

THE COUNCIL OF THE CITY OF BROKEN ARROW, OKLAHOMA, MET IN A REGULAR SESSION IN CITY COUNCIL CHAMBERS LOCATED IN CITY HALL, 220 SOUTH FIRST STREET, BROKEN ARROW, OKLAHOMA, ON THE 16TH DAY OF OCTOBER, 2018, AT 6:30 P.M.

COUNCIL MEMBERS PRESENT:

ABSENT:

Notice of the schedule of regular meetings of the governing body of the municipality for calendar year 2018 having been given in writing to the Clerk of the municipality on or before December 15, 2017, and public notice of this meeting having been posted in prominent view at the entrance to Broken Arrow City Hall twenty four (24) hours prior to this meeting, excluding Saturdays, Sundays and State designated legal holidays, all in compliance with the Oklahoma Open Meeting Act.

(OTHER PROCEEDINGS)

Thereupon, the Mayor presented a proposal regarding the issuance of general obligation refunding bonds for the purpose of refunding the outstanding principal amounts of the City's General Obligation Bonds, Series' 2008 and 2009B and paying costs of issuance. Upon conclusion of discussion of the merits of such proposal, including the terms, conditions, fees and expenses involved in such transaction, the Mayor inquired whether anyone in attendance had additional questions or comments respecting such proposed financing. Thereafter, Councilmember \_\_\_\_\_ moved the adoption of the following resolution, which motion was seconded by Councilmember \_\_\_\_\_. The roll was called on the question of the adoption of said motion, resulting in the following vote:

AYE:

NAY:

RESOLUTION NO. 1150

A RESOLUTION PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED EIGHT MILLION DOLLARS (\$8,000,000) BY THE CITY OF BROKEN ARROW, OKLAHOMA, FOR THE PURPOSE OF REFUNDING A PORTION OF THE CITY'S OUTSTANDING GENERAL OBLIGATION BONDED INDEBTEDNESS; ESTABLISHING A NOT TO EXCEED TRUE INTEREST COST AND MATURITY DATE; PRESCRIBING FORM OF REFUNDING BONDS AND PROVIDING FOR REGISTRATION THEREOF; PROVIDING A LEVY OF AN ANNUAL TAX FOR PAYMENT OF PRINCIPAL AND INTEREST ON SAID REFUNDING BONDS; APPROVING AN OFFICIAL STATEMENT FOR THE REFUNDING BONDS; WAIVING COMPETATIVE BIDDING AND DESIGNATING AN UNDERWRITER FOR THE BONDS AND AUTHORIZING EXECUTION OF A BOND PURCHASE CONTRACT, ESCROW FUND AGREEMENT, CONTINUING DISCLOSURE

AGREEMENT AND PAYING AGENT/REGISTRAR AGREEMENT; APPROVING LEGAL SERVICES AGREEMENTS AND A FINANCIAL SERVICES AGREEMENT WITH RESPECT TO THE ISSUANCE OF THE BONDS AND PROVIDING OTHER DETAILS OF THE ISSUE.

WHEREAS, the City of Broken Arrow, Oklahoma (the "City") heretofore issued its (i) General Obligation Bonds, Series 2008 (the "2008 Bonds") in the principal amount of \$10,685,000, which bonds were duly authorized at an election held on May 11, 2004 and (ii) General Obligation Bonds, Series 2009B (the "2009B Bonds") in the principal amount of \$11,400,000, which bonds were duly authorized at an election held on December 9, 2008 (collectively, the "Prior Bonds"); and

WHEREAS, (i) \$3,845,000 principal amount of the 2008 Bonds, bearing a remaining average interest rate of 4.61%, and (ii) \$4,920,000 principal amount of the 2009B Bonds, bearing a remaining average interest rate of 4.06%, remain currently outstanding; and

WHEREAS, the General Obligation Public Securities Refunding Act, 62 Oklahoma Statutes 2011, Sections 751 *et seq.*, as amended, (the "Act") authorizes the refunding of general obligations of public bodies for certain specified purposes, including the reduction of the net effective interest rate of outstanding obligations or the reduction of total interest payable over the life of such obligations, and

WHEREAS, the municipal ordinances, as amended, pursuant to which issuance of the 2008 and 2009B Bonds were approved authorize the redemption, at the option of the City, of said bonds prior to their scheduled maturities; and

WHEREAS, a public hearing was conducted on October 16, 2018, following published notice thereof in accordance with provision of the Act, to advise the public of the terms, conditions, fees and expenses with respect to the proposed refunding of the outstanding principal balance of the above recited Bonds; and

