By ROBERT PIERCE • Daily Leader

As of June 1, the Trailmobile bonds will be redeemed, and the taxes used to help pay for them could soon be history as well.

In a special meeting Thursday, Liberal city commissioners voted unanimously to adopt a resolution directing the call of the Trailmobile General Obligation Bonds, Series 1998-1 and 1998-2.

Prior to the vote, city manager Mark Hall said the board would make the decision, which he called a momentous one for the City of Liberal.

City finance director Chris Ford said the full amount on June 1 would be $6,483,411.

“These bonds were originally issued to finance the construction of the Trailmobile project and were scheduled to be paid off by Dec. 1, 2013,” he said.

Ford said the bonds could only be redeemed on a scheduled payment date of either June 1 or Dec. 1.

“Either we adopt the resolution now, or we wait until Dec. 1, 2009,”

he said. “The funding for the redemption of these bonds, we would propose to come from the 4/10 of 1-cent Retailer’s Sales Tax Collections, the city’s Trailmobile project fund and possibly,

should we need it, the economic development fund of the 1-cent sales tax."

Mayor Joe Denoyer made light of the benefit of the June 1 redemption date. Ford said the $6.4 million figure includes interest for that date as well as the remaining principle on the bonds.

"Should we wait until Dec. 1, the additional scheduled interest would add on another additional $198,000," he said. "By calling them on June 1, we'll save approximately $200,000 of interest versus waiting till December."

The motion adopted by commissioners also calls providing notice of the redemption to the city's paying agent, the Bank of New York, who in turn would notify bond holders.

"I believe there is a 45-day requirement to that," Ford said.

Commissioner Don Rash called the resolution a victory for the community.

"We're doing the taxpayers a great service," he said.

Denoyer said Thursday was a good day for the city.

"It's an opportunity to move forward," he said. "I appreciate the people that come to the community to shop and put that money into the 4/10 sales tax."

Commissioner Doug LaFreniere said the heroes are the people of the city of Liberal, whom he said educated themselves.

“They realized we had no other options,” he said. “Our back was to the wall. They came out. They stepped up and educated themselves.

It’s really the people and the staff of the City of Liberal who went out and informed and educated the people and stepped on this and made this possible.”

LaFreniere said the availability of the 1-cent sales tax was a great thing.

“I, myself, have no regrets for that,” he said. “I don’t think any commissioner serving at that time had any regrets. It was a tool that was there. In any government, you need to use all the funds you have before you go out and ask for more.”

LaFreniere said the Trailmobile situation did spraddle the city for a couple of years.

“We couldn’t get much done,” he said. “We had this plan. The citizens of the city of Liberal approved it, and they dug us out of the hole.”

Commissioner Dave Harrison said how the Trailmobile situation was resolved was a fair solution for all involved.

“If Trailmobile would have worked, it would’ve benefited everyone in the area,” he said. “Because it didn’t work, everyone in the area got to help pay for it, which is how it should be.”

Commissioners also voted to advance a charter ordinance and another ordinance which would repeal a previous charter ordinance and ordinance that created the 4/10 sales tax.

“On Feb. 7, 2006, city voters approved a 4/10 of 1-cent sales tax for the purpose of paying Trailmobile expenses,” Ford said. “The ‘sunset’

provision of this sales tax provided that once all Trailmobile expenses were finalized, the 4/10 of 1-cent retailer's sales tax would end. The debt is scheduled to be called on June 1."

Ford said the soonest the 4/10 tax could be repealed is on the first day of a quarter, which is July 1.

The board voted to advance charter ordinance No. 34, an ordinance repealing charter ordinance No. 32, to a second reading and to adopt ordinance No. 4372, repealing ordinance No. 4317, on a first and final reading. That ordinance will officially remove the 4/10 sales tax.