

**AGENDA-REGULAR MEETING  
STERLING CITY COMMISSION**

114 N. Broadway, Sterling, Kansas  
January 5, 2026, at 6:00 P.M.

**A. CALL TO ORDER**

**B. INVOCATION**

**C. APPROVAL OF THE AGENDA**

**D. CITIZEN COMMENTS**

**E. APPOINTMENTS, PROCLAMATIONS, RECOGNITIONS, & NOMINATIONS**

1. Swear-in Brian Inwood as a City Commissioner.
2. Swear-in Todd Rowland as a City Commissioner.
3. Appoint the Mayor of the City Commission for 2026.
4. Appoint the Vice-Mayor of the City Commission for 2026.

**F. CONSENT AGENDA**

Items on the Consent Agenda are considered by staff to be routine business items. Approval of the items may be made by a single motion, seconded, and a majority vote with no separate discussion of any item listed. Should a member of the Governing Body desire to discuss any item, the item will be removed from the Consent Agenda and considered separately.

1. Approval of minutes
  - a. Regular Meeting December 15, 2025.
2. Accounts Payable
  - a. Wednesday, December 31, 2025, for \$287,013.
  - b. Friday, January 2, 2025, for \$63,472.

**G. OLD BUSINESS**

**H. NEW BUSINESS**

1. Approve resolution to waive the generally accepted accounting principles (GAAP) for Fiscal Year 2025.
2. Approve ordinance granting a franchise agreement with Mutual TeleCommunications (MTC) for telecommunications service.

**I. CITY MANAGER'S REPORT**

**J. GOVERNING BODY COMMENTS**

**K. EXECUTIVE SESSION**

**L. ADJOURNMENT**

Next Assigned Numbers for:  
Charter Ordinance No. 18  
Ordinance No. 2588  
Resolution No. 899

**NOTICE: SUBJECT TO REVISIONS**

It is possible that sometime between 5:30 and 6:00 pm immediately prior to this meeting, during breaks, and directly after the meeting, a majority of the Governing Body may be present in the commission chambers or lobby of City Hall. No one is excluded from these areas during those times.

## **E.1 Swear-in Brian Inwood as a City Commissioner.**

## **E.2 Swear-in Todd Rowland as a City Commissioner.**

### **E.3 Appoint the Mayor of the City Commission for 2026.**

## **E.4 Appoint the Vice-Mayor of the City Commission for 2026.**

# Consent Agenda Highlights

## 1. Approval of minutes

- a. Regular Meeting December 15, 2025.

## 2. Accounts Payable

- a. Wednesday, December 31, 2025, for \$287,013.
  - Vogts-Parga Construction - KMW expansion roadway: \$243,149
  - Kansas Dept. of Revenue - sales and use taxes: \$17,009
- b. Friday, January 2, 2025, for \$63,472.
  - KMIT - workers compensation premium: \$20,310
  - Rice County EMS - dispatching services \$18,900
  - Kansas Municipal Utilities - membership dues \$6,237

STERLING CITY COMMISSION  
REGULAR MEETING  
MINUTES  
12/15/2025

The Board of Commissioners of the City of Sterling met in a regular session on Monday, December 15, 2025, at 7:00 P.M. in the meeting room at City Hall. Those present were Clint Bundy, Todd Rowland, Richard Jones, Jr., and Bob Boltz, City Commissioners; Brian Inwood, Mayor; Ian Hutcheson, City Manager; Jessi Dobson, City Clerk; James Smith, Chief of Police; Scott Bush, City Attorney; Meg Van Dyk, Interim Executive Director, Chamber of Chamber / Main Street; Brice Knapp, Owner/Operator, Knapp Carriage; Wyatt Newberry, Cale Thomas, and Ben Wohlgamith, Public.

Rene Wilson was present for the Sterling Bulletin.

Mayor Inwood called the meeting to order.

**INVOCATION AND FLAG SALUTE:** Led by Commissioner Jones.

**APPROVAL OF AGENDA:** Commissioner Rowland moved, and Commissioner Bundy seconded to approve the agenda to include striking item H.1 and an updated Accounts Payable Scheduled Claims List with the addition of a payable to Blue Cross Blue Shield. The motion carried 5-0.

**CITIZEN COMMENTS:** Meg Van Dyk, Interim Executive Director of the Chamber of Chamber / Main Street thanked City staff for their hard work to help make Santa's visit to the fire station a success and for their efforts in preparing downtown for the holidays. The City Commissioners shared their gratitude to Van Dyk and the Chamber / Main Street volunteers for their hard work as well.

**APPOINTMENTS, PROCLAMATIONS, RECOGNITIONS, & NOMINATIONS:** None.

**CONSENT AGENDA:**

1. Approved December 1, 2025, Regular Meeting Minutes.
2. Approved December 15, 2025, Accounts Payable.

Commissioner Boltz moved, and Commissioner Rowland seconded to approve the Consent Agenda as presented. Motion carried 5-0.

**OLD BUSINESS:** None.

**NEW BUSINESS:**

1. Approve Job Creation agreement and Hiring and Training Plan with KMW, Ltd. for the Community Development Black Grant (CDBG) Economic Development program.

This item was removed from the agenda in C. Approval of the Agenda

2. Approve Change Order #4 to the construction contract for the KMW expansion wastewater improvement project, cost \$6,286.

City Manager Hutcheson shared that on March 28, 2024, a development agreement for the construction of a new manufacturing and headquarters facility operated by KMW in Sterling was signed between the City, KMW, Ltd. and Rice County. The agreement outlines the City's obligations to construct various public



**NEW BUSINESS (cont.):**

infrastructure improvements, including wastewater improvements. On March 3, 2025, a contract with BG Consultants for engineering design services for the KMW expansion water and wastewater improvement projects were approved. On August 18, APAC was awarded the construction contract for the wastewater improvement project. Construction on the wastewater improvement project began on October 16, and the current estimated completion time is March 1, 2026.

Hutcheson explained that to date, three change orders totaling \$4,972 have been approved for the wastewater improvement project. As established in Section IV-O of the City's Financial Policies, the City Manager has the authority to approve change orders with a cost up to \$4,999. Change orders with a cost of \$5,000 or more are subject to approval by the City Commission.

Hutcheson discussed the additional work proposed in Change Order #4, which consists of an approximately 260-foot directional drill to install the force main line behind the Gleason Physical Education Center on the Sterling College campus. During construction, APAC crews discovered an unmarked private storm drain behind the building which interferes with the planned location of the force main. The force main cannot be shifted further west because this would place it too close to an existing water line, and it cannot be shifted to the east because it would be located underneath an existing sidewalk. Therefore, the solution proposed by BG Consultants and endorsed by APAC is to install the force main below the storm drain via directional drilling. BG Consultants, APAC, and the City are all signatories to the fully executed change order.

Hutcheson recommended the City Commission approve Change Order #4 to the construction contract for the KMW expansion wastewater improvement project for a cost of \$6,286.

Commissioner Rowland moved, and Commissioner Bundy seconded to approve Change Order #4 to the construction contract for the KMW expansion wastewater improvement project, cost \$6,286.0. Motion carried 5-0.

Commissioner Jones moved, and Commissioner Bundy seconded to increase the City Manager's spending authority to \$9,999 for change orders. Motion carried 5-0

3. Approve ordinance adopting the 2025 Uniform Public Offense Code (UPOC) for Kansas Cities.

City Manager Hutcheson shared that the Uniform Public Offense Code (UPOC) for Kansas Cities provides municipalities in the state with a comprehensive public offense ordinance that largely matches the state criminal code. To be established in a city, the UPOC must be adopted through an ordinance of the governing body. The 2025 UPOC, which is available upon request, contains one substantive change from the prior year's edition as summarized in a publication from the League of Kansas Municipalities (LKM), that was included in the agenda packet. Section 6.7.2 Trespassing on a Critical Infrastructure Facility contains an expanded list of the types of structures defined as critical infrastructure facilities.

