



# City of Lawton

## Lawton Water Authority

### Agenda

Lawton City Hall  
212 SW 9th Street  
Lawton, Oklahoma  
73501-3944

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Tuesday, November 5, 2024

6:00 PM

Lawton City Hall

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**"Official action can be taken only on items which appear on the agenda. The Authority may adopt, approve, ratify, deny, defer, recommend, or continue any agenda item. The Authority may also propose and enact floor amendments to any matter presented before them. When more information is needed to act on an item, the Authority may refer the matter to the City Manager or the City Attorney. The Authority may also refer items to standing committees of the Council or a board, commission, or authority for additional study. Under certain circumstances, items are deferred to a specific later date or stricken from the agenda entirely."**

#### ROLL CALL

#### BUSINESS ITEMS:

1. Consideration and action upon a Resolution of the Lawton Water Authority (the "Authority"), approving an authorizing the modification of terms regarding the Letter of Credit Note, Series 2024C (the "Note") to be issued by the Authority; and all matters related thereto. [24-2115](#)

**Attachments:** [LWA Resolution-final execution version](#)

#### ADJOURNMENT

The City of Lawton encourages participation from all of its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at (580) 581-3305 at least 48 hours prior to the scheduled meeting is encouraged to make the necessary accommodations. The City may waive the 48 hour rule if interpreters for the deaf (signing) is not the necessary accommodation."



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## Commentary

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**File #:** 24-2115

**Agenda Date:** 11/5/2024

**Agenda No:** 1.

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**ITEM TITLE:**

Consideration and action upon a Resolution of the Lawton Water Authority (the “Authority”), approving an authorizing the modification of terms regarding the Letter of Credit Note, Series 2024C (the “Note”) to be issued by the Authority; and all matters related thereto.

**INITIATOR:** Timothy Wilson, Deputy City Attorney

**STAFF INFORMATION SOURCE:** Timothy Wilson, Deputy City Attorney

**BACKGROUND:** On or around August 6, 2024, ODEQ approved a consent order with the City of Lawton requiring the City to “establish and submit to DEQ an alternative financial assurance mechanism(s) in the amount of the currently approved cost estimates no later than October 31, 2024.” On September 24, 2024, the Lawton Water Authority and City Council approved the Letter of Credit Note, Series 2024C, as the alternative financial assurance mechanism to be used to comply with ODEQ’s consent order. At the time of approval by the Lawton Water Authority and City Council the interest rate listed was a fixed rate of 6.75% as provided by BancFirst’s Letter of Interest. On Monday, October 28<sup>th</sup>, City staff learned the final terms changed from a fixed interest rate of 6.75% to a rate that will be fixed at the time of an advance under the Letter of Credit Note, Series 2024C to be the then existing 5 year Constant Maturity Treasury (CMT) + 2.50 percentage points, with the rate adjusting on each 5 year anniversary of the first draw based on the then existing 5 year CMT + 2.50 percentage points. Interest would only accrue if there were a draw on the line of credit. The proposed resolution authorizes this modification.

**EXHIBIT:** Resolution 24-

**KEY ISSUES:** N/A

**FUNDING SOURCE:** N/A

**STAFF RECOMMENDED COUNCIL ACTION:** Approve the Resolution authorizing the modification of terms related to the Letter of Credit Note, Series 2024C.

**PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA, THE LAWTON WATER AUTHORITY, LAWTON, STATE OF OKLAHOMA, MET IN ITS SPECIAL SESSION AT THE CITY COUNCIL CHAMBERS, LAWTON CITY HALL, 212 S.W. 9TH, LAWTON, OKLAHOMA, AT 6:00 P.M. ON THE 5TH DAY OF NOVEMBER, 2024.**

**PRESENT:**  
**ABSENT:**

THEREUPON the \_\_\_\_\_ Chair introduced a Resolution, the title of which was read in full and upon motion by Trustee \_\_\_\_\_, seconded by Trustee \_\_\_\_\_, said Resolution was adopted by the following vote:

