

RESOLUTION NO. 1280

A RESOLUTION AUTHORIZING THE BROKEN ARROW MUNICIPAL AUTHORITY (THE "AUTHORITY") TO ISSUE ITS UTILITY SYSTEM AND SALES TAX REVENUE NOTE, TAXABLE SERIES 2019 (THE "NOTE") IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,800,000; WAIVING COMPETITIVE BIDDING AND AUTHORIZING THE NOTE TO BE SOLD ON A NEGOTIATED BASIS; APPROVING AND AUTHORIZING EXECUTION OF A GENERAL BOND INDENTURE AND 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 SECURITY AGREEMENT BY AND BETWEEN THE CITY AND THE AUTHORITY PERTAINING TO PLEDGE OF CERTAIN SALES TAX REVENUES, AND APPROVING AND AUTHORIZING EXECUTION OF A SALES TAX AGREEMENT; 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, A PARITY AGREEMENT, AND AN ESCROW AGREEMENT; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE BROKEN ARROW MUNICIPAL AUTHORITY:

SECTION 1. INDEBTEDNESS AUTHORIZED. The Broken Arrow Municipal Authority (the "Authority") is authorized to incur an indebtedness by the issuance of its Utility System and Sales Tax Revenue Note, Taxable Series 2019 for and on behalf of the City of Broken Arrow, Oklahoma (the "City"), in the aggregate principal amount of not to exceed \$5,800,000 (the "Note") for the purpose of providing funds to (i) refinance the outstanding amount of the Authority's Series 2009 Drinking Water SRF Promissory Note to Oklahoma Water Resources Board dated December 29, 2009, issued in the original principal amount of \$4,000,000.00, and the Authority's Series 2011 Clean Water SRF Promissory Note to Oklahoma Water Resources Board dated July 20, 2011, issued in the original principal amount of \$4,680,000.00; and (ii) pay certain costs associated with the issuance of the Note. The Note shall bear interest at the rate of not to exceed 2.60% per annum, and shall mature not later than April 1, 2032. The purchaser, principal amount, principal installments, interest rate, and maturity date shall be set forth in a Certificate of Determination to be executed by the Chairman or Vice-Chairman of the Authority prior to closing the Note.

SECTION 2. COMPETITIVE BIDDING WAIVED. Competitive bidding on the sale of said Note is waived and the Note is authorized to be sold to a financial institution, at a price of par.

The purchaser of the Note shall be designated in the Certificate of Determination referenced in Section 1 herein.

SECTION 3. INDENTURE. The General Bond Indenture, as supplemented and amended by a Series 2019 Supplemental Note Indenture, all by and between BOKF, NA, as Trustee (the “Trustee”) and the Authority (collectively referred to herein as the “Indenture”), authorizing the issuance of and securing the payment of the Note approved in Section 1 hereof, is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are authorized and directed to execute and deliver same for and on behalf of the Authority.

SECTION 4. ORGANIZATIONAL DOCUMENT SUBJECT TO THE INDENTURE. The organizational document creating the Authority is subject to the provisions of the Indenture referenced in Section 3 hereof.

SECTION 5. LEASE AGREEMENT. The Lease Agreement and Operation and Maintenance Contract dated as of August 1, 1979 (the “Lease Agreement”), whereby the City leases its presently existing and hereafter acquired water, sanitary sewer, and solid waste disposal systems to the Authority and the Authority agrees to operate the same, is hereby ratified and confirmed and the term of said Lease Agreement shall extend until the Note is paid.

SECTION 6. SALES TAX AGREEMENT. The Security Agreement dated as of June 1, 1992, by and between the City and the Authority pertaining to the City’s agreement to annually appropriate and pay all sales tax proceeds derived from City Ordinance 714 over the Authority to be used exclusively for the purposes set out in said Ordinance, is hereby ratified and confirmed; provided however, the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are authorized and directed to execute and deliver a Sales Tax Agreement by and between the City and the Authority to replace and supersede said Security Agreement, as directed by Bond Counsel.

SECTION 7. EXECUTION OF NECESSARY DOCUMENTS. The Authority authorizes Municipal Finance Services, Inc., as Financial Advisor, to distribute information to interested financial institutions in connection with the proposed placement of the Note. Authority Staff are authorized to direct the Financial Advisor to negotiate directly with an interested financial institution(s). The Chairman or Vice-Chairman and Secretary or Assistant Secretary of the Authority are hereby authorized and directed on behalf of the Authority to execute and deliver the Note to a financial institution as designated in the Certificate of Determination referenced in Section 1 hereof, upon receipt of the purchase price and are further authorized and directed to execute all necessary documentation and closing and delivery papers required by Bond Counsel, including professional services agreements with Municipal Finance Services, Inc., as Financial Advisor, with The Public Finance Law Group PLLC, as Bond Counsel, and with a placement agent (if determined necessary by the Authority Staff) with respect to the Note, a Parity Agreement by and among the Authority, the Trustee, and the Oklahoma Water Resources Board, and an Escrow Agreement by and between the Authority and BOKF, NA (if determined to be appropriate by Bond Counsel); to approve the disbursement of the proceeds of the Note, including any costs of issuance; to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Authority, the execution and delivery of such documents being conclusive as to the approval of any changes contained therein by the Authority; and to execute, record and file any and all the necessary financing

statements and security instruments, including but not limited to the documents approved hereby, and to consummate the transaction contemplated hereby.

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PASSED AND APPROVED THIS 5TH DAY OF NOVEMBER, 2019.

BROKEN ARROW MUNICIPAL AUTHORITY

(SEAL)

Chairman

ATTEST:

Secretary

CERTIFICATE
OF
AUTHORITY ACTION

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Broken Arrow Municipal Authority.

I further certify that the Trustees of the Authority held a Regular Meeting at 6:30 o'clock p.m. on November 5, 2019, after due notice was given in full compliance with the Oklahoma Open Meeting Act.

I further certify that attached hereto is a full and complete copy of a Resolution that was passed and approved by said Trustees at said meeting as the same appears in the official records of my office and that said Resolution is currently in effect and has not been repealed or amended as of this date.

I further certify that below is listed those Trustees present and absent at said meeting; those making and seconding the motion that said Resolution be passed and approved, and those voting for and against such motion:

PRESENT:

ABSENT:

MOTION MADE BY:

MOTION SECONDED BY:

AYE:

NAY:

WITNESS MY HAND THIS 5TH DAY OF NOVEMBER, 2019.

BROKEN ARROW MUNICIPAL AUTHORITY

(SEAL)

Secretary of Authority