



City Hall, Council Chambers
401 S. Johnstone Avenue
Bartlesville, OK 74003

**MINUTES OF THE
SPECIAL MEETING
OF THE
BARTLESVILLE MUNICIPAL AUTHORITY**
Monday, March 4, 2024
**Immediately following the Bartlesville
Education Authority Special Meeting
beginning at 5:30 p.m.**

**Chairman Dale Copeland
918-338-4282**

MINUTES

(The Notice of Meeting and Agenda were posted February 29, 2024 at 5:30 p.m.)

Trustees present were Chairman Dale Copeland, Trevor Dorsey, Billie Roane and Loren Roszel. Vice Chairman Jim Curd, Jr., was absent.

City staff present were Laura Sanders, Acting City Manager; Jess Kane, City Attorney; Jason Muninger, CFO/City Clerk; Terry Lauritsen, Director of Water Utilities; Micah Siemers, Director of Engineering; Shellie McGill, Director of the Library and Museum; Kelli Williams, Chief Communications Officer; Larry Curtis, Director of Community Development; Kelsey Walker, Communications and Marketing Manager; Police Chief Kevin Ickleberry; Deputy Police Chief Troy Newell; Captain Daniel Elkins, Security; and Elaine Banes, Executive Assistant.

1. **The business meeting of the Bartlesville Municipal Authority was called to order at 5:39 p.m. by Chairman Copeland.**
2. **Roll Call was held and a quorum established.**
3. **Citizens to be heard.**

There were no citizens to be heard.

4. **Consent Docket**
 - a. **Approval of Minutes**
 - i. Discuss and take possible action to approve the Special Meeting Minutes of June 5, 2023.
 - b. **Approval of Agreement**
 - i. Agreement with the Oklahoma Water Resources Board to accept the American Rescue Plan Act (ARPA) grant for the engineering/pre-construction portion of the Chickasaw Wastewater Treatment Plant Expansion project

Ms. Roane moved to approve the Consent Docket as presented, seconded by Mr. Roszel.

Ayes: Mr. Dorsey, Mr. Roszel, Ms. Roane, Chairman Copeland

Nays: None

Motion: Passed

5. **Consider and take possible action with respect to a Resolution of the Bartlesville Municipal Authority (The "Borrower") authorizing a loan application to the Oklahoma Water Resources Board; approving and authorizing a Clean Water SRF Loan from the Oklahoma Water Resources Board in the total aggregate principal amount of \$83,235,500.00; approving the issuance of a promissory note in the total aggregate principal amount of \$83,235,500.00, 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; approving various covenants; approving and authorizing payment of fees and expenses; and containing other provisions relating thereto.

Appearing for the item was Nate Ellis and Allan Brooks, Public Finance Law Group, LLC, Jon Wolff, Municipal Finance Services, Inc., and City Water Utilities Director Terry Lauritsen. Mr. Lauritsen, at the Mayor's request, provided background on this item. The action tonight is primarily to authorize a loan application with the Oklahoma Water Resource Board (OWRB) to lock in rates for construction of a new wastewater plant that will begin in 2026. The City will only draw what is needed, and will have the option to de-obligate the loan should interest rates lower prior to drawing funds for construction. The loan will be paid back through utility rates which the City has been positioning for over the past several years with capital investment fees. The requirement to build a new facility is driven by a consent order with the Oklahoma Department of Environmental Quality (ODEQ) and other agencies in order to maintain the sewer system properly. Mr. Dorsey inquired how much the water plant cost to build, which was \$45 million. Mr. Roszel inquired as to the reason for locking in rates now instead of waiting until 2026. Mr. Lauritsen responded that it was due to the uncertainty of interest rates, the City is choosing to lock in the low rates now instead of waiting two years.

Mr. Brooks reported that the City has been working on this for several years evaluating options, conducting engineering reviews and environmental reviews, holding public hearings, and now after all of the requirements have been met, he feels that within 90 days or so the OWRB will be approving the transaction formally. He added that if the loan closed today, the rate would be 2.9% fixed, and that repayment starts at the end of construction amortized over 34 years. The collateral is the water and wastewater system, and revenues in place meet the OWRB's requirements. Mr. Brooks confirmed that if rates lower and no draw has been made on the loan, the City can de-obligate for the lower rate. He concluded stating that the proposed resolution will move the process forward, with final approval before the City Council at a later date. Mr. Lauritsen added that this debt may require the City to continue to raise rates since \$35-40million debt is what the past rate increases were based on, and by 2026 the cost would be much higher. Mr. Muninger, Chief Financial Officer, reported that the rate design study anticipated \$65 million construction cost with a 5% interest rate, so with a lower rate such as 2.9%, the debt service should be approximately the same. Mr. Wolff agreed with Mr. Muninger. Mayor Copeland commented on how this has been a very mindful process over the past several years in order to move forward with the new wastewater plant. He clarified that the loan is for the wastewater treatment plant, not the collection system of which that improvement will be considered at a later date.

Mr. Dorsey moved to approve the Resolution as presented, seconded by Ms. Roane.

Ayes: Ms. Roane, Mr. Dorsey, Mr. Roszel, Chairman Copeland


Nays: None

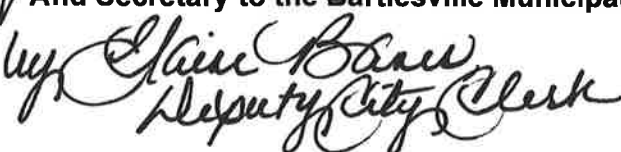
Motion: Passed

6. BMA Trustee Comments and Inquiries.

Ms. Roane stated her appreciation of the due diligence involved by all parties.

7. There being no further business to address, Chairman Copeland adjourned the meeting at 5:56 p.m.


Jason Muninger, CFO/City Clerk
And Secretary to the Bartlesville Municipal Authority


Claire Bauer
Deputy City Clerk

