

AGENDA
SHAWNEE MUNICIPAL AUTHORITY
December 7, 2020 AT 6:00 P.M.
COMMISSION CHAMBERS AT CITY HALL
16 WEST 9TH STREET
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

1. Consider approval of Consent Agenda:
 - a. Minutes from the November 16, 2020 regular meeting.
2. Consideration of a budget amendment for Shawnee Municipal Authority Fund 501 – to adjust budget for paperless work order and WMS system, changes in payroll, and contracted services.
3. Consider and take action with respect to a resolution of the Shawnee Municipal Authority (the “Authority”) approving and authorizing a Clean Water SRF Loan from the Oklahoma Water Resources Board in the total aggregate principal amount of \$12,000,000; approving the issuance of a Promissory Note in the total aggregate principal amount of \$12,000,000, secured by a Pledge of Revenues and authorizing its execution; approving and authorizing the execution of a Loan Agreement for Clean 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 and Operation and Maintenance Contract and authorizing payment of fees and expenses; and containing other provisions relating thereto.
4. New Business

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

Respectfully submitted,

Lisa Lasyone, CMC, City Clerk

Shawnee Municipal Authority

1. a.

Meeting Date: 12/07/2020

Minutes

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Minutes from the November 16, 2020 regular meeting.

Fiscal Impact

Attachments

Minutes

THE TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY OF THE CITY OF SHAWNEE, COUNTY OF POTTAWATOMIE, STATE OF OKLAHOMA, MET IN REGULAR SCHEDULED SESSION, MONDAY, NOVEMBER 16, 2020, DURING THE BOARD OF CITY COMMISSIONER MEETING AT 6:00 P.M., PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW AT 2:17 P.M. ON NOVEMBER 13, 2020. UPON ROLL CALL, A QUORUM WAS DECLARED WITH THE FOLLOWING MEMBERS IN ATTENDANCE:

PRESENT: Matthews, Weaver, Flood, Bolt, Rutherford, Sehorn, Salter

ABSENT: None

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda:

- a. Minutes from the October 19, 2020 regular meeting.

A motion was made by Trustee Rutherford, seconded by Trustee Sehorn, to approve Consent Agenda Item No. 1(a). Motion 7-0.

AYE: Rutherford, Sehorn, Salter, Matthews, Weaver, Flood, Bolt

NAY: None

AGENDA ITEM NO. 2: New Business (Any matter not known, or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no New Business.

AGENDA ITEM NO. 3: Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (7:34 p.m.)

ED BOLT, CHAIRMAN

ATTEST:

LISA LASYONE, SECRETARY

DRAFT

Shawnee Municipal Authority

2.

Meeting Date: 12/07/2020

Budget Amendment

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Consideration of a budget amendment for Shawnee Municipal Authority Fund 501 – to adjust budget for paperless work order and WMS system, changes in payroll, and contracted services.

Fiscal Impact

Attachments

Fund 501

City of Shawnee
2020-2021 Budget Amendment
Shawnee Municipal Authority

Estimated Revenue, Fund Balance, or Transfers IN

Fund Number	Account Number	Project Code	Line Item	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
501	41010			FEDERAL GRANT REVENUE	-	68,609.89	68,609.89
501	48040			INSURANCE RECOVERY	-	13,900.07	13,900.07
				Total	-	82,509.96	82,509.96

Appropriations

Fund Number	Account Number	Project Code	Line Item	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
501	5-0310-53510			SOFTWARE SUPPORT CNTRCTS.	78,025.71	55,000.00	133,025.71
501	5-1020-52500			OTHER MATERIALS&SUPPLIES	2,000.00	2,000.00	4,000.00
501	5-1020-53090			REPAIR & MAINT. - OTHER	-	7,350.00	7,350.00
501	5-1030-5351			SOFTWARE SUPPORT CNTRCTS.	-	60,000.00	60,000.00
501	5-1040-51010			REGULAR SALARIES	221,051.71	38,001.60	259,053.31
501	5-1040-51150			OMRF RETIREMENT	39,192.03	4,850.09	44,042.12
501	5-1070-51010			REGULAR SALARIES	199,318.62	38,001.60	237,320.22
501	5-1070-51150			OMRF RETIREMENT	19,361.46	3,157.94	22,519.40
501	5-1010-53390			OTHER CONTRACTUAL SERVCS.	5,309,734.00	(100,000.00)	5,209,734.00
					-	-	-
					5,868,683.53	108,361.23	5,977,044.76

Approved by the City Commission this

Explanation of Budget Amendment:

Adjusts budget for paperless work order and WMS system, changes in payroll, and contracted services.

