for all age groups.

- The city was partnering with Journey Mennonite Church on a Wellness Center Project, but withdrew for numerous reasons. The GPR committee has been working USD 309 and the business community to find a way to support the project.
- Working with the Hutchinson Recreation Commission on potential programming options including enhanced use of Lionette Field.
- Staff working as a member of the HEAL Reno County team promotes trail use and active transportation, including the Bike to Work event on May 20.

GOAL 7: Sustain and improve infrastructure throughout the community to enhance quality of life and provide for long-term growth.

Objective: Develop a multi-year plan to surface all streets by 2024 with special attention paid to pedestrian access in accordance with the master trails, pathways and sidewalk plan in Goal 6.

- At the June 15, 2015 meeting, Council approved moving forward with a three phase plan to surface all the remaining gravel streets in South Hutchinson. Phase 1 of the plan will be in summer 2016 in Valley Pride neighborhood. The remaining phases may be tackled in 2017.

Develop a model for the water system and a multi-year improvement plan focused on sustainability and quality of the water supply.

- In March 2016, the Council received the final Water Model provided by PEC. From that model it was determined that pursuit of additional water rights and treatment would be needed for future development.

Objective: Investigate options for improved street lighting in the community that enhances safety and improves efficiency.

- Working with Westar on LED street lighting. All new lights installed in town are currently LED street lights.

Objective: Invest in incremental improvements in current City facilities that improve efficiency and lower long-term operations and maintenance costs

- Council approved proposals for backup power generation for water wells and lift stations; project was completed in April 2015.
- Council approved the UV Modification project on July 6. Project was completed in March 2016.
- Council approved moving to an AMI SENSUS water meter system in January 2016. Change out to be completed in 2016.

Appendix B: Revised Goals and Objectives 2014

Goal 1a: Increase business opportunities, enhance economic development and sustain growth in existing businesses /Maintain and enhance the quality of existing structures (9 steering committee votes)			
Approved	Objective	Status	Notes
July 2011	Create a task force comprised of a cross-section of South Hutchinson business owners (large and small), Hutchinson/Reno County Chamber of Commerce representatives and South Hutchinson city officials to develop specific objectives and strategies utilizing current economic development data, trends and information from this strategic planning process.	Completed Feb 2012	Work was completed in Feb 2012. Several Recommendations were adopted by the City Council in Nov 2011
July 2011	Explore financial incentives for new, creative, young entrepreneurs and foster better relationships with existing organizations and programs for entrepreneurs.	Initiated Ongoing	Some incentive programs have been established; partnerships include the Reno County E-Community program
July 2011	Develop and maintain a central point of information related to starting a business in South Hutchinson including incentives and available land and buildings.	Completed Fall 2011	Southhutch.com added functionality and content to achieve this goal
August 2014	Foster a positive environment for entrepreneurial development	Initiated Ongoing	Working with E-Communities program to promote entrepreneurial opportunities including the ICE House program and Destination Boot Camp by John Schallert
August 2014	Develop entrepreneurial opportunities for USD 309 students that could be incorporated into a project based learning model.	Initiated Ongoing	E-Communities sponsored the Central Kansas Youth Entrepreneurship Competition on March 2 in Stafford. A local competition is likely in 2017
Lead organization: City and the Quest Center for Entrepreneurs in partnership with the Hutchinson/Reno County Chamber of Commerce, USD 309, local businesses and other economic development organizations.			
Target Date for Initiation: All Objectives initiated by January 2015			

Appendix B: Revised Goals and Objectives 2014

Goal 1b: Promote job creation to increase retail growth and increase population (9 votes)			
Approved	Objective	Status	Notes
July 2011	Refer to short-term economic development task force described in Goal 1a.	Completed Feb 2012	Work was completed in Feb 2012. Several Recommendations were adopted by the City Council in Nov 2011
July 2011	Explore incentives for retail development.	Completed Fall 2011	Retail Sales Tax Rebate program, Utility Credit program and Infrastructure Assistance program were passed by City Council Nov 2011
July 2011	Utilize Buxton study to directly recruit retailers and developers.	Initiated Ongoing	Initial contact with targeted top 10 retailers completed in 2011. Active recruitment continues
July 2011	Develop a core retail growth zone and provide infrastructure for new/expanded development.	Initiated Ongoing	Frontier Commerce Park will open in 2016, Love's will open in 2016. Several other potential projects are circling locations in the area.
August 2014	Actively seek opportunities for investment in retail development leveraging private and public funds when appropriate.	Initiated Ongoing	Wichita Tractor Company will be opening a facility at Ave D and Main. The Food Policy Council is actively working on grocery project for the ALCO building
August 2014	Actively seek to identify, secure and develop sites for future industrial, commercial and retail development consistent with desired industries and financial capacity.	Initiated Ongoing	Future Industrial Sites are being developed by the Hutch/Reno County Chamber, one potential site in South Hutch.
August 2014	Promote the establishment of housing developments that provide housing for various income levels.	Initiated Ongoing	Southern Hills will potentially be transferred to a private developer in 2016.
Lead organization: City in partnership with private investors, the Hutchinson/Reno County Chamber of Commerce, and other economic development organizations.			
Target Date for Initiation: All Objectives initiated by January 2015			