**NEW BUSINESS (cont.):**

The ordinance incorporates the 2025 UPOC by reference into the City Code and repeals the ordinance approved in 2024 incorporating that year's edition of the UPOC.

A small fee will be incurred for publishing the ordinance. The UPOC establishes the definitions and conditions of certain criminal acts and the legal boundaries within which investigating and prosecuting officers may act.

Hutcheson recommended that the City Commission approve the ordinance adopting the 2025 UPOC for Kansas Cities.

Commissioner Jones moved, and Commissioner Boltz seconded to approve ordinance adopting the 2025 UPOC for Kansas Cities. Motion carried 5-0.

4. Approve ordinance adopting the 2025 Standard Traffic Ordinance (STO) for Kansas Cities.

City Manager Hutcheson shared that the Standard Traffic Ordinance (STO) for Kansas Cities provides municipalities in the state with a comprehensive traffic code that largely matches the state traffic act. To be established in a city, the STO must be adopted through an ordinance of the governing body. The 2025 STO contains a few changes from the prior years' edition, which are summarized in the publication from the League of Kansas Municipalities (LKM) which was included in the agenda packet. Section 40.3 Passing a Stationary Vehicle Displaying Hazard or Caution Signals is a newly added section that directs motorists approaching a stopped vehicle that is displaying hazard signals to move into the next traffic lane if possible or at least decrease to a safe speed when passing the stopped vehicle.

Section 114.5 Unlawful Operation of a Work-Site Utility Vehicle contains a correction to an erroneous mention of all-terrain vehicles (ATVs) when the proper type of vehicles which should have been mentioned were work-site utility vehicles, also known as utility terrain vehicles (UTVs) or side-by-sides (SxS).

Section 201.1 Failure to Comply with a Traffic Citation has been removed, as the law which formed the basis of the regulation expired on December 31, 2024. This section has in effect been replaced with Section 201.2 Failure to Comply with a Traffic Citation.

The ordinance incorporates the 2025 STO by reference into the City Code and repeals the ordinance approved in 2024 incorporating that year's edition of the STO. In addition, the ordinance establishes dollar ranges amounts for fines for traffic offenses. A small publication fee will be incurred for the ordinance. The STO established the definitions and conditions of certain traffic violations and the boundaries within which investigating and prosecuting officers may act.

Hutcheson recommended that the City Commission approve the ordinance adopting the 2025 STO for Kansas Cities.

Commissioner Boltz moved, and Commissioner Bundy seconded to approve ordinance adopting the 2025 STO for Kansas Cities. Motion carried 5-0.

**NEW BUSINESS (cont.):**

5. Approve engagement letter with Loyd Group for Fiscal Year 2025 financial audit services, cost not to exceed \$19,300.

City Manager Hutcheson shared that per the provisions of Kansas Statutes Annotated (KSA) 75-122, KSA 10-1208 and KSA 12-866, qualifying municipalities in Kansas are required to complete financial audits annually. Each year the City Clerk facilitates the annual audit of the City's financial activity. Financial statements, payables, and budget forms are organized to provide the auditing firm with the necessary materials to compile the report. The audit is presented in the form of a financial statement for all budgeted, and some unbudgeted City funds; and a letter from the auditor communicating the audit findings.

For the past four years, the City has engaged the Loyd Group to perform the annual financial audit and prepare the City's financial statement. The Loyd Group is headquartered in Galva, Kansas and specializes in providing accounting services to local governments. City staff recommend retaining the Loyd Group to conduct the City's financial audit for Fiscal Year 2025. The engagement letter, included in the agenda packet, serves as the agreement between the City and the firm for financial audit services. These services will include an assessment of the City's financial statement for any material misstatements, the identification of any significant deficiencies or material weaknesses in the system of internal control, a study of the suitability of accounting policies, and a decision on whether there are significant reservations about the financial stability of the City. The deliverables produced by the Loyd Group at the conclusion of the audit include a financial statement summarizing the revenue and expenditure activity in all City funds for the fiscal year, and an audit letter identifying any material misstatements, significant deficiencies or material weaknesses. The firm will begin their financial audit after the fiscal year ends on December 31 and provide the deliverables no later than June 30.

The Loyd Group's fee for financial audit services is not to exceed \$19,300. The actual cost will be billed at a standard hourly rate plus out-of-pocket costs. Over the last three years, the annual cost of the financial audit through Loyd Group has been \$19,300 each year. Therefore, there is no increase in the cost of these services anticipated this year. The engagement letter serves as an agreement to procure financial audit services for the costs outlined in the letter.

Hutcheson recommended the City Commission approve the engagement letter with Loyd Group for Fiscal Year 2025 financial audit services.

Commissioner Rowland moved, and Commissioner Jones seconded to approve the engagement letter with Loyd Group for Fiscal Year 2025 financial audit services, cost not to exceed \$19,300. Motion carried 5-0.

6. Approve retainer agreement with Bush, Bush & Shanelec for legal services, cost \$24,000.

**NEW BUSINESS (cont.):**

City Manager Hutcheson explained that all municipal governments must retain the legal counsel of a city attorney, whether internally through municipal employment or externally through a contractual arrangement. The City has traditionally contracted with the legal firm Bush, Bush & Shanelec for legal services, and Granville Bush IV has personally served as City Attorney for many years.

The retainer letter, included in the agenda packet, includes the terms of contracting with Bush, Bush & Shanelec for legal services for 2026. Legal services are provided on retainer, meaning that the City is charged a flat cost, billed monthly, for all legal counsel provided by the firm. The letter proposes a \$1,200 increase in the annual cost of procuring these services, for an annual total of \$24,000. All other terms of the retainer agreement remain the same. Bush will continue to serve as the primary City Attorney, but the City has access to all other attorneys employed by the firm in the absence of Mr. Bush.

Hutcheson recommended the City Commission approve the retainer agreement with Bush, Bush & Shanelec for legal services, cost \$24,000.

Commissioner Jones moved, and Commissioner Rowland seconded to approve retainer agreement with Bush, Bush & Shanelec for legal services, cost \$24,000. Motion carried 5-0.

**CITY MANAGER'S REPORT:**

City Manager Hutcheson presented an update on the KMW expansion infrastructure projects beginning with the roadway improvement project. The contractor plans have the concrete pour complete with an anticipation date of December 22. The anticipated field check will be the following week.

Hutcheson continued with an update on the wastewater improvement project. During the week of November 16, APAC crews installed the force main within 200 feet of the tie-in location on W. Washington Ave. Since the lift station was delivered, crews will prioritize installing and testing it before it's fully submerged. This will take precedence over the completion of the force main.

Hutcheson shared an update regarding the online Payment System Network (PSN) third party vendor used to receive payments. The system has been inactive for several weeks after a hardware failure and utility customers have been unable to make online payments. City staff have been working to apply a temporary solution which will restore some level of online payment functionality until a more permanent resolution to the issue can be implemented. The temporary solution will likely require customers to manually enter the billing and account information from their bill into a payment page, and the temporary system will not automatically populate information from PSN into the City's financial system. Hutcheson encouraged customers to sign up for automatic bank ACH billing, recommending it as the most convenient payment method.

Hutcheson announced that the Municipal Pool Steering Committee met on December 9, and discussed a new/updated pool with a representative from Carrothers

**CITY MANAGER'S REPORT (cont.):**

Construction, a design-build company that specializes in municipal aquatic facilities in smaller cities. Mayor Inwood shared that he toured the current pool with the representative from Carrothers to provide a better perspective of what might be possible at the site. Commissioner Bundy asked if the Steering Committee has requested bids from other companies, as he is aware that there is an interest in the project from business within the area. Hutcheson shared that the discussion with Carrothers was preliminary, and that design and construction contracts for a new/updated pool would be competitively bid. Hutcheson also mentioned that the Steering Committee welcomed a member of the lifeguard staff to the December 9 meeting and hopes to include them in all future meetings.