Approved:

Mayor _____

Attest: _____

City Clerk _____

Posted By _____ Date _____ BA# _____ Pkt.# _____

Shawnee Municipal Authority**3.**

Meeting Date: 12/07/2020

Resolution

Submitted By: Kacie Eck, City Clerk

Department: City Clerk

Information**Title of Item for Agenda**

Consider and take action with respect to a resolution of the Shawnee Municipal Authority (the "Authority") approving and authorizing a Clean Water SRF Loan from the Oklahoma Water Resources Board in the total aggregate principal amount of \$12,000,000; approving the issuance of a Promissory Note in the total aggregate principal amount of \$12,000,000, secured by a Pledge of Revenues and authorizing its execution; approving and authorizing the execution of a Loan Agreement for Clean 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 and Operation and Maintenance Contract and authorizing payment of fees and expenses; and containing other provisions relating thereto.

Fiscal Impact**Attachments****Resolution**

THE BOARD OF TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY, SHAWNEE, OKLAHOMA, MET IN REGULAR SESSION IN THE CITY COMMISSION CHAMBERS AT CITY HALL IN SHAWNEE, OKLAHOMA, ON THE 7TH DAY OF DECEMBER, 2020, AT 6:00 O'CLOCK P. M.

PRESENT:

ABSENT:

Thereupon, the Chairman introduced a Resolution which was read by the City Attorney. Trustee _____, moved that the Resolution be adopted and Trustee _____, seconded the motion. The motion carrying with it the adoption of the Resolution prevailed by the following vote:

AYE:

NAY:

The Resolution as adopted is as follows:

RESOLUTION NO. SMA 2020-____

A RESOLUTION OF THE SHAWNEE MUNICIPAL AUTHORITY (THE "AUTHORITY") APPROVING AND AUTHORIZING A CLEAN WATER SRF LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$12,000,000; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$12,000,000, SECURED BY A PLEDGE OF REVENUES AND AUTHORIZING ITS EXECUTION; APPROVING AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT FOR CLEAN 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 AND OPERATION AND MAINTENANCE CONTRACT, AS AMENDED; APPROVING VARIOUS COVENANTS; APPROVING AND AUTHORIZING PAYMENT OF FEES AND EXPENSES; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Shawnee Municipal Authority, Pottawatomie County, Oklahoma (the "Borrower"), was organized under Title 60, Oklahoma Statutes 2011, Sections 176-180.4, as amended, for the purpose of furthering the public functions of the City of Shawnee, Oklahoma (the "City"); and

WHEREAS, the Borrower is authorized and has determined to construct improvements to the Borrower's wastewater treatment systems (the "Project") in order to better serve the customers of said Borrower and in payment of part of the cost thereof, to seek money in the form of a Clean Water SRF Loan from the Oklahoma Water Resources Board (the "Board") in the amount of \$12,000,000; and

WHEREAS, the Board has under consideration a loan application of the Borrower and the Borrower has determined to borrow money from the Board to accomplish the Project and to evidence such loan by the issuance of the Borrower's Series 2020 Clean Water SRF Promissory Note to Oklahoma Water Resources Board in the original principal amount of \$12,000,000 (the "Note"), said Note being secured by a pledge of revenue derived from Borrower's water and sanitary sewer systems (hereinafter collectively, the "System") provided, said pledge and lien shall be on a parity in all respects with the Borrower's (i) Series 2010A Drinking Water SRF Promissory Note to Oklahoma Water Resources Board dated October 14, 2010, issued in the original principal amount of \$1,485,000; (ii) Series 2013 Promissory Note to Oklahoma Water Resources Board dated April 24, 2013, issued in the original principal amount of \$12,070,000; (iii) Utility System Revenue Note, Series 2016 dated June 8, 2016, issued in the original principal amount of \$5,410,000; (iv) Series 2019 Clean Water SRF Promissory Note to Oklahoma Water Resources Board dated May 28, 2019, issued in the original principal amount of \$5,380,000; and (v) Series 2019A Clean Water SRF Promissory Note to Oklahoma Water Resources Board dated September 19, 2019, issued in the original principal amount of \$37,920,000 (collectively, the "Existing Indebtedness"); and

WHEREAS, it is the desire of the Borrower to authorize the execution and delivery of any and all documents necessary or attendant to the issuance of the Note.

