

MINUTES
LAWTON WATER AUTHORITY SPECIAL MEETING
MAY 16, 2023 - 1:00 P.M.
LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 1:14 p.m. by Chairman Stan Booker. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Kelly Harris (arrived @ 1:18 p.m.), Linda Chapman, George Gill, Allan Hampton, Bob Weger, Onreka Johnson, Randy Warren.

ABSENT: Mary Ann Hankins

ALSO PRESENT: John Ratliff, Acting City Manager; Tim Wilson, Acting City Attorney; Traci Hushbeck, City Clerk.

BUSINESS ITEMS:

1. Consider and take action with respect to a resolution of the Lawton Water Authority (the “Borrower”) agreeing to file application with the Oklahoma Water Resources Board (the “Board”) for financial assistance through the Clean Water State Revolving fund loan program, with the loan proceeds being for the purpose of financing certain sewer system rehabilitation; approving and authorizing a Clean Water SRF loan from the Oklahoma Water Resources Board in the total aggregate principal amount of not to exceed \$80 million (the Loan 1, FY24 \$30 million, the Loan 2, FY25 \$25 million, and the Loan 3, FY26 \$25 million); approving the issuance of a promissory note or notes in one or more series in the total aggregate principal amount of not to exceed \$80 million ,secured by a pledge of revenues from the 2019 Propel CIP ½ percent Water/Wastewater sales tax and other revenues and authorizing its execution; approving and authorizing the execution of a loan agreement for Clean Water SRF loans; designating a local trustee and approving and authorizing the execution of a trust agreement; approving and authorizing the execution of a security agreement; ratifying and confirming a lease agreement, as amended pertaining to certain water, sanitary sewer, and refuse systems; approving various covenants; approving and authorizing the establishment of a project costs disbursement account; and containing other provisions relating thereto.

Rusty Whisenhunt, Public Utilities Director, presented information on the item. He stated this is for a loan for sewer rehabilitation to be guaranteed by the half cent water/wastewater 2019 Propel CIP. This is for a maximum amount of \$80 million. Loan rates are approximately 3%. This will replace approximately 125 miles of sewer lines. He stated there is the potential of debt forgiveness up to \$1 million in each of the three years of loans. He stated they will need to amend the motion correction the time of the meeting from 2 p.m. to 1 p.m.

Mayor Booker stated this is what PROPEL thinking is all about.

Wilson stated this will require six affirmative votes.

MOVED by Gill, SECOND by Chapman, to approve **Resolution 23-01** with a floor amendment to change any reference to a 2 p.m. meeting to a 1 p.m. meeting. AYE: Harris, Chapman, Gill, Hampton, Weger, Johnson, Warren. NAY: None. MOTION CARRIED.

2. Consider and take action with respect to a resolution of the Lawton Water Authority (the “Borrower”) agreeing to file application with the Department of Environmental Quality from the Oklahoma Water Resources Board (the “Board”) for financial assistance through the drinking water state revolving (DWSRF) fund loan program, with the loan proceeds being for the purpose of financing certain water system rehabilitation; approving and authorizing a drinking water SRF loan from the Oklahoma Water Resources Board in the total aggregate principal amount of not to exceed \$80 million (the Loan 1, FY24 \$30 million, the Loan 2, FY25 \$25 million, and the Loan 3, FY26 \$25 million); approving the issuance of a promissory note or notes in one or more series in the total aggregate principal amount of not to exceed \$80 million (the note 1 FY24 for \$30 million, note 2 FY25 for \$25 million, and note 3 FY26 for \$25 million);, secured by a pledge of revenues and authorizing its execution; approving and authorizing the execution of a loan agreement for Drinking Water SRF loan; designating a local trustee and approving and authorizing the execution of a trust agreement; approving and authorizing the execution of a security agreement; ratifying and confirming a lease agreement, as amended pertaining to certain water, sanitary sewer, and refuse systems; approving various covenants; approving and authorizing the establishment of a project costs disbursement account; and containing other provisions relating thereto.

Whisenhunt stated this is for water line replacement. This one is also eligible for the forgiveness up to \$1 million in each of the three years of loans.

MOVED by Gill, SECOND by Hampton, to approve **Resolution 23-02** with a floor amendment to change any reference to a 2 p.m. meeting to a 1 p.m. meeting. AYE: Harris, Chapman, Gill, Hampton, Weger, Johnson, Warren. NAY: None. MOTION CARRIED.

3. Consider and take action with respect to a resolution of the Lawton Water Authority (the “Borrower”) agreeing to file application the Oklahoma Water Resources Board (the “Board”) for financial assistance through Financial Assistant Program (FAP) loan program, with the loan proceeds being for the purpose of financing certain water system improvements (Alternate Water Supply Projects); approving and authorizing a Financial Assistant Program (FAP) loan from the Oklahoma Water Resources Board in the total aggregate principal amount of not to exceed \$50 million; approving the issuance of a promissory note or notes in one or more series in the total aggregate principal amount of not to exceed \$50 million;; secured by a pledge of revenues and authorizing its execution; approving and authorizing the execution of a loan agreement for Financing Assistant program (FAP) loan; designating a local trustee and approving and authorizing the

execution of a trust agreement; approving and authorizing the execution of a security agreement; ratifying and confirming a lease agreement, as amended pertaining to certain water, sanitary sewer, and refuse systems; approving various covenants; approving and authorizing the establishment of a project costs disbursement account; and containing other provisions relating thereto.

Whisenhunt stated this is a loan where the Oklahoma Water Resources Board goes out and borrows money and issues the debt themselves and we borrow from them. The interest rate is slightly higher. This is the regular PROPEL, out of the alternate water supply, and it will mature in 2035 and this loan will be for 12 years. The other loans are for 30 years. We save money by paying a little more interest but we don't have to meet the federal regulations. This money is from the state, not the federal government.

MOVED by Gill, SECOND by Harris, to approve **Resolution 23-03** with a floor amendment to change any reference to a 2 p.m. meeting to a 1 p.m. meeting. AYE: Harris, Chapman, Gill, Hampton, Weger, Johnson, Warren. NAY: None. MOTION CARRIED.

There being no further business to consider, the meeting adjourned at 1:28 p.m. upon motion, second and roll call vote.

STAN BOOKER, CHAIRMAN

ATTEST:

TRACI HUSHBECK, SECRETARY