



# City of Broken Arrow

## Request for Action

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**File #: 19-769, Version: 1**

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### Broken Arrow Municipal Authority

**Meeting of: 06/17/2019**

**Title:**

Approval of and authorization to execute Resolution No. 1247, a Resolution stating the intention to reimburse certain capital expenditures from proceeds of tax exempt bonds

**Background:**

The attached resolution is in conjunction with the award to Belt Construction for the County Line Trunk Sewer Phase 1. It is anticipated that BAMA will submit an application to the Oklahoma Water Resources Board (OWRB) for financial assistance through the state loan program for the purpose of funding the additional costs in excess of the amounts previously borrowed from OWRB for the construction of the County Line Trunk Sewer Phase I. Additionally the proposed loan will include funds for acquiring Right-of-Way and Easements for Phase II of the County Line Trunk Sewer. The loan amount for these two purposes is anticipated not to exceed \$2,500,000. This resolution provides for the reimbursement to the Authority for funds expended prior to the closing of the loan once the loan proceeds become available.

The attached resolution is to satisfy the requirements of Section 1.150-2 of the Treasury Regulations promulgated pursuant to Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended, which provisions relate to the proceeds of bonds being used for reimbursement for expenditures (the "Reimbursement Regulations").

**Cost:** Not to exceed \$2,500,000

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

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

**Approved By:** City Manager Office

**Attachments:** Resolution No. 1247

**Recommendation:**

Approve Resolution No. 1247 and authorize its execution.