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE SHAWNEE MUNICIPAL AUTHORITY, POTTAWATOMIE COUNTY, OKLAHOMA:

Section 1. Issuance of Note. The Borrower is hereby authorized to accept said loan and issue its Note payable to the Board and secured by a pledge of revenue derived from the operation of the System. The officers of the Borrower are hereby authorized and directed to execute said Note and to do any and all lawful things to effect said loan and secure said loan from the Board, provided that the principal amount of the Note shall be \$12,000,000, and the rate of interest on the Note shall be a fixed rate of interest of one and sixty five hundredths of one percent (1.65%) per annum inclusive of administrative fees of one half of one percent (1/2%).

Section 2. Execution of Loan Agreement for Clean Water SRF Loan. The Loan Agreement for Clean Water SRF Loan by and between the Borrower and the Board (the "Loan Agreement") is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Borrower are hereby authorized to execute same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Loan Agreement.

Section 3. Designation of Local Trustee and Execution of Trust Agreement. The Borrower hereby designates BancFirst, Oklahoma City, Oklahoma, to serve as local trustee (the "Local Trustee") of certain funds in relation to the Note. The Trust Agreement by and between the Borrower and the Local Trustee, pertaining to the Note (the "Trust Agreement") is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Trust Agreement.

Section 4. Execution of Security Agreement. The Security Agreement by the Borrower in favor of the Board (the "Security Agreement"), whereby the Borrower gives a lien on the revenues of the System to the Board to secure payment of the Note is hereby approved and the Chairman or Vice

Chairman and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and do all other lawful things to carry out the terms and conditions of said Security Agreement.

Section 5. Lease Agreement and Operation and Maintenance Contract. The Lease Agreement and Operation and Maintenance Contract dated as of January 12, 1971, as amended by an Amendment to Lease Agreement dated as of July 1, 1990, between the City and the Borrower (collectively, the "Lease Agreement"), whereby the City leased to the Borrower its presently existing and hereafter acquired water and sanitary sewer systems, is hereby ratified and confirmed and the term of said Lease Agreement shall extend until the Note is paid.

Section 6. Covenants of Borrower Until payment in full of the Note and performance of all obligations owing to the Board under the Loan Agreement and the instruments executed pursuant hereto, unless the Board shall otherwise consent in writing, the Borrower hereby represents its intent to abide by and carry out the covenants contained in the Loan Agreement, which covenants are incorporated herein in their entirety.

Section 7. Project Costs Disbursement Account; Fees and Expenses. The Borrower is authorized to establish an account or accounts as necessary to serve as the Project Costs Disbursement Account described in the Loan Agreement. Upon closing of the referenced loan, the officers of the Borrower are hereby authorized to disburse (from loan proceeds or other available funds of the Borrower) those fees and expenses set forth on Exhibit "A" hereto, together with such other fees and expenses as will be set forth on the Borrower's Closing Order to be executed in connection with the closing of the financing referenced herein.

Section 8. Necessary Action. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Borrower are hereby further authorized on behalf of the Borrower to accept, receive, execute, attest, seal and deliver the above mentioned documents and all additional documentation, certifications and instruments and to take such further actions as may be required in connection with the transactions contemplated hereby, and are further authorized to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Borrower, the execution and delivery of such documents being conclusive as to the approval of any terms contained therein.

[Remainder of Page
Left Blank Intentionally]

ADOPTED AND APPROVED THIS 7TH DAY OF DECEMBER, 2020.

SHAWNEE MUNICIPAL AUTHORITY

ED BOLT, MAYOR

ATTEST:

KACIE ECK, SENIOR DEPUTY CITY CLERK

(SEAL)

STATE OF OKLAHOMA)
) SS
COUNTY OF POTTAWATOMIE)

I, the undersigned, Secretary of the Shawnee Municipal Authority, Pottawatomie County, Oklahoma, an Oklahoma public trust, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the Board of Trustees of said public trust held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the “Open Meeting Law” was complied with for such meeting.

GIVEN UNDER MY HAND THIS 7TH DAY OF DECEMBER, 2020.

(SEAL)

KACIE ECK, SENIOR DEPUTY CITY CLERK

EXHIBIT "A"

Fees and Expenses Paid at Closing

The Public Finance Law Group PLLC		
Legal Fee and Reimbursement of Expenses	0.75% of the principal amount of the Note plus \$2,500	
BOK Financial Securities, Inc.		
Financial Advisory Fee and Expenses	0.75% of the principal amount of the Note plus \$2,500	
BancFirst		
Trustee Bank Acceptance Fee		\$500.00