MINUTES
LAWTON WATER AUTHORITY SPECIAL MEETING
AUGUST 23, 2022 - 2:00 P.M.
LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 2:00 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: Mary Ann Hankins, Linda Chapman, Allan Hampton, Sean Fortenbaugh, Onreka Johnson, Randy Warren.

ABSENT: Kelly Harris, Jay Burk

ALSO PRESENT: Michael Cleghorn, City Manager; John Ratliff, City Attorney; Traci Hushbeck, City Clerk

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BUSINESS ITEMS:

1. Consider approval of the minutes of the Lawton Water Authority special meeting of July 26, 2022.

MOVED by Warren, SECOND by Chapman, to approve the minutes of the Lawton Water Authority special meeting of July 26, 2022. AYE: Hankins, Chapman, Hampton, Fortenbaugh, Johnson, Warren. NAY: None. MOTION CARRIED.

2. Consider and take action with respect to a resolution of the Lawton Water Authority (the "Borrower"), including any floor amendments that may be made thereto, authorizing and approving to increase the currently authorized loan application with the Oklahoma Water Resources Board (the "Board") for financial assistance through the Clean Water State Revolving Fund (CWSRF) loan program, with the loan proceeds being for the purpose of financing certain Wastewater Treatment Plant (WWTP) improvements and Water Meter replacements; approving and authorizing a CWSRF loan from the Board in the total aggregate principal amount of not to exceed $70 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 $70 million, secured by a pledge of revenues and authorizing its execution; approving and authorizing the execution of a loan agreement for CWSRF 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.

Rusty Whisenhunt, Public Utilities Director, stated all the bids on this project are coming in at approximately 41% above the engineers estimate. He stated that 41% seems to be holding in all the plant and infrastructure projects. Because of the tight timeline in order to comply with our consent order, we have to start advertising the project on August 31st and have to have a bid opening on October 11th and go to the OWRB on October 18th. This will come to council to close the loan prior to the first council meeting in November and award that contract to meet the December 1st deadline. We cannot afford to open those bids and not have enough money allocated to fund this project. This item is to get authorization to go to the board and make sure we have enough money identified. We are only going to do the loan and pull the money for what is necessary to fund the project.

Mayor Booker stated this is just phase one. He questioned how many phases we have.

Whisenhunt stated they have identified three phases.

Mayor Booker questioned the original project cost for the phases.

Whisenhunt stated phase one was originally estimated at $60 million, phase two was $70 million and phase three was going to be at $200 million.

Mayor Booker stated there is money in the utility funding to pay this, but now we are raising it, is the rest of the money coming from PROPEL?

Whisenhunt stated none of the money is identified from PROPEL, it is still out of utility rates. If the bids come in at the $71 million, we are good on our rates. If we have to leverage the other $25 million we would be able to offset the increase with the savings of some loans that were recently paid off. He stated for the next couple years we are good on our rate structure for debt service.

MOVED by Warren, SECOND by Hankins, to approve **Resolution 22-08**. AYE: Hankins, Chapman, Hampton, Fortenbaugh, Johnson, Warren. NAY: None. MOTION CARRIED.

There being no further business to consider, the meeting adjourned at 2:11 p.m. upon motion, second and roll call vote.

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STAN BOOKER, CHAIRMAN

ATTEST:

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TRACI HUSHBECK, SECRETARY