**AYE:**  
**NAY:**

Said Resolution was thereupon signed by the \_\_\_\_\_ Chair, attested by the Secretary of the Authority, sealed with the seal of said Authority, and is as follows:

**RESOLUTION NO. 24-**

**A RESOLUTION APPROVING AND AUTHORIZING THE MODIFICATION OF TERMS REGARDING A LETTER OF CREDIT NOTE, SERIES 2024C (THE “NOTE”) TO BE ISSUED BY THE LAWTON WATER AUTHORITY (THE “AUTHORITY”); AND ALL MATTERS RELATED THERETO.**

WHEREAS, the Lawton Water Authority, a public trust (the "Authority"), has been created by a Trust Indenture for the use and benefit of the City of Lawton, Oklahoma (the "City"), under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2021, Sections 176-180.4, inclusive, as amended and supplemented, the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma; and

WHEREAS, the Trustees of the Authority have determined upon a financing plan consisting of providing funds for the purpose of securing funding for the closure and post-closure cost and/or corrective action estimates regarding the required financial assurance mechanism for the City’s landfill facilities as required by the Oklahoma Department of Environmental Quality, said facilities being part of the “Utility Systems” of the Authority within the City; and pay costs of issuance related thereto (collectively, the “Project”); and

WHEREAS, in order to effect the said financing, the Trustees of the Authority approved on September 24, 2024, the incurring indebtedness in the aggregate principal par amount of not to exceed Ten Million Dollars (\$10,000,000), said indebtedness to be evidenced by the issuance of its Letter of Credit Note, Series 2024C or other evidences of indebtedness, in one or more series

on a tax-exempt or taxable basis, at a premium or discount (the "Note"), of the Authority pursuant to the terms and conditions contained in related Note documents securing the Note (the "Note Documents"); and

WHEREAS, the terms of the Note Documents and the Note must be modified from a fixed interest rate set at time of issuance of the Note to a rate that will be determined at the time of draw upon the Letter of Credit to be fixed at the then 5 year Constant Maturity Treasury plus 2.50 percentage points, with the rate adjusting on each 5 year anniversary date of the first draw based on the then existing 5 year Constant Maturity Treasury plus 2.50 percentage points.

**NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE LAWTON WATER AUTHORITY:**

SECTION 1. The terms of the Note Documents and the Note shall be modified from the originally approved fixed interest rate set at time of issuance of the Note to a rate that will be determined at the time of draw upon the Letter of Credit to be fixed at the then 5 year Constant Maturity Treasury plus 2.50 percentage points, with the rate adjusting on each 5 year anniversary date of the first draw based on the then existing 5 year Constant Maturity Treasury plus 2.50 percentage points.

SECTION 2. By reason of the need for the benefit to the citizens of the City that can be realized with the Project and for the immediate preservation of the public peace, health and safety, this Resolution shall be effective immediately upon its adoption.

SECTION 3. In all other respects all the actions of the Authority taken on September 24, 2024, and taken on November 5, 2024, with respect to the issuance of the Note, modification of terms, and otherwise are hereby and by these presents expressly approved, confirmed, and ratified in all respects.

SECTION 4. This resolution shall become effective immediately.

*[Remainder of page left blank intentionally]*

THIS RESOLUTION PASSED AND APPROVED THIS 5TH DAY OF NOVEMBER, 2024.

LAWTON WATER AUTHORITY

\_\_\_\_\_ Chair

ATTEST:

\_\_\_\_\_  
Secretary  
(SEAL)

APPROVED as to form and legality the 5th day of November, 2024.

\_\_\_\_\_  
John Andrew, City Attorney

CERTIFICATE  
OF  
AUTHORITY ACTION

I, the undersigned, hereby certify that I am the duly and acting Secretary of the Lawton Water Authority.

I further certify that the Trustees of the Lawton Water Authority held a Special Meeting at 6:00 P.M. on November 5, 2024, 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, 2024.

(SEAL)

LAWTON WATER AUTHORITY

\_\_\_\_\_  
Secretary