

City Commission of Arkansas City — Special Meeting Minutes

The Arkansas City Board of City Commissioners met in special session at **5:30 p.m. Wednesday, December 29, 2021**, in the Commission Room at City Hall, located at 118 W. Central Ave.

Mayor **Scott Rogers** called the meeting to order. Commissioners also present at roll call were Commissioner **Kanyon Ginger**, Commissioner **Duane L. Oestmann**, Commissioner **Jay Warren** and Commissioner **Karen Welch**, who participated remotely via **GoToMeeting** due to an illness.

City employees present were City Manager **Randy Frazer**, City Attorney **Larry Schwartz**, City Clerk **Lesley Shook** and Information Technology Manager **Matthew Metzinger**.

Citizens in attendance included Cowley CourierTraveler reporter **John Shelman**.

Business

Wastewater Treatment Loan **Ordinance No. 2021-12-4547**

City Clerk Shook presented for discussion a first reading of an ordinance authorizing the execution of a loan agreement between the City and the State of Kansas, acting by and through the Kansas Department of Health and Environment (KDHE), for the purpose of obtaining a loan from the **Kansas Water Pollution Control Revolving Fund** to finance a **wastewater treatment project**; establishing a dedicated source of revenue for repayment of such loan; authorizing and approving certain documents in connection therewith; and authorizing certain other actions in connection.

City Manager Frazer said the loan is for **20 years** in the amount of **\$10.5 million**, with a principal forgiveness of **\$1 million**, so the net loan cost is **\$9.5 million**. The interest rate is **1.31 percent**, resulting in **40** biannual payments of **\$270,742.08** each, with the final payment on **March 1, 2043**.

Commissioner Warren asked if the recent increase in sewer rates will be sufficient to ensure loan repayment. City Manager Frazer said it will allow the City to maintain adequate fund balances.

The loan agreement backdates the loan to **December 9, 2021**, so the City can start to draw funds immediately, which will allow constructors to begin ordering equipment and lock in prices soon.

Commissioner Oestmann made a motion to approve the ordinance as presented. Commissioner Welch seconded the motion. A roll call vote was **unanimous** in favor of the motion. Mayor Rogers declared the motion **approved** and given **Ordinance No. 2021-12-4547**.

Adjournment

Commissioner Ginger made a motion to adjourn the meeting. Mayor Rogers seconded the motion. A voice vote was **unanimous** in favor of the motion.

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Mayor Rogers declared the meeting adjourned at **12:06 p.m.**

THE CITY OF ARKANSAS CITY BOARD OF CITY COMMISSIONERS

Scott Rogers, Mayor

ATTEST:

Lesley Shook, City Clerk

Prepared by:

Andrew Lawson, Public Information Officer