CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	6/10/2014	
RESOLUTION OR ORDINANCE NUMBER	R-14-48	
AGENDA TITLE	**A RESOLUTION AUTHORIZING AND PROVIDING FOR THE CALLING OF A SPECIAL QUESTION ELECTION IN THE CITY OF COFFEYVILLE, KANSAS, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS OF THE CITY THE QUESTION OF IMPOSING A ONE-HALF PERCENT (1/2%) CITY-WIDE RETAILERS' SALES TAX FOR THE PURPOSE OF FINANCING THE COSTS OF GENERAL TRANSPORTATION IMPROVEMENTS THROUGHOUT THE CITY; AND PROVIDING FOR THE GIVING OF NOTICE OF SAID ELECTION.**	
REQUESTING DEPARTMENT	Administration	
PRESENTER	Gary Bradley	
FISCAL INFORMATION	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	Authorizes and provides for the calling of an election submitting a sales tax question to the voters for a ½ cent sales tax for transportation improvements.	

BACKGROUND	In 2010, voters approved a ½ cent sales tax for Transportation Improvements. The tax is set to expire on March 31, 2015. In 2013, A sales tax for transportation improvements was approved by the voters, with the idea being that we as a community should double our efforts in order to address what the residents believe is the community's biggest need, transportation improvements. The 1993 survey of residents found transportation to be the top priority of the respondents, followed by economic development and community development. The 2013 survey conducted by the City found that those remained the top priorities. The recently adopted CIP lays out a plan for addressing transportation concerns over the next five years, yet the CIP and the 5 year Street Improvement Plan do not address all needs within the next five years, even with the resources doubled. It will take a concerted effort and at least 10 years of sales tax revenue to adequately address the City's challenges with regard to streets/transportation.
SPECIAL NOTES	Gilmore and Bell has developed the resolution to ensure its compliance with state statutes. A second version is being developed and will be available Monday that places the sales tax on the ballot and authorizes the issuance of bonds in the same ballot language. The bond issuance would be for an amount not to exceed $6 million, which would provide in excess of 30% coverage (the debt could be paid off with less than 7 years of sales tax revenue), thus enabling the City to proceed more quickly in the process of saving our streets before they deteriorate too far to be saved.
ANALYSIS	N/A
PUBLIC INFORMATION PROCESS	There have been no public information efforts prior to placing this item on the agenda, but as a ballot measure, there are significant legal requirements for public notice and significant additional measures will be taken to ensure that members of the public are informed regarding this matter.

BOARD OR COMMISSION RECOMMENDATION	
STAFF RECOMMENDATION	Staff recommends approval of this resolution.
REFERENCE DOCUMENTS ATTACHED	R-14-48

RESOLUTION NO. R-14-48

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE CALLING OF A SPECIAL QUESTION ELECTION IN THE CITY OF COFFEYVILLE, KANSAS, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS OF THE CITY THE QUESTION OF IMPOSING A ONE-HALF PERCENT (1/2%) CITY-WIDE RETAILERS' SALES TAX FOR THE PURPOSE OF FINANCING THE COSTS OF GENERAL TRANSPORTATION IMPROVEMENTS THROUGHOUT THE CITY; AND PROVIDING FOR THE GIVING OF NOTICE OF SAID ELECTION.

WHEREAS, K.S.A. 12-187 *et seq.*, as amended, (the "Act") authorizes the governing body (the "Governing Body") of the City of Coffeyville, Kansas (the "City") to submit to the electors of the City the question of imposing City-wide retailers' sales taxes, which may be in an amount not to exceed two-percent (2%) for general purposes or in an additional amount not to exceed one percent (1%) for special purposes, provided sales taxes for special purposes shall expire ten (10) years from the initial date of collection thereof; and

WHEREAS, pursuant to the Act, as amended by Charter Ordinance No. 23, the electors of the City have heretofore approved propositions to authorize the levy of City-wide retailers' sales taxes as follows:

(a) a general purpose one-half percent (the "General Purpose Sales Tax");
(b) a general purpose one-half percent for capital improvements (including street improvements), capital equipment and economic development initiatives, commencing on July 1, 1999 and ending on June 30, 2014 (the "1999 Capital Improvements Sales Tax");
(c) a special purpose one-half percent for USD 445 educational purposes, commencing on October 1, 2002 and ending on September 30, 2022 (the "USD Sales Tax");
(d) a special purpose one-half percent for health care purposes, commencing on October 1, 2002 and ending on September 30, 2022 (the "Health Care Sales Tax);
(e) a general purpose one-half percent for street improvements, commencing on April 1, 2010 and ending on March 31, 2015 (the "2010 Street Sales Tax")
(f) a general purpose one-half percent for capital improvements (including, but not limited to improvements to public buildings), capital equipment and economic development initiatives, commencing upon the expiration of the 1999 Capital Improvements Sales Tax on July 1, 2014 or as soon thereafter as permitted by the Act, and ending on June 30, 2029 (the "2014 Capital Improvements Sales Tax"); and
(g) a general purpose one-half percent for general transportation improvements, commencing on January 1, 2014 and ending on December 31, 2023 (the "2014 Transportation Sales Tax"); and

WHEREAS, the governing body of the City (the "Governing Body") deems it advisable that additional funds other than from ad valorem property taxation be derived to finance general transportation improvements throughout the City including, but not limited to streets, curbing, and sidewalks, after the expiration of the Street Improvement Sales Tax; and

WHEREAS, the Governing Body deems it advisable that funds to finance such purposes be derived by the imposition of a one-half percent (1/2%) City-wide retailers' sales tax (the "2015 Transportation Sales Tax"); and

WHEREAS, the Governing Body has determined the electors of the City should be given a choice as to the method used to finance such general transportation improvements; and

WHEREAS, in order to authorize such 2015 Transportation Sales Tax, it is deemed advisable to call a special question election in the City on August 5, 2014, in conjunction with the general election held on said date; and

WHEREAS, if approved, the 2015 Transportation Sales Tax will constitute a sales tax imposed for general purposes, as said term is described in K.S.A. 12-189, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF COFFEYVILLE, KANSAS:

SECTION 1. 2015 Transportation Sales Tax. It is hereby deemed necessary and advisable and in the best interests of the citizens of the City to finance the costs of general transportation improvements throughout the City including, but not limited to streets, curbing, and sidewalks, after the expiration of the 2010 Street Improvement Sales Tax by the imposition of the 2015 Transportation Sales Tax. Collection of the 2015 Transportation Sales Tax, if approved by the electors of the City, shall commence upon the expiration of the Street Improvement Sales Tax on April 1, 2015, or as soon thereafter as permitted by the Act, and shall terminate ten (10) years after its commencement.

SECTION 2. **Special Question Election.** It is hereby authorized, ordered and directed that a special question election shall be and is hereby called to be held in the City on August 5, 2014, in conjunction with the general election held on said date, at which time there shall be submitted to the qualified electors of the City the following proposition:

Shall the following be adopted?

Shall the City of Coffeyville, Kansas be authorized to impose a one-half percent (1/2%) City-wide retailers' sales tax (the "2015 Transportation Sales Tax"), the proceeds of which shall be used to finance the costs of general transportation improvements throughout the City including, but not limited to streets, curbing, and sidewalks; the collection of such 2015 Transportation Sales Tax shall commence upon the expiration of the existing one-half percent (1/2%) City-wide retailers' sales tax imposed for street improvement purposes, on April 1, 2015, or

as soon thereafter as permitted by law, and shall terminate ten (10) years after its commencement; all pursuant to the provisions of K.S.A. 12-187 *et seq.*, as amended?

SECTION 3. **Special Question Election Procedures**. The vote at said special question election shall be by shall be by ballot, and the proposition stated above shall be printed on the ballot, together with voting instructions as provided by law. The City Clerk shall transmit a copy of this Resolution to the Montgomery County Clerk to give notice of the special question election as provided by law by publishing a Notice of Special Question Election in substantially the form attached hereto as ***Exhibit A*** once each week for two (2) consecutive weeks in a newspaper of general circulation in the City, with the first publication to be not less than twenty-one (21) days prior to the date of the special question election, and the last publication shall be not more than ninety (90) days prior to the date of the special question election.

SECTION 4. Effective Date. This Resolution shall be effective from and after adoption by the Governing Body.

