

JOURNAL OF THE CITY COUNCIL

Special Session - September 19, 2005

COUNCIL AND STAFF PRESENT:

Tim Crist	Mayor Pro Tem
Martha Rowe	Councilmember
Rich Scott	Councilmember
Mari Macomber	City Manager
Howard Hickman	City Attorney
Vickie Brumbaugh	City Clerk
Paul Frazier	Code Administrator
Laura Guy	Finance Director
Jim Hughes	Police Chief

ABSENT:

Ron Stewart	Councilmember
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The City Council of the City of Kirksville, Missouri, met in a Special Session on Monday, September 19, 2005, at 5:30 p.m. in the Kirksville City Hall Council Chambers.

Action Presentations

BILL NO. 2005-44

RESOLUTION NO. R9-19-521

A RESOLUTION HONORING DEBBIE MASTEN FOR SERVICE TO THE CITIZENS OF KIRKSVILLE, MISSOURI.

WHEREAS, Debbie Masten has served the City of Kirksville as Council member from April 2003 to August 2005; and

WHEREAS, Debbie Masten served as Mayor from April 2004 to August 2005; and

WHEREAS, Debbie Masten has displayed through the performance of her duties on the City Council the highest standards of personal ethics and dedication; and

WHEREAS, Debbie Masten has provided consistent leadership on the City Council through her time as Mayor; and

WHEREAS, Debbie Masten has contributed time and energy towards the betterment of the Kirksville community through her service on the City Council and its boards and commissions.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Kirksville does hereby extend their sincere appreciation and thanks to Debbie Masten for her service to the community.

BE IT FURTHER RESOLVED that the City Council extend their best wishes for her continued success.

Councilmember Scott moved to approve Bill No. 2005-44; seconded by Councilmember Rowe. The motion carried by the following vote: Mayor Pro Tem Crist, aye; Councilmember Rowe, aye; Councilmember Scott, aye; Councilmember Stewart, absent. Nays, none.

BILL NO. 2005-45

AN ORDINANCE AMENDING ORDINANCE NO. 11360 IN CONNECTION WITH CERTAIN OUTSTANDING BONDS OF THE CITY AND PRESCRIBING RELATED MATTERS.

Councilmember Scott moved to adopt Bill No. 2005-45 on first reading; seconded by Councilmember Rowe.

Finance Director Laura Guy explained that a portion of the 1998 revenue bonds are eligible for refunding based on the current interest rates. There is a net savings in interest credits of approximately \$16,846.26, or 4.55%, over the remainder of the loan term.

The motion carried by the following vote: Mayor Pro Tem Crist, aye; Councilmember Rowe, aye; Councilmember Scott, aye; Councilmember Stewart, absent. Nays, none.

BILL 2005-46

AN ORDINANCE OF THE CITY OF KIRKSVILLE, MISSOURI, APPROVING THE MINOR SUBDIVISION OF LANDS LOCATED IN THE 1700 BLOCK OF SOUTH FIRST STREET.

Councilmember Rowe moved to adopt Bill No. 2005-46 on first reading; seconded by Councilmember Scott.

Paul Frazier explained this land is a large tract with a single family home addressed as 1803 South First. The plat describes a four-way lot split, transferring two parcels on the north and east to preexisting neighbors. The remaining two lots will consist of the current house and a lot on the south side of the house, allowing for development of the south lot if the owners choose to do so in the future. All city requirements have been met.

The motion carried by the following vote: Mayor Pro Tem Crist, aye; Councilmember Rowe, aye; Councilmember Scott, aye; Councilmember Stewart, absent. Nays, none.

Street Closure for United Way Oktoberfest

Councilmember Rowe moved to approve a temporary closure of Washington Street in front of Il Spazio's, for the United Way Fund Raising Oktoberfest on October 1; seconded by Councilmember Scott.

Police Chief Hughes reported this is the first year for this special event.

The motion carried by the following vote: Mayor Pro Tem Crist, aye; Councilmember Rowe, aye; Councilmember Scott, aye; Councilmember Stewart, absent. Nays, none.

Second Reading

BILL NO. 2005-45

ORDINANCE NO. 11727

AN ORDINANCE AMENDING ORDINANCE NO. 11360 IN CONNECTION WITH CERTAIN OUTSTANDING BONDS OF THE CITY AND PRESCRIBING RELATED MATTERS.