WHEREAS, in order to reduce the net effective interest rate on such Bonds and thereby reduce total interest payable over the life of such obligations and to provide additional monies for the accomplishment of the general purposes approved at the May 11, 2004 and December 9, 2008 elections, the Council has determined it appropriate to issue general obligation refunding bonds as authorized under the Act for the purpose of redeeming the outstanding respective balances of the 2008 and 2009B Bonds,

NOW THEREFORE BE IT RESOLVED:

SECTION 1. There is hereby ordered and directed to be issued the general obligation refunding bonds of the City of Broken Arrow, Oklahoma, in accordance with the form hereinafter set out, in aggregate principal amount not to exceed Eight Million Dollars (\$8,000,000, to be designated "General Obligation Refunding Bonds, Series 2018E (the "Refunding Bonds").

Competitive bidding on the Refunding Bonds is expressly waived and such Bonds are hereby awarded, sold and to be delivered to \_\_\_\_\_, as Senior Managing Underwriter, all pursuant to a Bond Purchase Agreement hereinafter described.

The Refunding Bonds shall be issuable only as registered bonds in denominations of \$1,000 or multiples thereof, shall be dated December 1, 2018 and shall become due and payable and bear interest per annum from their date until paid at a not to exceed true interest cost of \_\_\_\_% and shall mature on or before April 1, 2023.

Each Refunding Bond shall recite that it is issued pursuant to the authority of the General Obligation Public Securities Refunding Act Title 62 Oklahoma Statutes 2011, Section 751 *et seq.*, as amended.

Interest on the Refunding Bonds shall be payable semi-annually on the 1st day of April and October of each year, commencing on April 1, 2019.

The Refunding Bonds shall not be subject to redemption prior to their established maturities.

A Legal Services Agreement with the Kiser Law Firm, PLLC for services as bond counsel and a Financial Advisor Services Agreement with Municipal Finance Services, Inc., each dated of even date hereof, respecting issuance of the Series 2018E Refunding Bonds are approved. The Engagement Letter with Hawkins, Delafield and Wood, LLP, dated 11/07/2017 for services as disclosure counsel in the issuance of general obligation bonds by the City is hereby ratified and confirmed.

SECTION 2. The Bonds and the endorsements and certificates thereon shall be in substantially the following form:

[FORM OF REGISTERED BOND]

UNITED STATES OF AMERICA  
STATE OF OKLAHOMA

CITY OF BROKEN ARROW, OKLAHOMA  
GENERAL OBLIGATION REFUNDING BOND,  
SERIES 2018E

R-\_\_

\$\_\_\_\_\_

MATURITY DATE

DATED DATE

INTEREST RATE

CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL MEN BY THESE PRESENTS: That the City of Broken Arrow, Oklahoma (the "City"), a body corporate, hereby acknowledges itself indebted to and for value received, promises to pay the principal amount set forth above to the person named above or registered assigns (hereinafter called the "Registered Holder"), for the bond number(s) set forth above, together with interest thereon at the rate specified hereon, from the date hereof until paid, payable semi-annually on the 1st day of April and October, respectively, in each year, beginning April 1, 2019.

This Bond is not subject to redemption prior to the maturity date stated above. Principal of and interest on this Bond are payable in lawful money of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts. Payments of interest hereon shall be paid by check of BOKF, NA, (herein called the "Paying Agent/Registrar") payable to the order of the Registered Holder and mailed to the address shown in the Registration Record on or before the date on which each such payment is due. Payment of principal of this Bond shall be payable only upon surrender of this Bond to the Registrar.

THE FULL FAITH, CREDIT, AND RESOURCES of the City are hereby irrevocably pledged to the payment of this Bond.

THIS BOND is one of an issue of like date and tenor, except as to date of maturity, rate of interest and denomination, aggregating a principal sum not to exceed Eight Million Dollars (\$8,000,000) issued for the purpose of refunding certain prior general obligation bonds of the City pursuant to the authority of the General Obligation Public Securities Refunding Act, Title 62 Oklahoma Statutes 2011, Section 751 *et seq.*, as amended.