Goal 2: Develop and implement a formal plan to improve the appearance of Main Street and major gateways (8 votes)			
Approved	Objective	Status	Notes
July 2011	Develop minimum landscaping requirements for businesses along Main Street.	Initiated Ongoing	To be addressed in Comprehensive Plan update Fall 2014
July 2011	Research and form committee to apply for grants for trees.	Completed Jan 2012	Green Space, Parks and Recreation Committee formed in 2012
July 2011	Identify a “core area” for South Hutchinson.	Completed Fall 2011	Between Blanchard and 6 th Avenue on Main Street
July 2011	Utilize City resources to purchase Main Street properties when they become available.	Initiated Ongoing	Acquired Avenue C & Main Nov 2013
July 2011	Increase number of crosswalks along Main Street.	Uninitiated	
July 2011	Study existing bike path and analyze danger of location adjacent to major thoroughfare with heavy truck traffic.	Uninitiated	
July 2011	Seek financial incentives to promote beautification (curb appeal) of existing businesses.	Initiated Ongoing	Exploring cost sharing program with businesses
August 2014	Develop a plan to smooth the transition between residential neighborhoods, industrial areas and Main Street on the West Blanchard and West 6 th Avenue	Uninitiated	
August 2014	Develop zoning modifications to promote redevelopment of commercial corridors and control the type of structures consistent with a vibrant community.	Initiated	Partially addressed in Comprehensive Plan update adopted in March 2016. Further work will be needed for mixed use zoning.
Lead organization: City			
Target Date for Initiation: All Objectives initiated by December 2015			
Suggestions related to community wide beautification:			
<ul style="list-style-type: none"> • Recruit a group of volunteers to beautify specific areas. • Host annual community Clean-up Day. • Flags or ground banners for special occasions such as Memorial Day or Veteran’s Day 		<ul style="list-style-type: none"> • Create a program to increase planting of vegetation by children • Involve upper elementary students (5th or 6th graders) in community beautification projects. • More public green spaces or gathering points that are pedestrian friendly 	

Appendix B: Revised Goals and Objectives 2014

GOAL 3: Create and promote a unique identity for South Hutchinson (8 votes)			
Approved	Objective	Status	Notes
July 2011	Assign this issue to the City’s current marketing consulting firm with a timeline for completion.	Completed Sept 2011	Work was completed in Sept 2011. Marketing plan presented at that time for implementation
July 2011	Create a logo to identify the industrial base of South Hutchinson; a community “icon” such as Manhattan’s “Little Apple”.	Completed Jan 2012	New logo developed around the concept of Southern Hospitality – Kansas Style
July 2011	Promote South Hutchinson as “Jobs Capitol of Kansas”.	Completed Sept 2011	Marketing plan focused on promotion of other positive elements of the community in building a community identity.
August 2014	Implement elements of the City’s marketing plan to build more recognition of the City’s new logo and position the community for long-term success and recognition.	Initiated Ongoing	
August 2014	Explore opportunities for a monthly/quarterly newsletter or community happenings that would encourage more engagement.	Initiated	SH Chamber is working on a potential partnership on a quarterly newsletter.
August 2014	Encourage the continuation of annual community events and the development of more opportunities that encourage community interaction	Initiated Ongoing	Salt Fest Car Show, Fiesta at OLG and Trunk or Treat are all planning to continue in 2016. The FPC will be hosting a Farmers Market on Tuesday, 5-7 PM at the Community Center
Lead organization: City, Market South Hutchinson, South Hutchinson Chamber, local churches and community groups			
Target Date for Initiation: All Objectives initiated by January 2015			

Goal 4: Identify and develop the assets unique to South Hutchinson that can be used to make South Hutchinson a destination (8 votes)			
Approved	Objective	Status	Notes
July 2011	Assign this issue to the City’s current marketing consulting firm with a timeline for completion.	Completed Sept 2011	Work was completed in Sept 2011. Marketing plan presented at that time for implementation
July 2011	Create a Facebook page to market South Hutchinson as a destination (can be used to market to potential businesses and promote events and school activities).	Completed Jan 2011	Facebook.com/southhutch has 1056 subscribers and has been active since January 2011.
August 2014	Study the development of regional significant retail and commercial development and seek private developers for potential projects	Initiated Ongoing	Actively pursuing several potential developments at K-96 / US-50
August 2014	Seek opportunities to develop identified community assets to provide unique opportunities for residents and visitors	Initiated Ongoing	Worked with Riveratz to provide structure to the ATV riding area
August 2014	Incorporate defined assets into marketing materials targeted to visitors	Initiated Ongoing	
Lead organization: City, Hutchinson/ Reno County Chamber of Commerce, South Hutchinson Chamber			
Target Date for Initiation: All Objectives initiated by July 2015			
Current Assets Defined by Steering Committee:		Potential Assets Defined by the Steering Committee	
<ul style="list-style-type: none"> • <i>South Hutchinson Elementary School</i> • <i>Variety of churches</i> • <i>Friendly people</i> • <i>Industries—Collins Industries, Morton Salt, Tyson Foods, Stutzman Refuse Disposal, American Packaging Corporation</i> • <i>Tremendous labor market</i> • <i>Best of both urban and rural worlds</i> • <i>Great major highways—highways 14, 96, 50, 61</i> • <i>ATV and dirt bike trails in river bed</i> 		<ul style="list-style-type: none"> • <i>A center for vocational training (i.e., Collins Industries, one of the largest bus manufacturers and a source of employment)</i> • <i>A destination restaurant—unique like the hamburger restaurant in Castle Rock, CO, named CRAVE—unique food option unlike anything in nearby Hutchinson</i> 	

