



City of Broken Arrow

Request for Action

File #: 18-1154, **Version:** 1

Broken Arrow Municipal Authority
Meeting of: 10-02-2018

Title:

Consideration, discussion, and possible approval of and authorization to execute Resolution No. 1140, a Resolution authorizing a loan from the Oklahoma Water Resources Board in principal amount not to exceed \$21,305,000; authorizing the issuance of a Series 2018 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

Background:

The Authority authorized the submission of a loan application to the Oklahoma Water Resources Board ("OWRB") for an amount not to exceed \$25,180,000. The initial loan application was for a loan through OWRB's Financial Assistance Program ("FAP") for the purposes of constructing a new pretreatment basin at the Verdigris water treatment plant, acquiring property for the installment of a booster pump station at an existing water connection to Tulsa, designing the restoration of a second ground storage tank on Tiger Hill, constructing the replacement of the existing Lynn Lane trunk sewer line, constructing the County Line trunk sewer line, acquiring right-of-way easements for the rehabilitation of the Elm Creek trunk sewer line and other related construction and appurtenances. The FAP loan was approved by OWRB at its September 18, 2018 meeting in the amount of \$21,305,000. Approval of Resolution Number 1040 by the Authority and subsequent ratification by the City Council will allow for the closing of this loan in the principal amount not to exceed \$21,305,000.

Cost: Not to exceed \$21,305,000

Funding Source: To be reimbursed from OWRB financial assistance proceeds.

Requested By: Cynthia Arnold, Finance Director

Approved By: Michael L. Spurgeon, City Manager

Attachments: Resolution No. 1140

Recommendation:
Approve Resolution No. 1140 and authorize its execution.

