WAURIKA LAKE MASTER CONSERVANCY DISTRICT
WAURIKA, OKLAHOMA

**SPECIAL MEETING**

**AGENDA**

WHEN: October 24, 2017
WHERE: Waurika Lake Office
TIME: 2:00 PM

From the intersection of Oklahoma State Highways 65 and 53, 5 miles east of Walters, Oklahoma, east on Oklahoma State Highway 53, for 11 miles to Friendship Road, then south 6 miles on Friendship Road, then ½ mile west.

OR

From Comanche, Oklahoma, west 4 miles on Oklahoma State Highway 53 to Friendship road, then south 6 miles on Friendship Road, then ½ mile west.

1. Announcement of meeting notice and posting of agenda in accordance with Open Meeting Act.

**AGENDA ITEM:**

1. CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION AUTHORIZING A LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $24,960,000; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $24,960,000, SECURED BY A PLEDGE OF REVENUES AND AUTHORIZING ITS EXECUTION; DESIGNATING THE LOCAL TRUSTEE; APPROVING AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT; APPROVING AND AUTHORIZING THE EXECUTION OF A SERIES 2017 SUPPLEMENTAL NOTE INDENTURE; APPROVING AND AUTHORIZING THE EXECUTION OF AMENDMENTS TO CERTAIN MUNICIPAL AGREEMENTS; APPROVING VARIOUS COVENANTS; APPROVING AND AUTHORIZING PAYMENT OF FEES AND EXPENSES: AND CONTAINING OTHER PROVISIONS RELATING THERETO.

**2. ADJOURNMENT**

THE BOARD OF DIRECTORS OF THE WAURIKA LAKE MASTER CONSERVANCY DISTRICT, MET IN SPECIAL SESSION ON THIS 24TH DAY OF OCTOBER, 2017, AT 2:00 P.M.

PRESENT:

ABSENT:

Thereupon, the President introduced a Resolution which was read by the Secretary. Director __________ moved that the Resolution be adopted and Director __________ seconded the motion. The motion carrying with it the adoption of the Resolution prevailed by the following vote:

AYE:

NAY:

The Resolution as adopted is as follows:

## RESOLUTION

A RESOLUTION AUTHORIZING A LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $24,960,000; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $24,960,000, SECURED BY A PLEDGE OF REVENUES AND AUTHORIZING ITS EXECUTION; DESIGNATING THE LOCAL TRUSTEE; APPROVING AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT; APPROVING AND AUTHORIZING THE EXECUTION OF A SERIES 2017 SUPPLEMENTAL NOTE INDENTURE; APPROVING AND AUTHORIZING THE EXECUTION OF AMENDMENTS TO CERTAIN MUNICIPAL AGREEMENTS; APPROVING VARIOUS COVENANTS; APPROVING AND AUTHORIZING PAYMENT OF FEES AND EXPENSES; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, Waurika Lake Master Conservancy District (the "Borrower"), was organized under Title 82, Oklahoma Statutes 2011, Sections 531 *et seq.*, as amended, for the purpose of developing and maintaining a water supply for the municipalities of Comanche, Duncan, Lawton, Temple, Walters, and Waurika (collectively, the "Municipal Beneficiaries"); and

WHEREAS, the Borrower has entered into certain Contracts for Municipal Water Supply by and among the Borrower and the Municipal Beneficiaries and/or their respective public trusts, as each may be supplemented or amended from time to time (collectively, the "Municipal Agreements"); and

WHEREAS, Waurika Lake, including any and all appurtenances thereto necessary for the storage and transmission of water to the Municipal Beneficiaries, shall be referred to herein as the "System"; and

WHEREAS, the District heretofore issued its Series 2010 Promissory Note to the Board dated November 3, 2010, issued in the original principal amount of $27,955,000 (the "2010 Note"), for the purpose of funding the acquisition of additional water storage capacity and to provide certain improvements to the water facilities of the District; and

WHEREAS, the Board has under consideration a loan application of the Borrower and the Borrower has determined to borrow money from the Board for the purpose of refinancing the 2010 Note in order to achieve debt service savings that will be passed through to the Municipal Beneficiaries (the "Refinancing"), and to evidence such loan by the issuance of the Borrower's Series 2017 Promissory Note to Oklahoma Water Resources Board in the original principal amount of not to exceed $24,960,000.00 (the "2017 Note"), said 2017 Note being secured by a pledge of revenues derived from the System, including specifically the revenues derived from the Municipal Agreements.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WAURIKA LAKE MASTER CONSERVANCY DISTRICT:

<u>Section 1</u>. <u>Issuance of Note</u>. The Borrower is hereby authorized to accept said loan and issue its 2017 Note payable to the Board and secured by a pledge of revenue derived from the operation of the System and the officers of the Borrower are hereby authorized and directed to execute said 2017 Note and to do any and all lawful things to effect said loan and secure said loan from the Board. The principal amount of the 2017 Note shall not exceed $24,960,000, and the Net Interest Cost on the 2017 Note shall not exceed 3.75% per annum, and the maturity date shall be not later than October 1, 2035. The President or Vice President shall be authorized to execute a Certificate of Determination establishing the principal amount, maturity, and rate of interest on the Note.