ADOPTED by the Governing Body of the City of Coffeyville, Kansas, on June 10, 2014.

_____
James Falkner, Mayor

ATTEST:

_____
Cindy Price, City Clerk

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original Resolution; that said Resolution was adopted on June 10, 2014; as the same appears of record in my office.

DATED: June 10, 2014.

_____
Cindy Price, City Clerk

RESOLUTION NO. R-14-48

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE CALLING OF A SPECIAL QUESTION ELECTION IN THE CITY OF COFFEYVILLE, KANSAS, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS OF THE CITY THE QUESTION OF IMPOSING A ONE-HALF PERCENT (1/2%) CITY-WIDE RETAILERS' SALES TAX FOR THE PURPOSE OF FINANCING THE COSTS OF GENERAL TRANSPORTATION IMPROVEMENTS THROUGHOUT THE CITY; AUTHORIZING THE ISSUANCE OF SALES TAX REVENUE AND/OR GENERAL OBLIGATION SALES TAX BONDS OF THE CITY TO FINANCE SUCH COSTS; AND PROVIDING FOR THE GIVING OF NOTICE OF SAID ELECTION.

WHEREAS, K.S.A. 12-187 *et seq.*, as amended (the "Act") authorizes the governing body (the "Governing Body") of the City of Coffeyville, Kansas (the "City") to submit to the electors of the City the question of imposing City-wide retailers' sales taxes, which may be in an amount not to exceed two-percent (2%) for general purposes or in an additional amount not to exceed one percent (1%) for special purposes, provided sales taxes for special purposes shall expire ten (10) years from the initial date of collection thereof; and

WHEREAS, pursuant to the Act, as amended by Charter Ordinance No. 23, the electors of the City have heretofore approved propositions to authorize the levy of City-wide retailers' sales taxes as follows:

(a) A general purpose one-half percent (the "General Purpose Sales Tax");
(b) a general purpose one-half percent for capital improvements (including street improvements), capital equipment and economic development initiatives, commencing on July 1, 1999 and ending on June 30, 2014 (the "1999 Capital Improvements Sales Tax");
(c) a special purpose one-half percent for USD 445 educational purposes, commencing on October 1, 2002 and ending on September 30, 2022 (the "USD Sales Tax");
(d) a special purpose one-half percent for health care purposes, commencing on October 1, 2002 and ending on September 30, 2022 (the "Health Care Sales Tax);
(e) a general purpose one-half percent for street improvements, commencing on April 1, 2010 and ending on March 31, 2015 (the "2010 Street Sales Tax");
(f) a general purpose one-half percent for capital improvements (including, but not limited to improvements to public buildings), capital equipment and economic development initiatives, commencing upon the expiration of the 1999 Capital Improvements Sales Tax on July 1, 2014 or as soon thereafter as permitted by the Act, and ending on June 30, 2029 (the "2014 Capital Improvements Sales Tax"); and
(g) a general purpose one-half percent for general transportation improvements, commencing on January 1, 2014 and ending on December 31, 2023 (the "2014 Transportation Sales Tax"); and

WHEREAS, the Governing Body deems it advisable that additional funds other than from ad valorem property taxation be derived to finance general transportation improvements throughout the City including, but not limited to streets, curbing, and sidewalks (collectively the "Improvements"), after the expiration of the 2010 Street Sales Tax; and

WHEREAS, the Act also authorizes the City to issue bonds to finance such Improvements, with such bonds payable from and secured by the proceeds of such sales tax or payable from such sales tax

with a general obligation backing if the City receives a comprehensive feasibility study that indicates that the revenues received from such sales tax will be sufficient to retire such bonds; and

WHEREAS, the Governing Body hereby deems it advisable to: (a) authorize the Improvements; (b) provide for the payment of all or a portion of the costs of the Improvements by the imposition of a City-wide retailers' sales tax; and (c) issue the City's sales tax revenue and/or general obligation bonds to provide for payment of the costs of the Improvements and related interest and issuance costs; provided the electors of the City authorize such expenditures and bond issuance at an election held in the City for such purpose; and