Lastly, Hutcheson reminded those present that the meeting time for Regular Meetings of the City Commission has changed to 6:00pm effective January 1, 2026.

**GOVERNING BODY COMMENTS:** None.

**EXECUTIVE SESSION:**

1. Enter executive session to include City Attorney Scott Bush and City Manager Ian Hutcheson for consultation with an attorney for the public body or agency, which would be deemed privileged in the attorney-client relationship per KSA 75-4319. No Action to follow.

Commissioner Rowland moved, and Commissioner Bundy seconded to enter executive session, at 7:30pm for 30 minutes and return at 8:00pm, to include City Attorney Bush and City Manager Hutcheson for consultation with an attorney for the public body or agency, which would be deemed privileged in the attorney-client relationship per KSA 75-4319. No Action to follow. Motion carried 5-0.

Returned to open session at 8:00pm.

2. Enter executive session to include City Attorney Scott Bush to discuss personnel matters of nonelected personnel per KSA 75-4319. No action to follow.

Commissioner Bundy moved, and Commissioner Jones seconded to enter executive session, at 8:01pm for 15 minutes and return at 8:16pm, to include City Attorney Bush to discuss personnel matters of nonelected personnel per KSA 75-4319. No Action to follow. Motion carried 5-0.

Returned to open session at 8:16pm.

3. Enter executive session to include City Attorney Scott Bush and City Manager Ian Hutcheson to discuss personnel matters of nonelected personnel per KSA 75-4319. Action to follow.

Commissioner Rowland moved, and Commissioner Jones seconded to enter executive session, at 8:16pm for 30 minutes and return at 8:46pm, to include City Attorney Bush and City Manager Hutcheson to discuss personnel matters of nonelected personnel per KSA 75-4319. Action to follow. Motion carried 5-0.

**EXECUTIVE SESSION (cont.):**

Returned to open session at 8:43pm.

No action was taken.

**ADJOURNMENT:** There being no further business to come before the Commission, it was moved by Commissioner Rowland and seconded by Commissioner Jones to adjourn. The motion carried 5-0.

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Brian Inwood, Mayor

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Todd Rowland, Vice Mayor

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Clint Bundy, Commissioner

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Richard L. Jones, Jr., Commissioner

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Bob Boltz, Commissioner

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Jessi Dobson, City Clerk

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST	GL ACCOUNT	CK SQ
FIRST BANK								
1323 ANSWER PRO, LLC								
56550-122025	1	12/31/25	12/20/25	BASE RATE 11/22-12/19 36.68MIN	141.75	03	03-60-5399	1
				INVOICE TOTAL	141.75			
				VENDOR TOTAL	141.75			
579 BLACK HILLS ENERGY								
12/19/25 STMT DISPL	1	12/31/25	12/19/25	DEC ENERGY 11/18-12/18/2025 PL	149.27	18	18-41-5361	1
				INVOICE TOTAL	149.27			
12/22/2025 PP	1	12/31/25	12/22/25	DEC ENERGY 10/31-12/1/2025 G4G	353.72	03	03-50-5336	1
				INVOICE TOTAL	353.72			
				VENDOR TOTAL	502.99			
21 BOLEN OFFICE SUPPLY, INC								
159299	1	12/31/25	12/04/25	OFF SUPP: RETURN 1 PD CALENDAR	20.66-	01	01-01-5299	1
				INVOICE TOTAL	20.66-			
159305	1	12/31/25	12/04/25	OFFSUPP: #10 WINDOW ENVELOPES	66.93	01	01-00-5201	1
	2			OFFICE PAPER 2 CASES	129.00	01	01-00-5201	1
	3			OFF SUPP: 3*3 STKYNOTES YEL	6.24	01	01-00-5201	1
				INVOICE TOTAL	202.17			
159540	1	12/31/25	12/01/25	PET LICENSE RECEIPT BOOKS	122.85	01	01-00-5299	1
				INVOICE TOTAL	122.85			
159677	1	12/31/25	12/16/25	OFFSUPP: SM & LG BINDER CLIPS	14.08	01	01-00-5201	1
				INVOICE TOTAL	14.08			
159843	1	12/31/25	12/16/25	POLICE COPIER CONTRACT	40.00	01	01-01-5399	1
	2			ADMIN COPIER CONTRACT	164.86	01	01-00-5399	1
				INVOICE TOTAL	204.86			
				VENDOR TOTAL	523.30			
1121 BORDER STATES INDUSTRIES, INC								
931692556	1	12/31/25	12/22/25	TOOLS:SEARCH LIGHT/BATTERY	465.73	03	03-60-5219	1
				INVOICE TOTAL	465.73			
				VENDOR TOTAL	465.73			
380 CITY OF STERLING - CEMETERY								
12/2025 CEM TAX DIST	1	12/31/25	12/31/25	PMT 2 STERLING CEMETERY DEC'25	2,855.18	15	15-00-5509	1
				INVOICE TOTAL	2,855.18			
				VENDOR TOTAL	2,855.18			
951 CINTAS CORPORATION								
5310268803	1	12/31/25	12/30/25	FIRST AID SUPPLIES- ADMIN	68.00	01	01-00-5399	1
	2			FIRST AID SUPPLIES- PD	57.22	01	01-01-5399	1
	3			FIRST AID SUPPLIES- PW	53.05	02	02-60-5399	1
	4			FIRST AID SUPPLIES- EL DIST	53.05	03	03-60-5399	1

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
INVOICE TOTAL					231.32		
VENDOR TOTAL					231.32		
Y278189	1	12/31/25	12/17/25	1044 CORE & MAIN LP SWIRRRPROJ:NIP/BALL/GRIPRNG/GAU	2,567.14	18 18-40-5492	1
INVOICE TOTAL					2,567.14		
Y280713	1	12/31/25	12/22/25	SW IRR PROJ:12PVC C900 DR18PIP	1,003.40	18 18-40-5492	1
INVOICE TOTAL					1,003.40		
VENDOR TOTAL					3,570.54		
661 DEC 2025	1	12/31/25	12/22/25	136 CULLIGAN OF SOUTH CENTRAL KS DEC PP ENG RO/5GAL 12/23-01/27	23.33	03 03-50-5315	1
INVOICE TOTAL					23.33		
DEC RO RENTAL 2025	1	12/31/25	12/22/25	DEC RO RENTAL 12/23-01/27	23.87	03 03-50-5315	1
INVOICE TOTAL					23.87		
VENDOR TOTAL					47.20		
6215920-000	1	12/31/25	12/16/25	1217 EQUIPMENTSHARE.COM INC. SKID STEER ATTACHMENT CASECOUP	83.11	19 19-00-5211	1
INVOICE TOTAL					83.11		
VENDOR TOTAL					83.11		
12/30/2025 NO STMT	1	12/31/25	12/30/25	29 CENTRAL PRAIRIE CO-OP SALT TRK: QWICKLIFT 30/2.5GAL	613.90	19 19-00-5211	1
	2			CREDIT FOR VEH GAS TAXES	68.81-	01 01-15-5205	1
	3			CREDIT FOR VEH DIESEL TAXES	60.99-	03 03-60-5205	1
	4			VEHICLE GAS FOR F-550	38.68	19 19-00-5205	1
	5			EQUIP EXP: DUMP TRUCK WIPER BL	29.50	19 19-00-5211	1
	6			VEHICLE GAS FOR F-450	72.81	19 19-00-5205	1
	7			DIESEL FOR SM BKT TRK	74.68	03 03-60-5205	1
	8			VEHICLE GAS FOR F-350	27.28	02 02-60-5205	1
	9			VEHICLE GAS FOR F-250 JWAG	62.97	03 03-60-5205	1
	10			DIESEL FOR VAC TRUCK	73.69	19 19-00-5205	1
	11			DIESEL FOR BACKHOE	79.85	19 19-00-5205	1
	12			VEHICLE GAS FOR F-550	42.97	19 19-00-5205	1
	13			DIESEL FOR SM BKT TRK	50.75	03 03-60-5205	1
	14			VEHICLE GAS FOR F-250	69.60	19 19-00-5205	1
	15			VEHICLE GAS FOR F-350	13.60	02 02-60-5205	1
	16			DIESEL FOR PAYLOADER	134.55	19 19-00-5205	1
	17			VEHICLE GAS FOR F-250 JEFF	64.56	19 19-00-5205	1
	18			DIESEL FOR INT DUMP TRK	106.70	19 19-00-5205	1
	19			VEHICLE GAS FOR F-550	37.67	19 19-00-5205	1
	20			VEHEXP: WINDSHIELD WASHER SOLV	4.75	19 19-00-5207	1
	21			VEHICLE GAS JW	66.94	19 19-00-5205	1
	22			DIESEL FOR SKID STEER	76.92	19 19-00-5205	1
	23			DIESEL FOR SM BKT TRK	74.15	03 03-60-5205	1
	24			ATF DM-QT FOR DUMP TRK F-550	5.83	19 19-00-5205	1
	25			VEHICLE GAS FOR F-350 SERV TRK	16.36	02 02-60-5205	1



## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
	26			VEHICLE GAS FOR F-550	45.70	19 19-00-5205	1
	27			GAS FOR CANS	55.11	01 01-15-5205	1
	28			VEHICLE GAS FOR F-350 SERV TRK	18.10	02 02-60-5205	1
	29			VEHICLE GAS FOR F-250 JEFF	71.75	19 19-00-5205	1
	30			SUPPLIES: GLOVES 811 ECONOMY	16.85	19 19-00-5299	1
				INVOICE TOTAL	1,916.42		
				VENDOR TOTAL	1,916.42		
2024 PCORI FEE	1	12/31/25	7/31/25	146 CITY OF STERLING-IRS FORM720 21EMPLOYEES PCORI FEES	68.00	01 01-00-5399 E-PAYMNT 3140309 12/30/25	1
				INVOICE TOTAL	68.00		
				VENDOR TOTAL	68.00		
1319	1	12/31/25	12/30/25	1459 GLT SERVICES TREE REMOVAL	1,820.00	03 03-60-5314	1
				INVOICE TOTAL	1,820.00		
				VENDOR TOTAL	1,820.00		
CASE 2025-00001	1	12/31/25	12/16/25	1499 GREG DALE BRATCHER RESTITUTION 2025-00001	600.00	01 01-00-5307	1
				INVOICE TOTAL	600.00		
				VENDOR TOTAL	600.00		
12/30/2025 STMT	1	12/31/25	12/30/25	31 HOME LUMBER & SUPPLY CO. OP SUPP:2" GLV STL TEST PLG	5.99	02 02-60-5223	1
	2			FULLER ED LEFT STATION HEATER	27.99	18 18-40-5223	1
	3			TOOLS: WOOD OMT BLADE	17.99	03 03-60-5219	1
	4			14.10Z PROPANE CYLINDER	5.99	19 19-00-5299	1
	5			3 CITY LIMIT SIGNS YEL PINE	34.68	19 19-00-5299	1
	6			WATER WELL COUPLING/NIPPLE	8.28	02 02-60-5299	1
	7			GALV NIPPLE/COUPLING/PIPE NIPP	22.13	02 02-60-5299	1
	8			50# FAST CONCRETE MIX	9.29	19 19-00-5299	1
	9			CI: NYL YEL LINE- HANG REDTAGS	12.99	02 02-60-5223	1
				INVOICE TOTAL	145.33		
				VENDOR TOTAL	145.33		
10544	1	12/31/25	12/12/25	1290 HOOD CONSTRUCTION, LLC 50/50 SIDEWALK W.TELLER PMT	2,085.00	19 19-00-5399	1
	2			50/50 SIDEWALK W.TELLER GRANTS	2,085.00	40 40-00-4663	1
				INVOICE TOTAL	4,170.00		
				VENDOR TOTAL	4,170.00		
22426	1	12/31/25	12/22/25	1081 INA ALERT, INC. 6 MONTH AGMT FOR CAMERAS	90.00	01 01-00-5399	1
	2			6 MONTH AGMT FOR CAMERAS	90.00	03 03-70-5399	1
	3			6 MONTH AGMT FOR CAMERAS	90.00	18 18-42-5399	1
	4			6 MONTH AGMT FOR CAMERAS	90.00	19 19-00-5399	1

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST	GL ACCOUNT	CK SQ
INVOICE TOTAL					360.00			
VENDOR TOTAL					360.00			
32 ELAN FINANCIAL SERVICES								
12/31/2025 NO STMT	1	12/31/25	12/31/25	KACM MEMBERSHIP RENEWAL (CG)	50.00	01	01-01-5310 E-PAYMNT 3140312 12/30/25	1
	2			DRIVEKS TOL FEES TRAINING (RA)	2.64	01	01-01-5399 E-PAYMNT 3140312 12/30/25	1
	3			DRIVEKS TOL FEES TRAINING (RA)	.28	01	01-01-5399 E-PAYMNT 3140312 12/30/25	1
	4			W2'S AND 1099'S	87.35	01	01-00-5399 E-PAYMNT 3140312 12/30/25	1
	5			W2'S AND 1099'S	87.35	02	02-70-5399 E-PAYMNT 3140312 12/30/25	1
	6			W2'S AND 1099'S	87.35	03	03-70-5399 E-PAYMNT 3140312 12/30/25	1
	7			W2'S AND 1099'S	87.35	18	18-42-5399 E-PAYMNT 3140312 12/30/25	1
	8			W2'S AND 1099'S	87.40	19	19-00-5399 E-PAYMNT 3140312 12/30/25	1
	9			W2'S AND 1099'S	87.35	16	16-00-5399 E-PAYMNT 3140312 12/30/25	1
	10			ADOBE MEMBERSHIP DEC (IH)	21.69	01	01-00-5399 E-PAYMNT 3140312 12/30/25	1
INVOICE TOTAL					598.76			
VENDOR TOTAL					598.76			
625 KANSASLAND TIRE OF HAYS, KS								
39280	1	12/31/25	12/19/25	4 NEW TIRES FOR CHIEF DURANGO	656.00	01	01-01-5207	1
INVOICE TOTAL					656.00			
VENDOR TOTAL					656.00			
1170 KDOR-MISCELLANEOUS TAX SECTION								
DEC COMP TAX 2025	1	12/31/25	12/31/25	DEC COMP USE TAX	328.91	03	03-70-5502	1
INVOICE TOTAL					328.91			
NOV 2025 SALES TAX	1	12/31/25	12/26/25	NOV 2025 SALES TAX	7,884.30	03	03-70-5501 E-PAYMNT 3140311 12/31/25	1
INVOICE TOTAL					7,884.30			
OCT 2025 SALES TAX	1	12/31/25	11/25/25	OCT SALES TAX 2025	8,795.41	03	03-70-5501 E-PAYMNT 3140310 12/31/25	1
INVOICE TOTAL					8,795.41			
VENDOR TOTAL					17,008.62			
138 KROGER - DILLONS CUSTOMER								
011542	1	12/31/25	12/29/25	SUPPLIES: WATER (RD)	30.50	03	03-60-5299	1
INVOICE TOTAL					30.50			
087448	1	12/31/25	12/19/25	SUPPLIES:CHRISTMAS2025 GC/CNDY	394.96	03	03-70-5299	1

SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
INVOICE TOTAL					394.96		
VENDOR TOTAL					425.46		
W5005350	1	12/31/25	12/29/25	977 MERIDIAN ANALYTICAL LABS, LLC WASTEWATER SAMPLES	269.35	18 18-42-5399	1
INVOICE TOTAL					269.35		
VENDOR TOTAL					269.35		
S02218159	1	12/31/25	12/11/25	1481 MES SERVICE COMPANY LLC 4SCBA MASK BAGSW/FLEECE LINING	102.74	34 34-00-5499	1
INVOICE TOTAL					102.74		
VENDOR TOTAL					102.74		
12/31/2025 STMT	1	12/31/25	12/31/25	41 CITY OF STERLING-PETTY CASHBOX REIMBURSE DG XMAS LIGHTS (JD)	13.02	01 01-00-5299	1
	2			TRAINING BFEST SPLITX3 (JD)	9.52	18 18-41-5311	1
	3			TRAINING BFEST SPLITX3 (JD)	9.52	03 03-60-5311	1
	4			TRAINING BFEST SPLITX3 (JD)	9.52	03 03-50-5311	1
	5			CAR WASH (RT)	8.00	01 01-01-5207	1
	6			WATER SAMPLE (JW)	7.85	02 02-50-5399	1
	7			WATER SAMPLE (JW)	7.85	02 02-50-5399	1
	8			AMT TO BALANCE BOX	.25	01 01-00-5299	1
INVOICE TOTAL					65.53		
VENDOR TOTAL					65.53		
12/31/2025 STMT	1	12/31/25	12/31/25	42 CITY OF STERLING-PETTYCASHFUND POSTMASTER:MAIL CI 5 VIOL LTRS	52.40	01 01-00-5299	1
	2			POSTMASTER:MAIL COURT LETTER	10.48	01 01-01-5304	1
	3			DECK CITYHALL CB DONATE CH1012	120.00	01 01-01-5399	1
	4			DECK CITYHALL CB PURCH FOOD	120.00	01 01-01-5399	1
	5			POSTMASTER:MAIL CI 2 VIOL LTRS	21.25	01 01-00-5299	1
	6			STERLING BOWL: XMAS PARTY	80.80	01 01-00-5399	1
	7			STERLING BOWL: XMAS PARTY	80.80	01 01-01-5399	1
	8			STERLING BOWL: XMAS PARTY	80.80	02 02-70-5399	1
	9			STERLING BOWL: XMAS PARTY	80.80	03 03-60-5399	1
	10			STERLING BOWL: XMAS PARTY	80.80	03 03-50-5399	1
	11			CEMETERY PURCH LOT XFER\$ 2 BOP	871.00	16 16-00-5299	1
	12			ROD:DEM DEED LOT 1023H SALZ	21.00	16 16-00-5299	1
	13			REIMB:KDOA PEST.CERT RENW (JW)	50.00	01 01-12-5299	1
INVOICE TOTAL					1,430.13		
VENDOR TOTAL					1,430.13		
6026341-00	1	12/31/25	12/19/25	5 STANION WHOLESALE ELEC CO INC OP SUPP: ULTI PORT BAR	216.99	03 03-60-5223	1
INVOICE TOTAL					216.99		
6026348-00	1	12/31/25	12/19/25	OP SUPP: 2PVC SCH40 COND 10FT	115.55	03 03-60-5223	1
	2			BRDWW STLIGHT RPLCWIRE BLK/GRN	1,078.90	19 19-00-5299	1
INVOICE TOTAL					1,194.45		



## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST	GL ACCOUNT	CK SQ
6026348-01	1	12/31/25	12/19/25	BRDWY RPLCWIRE STLIGHT DAM-BLU	539.45	19	19-00-5299	1
				INVOICE TOTAL	539.45			
6026348-02	1	12/31/25	12/19/25	BRDWY RPLCWIRE STLIGHT DAM-WHI	539.45	19	19-00-5299	1
				INVOICE TOTAL	539.45			
				VENDOR TOTAL	2,490.34			
				177 STERLING PUBLIC LIBRARY				
12/31/25 TAX DIST	1	12/31/25	12/31/25	PMT 2 LIBRARY TREASURER DEC'25	2,569.47	10	10-00-5359	1
				INVOICE TOTAL	2,569.47			
				VENDOR TOTAL	2,569.47			
				746 SUPERIOR SAND & GRAVEL				
12023	1	12/31/25	12/22/25	9.5 TONS AB 3	266.00	19	19-00-5215	1
	2			30.89 TONS ROAD GRAVEL	247.12	19	19-00-5215	1
	3			2 LOADING FEE	30.00	19	19-00-5215	1
				INVOICE TOTAL	543.12			
				VENDOR TOTAL	543.12			
				629 VERIZON WIRELESS				
6131281672	1	12/31/25	12/17/25	PD WIRELESS 11/18-12/17/2025	80.02	01	01-01-5399	1
				INVOICE TOTAL	80.02			
				VENDOR TOTAL	80.02			
				1210 VOGTS-PARGA CONSTRUCTION, LLC				
ESTIMATE #3	1	12/31/25	12/31/25	11/21-12/19/2025 KMW RW PMT#3	243,149.07	44	44-19-5399	1
				INVOICE TOTAL	243,149.07			
				VENDOR TOTAL	243,149.07			
				1022 WAGEWORKS				
INV8551606	1	12/31/25	12/23/25	HS-FSA DEC 2025	15.43	01	01-00-5399	1
	2			HS-FSA DEC 2025	15.43	01	01-01-5399	1
	3			HS-FSA DEC 2025	15.43	02	02-60-5399	1
	4			HS-FSA DEC 2025	15.45	02	02-70-5399	1
	5			HS-FSA DEC 2025	15.45	03	03-50-5399	1
	6			HS-FSA DEC 2025	15.45	03	03-60-5399	1
	7			HS-FSA DEC 2025	15.43	16	16-00-5399	1
	8			HS-FSA DEC 2025	15.43	18	18-42-5399	1
				INVOICE TOTAL	123.50			
				VENDOR TOTAL	123.50			
				FIRST BANK TOTAL	287,012.98			
				TOTAL MANUAL CHECKS	.00			
				TOTAL E-PAYMENTS	17,346.47			
				TOTAL PURCH CARDS	.00			

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
TOTAL ACH PAYMENTS					.00		
TOTAL OPEN PAYMENTS					269,666.51		
GRAND TOTALS					287,012.98		

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL	ACCOUNT	CK SQ
FIRST BANK								
1330 AD ASTRÀ PER ASPERA								
471-00265-0003	1	1/05/26	12/31/25	ADVERTIS FM-KNZS,KSKU,KWHK,KXK	400.00	03	03-70-5399	1
				INVOICE TOTAL	400.00			
				VENDOR TOTAL	400.00			
23 BUSH, BUSH & SHANELEC								
1-2026	1	1/05/26	1/02/26	JAN 2026 LEGAL FEES	2,000.00	01	01-00-5370	1
				INVOICE TOTAL	2,000.00			
				VENDOR TOTAL	2,000.00			
881 CITY OF STERLING-DEPT OF REV.								
1/2026	1	1/05/26	1/01/26	POLICE DEPT GUN RANGE	25.00	01	01-01-5399	1
	2			NORTH WELL	50.37	02	02-50-5328	1
	3			SOUTH WELL	148.65	02	02-50-5328	1
	4			COOLING TOWER-OUTSIDE	26.25	03	03-50-5357	1
	5			FRONT PARK SPRINKLERS	26.83	03	03-50-5357	1
	6			SEWAGE DISPOSAL PLANT	548.98	18	18-41-5361	1
	7			SEWAGE DISPOSAL PLANT	32.71	18	18-41-5361	1
	8			RICE COUNTY EMS	116.97	31	31-00-5399	1
				INVOICE TOTAL	975.76			
				VENDOR TOTAL	975.76			
26 CITY OF STERLING - LIGHT								
JAN-26	1	1/05/26	1/02/26	GAS FOR SWEEPER	365.47	19	19-00-5205	1
				INVOICE TOTAL	365.47			
				VENDOR TOTAL	365.47			
1348 DEARDOFF CONSULTING LLC								
#4	1	1/05/26	12/19/25	KMW CONSULTING (JUN-DEC25)16HR	1,200.00	44	44-00-5399	1
	2			KMW CONSULTING (MAR 2025) 15HR	1,125.00	44	44-00-5399	1
				INVOICE TOTAL	2,325.00			
				VENDOR TOTAL	2,325.00			
1197 FREEDOM CLAIMS MANAGEMENT, INC								
911278-202601	1	1/05/26	12/12/25	FCMI HEALTH INSURANCE	310.68	0104	01-01-5130	1
							E-PAYMNT 3140313 1/05/26	
	2			FCMI HEALTH INSURANCE	310.68	0104	01-01-5130	1
							E-PAYMNT 3140313 1/05/26	
	3			FCMI HEALTH INSURANCE	304.18	0104	01-01-5130	1
							E-PAYMNT 3140313 1/05/26	
	4			FCMI HEALTH INSURANCE	310.68	0304	03-50-5130	1
							E-PAYMNT 3140313 1/05/26	
	5			FCMI HEALTH INSURANCE	243.35	02	02-70-5130	1
							E-PAYMNT 3140313 1/05/26	
	6			FCMI HEALTH INSURANCE	121.67	0304	03-60-5130	1
							E-PAYMNT 3140313 1/05/26	
	7			FCMI HEALTH INSURANCE	219.43	18	18-42-5130	1
							E-PAYMNT 3140313 1/05/26	