Appendix B: Revised Goals and Objectives 2014

GOAL 5: Increase opportunities for young adult involvement in community project, government and leadership roles (8 votes)			
Approved	Objective	Status	Notes
July 2011	Develop a “young professionals” group or partner with a similar group in Hutchinson	Completed Sept 2011	Efforts to create a new organization were dropped for more promotion of current group
July 2011	Seek partnerships with Hutchinson/Reno County Chamber’s leadership program; develop a smaller-scale version.	Completed Jan 2012	Efforts have been made to increase representation from South Hutch business; a smaller scale version will not be developed
July 2011	Develop mentoring programs matching existing business owners with new business owners.	Uninitiated	
July 2011	Create opportunities, partnerships, internships for upper middle school, Nickerson High School and Hutchinson Community College students to shadow and participate in activities and operations of representatives of the business community and city government (city council, economic development organizations); target students enrolled in social studies classes.	Initiated Ongoing	Worked to develop Patriots Day (September 11 th) event that has various grades visiting businesses in the community.
July 2011	Create programs to develop young leaders in government—youth council, young professionals council.	Uninitiated	
July 2011	Create a program to recruit community and business volunteers in the schools	Uninitiated	
July 2011	Expand existing partnerships involving South Hutchinson Elementary School and city fire and police departments.	Initiated Ongoing	SHPD and SHFD have expanded programming and safety efforts
Lead organization: USD 309 Nickerson – South Hutchinson school district with assistance from South Hutchinson Chamber of Commerce, Hutchinson/Reno County Chamber of Commerce and City			
Target Date for Initiation: All Objectives initiated by August 2015			

Appendix B: Revised Goals and Objectives 2014

GOAL 6: Sustain and expand programs to maintain a high quality of life and build community pride.			
Approved	Objective	Status	Notes
August 2014	Develop and complete a community center project to provide a gathering point for the community's use.	Initiated Ongoing	The project will begin construction in February 2016, targeted completion in July 2016
August 2014	Develop a master plan for trails, pathways and sidewalks that maximizes the walk-ability of the community and connects all areas of town safely including parks, green spaces, SHES, churches and other amenities	Initiated	
August 2014	Continue to enhance existing parks and green spaces and seek opportunities for park expansions when feasible	Initiated Ongoing	FPC opening a farmers market and potentially a community garden. The Kennel Club is discussing a potential move to the park area.
August 2014	Develop partnerships with local organizations to expand health, wellness and recreational opportunities for all age groups.	Initiated Ongoing	Working with Journey Mennonite Church on a Wellness Center Project, city to help facilitate other funding streams.
Lead organization: City, South Hutchinson Chamber of Commerce, local churches and community groups			
Target Date for Initiation: All Objectives initiated by July 2016			

GOAL 7: Sustain and improve infrastructure throughout the community to enhance quality of life and provide for long-term growth.			
Approved	Objective	Status	Notes
August 2014	Develop a multi-year plan to surface all streets by 2024 with special attention paid to pedestrian access in accordance with the master trails, pathways and sidewalk plan in Goal 6	Initiated	Staff and PEC have developed a paving plan with estimated costs. Phase 1 will be the Valley Pride area in 2016.
August 2014	Develop a model for the water system and a multi-year improvement plan focused on sustainability and quality of the water supply	Initiated	Water model should be completed in February 2016
August 2014	Develop a model for the waste water system and based on that information, a multi-year improvement plan focused on sustainability	Initiated	Wastewater model is tentatively set to begin in late 2016
August 2014	Develop a master storm water management plan	Uninitiated	
August 2014	Investigate options for improved street lighting in the community that enhances safety and improves efficiency	Initiated	Westar is replacing old lights with new LED lights as needed.
August 2014	Invest in incremental improvements in current City facilities that improve efficiency and lower long-term operations and maintenance costs	Initiated	Backup power generation is in place, UV modifications are in place. Metering infrastructure has been approved and will be installed in 2016.
August 2014	Develop master operational plans for public services and facilities based on service demands to provided scalable solutions for future growth	Uninitiated	
Lead organization: City			
Target Date for Initiation: All Objectives initiated by August 2017			