

MINUTES  
LAWTON WATER AUTHORITY SPECIAL MEETING  
APRIL 24, 2018 - 6:00 P.M.  
LAWTON CITY HALL  
COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 6:00 p.m. by Chairman Fred Fitch. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Bob Morford, Keith Jackson, Caleb Davis, Jay Burk, Sean Fortenbaugh, Onreka Johnson, Randy Warren.

ABSENT: Dwight Tanner, Jr.

ALSO PRESENT: Jerry Ihler, City Manager; Frank Jensen, City Attorney; Traci Hushbeck, City Clerk.

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PROCLAMATION FOR ALCOHOL AWARENESS MONTH

Mayor Fitch and Major General Wilson Shoffner jointly signed the proclamation proclaiming April 28 - 29, 2018 as alcohol free weekend in Lawton, Oklahoma.

CONSIDER APPROVAL OF MINUTES OF JANUARY 23, 2018.

MOVED by Burk, SECOND by Warren, to approve the minutes of January 23, 2018. AYE: Jackson, Davis, Burk, Fortenbaugh, Johnson, Warren, Morford. NAY: None. MOTION CARRIED.

NEW BUSINESS ITEM:

1. Consider continuing the sewer rate fee originally approved in 1998 to fund the wastewater rehabilitation program required by the Oklahoma Department of Environmental Quality Consent Order, to include all phases of the program. Exhibits: Exhibit A - Phase III Sewer Rehabilitation Cost Projection and Resolution No. 98-197.

Ihler stated in the late 90's the Environmental Protection Agency and the Department of Environmental Quality with Oklahoma gave the City of Lawton a consent order decree that required us to provide a schedule to provide rehabilitation to our sewer system. It was a mandated requirement at the time as it still continues. One of the methods that we decided to fund phase one of the sewer rehabilitation program we were able to negotiate with EPA a 21-year program, three phases of seven years each. Phase one was funded through loans with the Oklahoma Water Resources Board and the method we paid those loans back was through a \$2.35 charge on our utility services bill. It was estimated it would take approximately twenty years to be able to pay back those loans for the phase one program. In May 2015 as they were working on phase three, the final phase of the sewer rehabilitation program, we had major storms in May 2015, June 2016 and 2017 that caused severe damage to our sewer collection system and trunk

mains that were not identified in our sewer rehab program to be repaired as part of the mandate with the EPA. As a result staff talked to DEQ who manages the program for EPA and they indicated that we did have the authority to go ahead and work on these mains that were damaged as part of the sewer rehab program and they would work with us to extend the program to be able to finish the program in the time we agreed to. The purpose is to keep sewer from running into the creeks and backing up into homes. Because of the damages we received through the storms, we utilized part of the sewer rehab money that we had collected to make those repairs. As a result of that, those costs were in the neighborhood of \$12.5 million because we are needing to pay for the improvements that we used to take care of those damages as well as it will take us an additional 18 months to two years to be able to finish the program and we need to fund the in house construction crews that we utilized to make the improvements and repairs to the phase three program. As they look forward to the funds that we have available in the CIP program, the 2016 CIP with sales tax CIP's is how we have been paying for phase two and phase three, we have approximately \$29 million remaining in that program, but because of the damages in the additional 18 months to two years, we are going to need \$41 million. Staff is asking the council to authorize the continuation of that \$2.35 on the utility bill until they are through the end of the sewer rehab program.

Davis stated one of the areas that took a lot of this money was in the Meadowbrook area which was about \$800,000.

Ihler stated it is almost \$900,000 now.

Davis stated that sewer system was bad and had been neglected for years. None of the people on Meadowbrook have any problems with this \$2.35. They are very happy that their sewer line is fixed.

MOVED by Burk, SECOND by Jackson, to approve continuing the sewer rate fee originally approved in 1998 to fund the wastewater rehabilitation program required by the Oklahoma Department of Environmental Quality Consent Order, to include all phases of the program. AYE: Davis, Burk, Fortenbaugh, Johnson, Warren, Morford, Jackson. 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 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 wastewater system improvements; approving and authorizing a clean water SRF loan from the Oklahoma Water Resources Board in the total aggregate principal amount of not to exceed \$12,705,000; approving the issuance of a promissory note in the total aggregate principal amount of not to exceed \$12,705,000, 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, 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; approving and authorizing execution of professional services agreements; and containing other provisions relating thereto. Exhibits: Resolution No. 18-\_\_ and Agreement for Bond Counsel Services.

MOVED by Burk, SECOND by Jackson, to approve **Resolution No. 18-01**. AYE: Burk, Fortenbaugh, Johnson, Warren, Morford, Jackson, Davis. NAY: None. MOTION CARRIED.

#### ADJOURNMENT

There being no further business to consider, the meeting adjourned at 6:21 p.m. upon motion, second and roll call vote.

FRED L. FITCH, CHAIRMAN

ATTEST:

TRACI HUSHBECK, SECRETARY