MINUTES
LAWTON WATER AUTHORITY SPECIAL MEETING
DECEMBER 9, 2014 - 6:00 P.M.
NEW CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 6:13 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 (arrived @ 6:17 p.m.), Jay Burk, Dwight Tanner, Jr., Richard Zarle, Stanley Haywood, Doug Wells.

ABSENT: None

ALSO PRESENT: Bryan Long, City Manager; Frank Jensen, City Attorney; Traci Hushbeck, City Clerk.

CONSIDER APPROVAL OF MINUTES OF November 25, 2014.

MOVED by Jackson, SECOND by Morford, to approve the minutes of November 25, 2014. AYE: Morford, Jackson, Burk, Tanner, Zarle, Haywood, Wells. NAY: None. MOTION CARRIED.

NEW BUSINESS ITEM:

1. Consider adopting a resolution authorizing the Lawton Water Authority (the "Authority") to issue its sales tax revenue note, series 2014 in the principal amount of $9,500,000* (the "note"), waiving competitive bidding and authorizing execution of a sales tax agreement by and between the City of Lawton, Oklahoma (the "City") and the Authority pertaining to the year-to-year pledge of certain sales tax revenues; approving and authorizing execution of a note indenture authorizing the issuance and securing the payment of the note; providing that the organizational document creating the Authority is subject to the provisions of the note indenture; authorizing and directing the execution of the note and other documents relating to the transaction; and containing other provisions relating thereto. Exhibits: Resolution 14-__.

Brooks Mitchell, Finance Director, stated over the past several meetings the council has identified some priority projects to be worked upon first with the sales tax extension and has given staff authorization to come up with a financing package. (A summary sheet was distributed which highlighted the two bids that were received). He stated the council requested a good interest rate and flexibility because they did not want to pay interest on money that they were not going to be using immediately. There were two proposals, one from local banks at an interest rate of 1.95% and gives us an 18 month draw schedule and a five year repayment plan. The other bid had a lower interest rate but we had to take all the money up front. His recommendation tonight is to approve the financing package bid submitted by Arvest Bank as the lead bank in association with other local banks.

Wells stated he could not find anyplace that states the term.

Mitchell stated the term is five years.

Jackson stated he is very supportive of getting these projects moving as quickly as possible and that is what the public seems to be demanding of council. He stated the resolution stated this is payable from the 2015 public safety and capital improvement operational expenditures sales tax revenues. This was not an operational expenditures sales tax revenue program and he would like that phrase to be stricken from all references to the sales tax capital improvement extension program. It was never intended to be an operational expenditure sales tax.

Jensen stated the reason that title was used is because there is a definition in the state statute on what a capital improvement is and not everything that is on that list including the hiring of additional officers and firefighters do not meet the definition of capital improvement as defined by state law and that is why that phrase needed to be in there.

Jackson stated he does not want to open the door that this sales tax extension program is to be used as operational expenditures.

Jensen stated this is a firm list, but there are some operational expenditures on that list. The list that was approved by voters is a firm list and cannot be changed.

Wells stated the pay raises that will come out of that sales tax are operational.

Jackson stated actually that won't be in full force until it is voted again, at some point, to be made permanent.

MOVED by Burk, SECOND by Wells, to adopt **Resolution Number 14-07**.

Tanner stated possibly the prudent course of action would be for the City not to incur any additional debt until we see what type of force reduction, if any, occurs at Fort Sill. He believes we should take a wait and see position.

SUBSTITUTE MOTION by Tanner to postpone this item indefinitely.
Motion died due to lack of second.

VOTE ON ORIGINAL MOTION: AYE: Morford, Jackson, Bellino-Hall, Burk, Zarle, Haywood, Wells. NAY: Tanner. MOTION CARRIED.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 6:20 p.m. upon motion, second and roll call vote.

FRED L. FITCH, CHAIRMAN

ATTEST:

TRACI HUSHBECK, SECRETARY