

MULVANE CITY COUNCIL  
REGULAR MEETING MINUTES

June 3, 2019

7:30 p.m.

The Mulvane City Council convened at the City Building at 211 N. Second at 7:30 p.m. Presiding was Mayor Shelly Steadman, who called the meeting to order.

**Council Members Present:** Brent Allen, Nancy Farber Mottola and Kevin Cardwell.

**Others Present:** Kent Hixson, J.T. Klaus, Gordon Fell, Mike Robinson, Joel Pile, Chris Young, Debra Parker, Cathy Walker, Rachael Blackwell, Kevin Baker, Greg Vahrenberg.

**Pledge of Allegiance:** All stood for the Pledge of Allegiance led by Mayor Steadman.

**Approval of Regular Meeting Minutes Dated 5-20-19:**

MOTION by Mottola, second by Allen to approve the Regular meeting minutes dated 5-20-19.  
MOTION approved unanimously.

**Correspondence:** None

**Review and Closing of the Agenda:** None

**Appointments, Awards and Citations:** None

**OLD BUSINESS**

**1. Proposals to farm City Property at 111<sup>th</sup> & Webb Road:**

The City still owns the north 30 +/- acres of the River's Property. In 2018, the City accepted a proposal from Spencer Branine to farm the 30+/- acres. A 1-year lease was approved by the City Council. Mr. Branine notified the City that he does not wish to renew the Farm Lease expiring July 31, 2019.

At the 5/20/19 council meeting, Hixson was asked to advertise for additional farming proposals. The City received three proposals:

Mark Pyeatt / \$400.00 yr.; Jelinek Brothers / \$900 yr.; Terry Lane / \$1,350.00 yr.

All have insurance, but do not wish to pay the property tax.

MOTION by Mottola, second by Cardwell to accept the offer from Terry Lane in the amount of \$1,350.00 year, to farm the 30 acres +/- of the City property at the NW corner of Webb Road and 111<sup>th</sup> St. commonly known as "the Rivers Property".

MOTION approved unanimously.

## **NEW BUSINESS**

### **1. Purchase a New Street Crack Sealing Machine:**

The current crack sealing machine is 21 years old and needs to be replaced. The new machines have upgraded features with a heated hose and electronic trigger that will save time. CrafcO is a local dealer and is a reliable company. They have a machine available. Spring and Fall is the best time to begin crack seal maintenance.

MOTION by Allen, second by Cardwell to approve the purchase of 1 (one) trailer mounted Super Shot 125 CrafcO Melter/Applicator from CrafcO Inc. in the amount of \$44,864.36.

MOTION approved unanimously.

## **ORDINANCES & RESOLUTIONS**

On May 6, 2019, the City Council authorized the public sale of approximately \$9,315,000 of the City's General Obligation Refunding Bonds, Series A, 2019 to currently refund the City's outstanding (i) General Obligation Refunding and Improvement Bonds, Series B, 2012, (ii) General Obligation Bonds, Series A, 2013 and (iii) General Obligation Refunding and Improvement Bonds, Series A, 2014.

The City's Financial Advisor, Greg Vahrenberg of Raymond James, reviewed the Final Refinancing Analysis with the Council. Bids were received today (6/3/19) with the low bid from Robert W. Baird & Co. Inc. at 2.22%. The estimated closing date is July 9, 2019. In order to remain bank qualified the bond issue must be under \$10,000,000. The total principle amount being refinanced is \$9,260,000. Vahrenberg advised of the large premium from Robert W. Baird which reduced the amount of bonds we needed to sale, making the principle indebtedness \$8,510,000. There is a savings to the city of \$791,192.43.

Hixson advised the debt service and bond payments are considered when preparing the 2020 budget.

The Council must adopt the Bond Ordinance and Bond Resolution to provide for the issuance of the General Obligation Refunding Bonds, Series A, 2019 in order to refund the Refunded Bonds.

MOTION by Mottola, second by Cardwell that the council accept the low bid for the Bonds received from Robert W. Baird & Co. Inc. for the purchase of the Series A, 2019 Bonds.

MOTION approved unanimously.

MOTION by Cardwell, second by Mottola to accept the low bid for the Escrowed Securities received from BB&T Capital Markets for the purchase of the government obligations used to fund the escrow for the Refunded Bonds.

