



City of Broken Arrow
Minutes
Broken Arrow Municipal Authority

City Hall
220 S 1st Street
Broken Arrow OK
74012

Chairperson Craig Thurmond
Vice Chair Scott Eudey
Trustee Johnnie Parks
Trustee Debra Wimpee
Trustee Christi Gillespie

Tuesday, March 17, 2020

Council Chambers

1. Call to Order

Chairperson Craig Thurmond called the meeting to order at approximately 7:37 p.m.

2. Roll Call

Present: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

3. Consideration of Consent Agenda

- A. 20-30 Approval of the Broken Arrow Municipal Authority Meeting Minutes of March 3, 2020**
- B. 20-309 Acknowledgement of Letter of Intent to perform due diligence effort with Green Country Sewer District**
- C. 20-317 Approval of and authorization to execute a Professional Consultant Agreement with Tetra Tech, Inc. for Green Country Sewer Flow Monitoring**
- D. 20-328 Notification of City Manager's, Assistant City Manager's and Department Director's execution of Professional Consultant Agreements with a value of less than \$25,000**
- E. 20-324 Ratification of City Manager's, Assistant City Manager's, and Department Director's execution of Professional Consultant Agreements with a value of less than \$25,000**
- F. 20-325 Award the most advantageous bid to Central Power systems and Services for the purchase of one (1) 2020 Doosan DX35OLC-5K-US20 Excavator for the Stormwater Division of the Streets and Stormwater Department**
- G. 20-342 Ratification of the Claims List Check Register dated March 13, 2020**

Chairperson Thurmond asked if there were any items to be removed from the Consent Agenda. There were none.

MOTION: A motion was made by Scott Eudey, seconded by Debra Wimpee.

Move to approve the Consent Agenda

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

4. Consideration of Items Removed from Consent Agenda

No Items were removed from the Consent Agenda; no action was taken or required.

5. Public Hearings, Appeals, Presentations, Recognitions, Awards

There were no Public Hearings, Appeals, Presentations, Recognitions, or Awards.

6. General Authority Business

- A. 20-322 Consideration, discussion, and possible award the most advantageous bid to Kirby**

Smith Machinery for the purchase of one (1) excavator and accessories to be used by Utilities Construction field crews for the installation and repair of water and sewer main lines

Assistant City Manager Kenny Schwab reported this Item was for the purchase of an excavator for the Utilities Department. He noted in the Utilities Department Fiscal Year 2020 Operating Budget funds were available to purchase a new large excavator to replace the current, almost 20-year-old, excavator. He reported in mid-February a bid package was sent out to fourteen vendors, on February 26, 2020 seven bid proposals were received of which four met the specifications. He indicated after reviewing the bids, the lowest bid was \$196,000 dollars, the next lowest bid was about \$1,600 dollars higher, and after evaluating the bids it was determined the second lowest bid was the most advantageous. He discussed the reasons the second lowest bid was determined to be the most advantageous noting the excavator had a 5,000-pound higher digging force and a 3,400-pound greater lifting capacity than the excavator included in the lowest bid. He stated Staff recommended awarding the bid to Kirby Smith Machinery. Chairperson Thurmond asked if excavator was Caterpillar brand. Mr. Schwab responded he was unsure, but he believed it was Caterpillar.

MOTION: A motion was made by Christi Gillespie, seconded by Debra Wimpee.

Move to award the most advantageous bid to Kirby Smith Machinery for the purchase of one (1) excavator and accessories to be used by Utilities Construction field crews for the installation and repair of water and sewer main lines

The motion carried by the following vote:

Aye: 5 - Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

Vice Chair Eudey stated, for the record, the excavator was Komatsu brand.

- B. 20-340 Consideration, discussion, and possible approval of Resolution No. 1313, a Resolution authorizing the Broken Arrow Municipal Authority (the "Authority") to issue its Utility System and Sales Tax Revenue Note, Taxable Series 2020 (the "Note") in the aggregate principal amount of not to exceed \$27,000,000; waiving competitive bidding and authorizing the Note to be sold on a negotiated basis; approving and authorizing execution of a Supplemental Note Indenture authorizing the issuance and securing the payment of the Note; providing that the organizational document creating the authority is subject to the provisions of the Indenture; ratifying and confirming a Lease Agreement by and between the City of Broken Arrow, Oklahoma (the "City") and the Authority pertaining to the City's water, sanitary sewer, and solid waste disposal systems; ratifying and confirming a Sales Tax Agreement by and between the City and the Authority pertaining to pledge of certain sales tax revenues; authorizing and directing the distribution of information in connection with the placement of the Note and authorizing the execution of the Note and other documents relating to the transaction, including professional services agreements and an escrow agreement; and containing other provisions relating thereto**

Finance Director Cindy Arnold reported the City had a 2012 Oklahoma Water Resource Board Loan for the Water Treatment Plant; the original loan was approximately \$29 million dollars. She noted at this time interest rates were extremely low, and the Finance Department proposed refinancing an amount not to exceed \$27 million dollars. She proposed obtaining a bank loan for the financing and proposed the Authority approve a Utility System and Sales Tax Revenue note, taxable series 2020, in the aggregate principal amount not to exceed \$27 million dollars while waiving the competitive bid and authorizing the note to be sold on a negotiated basis with an interest rate not to exceed 2.5%. She indicated John Wolfe (ph) from NFS was present, as well as Nate from Public Law and Finance, to answer questions. She indicated this refinance would result in a tremendous amount of savings. She explained she hoped to refinance at an interest rate of 1.7% or lower

which would save the City millions of dollars. She stated even with the worst-case scenario refinancing at 2.5% the City would save \$8.9 million dollars.

Vice Chair Eudey stated any time the City had an opportunity to save more than \$1 million dollars he was pleased.

MOTION: A motion was made by Scott Eudey, seconded by Christi Gillespie.

Move to approve Resolution No. 1313 and authorize its execution

The motion carried by the following vote:

Aye: **5 -** Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

7. Remarks and Updates by City Manager and Staff

There were no remarks or updates by City Manager or Staff.

8. Executive Session

There was no Executive Session.

9. Adjournment

The meeting adjourned at approximately 7:43 p.m.

MOTION: A motion was made by Johnnie Parks, seconded by Christi Gillespie.

Move to adjourn

The motion carried by the following vote:

Aye: **5 -** Christi Gillespie, Debra Wimpee, Johnnie Parks, Scott Eudey, Craig Thurmond

Chairperson

Secretary