

**SPECIAL
MINUTES**

CITY OF WARR ACRES
SPECIAL CITY COUNCIL MEETING
4301 N ANN ARBOR AVE
WARR ACRES, OK 73122
TUESDAY
SEPTEMBER 26, 2023
6:00 P.M.

1. The meeting was called to order at 6:00 p.m. Declaration of a quorum present was given.

ROLL CALL

Present

Absent

Mayor Roger Godwin
Vice-Mayor Mike Schmidt
Councilman Scott Tribbey
Councilman Jim Von Thaer
Councilwoman Judy Myers
Councilwoman Deborah Morris
Councilman Randy Prince
Councilwoman Vickie Douglas

2. Consider And Take Action With Respect To A Resolution Of The City Of Warr Acres, Oklahoma (The "City") Accepting Beneficial Interest In An Amended Declaration Of Trust Creating And Recreating The Warr Acres Public Works Authority (The "Authority"); Approving Action Taken By The Authority Authorizing Issuance, Sale And Delivery Of A Promissory Note Of The Authority To The Oklahoma Water Resources Board; Ratifying And Confirming A Lease By And Between The City And The Authority Pertaining To Certain Utility Systems, And Authorizing The Execution And Delivery Of An Amended Lease Agreement And Operation And Maintenance Contract; Authorizing A Sales Tax Agreement By And Between The City And The Authority Pertaining To A Year-To-Year Pledge Of Certain Sales Tax Revenue; And Containing Other Provisions Related Thereto.

Jon Wolfe addressed the council stating that there are many issues with the sewer system that have been ongoing so tonight is present to have the council vote to apply for an OWRB loan in the amount of \$10.3 million dollars. Application is due by October 10th the OWRB will have a meeting to approve the loan on November 30th with closing in December. It is a 30-year fixed rate currently at 3.25%, however, the rate is set at closing. You do not pay interest until you make the first draw of the funds. OWRB is a multifunction entity and this would be through their Clean Water program. Councilman Schmidt questioned the sales tax pledge. He was told that OWRB wants assurance that they city can pay the debt, you raise the rates to cover it and the intent is to never use

sales tax. If the project can be accomplished under the \$10.3 million you only draw out what you need. They will be looking for other funding sources also. ARPA money will be used first since it has to be before June 2024 then after will be the loan so you won't draw until some time later 2024. New rates start November 2023 so you will have the funds coming in for several months before you make a draw and have to start paying interest. Councilman Schmidt asked if as the problem areas in the lines is found will they come back to the council with these. Planner Long stated that the council will accept the Wastewater Master plan and all the information will be in the plan. Then as the go through the plan certain rules must be followed so the council will be dealing with those. Councilman Tribbey asked about the Municipal loan, line of credit, and how it is different from a personal line of credit because he has two of those and the interest accrues daily and have to be paid on a certain time frame. Payments on the loan principal are required one year after the completions of the projects with a maturity date no more than 30 years. Your projects with probably be 2 to 2 ½ years so a year after that you would need to start making principal payments. So you will have quite some time to be collecting the revenues needed to repay the principal. Councilman Schmidt asked, looking ahead, if we get to the end of the project and we are over do you bring that back to the council and we have to decide weather to not finish the project or raise the rate or use sales tax. We will be working with the finance officer and if we are over and we have one project left we can go look for another project that would be covered or go find alternate funding. Planner Long pointed out that this \$10.3 is only about 10% of the entire sewer system. The lease agreement between the city and the trust, updating the indenture with more update wording, the original is very old and does not include language that should be in it. As far as the sales tax pledge it is a paper transaction going to the trust and back to the city provided all debt payments are being paid. Councilman Prince asks what happens when all the debt is paid off and the rate is still up there do we adjust the rates. The increase was based on doing \$21 million in projects and you are only do half right now. The city will still be looking at the rates every year and there will mostly be continued increases over time.

Motion by Schmidt, second by Tribbey to approve the Resolution. Poll vote: Von Thaer, yea; Myers, yea; Tribbey, yea; Schmidt, yea; Morris, yea; Douglas, yea; Prince, yea; and Godwin, yea.

Motion Passed Unanimously.

3. Adjournment.

Motion by Schmidt, second by Prince to adjourn. Poll vote: Von Thaer, yea; Myers, yea; Tribbey, abstain; Schmidt, yea; Morris, yea; Douglas, yea; Prince, yea; and Godwin, yea.

Motion Passed.

The meeting was adjourned at 7:00 p.m.

Respectfully submitted,

Pamela McDowell-Ramirez
City Clerk/Treasurer

**SPECIAL
MINUTES**

SPECIAL WARR ACRES
PUBLIC WORKS AUTHORITY MEETING
4301 N ANN ARBOR AVE
WARR ACRES, OK 73122
TUESDAY
SEPTEMBER 26, 2023
6:00 p.m.

(Immediately following completion of the Special City Council meeting)

1. The meeting was called to order at 7:00 p.m. Declaration of a quorum present was given.

ROLL CALL

Present

Absent

Mayor Roger Godwin
Vice-Mayor Mike Schmidt
Councilman Scott Tribbey
Councilman Jim Von Thaer
Councilwoman Judy Myers
Councilwoman Deborah Morris
Councilman Randy Prince
Councilwoman Vickie Douglas

2. Consider And Take Action With Respect To A Resolution Of The Warr Acres Public Works Authority (The “Borrower”) Authorizing An Amended Declaration Of Trust Creating And Recreating The Borrower; Approving And Authorizing A Clean Water Srf Loan From The Oklahoma Water Resources Board In The Total Aggregate Principal Amount Of Not-To-Exceed \$10,300,000; Approving The Issuance Of A Promissory Note In The Total Aggregate Principal Amount Of Not-To-Exceed \$10,300,000, 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 By And Between The City Of Warr Acres, Oklahoma And The Borrower Pertaining To Certain Utility Systems, And Authorizing The Execution And Delivery Of An Amended Lease Agreement And Operation And Maintenance Contract; Authorizing A Sales Tax Agreement By And Between The City And The Borrower Pertaining To A Year-To-Year Pledge Of Certain Sales Tax Revenue; Approving Various Covenants; Approving And Authorizing Application To The Oklahoma Water Resources Board; Approving And Authorizing Professional Services Agreements; Approving And Authorizing The Establishment Of A Project Costs Disbursement Account And The Payment Of Fees And Expenses; And Containing Other Provisions Relating Thereto.

This is the Trust side of what was just approved by the council. It is approving going into debt, updating the documents, and agreements. The question was raised as to why the Bank of Oklahoma was being used and the answer was only a few banks that do this. Bank of Oklahoma has lower rates.

Motion by Schmidt, second by Von Thaer to approve the Resolution. Poll vote: Von Thaer, yea; Myers, yea; Tribbey, yea; Schmidt, yea; Morris, yea; Douglas, yea; Prince, yea; and Godwin, yea.

Motion Passed Unanimously.

3. Adjournment.

Motion by Myers, second by Von Thaer to adjourn. Poll vote: Von Thaer, yea; Myers, yea; Tribbey, nay; Schmidt, yea; Morris, yea; Douglas, yea; Prince, yea; and Godwin, abstain.

Motion Passed Unanimously.

The meeting was adjourned at 7:08 p.m.

Respectfully submitted,

Pamela McDowell-Ramirez
City Clerk/Treasurer