WHEREAS, the City of Kirksville, Missouri (the "City"), is a city of the third class, organized and existing

under the constitution and laws of the State of Missouri; and

WHEREAS, the City is authorized under the provisions of Chapter 250 of the Revised Statutes of Missouri (the "Act"), to issue and sell revenue bonds for the purpose of paying all or part of the cost of extending and improving the revenue producing sewerage system serving the City and its inhabitants (the "System"); and

WHEREAS, in order to provide for the most cost effective financing of certain extensions and improvements to the System the City has participated in the Missouri Leveraged State Drinking Water Revolving Fund Program (the "SRF Program") of the Department of Natural Resources ("DNR") and the State Environmental Improvement and Energy Resources Authority (the "Authority") pursuant to the Act by the issuance of the City's Sewerage System Revenue Bonds (State Revolving Fund Program) Series 1998, dated December 1, 1998, in the original principal amount of \$1,180,000 (the "Bonds"), authorized by Ordinance No. 11360 passed and approved on November 19, 1998 (the "Bond Ordinance"); and

WHEREAS, pursuant to the SRF Program the Authority has purchased the Bonds with a portion of the proceeds of the Authority's Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 1998B (the "Authority Bonds"), issued pursuant to the Bond Indenture dated as of December 1, 1998, as amended (the "Indenture"), by and between the Authority and UMB Bank & Trust, N.A. (successor to State Street Bank and Trust Company of Missouri, N.A., as trustee, the "Trustee"); and

WHEREAS, the City Council of the City finds and determines that it is in the best interests of the City to obtain the benefit of the net interest savings relating to the refunding of certain Authority Bonds allocable to the City and to amend the Bond Ordinance in order to provide for the credit of net interest savings resulting from the refunding of the Authority Bonds to the payments on the Bonds, to further amend the Bond Ordinance as requested by the Authority and DNR in connection with the issuance of the Authority Refunding Bonds (defined below), and to provide for certain other matters;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KIRKSVILLE, MISSOURI, AS FOLLOWS:

Section 1. Bond Ordinance Amendments. In consideration of the City's receipt of the portion of the net savings resulting from the refunding of the Authority Bonds which are allocable to the City (as further described below) and in order to provide for the proper credit of investment earnings to be received by the City pursuant to the City's participation in the SRF Program under the Bond Ordinance, the Bond Ordinance is amended as provided in this Section. Terms not otherwise defined in this Ordinance have the meanings set forth in the Bond Ordinance.

(a) Definitions. Section 101 of the Bond Ordinance is amended by inserting the following definitions:

“Authority Refunding Bonds” means the Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2005B of the Authority.

“Authority Refunding Bonds Trustee” means the bond trustee with respect to the Authority Refunding Bonds, and its successors and assigns.

(b) Optional Redemption.

(i) The Mayor Pro-Tem is authorized and directed to provide written instructions to the Trustee directing the optional redemption of the Authority Bonds allocable to the City which are being refunded by the Authority (the “Refunded Authority Bonds”). The initial schedule of the Refunded Authority Bonds is set forth in Exhibit A. The Mayor Pro-Tem is authorized to approve a final schedule of Refunded Authority Bonds and authorize the Authority to redeem the Refunded Authority Bonds on the redemption date for the Refunded Authority Bonds as designated by the Authority. The signature of the Mayor Pro-Tem to a certificate to which the final schedule of Refunded Authority Bonds is attached will be conclusive evidence of approval of the final schedule.

(ii) The City irrevocably and unconditionally waives its right to optionally redeem Bonds maturing or subject to mandatory sinking fund redemption on the dates and in the principal amounts corresponding to the Refunded Authority Bonds (the “Non-refundable Bonds”). The initial schedule of the Non-refundable Bonds is set forth in Exhibit B. The Mayor Pro-Tem is authorized to approve a final schedule of Non-refundable Bonds. The signature of the Mayor Pro-Tem to a certificate to which the final schedule of Non-refundable Bonds is attached will be conclusive evidence of approval of the final schedule.

(iii) The City will not exercise its right to optionally redeem any other Bonds without the prior written consent of the Authority, which consent is not to be unreasonably withheld and is conditioned upon a determination by the Authority that such redemption would not adversely affect the timely payment of the principal of and interest on the portion of the Authority Refunding Bonds allocable to the Refunded Authority Bonds.

(iv) Sections 302 and 904 and Exhibit B of the Bond Ordinance, including the provisions relating to authorized denominations of the Bonds, which will be integral multiples of \$1, are amended in accordance with this subsection (b).

(c) Application of Moneys in Revenue Fund. Section 602(a)(2)(A) of the Bond Ordinance is amended by deleting clauses (I) and (II) and inserting in lieu thereof the following:

(I) upon the City’s receipt of the Trustee’s semiannual notice of the balances remaining in the Debt Service Account and the Interest Account as of the Business Day following the transfer by the Trustee to the Authority Refunding Bonds Trustee pursuant to the Indenture, an amount equal to the balances will be

credited in equal installments against the monthly deposits due prior to the next Interest Payment Date; and

(II) upon the City's receipt of the Trustee's semiannual notice of (a) projected investment earnings in the Reserve Account for the current Interest Period and (b) actual investment earnings in the Construction Account and the Reserve Account (less the earnings in the Reserve Account projected pursuant to subclause (a)) for the prior Interest Period, an amount equal to the projected earnings and actual earnings will be credited in equal installments against the monthly deposits due prior to the next Interest Payment Date; and