MOTION approved unanimously.

MOTION by Mottola, second by Allen to adopt Ordinance No. 1515, an ordinance authorizing the issuance of General Obligation Refunding Bonds, Series A, 2019, all as prepared by Bond Counsel and provided for our consideration.

MOTION approved unanimously.

#### ORDINANCE NO. 1515

AN ORDINANCE OF THE CITY OF MULVANE, KANSAS, AUTHORIZING THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 2019, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$8,510,000, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

MOTION by Allen, second by Mottola to adopt Resolution No. 2019-4, a resolution establishing the terms and provisions governing the City's General Obligation Refunding Bonds, Series A, 2019 as previously authorized by Ordinance, all as prepared by Bond Counsel and provided for our consideration.

MOTION approved unanimously.

#### RESOLUTION NO. 2019-4

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION REFUNDING BONDS, SERIES A, 2019, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$8,510,000, OF THE CITY OF MULVANE, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 1515 OF THE CITY; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

#### ENGINEER

##### **1. Second Street Crosswalk Study:**

On May 20, 2019, the City Council requested staff examine the pedestrian crosswalks along Second Street south of the Middle School, including crosswalk pavement markings and signage for an existing pedestrian crossing (ramp) located south of English St. Pavement markings have been removed and there are no traffic signs identifying the location as a pedestrian crossing (ramp). There are two similarly unmarked and unsigned ramps south of Martha Ave.

The consistency of crossings in the City was discussed. Hixson would like to see a traffic study done from K-15 to Main St. The best time for this would be when school was in session.

Young will examine this area and make recommendations for locations, signage and pavement markings in accordance with ADA and MUTCD standards. Young advised funds for performing a pedestrian crossing safety study may be available through the Kansas Traffic Engineering Assistance Program (TEAP). Young will bring his findings and proposal back to council.

## **2. Project Review and Update:**

Project review and update included English Park and Styx Creek Drainage, Decommissioning the Boxelder Power Plant, Water GIS Mapping, West Main Street Drainage Improvements and the Sports Complex Maintenance Facility.

Staff had a meeting with BNSF officials on May 29<sup>th</sup>. Concerns over drainage and flooding along First St. were addressed. Staff and BNSF officials visited locations of potential concern. Young wanted to be cautious of changing the flow of water. Maintenance issues and ditches were a concern.

## **2020 Annual Budget Presentations:**

The Council heard 2020 budget presentations from:

Kevin Baker, Public Works Director – Public Works Dept.

Debra Parker, City Clerk – Administration Dept.

No action taken.

**City Clerk:** None

**City Administrator:** None

Mayor Steadman advised if anyone received an e-mail about evaluations for city staff to please turn them in because they will be considered soon.

**City Attorney:** Explained to council that the refinancing just approved and the escrow that was built to refinance the bonds does not legally defease them. In order to put enough money in escrow to fully pay them through October 1<sup>st</sup> this would have caused the payment due on October 1<sup>st</sup> to be paid on July 9<sup>th</sup>. We would have lost the ability to separately invest the money up until that point. From July 9<sup>th</sup> to October 1<sup>st</sup> the old bonds are not completely retired but the new debt is issued. The outstanding debt between July 9<sup>th</sup> and October 1<sup>st</sup> will include all of 2012, 2013, 2014 & 2019. Usually upon refunding we completely retire the old bonds and it was not the case with this issue.

## **Consent Agenda Items 1 – 4:**

MOTION by Mottola, second by Allen to approve Consent Agenda items 1 - 2.

1. Payroll Dated 5-31-19 (\$202,889.24)
2. City Utility Bills - Due 6-05-19 (\$17,704.30)
3. Write off in the Petty Cash Bank account in the amount of \$519.27 and in the Now Account Bank account in the amount of \$1,238.64.
4. May Warrant Register (\$1,400,540.99)

MOTION approved unanimously.

**ANNOUNCEMENTS, MEETINGS AND NEXT AGENDA ITEMS:**

- Monday, June 17th - next council meeting @ 7:30 p.m.

**ADJOURNMENT:**

MOTION by Allen, second by Mottola to adjourn the City Council meeting at 8:55 p.m.

MOTION approved unanimously.

Minutes by:  
Debra M. Parker, City Clerk