## SCHEDULED CLAIMS LIST

INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL	ACCOUNT	CK SQ
	8			FCMI HEALTH INSURANCE	219.43	0304	03-60-5130	1
							E-PAYMNT 3140313 1/05/26	
	9			FCMI HEALTH INSURANCE	121.67	0104	01-01-5130	1
							E-PAYMNT 3140313 1/05/26	
	10			FCMI HEALTH INSURANCE	304.18	0204	02-60-5130	1
							E-PAYMNT 3140313 1/05/26	
	11			FCMI HEALTH INSURANCE	304.18	0304	03-50-5130	1
							E-PAYMNT 3140313 1/05/26	
	12			FCMI HEALTH INSURANCE	124.67	1804	18-41-5130	1
							E-PAYMNT 3140313 1/05/26	
	13			FCMI HEALTH INSURANCE	243.35	0304	03-50-5130	1
							E-PAYMNT 3140313 1/05/26	
	14			FCMI HEALTH INSURANCE	249.85	0104	01-00-5130	1
							E-PAYMNT 3140313 1/05/26	
	15			FCMI HEALTH INSURANCE	121.67	0104	01-01-5130	1
							E-PAYMNT 3140313 1/05/26	
	16			FCMI HEALTH INSURANCE	121.67	0104	01-01-5130	1
							E-PAYMNT 3140313 1/05/26	
	17			FCMI HEALTH INSURANCE	249.85	0304	03-60-5130	1
							E-PAYMNT 3140313 1/05/26	
	18			FCMI HEALTH INSURANCE	249.85	19	19-00-5130	1
							E-PAYMNT 3140313 1/05/26	
	19			FCMI HEALTH INSURANCE	212.93	0304	03-50-5130	1
							E-PAYMNT 3140313 1/05/26	
	20			FCMI HEALTH INSURANCE	121.67	03	03-70-5130	1
							E-PAYMNT 3140313 1/05/26	
				INVOICE TOTAL	4,465.64			
				VENDOR TOTAL	4,465.64			
				31 HOME LUMBER & SUPPLY CO.				
12/30/2025 STMTFINAL	1	1/05/26	1/01/26	SUPPLIES: BARRIER TAPE	13.99	01	01-11-5299	1
				INVOICE TOTAL	13.99			
				VENDOR TOTAL	13.99			
				1305 IMAGINE IT, INC.				
31200855	1	1/05/26	1/01/26	MONTHLY BILLING JAN26-AGMT MA	3,269.30	03	03-70-5399	1
				INVOICE TOTAL	3,269.30			
				31201078				
	1	1/05/26	1/01/26	MO JAN BILL AGMT MICROSOFT LIC	502.80	03	03-70-5399	1
				INVOICE TOTAL	502.80			
				VENDOR TOTAL	3,772.10			
				911 KMIT				
13-3854	1	1/05/26	12/01/25	WORK COMP.PREMIUM FOR 2026	2,789.10	19	19-00-5121	1
	2			WORK COMP.PREMIUM FOR 2026	1,826.10	02	02-60-5121	1
	3			WORK COMP.PREMIUM FOR 2026	1,840.95	03	03-50-5121	1
	4			WORK COMP.PREMIUM FOR 2026	1,840.95	03	03-60-5121	1
	5			WORK COMP.PREMIUM FOR 2026	1,496.70	18	18-41-5121	1
	6			WORK COMP.PREMIUM FOR 2026	264.60	01	01-11-5299	1
	7			WORK COMP.PREMIUM FOR 2026	7,186.50	01	01-01-5121	1
	8			WORK COMP.PREMIUM FOR 2026	275.40	01	01-00-5121	1



INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL	ACCOUNT	CK SQ
	9			WORK COMP.PREMIUM FOR 2026	3.60	01.	01-00-5121	1
	10			WORK COMP.PREMIUM FOR 2026	478.80	01	01-15-5299	1
	11			WORK COMP.PREMIUM FOR 2026	775.80	01	01-17-5299	1
	12			WORK COMP.PREMIUM FOR 2026	1,953.00	16	16-00-5121	1
	13			WORKCOMP.PREMFOR 2026 DISCOUNT	421.50-	01	01-00-5121	1
				INVOICE TOTAL	20,310.00			
				VENDOR TOTAL	20,310.00			
				4 KANSAS MUNICIPAL UTILITIES				
20621	1	1/05/26	1/01/26	2026 KMU MEMBERSHIP DUES	6,237.00	03	03-70-5310	1
				INVOICE TOTAL	6,237.00			
				VENDOR TOTAL	6,237.00			
				650 KANSAS RURAL WATER ASSOCIATION				
2026	1	1/05/26	1/01/26	DUES/MEMBERSHIP 8SUB/1025MTRS	1,125.00	02	02-70-5310	1
				INVOICE TOTAL	1,125.00			
				VENDOR TOTAL	1,125.00			
				1181 MUNICOM, LLC				
25615	1	1/05/26	12/30/25	PROF SERV: ANNDISCOMPLCONSSER	1,200.00	01	01-00-5399	1
				INVOICE TOTAL	1,200.00			
				VENDOR TOTAL	1,200.00			
				266 POSTMASTER				
2025 BOX 68	1	1/05/26	12/01/25	2025 BOX 68 RENTAL	368.00	03	03-70-5399	1
				INVOICE TOTAL	368.00			
2025 POX 287	1	1/05/26	12/01/25	2025 BOX 287 RENTAL	198.00	03	03-70-5399	1
				INVOICE TOTAL	198.00			
				VENDOR TOTAL	566.00			
				104 PRINTING SYSTEMS INC				
239949	1	1/05/26	12/24/25	PR/AP CHECK	60.34	01	01-00-5201	1
	2			PR/AP CHECK	60.34	03	03-70-5201	1
	3			PR/AP CHECK	60.34	02	02-70-5201	1
	4			PR/AP CHECK	60.34	18	18-42-5299	1
				INVOICE TOTAL	241.36			
				VENDOR TOTAL	241.36			
				1182 RICE COUNTY EMS				
2026-1-STERLING	1	1/05/26	1/02/26	JAN-JUN 2026 RC DISPATCHINGSER	18,900.00	01	01-01-5312	1
				INVOICE TOTAL	18,900.00			
				VENDOR TOTAL	18,900.00			
				1200 THE UNIVERSITY OF KANSAS				
9A8A8CA1	1	1/05/26	12/20/25	TRAINING:INSTDEVEL/FIREARMS SC	500.00	01	01-01-5311	1
				INVOICE TOTAL	500.00			



