

MINUTES
LAWTON WATER AUTHORITY SPECIAL MEETING
NOVEMBER 10, 2015 - 6:00 P.M.
NEW CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 6:03 p.m. by Chairman Fred L. 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, Rosemary Bellino-Hall, Jay Burk, Dwight Tanner, Jr., Cherry Phillips, V. Gay McGahee, Doug Wells.

ABSENT: None

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

NEW BUSINESS ITEM:

1. Discuss and take action as necessary with respect to authorizing the distribution of bid packets to seek financing in the approximate principal amount of \$20,000,000 for the purpose of funding certain capital projects included in the August 2015 election which repurposed and expanded the 2012 CIP Sales Tax. Exhibits: None.

Ihler stated they are looking at moving forward with financing some of the projects as it relates to what used to be the 2012 CIP and became part of the 2016 CIP.

Gary Bush, The Public Finance Law Group, stated there are a number of ways to go on these types of transactions. The 2012 CIP was extended and you can pay as you go, but what works out better is if you borrow in anticipation of some of that sales tax so you have some money up front for some of the projects that the people and the city council want to do now. You need money in the bank when you enter into a contract for construction so they are proposing that the city issue \$20 million in sales tax anticipation notes and that they allow their financial advisors to go out and take some competitive proposals from financial institutions to provide us with that money. The money would be available around the first of the year.

Wells stated by state law we cannot award a contract until we have the funds to pay for it. A lot of these projects that are several million dollars, it would be several years down the road before we could do them. This is just the method the council has always used to fund these projects. With the interest rates we have now it would be the most sensible thing to do to borrow the money now so we can get as much value out of our money that we can.

Burk stated this is something we anticipate when we go out for CIP's so it is not an anticipated expense, it is figured into each job.

Jackson questioned if there was a specified list of projects.

Ihler stated approximately \$8 -\$10 million would be for drilling some test wells and actually converting about five of those to actual wells. They will be looking at a project on NW 2nd Street between Columbia and Dearborn to Ferris. They will look at SE 45th Street because ODOT has an anticipation date of a bid letting in spring or early summer and we will have to have our 20% of construction costs and administrative costs.

Mayor Fitch stated that would also include LATS buses.

MOVED by Wells, SECOND by Burk, to authorize the distribution of bid packets to seek financing in the approximate principal amount of \$20,000,000 for the purpose of funding certain capital projects included in the August 2015 election which repurposed and expanded the 2012 CIP Sales Tax. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

There being no further business to consider, the meeting adjourned at 6:10 p.m. upon motion, second and roll call vote.

FRED L. FITCH, CHAIRMAN

ATTEST:

TRACI HUSHBECK, SECRETARY