# City of Broken Arrow

## Legislation Details (With Text)

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| **File #:** | 19-687 | **Name:** | |
| **Type:** | General Business | **Status:** | Agenda Ready |
| **File created:** | 5/27/2019 | **In control:** | Broken Arrow Municipal Authority |
| **On agenda:** | 6/3/2019 | **Final action:** | |
| **Title:** | Consideration, discussion and possible approval of Resolution 1237, a Resolution authorizing a loan from the Oklahoma Water Resources Board in principal amount not to exceed $11,415,000; authorizing the issuance of a series 2019B Clean Water SRF promissory note in the principal amount of said loan; approving and authorizing the execution of a loan agreement for Clean Water SRF loan and a security agreement pertaining to said promissory note; 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. | | |
| **Sponsors:** | | | |
| **Indexes:** | | | |
| **Code sections:** | | | |
| **Attachments:** | 1. Loan Summary, 2. Resolution 1237 | | |

| Date | Ver. | Action By | Action | Result |
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**Broken Arrow City Council**
**Meeting of: 06/03/2019**

**Title:**

Consideration, discussion and possible approval of Resolution 1237, a Resolution authorizing a loan from the Oklahoma Water Resources Board in principal amount not to exceed $11,415,000; authorizing the issuance of a series 2019B Clean Water SRF promissory note in the principal amount of said loan; approving and authorizing the execution of a loan agreement for Clean Water SRF loan and a security agreement pertaining to said promissory note; 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.

**Background:**

The Authority authorized the submission of a loan application to the Oklahoma Water Resource Board (OWRB) for the amount not to exceed $11,415,000 for the following purposes: rehabilitate the activated sludge management units at the Haikey Creek wastewater treatment plant, including construction of a concrete structure adjacent to the existing headworks to receive screened and degritted wastewater, a concrete building to house blowers, a new junction box, installation of four new aeration basins and all related appurtenances. The loan was approved by OWRB on May 21, 2019 at their regular schedule board meeting. The said

obligation is to be secured by a pledge of revenue derived by the Authority from its operation of the City's water, sanitary sewer and solid waste disposal systems and certain sales tax revenue of the City paid over to the Authority. The anticipated interest rate will be 2.13%, which could change slightly based on closing date.

**Cost:** Not to exceed $11,415,000

**Funding Source:** Series 2019B CWSRF Note

**Requested By:** Cynthia S. Arnold, Finance Director

**Approved By:** City Manager Office

**Attachments:** Resolution authorizing the loan from the Oklahoma Resource Board not to exceed $11,415,000 and Loan Summary provided by Municipal Finance Services.

**Recommendation:**
Approve Resolution 1237 and authorize its execution.