



City of Broken Arrow
Minutes
Broken Arrow Municipal Authority

City Hall
220 S 1st Street
Broken Arrow OK
74012

Chairperson Craig Thurmond
Vice Chair Richard Carter
Trustee Mike Lester
Trustee Johnnie Parks
Trustee Scott Eudey

Tuesday, February 7, 2017

Council Chambers

1. Call to Order

Chairman Craig Thurmond called the meeting to order at approximately 8:57 p.m.

2. Roll Call

Present: 5 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter, Craig Thurmond

3. Consideration of Consent Agenda

Chairman Thurmond asked if there were any items to remove from the Consent Agenda. There being none, he asked for a motion.

MOTION: A motion was made by Richard Carter, seconded by Mike Lester.

Move to approve the Consent Agenda as presented

The motion carried by the following vote:

Aye: 5 - Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter and Craig Thurmond

- A. 17-1653 Approval of Broken Arrow Municipal Authority Meeting Minutes of January 17, 2017**
- B. 17-1798 Acknowledgement of receipt of Oklahoma Department of Environmental Quality (ODEQ) Permit No. SL000073161049-R for construction of the 209th Street Lift Station and Force Main (Project No. S.1608)**
- C. 17-1746 Approval and authorization to purchase one (1) 3/4 ton extended cab four-wheel drive (4WD) pickup truck from Bill Knight Ford as bid for the Water Treatment Plant pursuant to the Oklahoma statewide vehicle contract**
- D. 16-1538 Approval of the Broken Arrow Municipal Authority Claims List for February 07, 2017**

4. Consideration of Items Removed from Consent Agenda

There were no items removed from the Consent Agenda. No action was required or taken.

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

There were no public hearings, appeals, presentations, recognitions or awards.

6. General Authority Business

- A. 17-1793 Consideration, discussion, and possible approval and authorization to execute Resolution No. 973; a resolution authorizing a loan from the Oklahoma Water Resources Board in principal amount not to exceed \$7,185,000; Authorizing the issuance of a Series 2017A Promissory Note not to exceed said principal amount;**

Approving and authorizing the execution of a note purchase agreement, loan agreement and security agreement pertaining to said promissory note; Designating a local trustee; ratifying and confirming a lease agreement and operation and maintenance contract and a security agreement with the City of Broken Arrow; Approving and authorizing payment of fees and expenses; Approving various covenants and authorizing execution of other documents pertaining to said loans and containing other provisions relating thereto

Ben Oglesby of Municipal Finance Services, financial advisors to the City, stated that with him was Don Kiser, Esq., the City's Bond Counsel. Giving a brief background on the Resolution, Mr. Oglesby recalled that in late summer 2016, the decision to proceed with financing of the Haikey Wastewater Treatment Plant, and so forth, was made. Operating in conjunction with the Regional Metropolitan Utility Authority (RMUA), the Haikey Creek plant remained the responsibility of Broken Arrow in part, with the City to cover 50% of costs. In October 2016, it was decided by the City to pursue financing through the Financial Assistance Program of the Oklahoma Water Resources Board, and in December 2016, the Water Board approved financing. Mr. Oglesby reported that the following day, the bond issue would go out. The item before the Authority would grant final approval for the loan amount not to exceed \$7,185,000. The Resolution also specified interest, which was not to exceed 4.75%, however, based on the current market, Mr. Oglesby estimated that it would be close to 4.05%. He pointed out the packet he had distributed to the Authority would be an information source an Authority member could consult.

MOTION: A motion was made by Mike Lester, seconded by Richard Carter.

Move to approve Resolution No. 973 and authorize its execution

The motion carried by the following vote:

Aye: 5 -

Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter and Craig Thurmond

B. 17-1794

Consideration, discussion, and possible approval and authorization to execute Resolution No. 974; a resolution authorizing a loan from the Oklahoma Water Resources Board in principal amount not to exceed \$21,000,000; Authorizing the issuance of a Series 2017B Promissory Note not to exceed said principal amount; Approving and authorizing the execution of a note purchase agreement, loan agreement and security agreement pertaining to said promissory note; Designating a local trustee; ratifying and confirming a lease agreement and operation and maintenance contract and a security agreement with the City of Broken Arrow; Approving and authorizing payment of fees and expenses; Approving various covenants and authorizing execution of other documents pertaining to said loans and containing other provisions relating thereto

Mr. Oglesby stated that the Resolution was with reference to combined water and sewer throughout the City, and specifically, to the Lynn Lane Wastewater Treatment Plant building. The Resolution included a long list of water and sewer projects, financing for which had been approved by the Oklahoma Water Resources Board in December 2016, similarly to the previous item (Resolution No. 973). The Authority's approval of the Resolution was requested, with the Resolution stipulating the loan not exceed a principal of \$21 million and interest rate of 4.75%.

MOTION: A motion was made by Scott Eudey, seconded by Johnnie Parks.

Move to approve and authorize execution of Resolution No. 974

The motion carried by the following vote:

Aye: 5 -

Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter and Craig Thurmond

7. Executive Session

There was no Executive Session.

8. Adjournment

The meeting adjourned at approximately 9:02 p.m.

MOTION: A motion was made by Johnnie Parks, seconded by Scott Eudey.

Move to adjourn

The motion carried by the following vote:

Aye: 5 -

Scott Eudey, Johnnie Parks, Mike Lester, Richard Carter, Craig Thurmond

Attest:

Chairman

Secretary