INVOICE#	LINE	DUE DATE	INVOICE DATE	REFERENCE	PAYMENT AMOUNT	DIST GL ACCOUNT	CK SQ
VENDOR TOTAL					500.00		
435 WICHITA STATE UNIVERSITY							
75.00	1	1/05/26	12/23/25	CCMFOA- CLERK MEMBERSHIP (JD)	75.00	03 03-70-5310	1
INVOICE TOTAL					75.00		
VENDOR TOTAL °					75.00		
FIRST BANK TOTAL					63,472.32		
TOTAL MANUAL CHECKS							
					.00		
TOTAL E-PAYMENTS							
					4,465.64		
TOTAL PURCH CARDS							
					.00		
TOTAL ACH PAYMENTS							
					.00		
TOTAL OPEN PAYMENTS							
					59,006.68		
GRAND TOTALS							
					63,472.32		

**City of Sterling  
City Commission Meeting  
January 5, 2026**

**TO:** City Commission  
**SUBJECT:** Approve resolution to waive the generally accepted accounting principles (GAAP) for Fiscal Year 2025.  
**INITIATED BY:** City Clerk  
**PREPARED BY:** City Manager  
**AGENDA:** New Business

---

**Background:** Per Kansas Statutes Annotated (KSA) 75-1120a(a) municipalities must use generally accepted accounting principles (GAAP) in the preparation of financial statements and reports. However, the governing body of any municipality may waive the requirement to follow GAAP. One of the primary reasons why a municipality would waive the requirement to follow GAAP is that it is more complex and costly to implement. GAAP requires reporting cash and non-cash assets and liabilities. The City has historically operated on a regulatory basis of accounting in the form of a modified cash basis, by tracking cash, certain accounts payable and encumbrances to facilitate financial reporting.

**Analysis:** A resolution, attached in Exhibit A, must be approved for the City Commission to waive the GAAP requirement. This waiver resolution must be passed each fiscal year, clearly identify the fiscal year in which the requirement will be waived, and contain certain language substantially similar to that specified in KSA 75-1120a(c)(1).

**Financial:** None

**Legal Considerations:** The City Attorney has drafted the GAAP waiver resolution.

**Recommendations/Actions:** It is recommended that the City Commission: Approve the resolution waiving the requirement to follow GAAP for Fiscal Year 2025 (**VOICE**).

**Attachments:**

Exhibit A – Resolution waiving the GAAP requirement for Fiscal Year 2025 (1 page)

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING A GAAP WAIVER TO BE IN EFFECT FOR FISCAL YEAR 2025 BY THE CITY OF STERLING KANSAS.**

WHEREAS, The City of Sterling Kansas, has determined that the financial statements and financial reports for the year ended 2025 to be prepared in conformity with the requirements of K.S.A. 75-1120a(a) are not relevant to the requirements of the cash basis and budget laws of this state and are of no significant value to the Governing Body or the members of the general public of the City of Sterling; and

WHEREAS there are no revenue bond ordinances or resolutions or other ordinances or resolutions of the municipality which require financial statements and financial reports to be prepared in conformity with. K.S.A. 75-1120a(a) for the year ended 2025.

NOW, THEREFORE BE IT RESOLVED, by the Governing Body of Sterling, Kansas, in regular meeting duly assembled this 5<sup>th</sup> day of January 2026 that the Governing Body waives the requirements of K.S.A. 75-1120a(a) as they apply to the City of Sterling, Kansas for the year ended 2025.

BE IT FURTHER RESOLVED that the Governing Body shall cause the financial statements and financial reports of the City of Sterling, Kansas to be prepared on the basis of cash receipts and disbursements as adjusted to show compliance with the cash basis and budget laws of this State.

SECTION ONE: That the Governing Body of the City of Sterling hereby authorizes the Mayor and/or City Manager of the City of Sterling to take such further and other necessary actions that are required to effectuate the intent and purposes of this Legislative Enactment.

SECTION TWO: This Resolution will be in full force and effect from its date of passage by the City Commission of the City of Sterling.

PASSED AND RESOLVED by the Governing Body of the City of Sterling, Kansas this 5<sup>th</sup> day of January 2026.

(Seal)

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Jessi Dobson, City Clerk

**City of Sterling  
City Commission Meeting  
January 5, 2026**

**TO:** Mayor and City Commission  
**SUBJECT:** Approve ordinance granting a franchise agreement with Mutual TeleCommunications (MTC) for telecommunications service.  
**INITIATED BY:** City Manager  
**PREPARED BY:** City Manager  
**AGENDA:** New Business

---

**Background:** A franchise agreement between a utility provider and a local government grants the provider permission to install infrastructure within the local government's right-of-way (ROW) property. In exchange for this permission, the utility provider pays the local government a franchise fee typically calculated as a percentage of the provider's gross monthly sales from its customers within the government's boundaries. A franchise fee of 5% of gross sales is the customary standard.

Mutual TeleCommunications (MTC) is a telecommunications utility provider headquartered in Little River, Kansas which provides service to communities in Rice County and McPherson County. In Sterling, MTC provides fiber and wireless internet service and voice call service for residential and commercial customers.

**Analysis:** For MTC to continue operating a telecommunications utility in Sterling, a new franchise agreement must be approved. MTC staff have prepared an ordinance granting a new franchise agreement to the company, which is included in Exhibit A. The agreement generally permits MTC to install the infrastructure necessary for delivering telecommunications service within public property, including streets, alleys, bridges, easements and City ROW. Section 1 of the ordinance establishes a franchise term of 15 years, which would expire on December 31, 2041.

Section 3 states that the franchise fee due to the City is equal to 5% of the company's gross receipts from sales to customers located within the city limits. Gross receipts are defined in Section 2 as revenue derived from recurring charges for telecommunications service and nonrecurring charges including service installation and service reconnection fees. All other revenues received by the company, including those derived from the sale or lease of unbundled network items, long distance voice calls, wireless telecommunications services, or late fees, are excluded from gross receipts.

Section 6 provides the City the right to request that MTC, at no cost to the City, relocate its infrastructure installed in the ROW to facilitate maintenance and construction projects that provide a public benefit. Any damages incurred by the City or its contractors resulting from a failure of MTC to timely relocate its infrastructure will be assumed by MTC. Section 7 grants MTC permission to trim trees that may obstruct or damage MTC's infrastructure, in accordance with all applicable governmental regulations.

**Financial:** The franchise agreement establishes a franchise fee of 5% of MTC's gross receipts in Sterling due to the City. The average annual revenue the City receives from MTC is \$1,767 over the past 10 years. The 10-year annual growth rate in MTC franchise revenues is -1.3%.

**Legal Considerations:** The City Attorney has reviewed the ordinance and franchise agreement and has no objections to the recommendation for approval.

**Recommendations/Actions:** It is recommended the City Commission: Approve the ordinance granting a franchise agreement with MTC for telecommunications service (VOICE).

**Attachments:**

Exhibit A – Ordinance granting MTC a telecommunications franchise (5 pages).

ORDINANCE NO. \_\_\_\_\_

**A CONTRACT FRANCHISE ORDINANCE GRANTED TO L R COMMUNICATIONS, INC., A TELECOMMUNICATIONS LOCAL EXCHANGE SERVICE PROVIDER PROVIDING LOCAL EXCHANGE SERVICE WITHIN THE CITY OF STERLING, KANSAS.**

**BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF STERLING, KANSAS:**

**SECTION 1.** A contract franchise ordinance is hereby granted to L R Communications, Inc. d/b/a Mutual TeleCommunications ("MTC"), pursuant to K.S.A. 12-2001 providing local exchange service within the City of Sterling subject to the provisions contained hereafter. The initial term of this ordinance shall be for a period beginning January 1, 2026, and ending December 31, 2041. Compensation for said contract franchise ordinance shall be established pursuant to Section 3 of this ordinance.

**SECTION 2.** For the purpose of this contract franchise ordinance, the following words and phrases and their derivations shall have the following meaning:

**"Access line"** shall mean and be limited to retail billed and collected residential lines; business lines; ISDN lines; PBX trunks and simulated exchange access lines provided by a central office based switching arrangement where all stations serviced by such simulated exchange access lines are used by a single customer of the provider of such arrangement. Access line may not be construed to include interoffice transport or other transmission media that do not terminate at an end user customer's premises, or to permit duplicate or multiple assessment of access line rates on the provision of a single service or on the multiple communications paths derived from a billed and collected access line. Access line shall not include the following: Wireless telecommunications services, the sale or lease of unbundled loop facilities, special access services, lines providing only data services without voice services process by a telecommunications local exchange service provider or private line service arrangements.