<u>Section 2</u>. <u>Designation of Local Trustee</u>. The Borrower hereby designates BancFirst, to serve as local trustee (the "Local Trustee") of certain funds in relation to the 2017 Note.

<u>Section 3</u>. <u>Execution of Loan Agreement</u>. The Loan Agreement by and between the Borrower and the Board (the "Loan Agreement") is hereby approved and the President or Vice President and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Loan Agreement.

<u>Section 4</u>. <u>Execution of Series 2017 Supplemental Note Indenture</u>. The Series 2017 Supplemental Note Indenture, as it supplements and amends the General Bond Indenture dated as of November 1, 2010, as previously supplemented and amended (collectively referred to herein as the "Indenture"), all by and between the Borrower and the Local Trustee, are hereby approved and the President or Vice President and Secretary or Assistant Secretary are hereby authorized to execute

same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Indenture.

Section 5. Execution of Amendments to the Municipal Agreements. The provisions of the Municipal Agreements by and among the Borrower and the respective Municipal Beneficiaries are hereby ratified and confirmed, and respective terms thereof are authorized to extend for so long as the 2017 Note remains outstanding. The following amendments to the Municipal Agreements are hereby approved and the President or Vice President and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and do all other lawful things to carry out the terms and conditions of said Municipal Agreements, as amended:

(a) Third Addendum to Contract by and among the Borrower, the City of Comanche, Oklahoma, and The Comanche Public Works Authority

(b) Third Addendum to Contract by and among the Borrower, the City of Duncan, Oklahoma, and The Duncan Public Utilities Authority

(c) Third Addendum to Contract by and among the Borrower, the City of Lawton, Oklahoma, and the Lawton Water Authority

(d) Third Addendum to Contract by and among the Borrower, the Town of Temple, Oklahoma, and The Temple Utilities Authority

(e) Third Addendum to Contract by and among the Borrower, the City of Walters, Oklahoma, and The Walters Public Works Authority

(f) Third Addendum to Contract by and among the Borrower, the City of Waurika, Oklahoma, and The Waurika Public Works Authority

Section 6. Covenants of Borrower. Until payment in full of the 2017 Note and performance of all obligations owing to the Board under the Loan Agreement and the instruments executed pursuant hereto, unless the Board shall otherwise consent in writing, the Borrower hereby represents its intent to abide by and carry out the covenants contained in the Indenture and the Loan Agreement, which covenants are incorporated herein in their entirety.

Section 7. Necessary Action. The President or Vice President and Secretary or Assistant Secretary of the Borrower are hereby further authorized on behalf of the Borrower to approve the disbursement of the proceeds of the 2017 Note and other funds of the Borrower in connection with the issuance of the 2017 Note and the accomplishment of the transaction contemplated herein, and further, to accept, receive, execute, attest, seal and deliver the above mentioned documents and all additional documentation, certifications and instruments and to take such further actions as may be required in connection with the transactions contemplated hereby, and are further authorized to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Borrower, the execution and delivery of such documents being conclusive as to the approval of any terms contained therein.

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ADOPTED AND APPROVED THIS 24TH DAY OF OCTOBER, 2017.

WAURIKA LAKE MASTER CONSERVANCY DISTRICT

(SEAL)

________________________________

President

ATTEST:

________________________________

Secretary

STATE OF OKLAHOMA )
)SS
COUNTY OF JEFFERSON )

I, the undersigned, Secretary of Waurika Lake Master Conservancy District, an Oklahoma master conservancy district, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the Board of Directors of said master conservancy district held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 24TH DAY OF OCTOBER, 2017.

(SEAL)

______________________________

Secretary

## EXHIBIT "A"

Fees and Expenses Paid at Closing

| | |
|---|---|
| BancFirst,<br>Acceptance Fee | $750.00* |
| The Public Finance Law Group PLLC<br>Legal Fee and Reimbursement for Out-of-Pocket Expenses | 0.50% of principal amount of 2017 Note issued, plus reimbursement of expenses of $2,500.00 |
| Hawkins Delafield & Wood LLP<br>Special Tax Counsel Legal Fee | $20,000.00 |
| Municipal Finance Services, Inc.<br>Financial Advisory Fee | 0.35% of principal amount of 2017 Note issued, plus reimbursement of expenses of $2,500.00 |
| Oklahoma Water Resources Board<br>Issuance Costs | $200,000.00* |

* Not to exceed amount; to be established pursuant to Closing Order of Borrower