No person shall be entitled to any right or benefit provided in this Bond unless the name of such person is registered by the Paying Agent/Registrar (I) on the Registration Record maintained in its corporate trust office located in Tulsa, Oklahoma. This Bond shall be transferable only upon delivery of this Bond to the Paying Agent/Registrar, duly endorsed or accompanied by a written

instrument of transfer in form satisfactory to the Paying Agent/Registrar, duly executed by the Registered Holder hereof or his attorney duly authorized in writing, and such transfer registered on the Registration Record. The Paying Agent/Registrar shall not be required to make such transfer after the 15th day preceding any interest payment date until after said latter date. The name of the Registered Holder endorsed hereon shall be deemed the correct name of the owner of this Bond for all purposes whatsoever. The Paying Agent/Registrar will keep the Registration Record open for registration of ownership of registered Bonds during its normal business hours. In the event of a change of Paying Agent/Registrar for any reason, notice thereof shall be mailed, by registered or certified United States Mail, postage prepaid, to the Registered Holder at the address shown in the Registration Record, and such notice shall be effective on the date of mailing and sufficient as to all persons.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been properly done, happened and been performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this Bond, and the series of which it forms a part, does not exceed any constitutional or statutory limitation; and that due provision has been made for the collection of an annual tax sufficient to pay the interest on this Bonds as it falls due and also to constitute a sinking fund for the payment of the principal hereof at maturity.

IN WITNESS WHEREOF, the governing body of the City of Broken Arrow, Oklahoma, has caused this bond to be executed by the facsimile signature of the Mayor of said City, attested by the facsimile signature of the City Clerk and the facsimile seal of the City to be imprinted hereon, all as of the \_\_\_\_ day of December, 2018.

(SEAL)

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

AUTHENTICATION CERTIFICATE

This Bond is one of the General Obligation Refunding Bonds, Series 2018E of the City of Broken Arrow, Oklahoma.

Date of Registration  
and Authentication

BOKF, NA,  
Paying Agent/Registrar

\_\_\_\_\_  
Authorized Officer

STATE OF OKLAHOMA    )  
                                  ) SS  
COUNTY OF TULSA     )  
COUNTY OF WAGONER

We, the undersigned, District Attorneys and County Clerks, respectively, of said Counties in said State, in which the within named City is situated, hereby certify that the within bond is one of a series of bonds issued by said City pursuant to law, and that the entire issue of said bonds is within the debt limit imposed upon said City by the Constitution and laws of the State of Oklahoma.

WITNESS our respective official hands and the seals of said Counties this \_\_\_\_ day of December, 2018.

\_\_\_\_\_  
District Attorney, District Number #14

(SEAL)

\_\_\_\_\_  
County Clerk, Tulsa County, Oklahoma

\_\_\_\_\_  
District Attorney, District Number #27

(SEAL)

\_\_\_\_\_  
County Clerk, Wagoner County, Oklahoma



SECTION 3. That each of said bonds shall be executed by the Mayor by facsimile signature, attested by facsimile signature of the City Clerk and have the corporate seal of the City imprinted thereon by facsimile; that said officers be and are hereby authorized and directed to cause said bonds to be prepared and to execute the same for and on behalf of said City, cause the same to be registered by the Finance Director/Treasurer of the City, endorsed by the District Attorneys and County Clerks of Tulsa County and Wagoner County, Oklahoma, respectively, and presented to the Attorney General, Ex-Officio Bond Commissioner, together with a certified transcript of proceedings had in connection with the issue, for approval and endorsement; that thereafter said bonds shall be delivered to the purchasers upon payment of the purchase price thereof, which shall not be less than par, plus accrued interest.

The proceeds derived from the sale of said bonds shall be placed in a special escrow fund and used solely for the purpose of paying the Prior Bonds of the City set out in Section 2 hereof, paying the costs of issuance and other lawful purposes as set forth in the General Obligation Public Securities Refunding Act.

SECTION 4. Whenever any registered Bond or Bonds shall be exchanged for another registered Bond or Bonds of different denomination, the Registrar shall cancel the Bond or Bonds surrendered in such exchange on the face thereof and on the Registration Record. If the supply of registered Bonds for making exchanges shall have been exhausted, the Registrar shall cause additional registered Bonds to be prepared, at the expense of the City. The City covenants that upon request of the Registrar, its appropriate officers promptly will execute such additional registered Bonds on behalf of the City.