**"Access line count"** means the number of access lines serving consumers within the corporate boundaries of the city on the last day of each month.

**"Access line fee"** means a fee determined by a city, up to a maximum as set out in K.S.A. 12-2001 and amendments thereto, to be used by a telecommunications local exchange service provider in calculating the amount of access line remittance.

**"Access line remittance"** means the amount to be paid by a telecommunications local exchange service provider to a city, the total of which is calculated by multiplying the access line fee, as determined in the city, by the

number of access lines served by that telecommunications local exchange service provider within that city for each month in that calendar quarter.

**"FCC"** means the Federal Communications Commission, or successor governmental entity thereto.

**"Franchise"** means the initial authorization, or renewal thereof issued by the Franchising Authority, whether such authorization is designated as a franchise, permit, license, resolution, contract, certificate, agreement or otherwise, which authorizes the construction and operation of the Telecommunications System.

**"Franchising Authority"** means the **City of Sterling** or the lawful successor, transferee, or assignee thereof.

**"Gross receipts"** means only those receipts collected from within the corporate boundaries of the city enacting the franchise and which are derived from the following: (A) Recurring local exchange service for business and residence which includes basic exchange service, touch tone, optional calling features and measured local calls; and (B) nonrecurring service revenue which shall include customer service for installation of service, reconnection of service and charge for duplicate bills. All other revenues, including, but not limited to, revenues from extended area service, the sale of lease of unbundled network elements, nonregulated services, carrier and end user access, long distance, wireless telecommunications services, lines providing only data service without voice services processed by a telecommunications local exchange service provider, privateline service arrangements, internet, broadband and all other services not wholly local in nature are excluded from gross receipts. Gross receipts shall be reduced by bad debt expenses. Uncollectible and late charges shall not be included within gross receipts.

**"Local exchange service"** means local switched telecommunications service within any local exchange service area approved by the state corporation commission, regardless of the medium by which the local telecommunications service is provided. The term local exchange service shall not include wireless communication services.

**"Provider"** shall mean a local exchange carrier as defined in subsection (h) of K.S.A. 66-1,187, and amendments thereto, or a telecommunications carrier as defined in subsection (m) of K.S.A. 66-1,187, and amendments thereto.

**"Public right-of-way"** means only the area of real property in which the city has a dedicated or acquired right-of-way interest in the real property. It shall include the area on, below or above the present and future streets, alleys, avenues, roads, highways, parkways or boulevards dedicated or acquired as right-of-way. The term does not include the airwaves above a right-of-way with regard to wireless telecommunications or other nonwire telecommunications or broadcast

service, easements obtained by utilities or private easements in platted subdivisions or tracts.

**"Service Area"** means the present municipal boundaries of the Franchising Authority and shall include any additions thereto by annexation or other legal means.

**"Telecommunications local exchange service provider"** means a local exchange carrier as defined in subsection (h) of K.S.A. 66-1,187, and amendments thereto, and a telecommunications carrier as defined in subsection (m) of K.S.A. 66-1,187, and amendments thereto, which does, or in good faith intends to, provide local exchange service. The term telecommunications local exchange service provider does not include an interexchange carrier that does not provide local exchange service, competitive access provider that does not provide local exchange service or any wireless telecommunications local exchange service provider.

**"Telecommunications services"** means providing the means of transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

**SECTION 3.** Compensation made pursuant to this contract franchise ordinance shall be paid on a quarterly basis without invoice or reminder from the City and paid not later than forty-five (45) days after the end of the remittal period. For the first year of this contract franchise ordinance, said compensation shall be a sum equal to five percent (5%) of gross receipts. Thereafter, compensation for each calendar year of the remaining term of the contract franchise ordinance shall continue to be based on a sum equal to 5 percent (5%) of gross receipts; unless the City notifies MTC prior to ninety days (90) before the end of the calendar year that it intends to decrease the percentage of gross receipts for the following calendar year or that it intends to switch to an access line fee for the following calendar year. In the event City elects compensation based on an access line fee, nothing herein precludes City from switching back to a gross receipts fee provided City notifies MTC prior to ninety days (90) before the end of the calendar year that it intends to elect a gross receipts fee for the following calendar year. The franchise fee payable hereunder shall be paid and received in lieu of any tax, license, charge, fee or any other character of charge for use and occupancy of the Public Right of Way. The period of limitation for recovery of any franchise fee payable hereunder shall be three (3) years from the date on which payment by MTC is due. Any increased access line fee or gross receipt fee shall be in compliance with the public notification procedures set forth in subsections (l) and (m) of K.S.A. 12-2001.

**SECTION 4.** The city shall have the right to examine, upon written notice to the provider, no more than once per calendar year, those records necessary to verify



the correctness of the compensation paid pursuant to this contract franchise ordinance.

**SECTION 5.** As a condition of this contract franchise ordinance, MTC is required to obtain and is responsible for any necessary permit, license, certification, grant, registration or any other authorization required by any appropriate governmental entity, including, but not limited to, the City, the Federal Communications Commission (FCC) or the Kansas Corporation Commission (KCC), subject to MTC's right to challenge in good faith such requirements as established by the FCC, KCC or other City Ordinance. MTC shall also comply with all applicable laws, statutes and/or ordinances, subject to MTC's right to challenge in good faith such laws, statutes and/or ordinances.

**SECTION 6.** If requested by City in order to accomplish construction and maintenance activities directly related to improvements for the health, safety, and welfare of the public, MTC shall remove its facilities from the public right of way or shall relocate or adjust its facilities within the public right of way at no cost to the City as required by state law. Such relocation or adjustment shall be completed as soon as reasonably possible within the time set forth in any request by the City for such relocation or adjustment. Any damages suffered by the City or its contractors as a result of MTC's failure to timely relocate or adjust its facilities shall be borne by MTC.

**SECTION 7.** Permission is hereby granted to MTC to trim trees upon and overhanging streets, alleys, sidewalks and public places of said city so as to prevent the branches of such trees from coming in contact with MTC's facilities, all the said trimming shall comply with all applicable laws, statutes and/or ordinances.

**SECTION 8.** Nothing herein contained shall be construed as giving MTC any exclusive privileges, nor shall it affect any prior or existing rights of MTC to maintain a telecommunications system within the City.

**SECTION 9.** MTC shall comply with the applicable rules and regulations of the FCC regarding emergency alert systems (47 C.F.R. Part 11) and 911 service.

**SECTION 10.** Any required or permitted notice under this contract franchise ordinance shall be in writing. Notice upon the City shall be delivered to the city clerk by first class United States mail or by personal delivery.

Notices or responses to the Franchising Authority shall be addressed as follows:

City of Sterling  
Ian Hutcheson, City Manager  
114 N. Broadway  
P.O. Box 287  
Sterling, KS. 67579

Notice upon MTC shall be delivered by first class United States mail or by personal delivery to:

Mutual TeleCommunications  
John Tietjens, General Manager  
365 Main Street  
P. O. Box 338  
Little River, Kansas 67457

**SECTION 11. Failure to Enforce.** The failure of either party to enforce and remedy any noncompliance of the terms and conditions of this contract franchise ordinance shall not constitute a waiver of rights nor a waiver of the other party's obligations as provided herein.

**SECTION 12. Force Majeure.** Each and every provision hereof shall be subject to acts of God, fires, strikes, riots, floods, war and other disasters beyond MTC's or the City's control.

**SECTION 13.** This contract franchise ordinance is made under and in conformity with the laws of the State of Kansas. No such contract franchise shall be effective until the ordinance granting the same has been adopted as provided by law.

Passed by the City Commissioners on the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

Approved by the Mayor on the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney