



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: R-1617-76

File ID: R-1617-76

Type: Resolution

Status: Consent Item

Version: 1

Reference:

In Control: City Council

Department: Finance Department

Cost:

File Created: 01/12/2017

File Name: Clean Water SRF Loan from OWRB NUA

Final Action:

Title: RESOLUTION R-1617-76: A RESOLUTION OF THE NORMAN UTILITIES AUTHORITY (THE "AUTHORITY") APPROVING AND AUTHORIZING A DRINKING WATER SRF LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$31,000,000; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$31,000,000, SECURED BY A PLEDGE OF REVENUES AND AUTHORIZING ITS EXECUTION; APPROVING AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT FOR DRINKING 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 AN AMENDED LEASE AGREEMENT WHEREBY THE CITY OF NORMAN, OKLAHOMA LEASED ITS WATER AND SANITARY SEWER SYSTEMS TO THE AUTHORITY; APPROVING VARIOUS COVENANTS; APPROVING AND AUTHORIZING THE EXECUTION OF PROFESSIONAL SERVICES AGREEMENTS; APPROVING AND AUTHORIZING PAYMENT OF FEES AND EXPENSES; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

Notes: ACTION NEEDED: Acting as the Norman Utilities Authority, motion to adopt or reject Resolution R-1617-76.

ACTION TAKEN: _____

Agenda Date: 01/24/2017

Agenda Number:

Attachments: 05 Authority Resolution DW

Project Manager: Anthony Francisco, Finance Director

Entered by: ellen.usry@normanoik.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File R-1617-76

Body

BACKGROUND: The Oklahoma Water Resources Board (OWRB), acting as the agent of the U.S. Environmental Protection Agency (EPA) and the Oklahoma legislature, has administered a Statewide Water Development Revolving Fund loan program (SRF) for many years. These programs provide financial assistance for municipalities to make infrastructural improvements to their water and water reclamation (formerly sewer or wastewater) systems to comply with federal and state drinking water and pollution control

standards. The Norman Utilities Authority (NUA) has participated on several occasions in the Oklahoma Water Resources Board's Statewide Revolving Fund loan program and has benefitted from the lower interest rates and favorable terms in the program.

DISCUSSION: On March 22, 2016, the Norman Utilities Authority approved an application to the OWRB for an SRF loan in an amount not to exceed \$31,000,000 to provide funding to the Norman Water Treatment Facility (Resolution 1516-98). The OWRB approved this SRF loan at its January 17, 2017 meeting.

The Trustees have discussed the "Phase II" improvements to the Water Treatment Facility in numerous public meetings. Once complete, the treatment processes of the Plant and the quality of water will be much improved for all customers of the Water Utility.

The attached Resolutions would give final authority to the NUA Chair and General Manager to finalize the SRF loan process. Resolution R-1617-76 is a proposed action of the Norman Utilities Authority to transact the loan and pledging the revenue of the City's water and wastewater utilities to the repayment of the SRF loan. Resolution R-1617-77 is an action of the City Council, authorizing the indebtedness of the NUA and renewing the lease of the City's water system to the NUA.

RECOMMENDATION: It is recommended that the Resolutions be adopted.