Section 2. Savings Requirement. The provisions of this Ordinance are subject to the requirements of this Section. The Mayor Pro-Tem is authorized to proceed under this Ordinance upon the receipt by such officer of evidence (in form and substance satisfactory to such officer) that the present value of the debt service savings to the City resulting from the refunding of the Refunded Authority Bonds is not less than 2.0% of the aggregate principal amount of the Refunded Authority Bonds. The present value of the debt service savings to the City will be calculated as the sum of the present values, as of the expected delivery date of the Authority Refunding Bonds, of all payments to be credited to the City under the Indenture as a result of the refunding, using a discount rate equal to the yield on the Authority Refunding Bonds calculated in accordance with Section 148 of the Internal Revenue Code (the "arbitrage yield"), a 360-day year consisting of twelve 30-day months and semiannual compounding.

Section 3. Further Authority. The officers of the City, including the Mayor Pro-Tem, the City Manager and the City Clerk, are authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 4. Effective Date. This Ordinance is effective from and after its passage by the City Council and approval by the Mayor Pro-Tem.

EXHIBIT A TO ORDINANCE NO. 11727

INITIAL SCHEDULE OF REFUNDED AUTHORITY BONDS

<u>Maturity Date</u>	<u>Principal Amount</u>
January 1, 2012	\$50,000
January 1, 2013	50,000
January 1, 2014	55,000
January 1, 2015	65,000
January 1, 2016	65,000
January 1, 2019	85,000

EXHIBIT B TO ORDINANCE NO. 11727

INITIAL SCHEDULE OF NON-REFUNDABLE BONDS

<u>Maturity or Sinking Fund Redemption Date</u>	<u>Principal Amount</u>
January 1, 2012	\$50,000
January 1, 2013	50,000
January 1, 2014	55,000
January 1, 2015	65,000
January 1, 2016	65,000
January 1, 2019	85,000

BILL 2005-46 ORDINANCE NO. 11728

AN ORDINANCE OF THE CITY OF KIRKSVILLE, MISSOURI, APPROVING THE MINOR SUBDIVISION OF LANDS LOCATED IN THE 1700 BLOCK OF SOUTH FIRST STREET.

BE IT ORDAINED by the City Council of the City of Kirksville, Missouri as follows:
WHEREAS, the Plat of Pinkston Addition, a minor subdivision to the City of Kirksville, Missouri, has been subdivided into four (4) lots within the City of Kirksville, Missouri. It is described herein and is incorporated herein by reference, and has been regularly certified by Edward Cleaver, licensed surveyor number LS 1241, and

WHEREAS, the plat of land is described as follows:

A tract of land situated in the Northeast Fourth of the Northwest Quarter of Section 16, Township 62 North, Range 15 West, Adair County, Missouri and being more particularly described as follows:

Commencing at the Southwest corner of the Northeast Fourth of the Northwest Quarter of said Section 16; thence along the Quarter Quarter section line, North 0 degrees 32 minutes 40 seconds West, a distance of 242.55 feet; thence leaving the last described line, South 88 degrees 47 minutes 08 seconds East, a distance of 18.01 feet to the POINT OF BEGINNING of the description herein; TOWIT: thence along the Easterly right of way line of First Street, North 0 degrees 32 minutes to seconds West, a distance of 256.79 feet; thence leaving the last described line, South 89 degrees 07 minutes 28 seconds East, a distance of 395.99 feet; thence South 0 degrees 32 minutes 36 seconds east a distance of 259.14 feet; thence North 88 degrees 47 minutes 08 seconds West, a distance of 396.05 feet to the point of beginning; said described tract containing 2.3 acres, more or less. Subject to any and all easements of record.

WHERE AS, the plat was approved by the Plat Officer of the City of Kirksville prior to acceptance by the City Council; and

WHEREAS, the "Plat" shall be recorded in the Recorder's Office of Adair County, Missouri.

NOW, THEREFORE, the Pinkston Subdivision is hereby approved and the same is made an addition to the City of Kirksville, Missouri, and the portions thereof dedicated to the public will be accepted as herein stated.

Councilmember Rowe moved to adopt Bill No. 2005-45 and 2005-46 on second reading; seconded by Councilmember Scott. The motion carried by the following vote: Mayor Pro Tem Crist, aye; Councilmember Rowe, aye; Councilmember Scott, aye; Councilmember Stewart, absent. Nays, none.

Adjournment

Councilmember Rowe moved to adjourn to an executive session regarding real estate, RsMO 610.021(2); seconded by Councilmember Scott. The motion carried by the following vote: Mayor Pro Tem Crist, aye; Councilmember Rowe, aye; Councilmember Scott, aye; Councilmember Stewart, absent. Nays, none.

Mayor Pro Tem Crist adjourned the meeting at 5:43 p.m.

Vickie Brumbaugh, CMC, MRCC