SECTION 5. The Paying Agent/Registrar for all registered Bonds issued pursuant to this ordinance shall be BOKF, NA, which shall maintain a Registration Record for the purpose of registering the name and address of the Registered Holder of each registered Bond. The Registrar will keep the Registration Record open for registrations during its normal business hours. In the event of a change of Registrar, notice thereof shall be mailed, registered or certified United States Mail, postage prepaid, to the Registered Holder of each registered Bond. The name and address of the Registered Holder as the same shall appear on the Registered Record shall be conclusive evidence to all persons and for all purposes whatsoever and no person other than the Registered Holder shown on the Registration Record shall be entitled to any right or benefit in relation to the Bond so registered; provided, that the foregoing shall not apply to any successor by operation of law of such Registered Holder. Registered Bonds shall be transferable only upon delivery of such Bonds to the Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Registrar, executed by the Registered Holder thereof or his attorney duly authorized in writing, and such transfer registered on the Registration Record. If the Form of Assignment on such Bonds is exhausted, such Registered Bonds delivered to the Registrar for registration of transfer shall be cancelled by the Registrar on the face thereof and the Registrar shall authenticate and deliver to the transferee Bonds in aggregate principal amount equal to the unpaid principal of the surrendered Bonds in new registered Bonds, in denominations of \$1,000 or multiples thereof. The Registrar shall not be required to make such transfer after the fifteenth (15th) day preceding any interest payment date until after said latter date.



SECTION 6. The Mayor is authorized to execute the Bond Purchase Agreement as well as the Certificate of Determination upon the Mayor's determination of the final details of the Bonds including interest rates and maturities on the date of final pricing of the Bonds, provided the average interest rate in the form of true interest cost does not exceed 2.\_\_\_\_% per annum and provided further this authorization to sign the Bond Purchase Agreement shall lapse on June 30, 2019, and the Mayor is further authorized to approve and direct payment of the costs of issuance of the Bonds.

SECTION 7. That beginning with year 2019, if necessary, a continuing annual tax sufficient to pay the interest on said bonds when due and for the purpose of providing a sinking fund with which to pay the principal of said bonds when due shall be and is hereby ordered levied upon all taxable property in said City, in addition to all other taxes, said sinking fund to be designated "City of Broken Arrow, Oklahoma, General Obligation Refunding Bonds, Series 2018E Sinking Fund". If necessary, said tax shall be and is hereby ordered certified, levied and extended upon the tax rolls and collected by the same officers, in the same manner and at the same time as the taxes for general purposes in each of said years are certified, levied, extended and collected; that all funds derived from said tax shall be placed in said sinking fund, which, together with all interest collected on same, shall be irrevocably pledged to the payment of the interest on and principal of said bonds when and as the same fall due.

SECTION 8. The forms of (i) Bond Purchase Agreement and Continuing Disclosure Agreement between the City and \_\_\_\_\_ and (ii) Paying Agent/Registrar Agreement between the City and BOKF, NA attached hereto are hereby approved and the Mayor or, in the event of his absence or incapacity, the Vice-Mayor is hereby authorized to approve such additions, deletions or amendments thereto as such officer shall deem appropriate and to execute and deliver such documents, together with all other and further documents, instruments and certificates pertaining to the issuance of the Bonds, for and on behalf of the City.

SECTION 9. The Escrow Fund Agreement between the City and BOKF, NA attached hereto is hereby approved and the Mayor or Vice-Mayor is authorized to execute said Agreement for and on behalf of the City.

SECTION 10. The form of Preliminary Official Statement outlining the terms, conditions and security for the Bonds is hereby adopted and approved, is deemed by the City Council of the City to be "final" in accordance with the requirements of Rule 15c2-12 of the Securities and Exchange Commission promulgated pursuant to the Securities Exchange Act of 1934, and the Mayor or Vice Mayor is authorized to approve any corrections, additions or deletions thereto for and on behalf of the City, and thereupon the Mayor or Vice Mayor is authorized to execute and deliver same for and on behalf of the City and distribution of the Preliminary Official Statement by the Financial Advisor in connection with the sale of the Bonds is hereby expressly authorized; and further, the Mayor or Vice Mayor is authorized to approve, execute and deliver a Final Official Statement or Official Statement for and on behalf of the City upon issuance of the Bonds.

ADOPTED AND APPROVED THIS \_\_\_\_ DAY OF DECEMBER, 2018.

(SEAL)

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:**  
  
\_\_\_\_\_  
**ASSISTANT CITY ATTORNEY**

STATE OF OKLAHOMA    )  
                                  ) SS  
COUNTY OF TULSA     )

I, the undersigned, the duly qualified and acting Clerk of the City of Broken Arrow, in said County and State, hereby certify that the foregoing copy of proceedings is a true and complete copy of the proceedings had by the City Council of said City at a regular meeting held on the date therein set out, insofar as the same relate to the introduction, reading and adoption of Resolution No. \_\_\_\_, as the same appears of record in my office. I further certify that attached hereto is a true and complete copy of the agenda posted in prominent public view at the place of said meeting at least twenty-four (24) hours prior thereto.

WITNESS my hand and the seal of said City this \_\_\_\_ day of December, 2018.

(SEAL)

\_\_\_\_\_  
City Clerk