WHEREAS, in order to finance the costs of the Improvements and related interest and issuance costs, the Governing Body deems it advisable to provide for the calling of a special question election in the City on August 5, 2014, in conjunction with the general election held on said date, for the purpose of submitting to the qualified electors of the City the question of imposing a one-half percent (1/2%) City-wide retailers' sales tax (the "2015 Transportation Sales Tax") and to issue sales tax revenue and/or general obligation sales tax bonds of the City payable from and secured by the proceeds of the 2015 Transportation Sales Tax, and if not so paid, from unlimited ad valorem taxation within the City (the "Bonds"); and

WHEREAS, if approved, the 2015 Transportation Sales Tax will constitute a sales tax imposed for general purposes, as said term is described in K.S.A. 12-189, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF COFFEYVILLE, KANSAS:

SECTION 1. 2015 Transportation Sales Tax. It is hereby deemed necessary and advisable and in the best interests of the citizens of the City to finance the costs of the Improvements, after the expiration of the 2010 Street Sales Tax, by the imposition of the 2015 Transportation Sales Tax and the issuance of the Bonds. Collection of the 2015 Transportation Sales Tax, if approved by the electors of the City, shall commence upon the expiration of the 2010 Street Sales Tax on April 1, 2015, or as soon thereafter as permitted by the Act, and shall terminate upon the earlier of: (a) ten (10) years after its commencement, or (b) when all costs associated with the financing of the Improvements, including the repayment of the Bonds, shall have been paid. No Bonds constituting general obligation bonds shall be issued until the Governing Body receives a comprehensive feasibility study that indicates that the revenues to be received from the 2015 Transportation Sales Tax will be sufficient to retire the Bonds without the necessity of levying any ad valorem taxation. All proceeds of the 2015 Transportation Sales Tax shall be applied for the purposes set forth in herein; provided, however, in the event that other City funds are required to be utilized for such purposes, such City funds may be reimbursed from the proceeds of the 2015 Transportation Sales Tax.

SECTION 2. **Special Question Election**. It is hereby authorized, ordered and directed that a special question election shall be and is hereby called to be held in the City on August 5, 2014, in conjunction with the general election held on said date, at which time there shall be submitted to the qualified electors of the City the following proposition:

Shall the following be adopted?

> Shall the City of Coffeyville, Kansas be authorized to: (1) impose a one-half percent (1/2%) City-wide retailers' sales tax (the "2015 Transportation Sales Tax"), the proceeds of which shall be used to finance the costs of general transportation improvements throughout the City including, but not limited to streets, curbing, and sidewalks (the "Improvements"); the collection of such 2015 Transportation Sales Tax shall commence

upon the expiration of the existing one-half percent (1/2%) City-wide retailers' sales tax imposed for street improvement purposes on April 1, 2015, or as soon thereafter as permitted by law, and shall terminate on the earlier of (a) ten (10) years after its commencement, or (b) when all costs associated with the financing of the Improvements, including the repayment of any sales tax revenue or general obligation bonds issued to pay such costs, shall have been paid; and (2) issue sales tax revenue and/or general obligation sales tax bonds to pay the costs of the Improvements and associated financing costs; all pursuant to K.S.A. 10-101 *et seq*. and K.S.A. 12-187 *et seq*., as amended?

SECTION 3. **Special Question Election Procedures**. The vote at said special question election shall be by shall be by ballot, and the proposition stated above shall be printed on the ballot, together with voting instructions as provided by law. The City Clerk shall transmit a copy of this Resolution to the Montgomery County Clerk to give notice of the special question election as provided by law by publishing a Notice of Special Question Election in a form approved by the Governing Body once each week for two (2) consecutive weeks in a newspaper of general circulation in the City, with the first publication to be not less than twenty-one (21) days prior to the date of the special question election, and the last publication shall be not more than ninety (90) days prior to the date of the special question election.

SECTION 4. **Effective Date**. This Resolution shall be effective from and after adoption by the Governing Body.

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ADOPTED by the Governing Body of the City of Coffeyville, Kansas, on June 10, 2014.

_____
James Falkner, Mayor

ATTEST:

_____
Cindy Price, City Clerk

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original Resolution; that said Resolution was adopted on June 10, 2014; as the same appears of record in my office.

DATED: June 10, 2014.

_____
Cindy Price, City Clerk