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# News Release

## Commission issues proclamation of support for 1-cent sales tax

*Proposed tax would replace two existing taxes; reduce rate from 9% to 8.5%*

ARKANSAS CITY, Kan. (June 21, 2018) — The City Commission of Arkansas City voted 4-0 on Tuesday night to approve a resolution of support for the upcoming Health Care Sales Tax special vote.

Mail-in ballots will be mailed to registered voters living within the city limits of Ark City starting in early August. They are due back by noon Sept. 6. If the proposed one-cent general sales tax is approved by voters, it would replace the two current sales taxes that benefit South Central Kansas Medical Center.

This would have the effect of reducing the current sales tax rate in Arkansas City from 9 percent to 8.5 percent, bringing Ark City more into line with the sales tax rates of many neighboring communities.

State law does not allow the proposed tax to have a sunset date, but as part of the resolution, the commissioners stated for the record that their intent is for it to be retired once hospital bonds are paid off.

"The Governing Body of the City of Arkansas City may take action to eliminate this sales tax when the original or refinanced Hospital Bonds are paid," the resolution states. "It is the intent of the Governing Body to eliminate this ... sales tax when the hospital's bonds are paid.

"While this stated intent cannot bind a future Governing Body of the City of Arkansas City to require it to terminate the sales tax on a specific date, this provides guidance to those future elected officials as to the intent of the Governing Body and the citizens of the City of Arkansas City when they approved and supported this 1-percent sales tax election."

City and hospital officials hope that approval of the Health Care Sales Tax, which would generate about \$1.6 million annually to secure the remaining 20 years of debt payments, will provide the City with the opportunity to refinance the bonds to a lower average interest rate in 2019.

This potentially could save taxpayers \$4 to \$8 million in interest over the course of the remaining payments. But refinancing is not possible without approval of a tax that lasts for the life of the bonds.

**For immediate release**

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A town hall meeting to discuss details of the sales tax proposal with the public will be held at 7 p.m. June 28 at the Senior Citizens Center, located at 320 South A St. Citizens will be able to ask questions.

This is the first of 10 consecutive town hall meetings that the commissioners, who also act as the SCKMC Board of Trustees, have planned. All of the meetings will be at 7 p.m. on Thursday nights.

A full schedule of town hall meeting sites throughout Ark City will be available at the first meeting.

### **Planning Commission applicants sought**

The commissioners voted unanimously to table making a new appointment to the Planning Commission and Board of Zoning Appeals until their July 3 meeting.

A new planning commissioner is needed to replace Gordon Fry, who resigned earlier this month, about halfway into his three-year term, which is set to expire Feb. 1, 2020.

Citizens interested in serving on these boards or learning more about the opportunity are encouraged to contact Public Information Officer Andrew Lawson at (620) 441-4415 or [alawson@arkansascityks.gov](mailto:alawson@arkansascityks.gov) or Principal Planner Josh White, the boards' liaison, at (620) 441-4420 or [jwhite@arkansascityks.gov](mailto:jwhite@arkansascityks.gov).

You must reside within the city limits of Arkansas City in order to be eligible for appointment.

### **Capital Improvement Plan progress**

The City Commission took action on several different items in the 2018 Capital Improvement Plan (CIP) that had been discussed in each of the past two years as part of the new citizen-driven CIP process, which includes comment forms and citizen participation and scoring on the CIP Committees:

- The commissioners voted unanimously to enter into a certified administration contract with the South Central Kansas Economic Development District (SCKEDD), for an amount not to exceed \$20,000. The City is applying for Community Development Block Grant (CDBG) funding for a project that would replace most or all of the water lines in Sleeth Addition, which has been identified as the second-worst remaining problem area in the city for red water complaints and pressure issues. If CDBG funds are awarded, they will pay for up to 75 percent of the project costs. If they are not awarded, the \$20,000 administrative fee will not be charged by SCKEDD.
- The commission also unanimously approved a contract with Wichita-based Mahaney Roofing, for an amount not to exceed \$56,425, to install a new 60-mil white reinforced TPO roofing system on the Arkansas City Police Department, located at 117 W. Central Ave. This project has been identified as an area of major need by each of the last two CIP Committees.

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- Another project discussed each of the last two years during the CIP process is the creation of a new columbarium area at Riverview Cemetery, which will provide an attractive and more cost-affordable way for citizens to have their remains interred. The commissioners voted 4-0 to approve the purchase of a St. Andrews 240-niche columbarium with an ossuary option from Premier Columbariums, of Centralia, Washington, for an amount not to exceed \$33,835.
- Finally, in a long-awaited and much-needed project, the commission unanimously voted to direct City Manager Nick Hernandez to begin researching options for renovating the Agri-Business Building, located at 712 W. Washington Ave. This work is expected to include a new roof, the installation of two large rotating fans to improve air circulation throughout the building and some smaller facelift items throughout the building's interior to improve its appearance.

CIP input forms for the 2019 Capital Improvement Plan will be sent to citizens in utility bills at the end of this year. They also will be available online on the City website. Citizens interested in serving on the 2019 CIP Committee may indicate interest on the CIP forms or fill out an application form at City Hall.

#### **In other business, the commission:**

- Unanimously approved the following consent agenda items:
  - Approval of the June 5 regular meeting minutes as written;
  - A resolution authorizing the purchase of a 1-ton 4x2 dual rear-wheel pickup truck cab and chassis for the Public Works Department from Zeller Motor Company, of Arkansas City, for an amount not to exceed \$24,000;
  - A resolution authorizing the purchase of two 2018 Ford Police Pursuit-rated Utility Interceptors from Reedy Ford, of Ark City, for an amount not to exceed \$38,258.
- Unanimously approved a resolution authorizing the City to execute an agreement with Mize Houser & Company, PA for the provision of audit services for years ending Dec. 31, 2018, through Dec. 31, 2022.
- Heard updates from Hernandez regarding upcoming movies at Wilson Park and the joint Ark City-Winfield community band concerts, which will be at 7:30 p.m. today under the Wilson Park rotunda and at 7:30 p.m. Friday at Baden Square in Winfield.
- Discussed promotion efforts and town hall meetings for the Health Care Sales Tax election.

Commissioner Karen Welch was absent from the meeting due to surgery she was having that day.

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