

AGENDA
SHAWNEE MUNICIPAL AUTHORITY
May 18, 2015 AT 6:30 P.M.
COMMISSION CHAMBERS AT CITY HALL
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

All motions will be made in the affirmative. The fact that a commissioner makes or offers a second to a motion does not mean that the commissioner must vote in favor of passage.

1. Consider approval of Consent Agenda:
 - a. Minutes from the May 4, 2015 meeting.
2. Discussion, consideration and possible action for the dissemination of the December 10, 2014 letter from the Oklahoma Water Resources Board (OWRB) to Shawnee citizens.
3. New Business

(Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)
4. Adjournment

Respectfully submitted

Phyllis Loftis, CMC, City Clerk

Shawnee Municipal Authority

1. a.

Meeting Date: 05/18/2015

SMA Minutes 05-04-2015

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Minutes from the May 4, 2015 meeting.

Attachments

SMA Minutes 05-04-2015

THE TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY OF THE CITY OF SHAWNEE, COUNTY OF POTTAWATOMIE, STATE OF OKLAHOMA, MET IN REGULAR SCHEDULED SESSION IN THE COMMISSION CHAMBERS AT CITY HALL, 9TH AND BROADWAY, SHAWNEE, OKLAHOMA, MONDAY, MAY 4, 2015, DURING THE BOARD OF CITY COMMISSIONERS MEETING AT 6:30 P.M., PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW. UPON ROLL CALL, A QUORUM WAS DECLARED WITH THE FOLLOWING MEMBERS IN ATTENDANCE:

PRESENT: Agee, Harrod, Mainord, Hall, Shaw, Dykstra

ABSENT: None

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda

- a. Minutes from the April 20, 2015 meeting.
- b. Budget Amendment – Shawnee Municipal Authority Fund
Adjust Budget to Account for Compensative Absences

A motion was made by Trustee Hall, seconded by Trustee Harrod, to approve Consent Agenda item Nos. 1(a-b). Motion carried 5-1.

AYE: Hall, Dykstra, Agee, Harrod, Mainord

NAY: Shaw

AGENDA ITEM NO. 2: Discussion, consideration and possible action to include the letter from the Oklahoma Water Resources Board (OWRB) dated December 10, 2014 in citizens' monthly water bill.

After discussion regarding the purpose and intent of including the OWRB letter with the monthly water bill, a motion was made by Trustee Shaw, seconded by Trustee Dykstra, to continue any possible action to include the OWRB letter in the water bills due to pending litigation. Motion failed 3-3.

AYE: Shaw, Dykstra, Agee

NAY: Harrod, Mainord, Hall

A motion was made by Trustee Harrod, seconded by Trustee Hall, to authorize staff to post the OWRB letter to the City of Shawnee website. Motion carried 4-2.

AYE: Harrod, Mainord, Hall, Dykstra

NAY: Agee, Shaw

A motion was made by Trustee Harrod, seconded by Trustee Hall, to direct the Interim City Manager to investigate the various costs and methods to provide the citizens with the OWRB letter. Motion failed 3-3.

AYE: Harrod, Hall, Mainord

NAY: Shaw, Dykstra, Agee

AGENDA ITEM NO. 3:

New Business (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no New Business.

AGENDA ITEM NO. 4:

Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (9:34 p.m.)

WES MAINORD
CHAIRMAN

ATTEST:

PHYLLIS LOFTIS, CMC, CITY CLERK
SECRETARY

Shawnee Municipal Authority

2.

Meeting Date: 05/18/2015

OWRB Letter

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Discussion, consideration and possible action for the dissemination of the December 10, 2014 letter from the Oklahoma Water Resources Board (OWRB) to Shawnee citizens.

Attachments

OWRB Letter



STATE OF OKLAHOMA
WATER RESOURCES BOARD

www.owrb.ok.gov

RECEIVED
DEC 11 2014
CITY ATTORNEY

December 10, 2014

Ms. Mary Ann Karns
City of Shawnee
PO Box 1448
Shawnee, OK 74802

Dear Ms. Karns:

The Oklahoma Water Resources Board (OWRB) has been made aware of the suit filed in Pottawatomie County, *The Citizen Potawatomi Nation vs. City of Shawnee*, case no. CV-2014-128, regarding the Citizen Potawatomi Nation ("CPN") petition of detachment of certain lands currently served by the Shawnee Public Works Authority (the "Authority"). The OWRB is concerned about this action and the possible effect that it may have on our outstanding loans with the Authority.

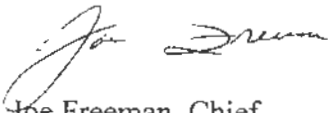
The Authority currently has four (4) outstanding loans with the OWRB including one Clean Water State Revolving Fund Loan, two Drinking Water State Revolving Fund Loans and one State Loan Program Loan. Each of these loan agreements specifically states that "The Borrower will not grant any franchise to provide any services which compete with the System." This language is further codified in Oklahoma State Statute Title 82 Section 1085.36:

After a loan or other financial assistance is obtained under Sections 1085.31 through 1085.65 of this title, and during the term of such loan or other financial assistance, no person, other than the eligible entity obtaining the financial assistance, shall be authorized to provide services of the type relied on for security of the loan or other financial assistance to customers of the portion of the system that is identified in the loan documents as collateral for the loan and either (1) in existence at the time of the loan or other financial assistance or (2) financed by the loan or other financial assistance.

As described in the promissory notes, collateral for the Authority's loans with OWRB includes a pledge and assignment of revenues derived from the Authority's operation of the water and sanitary sewer systems serving the City of Shawnee. Therefore, removing customers from the service area may impact the security of the loans, not to mention violate the laws and contractual provisions designed to provide such security. OWRB respectfully requests that the loan agreements and above stated statutory language be taken into consideration as the action between the CPN and City of Shawnee moves forward.

If you have any questions, or if I can be of any further assistance, please contact me at 405-530-8800 or joe.freeman@owrb.ok.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Freeman", written in a cursive style.

Joe Freeman, Chief
Financial Assistance Division