



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: R-1617-79

File ID: R-1617-79

Type: Resolution

Status: Consent Item

Version: 1

Reference: Item 22

In Control: City Council

Department: Finance Department

Cost:

File Created: 03/02/2017

File Name: Resolution authorizing SRF Loan for NUA

Final Action:

Title: RESOLUTION R-1617-79: A RESOLUTION OF THE NORMAN UTILITIES AUTHORITY (THE "AUTHORITY") APPROVING AND AUTHORIZING A CLEAN WATER SRF LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$304,625; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$304,625, 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 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 ESTABLISHMENT OF A PROJECT COSTS DISBURSEMENT ACCOUNT; 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-1617-79.

ACTION TAKEN: _____

Agenda Date: 03/14/2017

Agenda Number: 22

Attachments: Authority Resolution

Project Manager: Anthony Francisco, Finance Director

Entered by: ellen.usry@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File R-1617-79

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 January 24, 2017, the City Council and Norman Utilities Authority (NUA) approved a Drinking Water Statewide Revolving Fund (SRF) Loan from the Oklahoma Water Resources Board (Resolutions 1617-76 and 1617-77) to finance improvements to the Vernon Campbell Water Treatment Facility. In discussions leading up to that loan, the NUA/Council was also informed of a pending OWRB program to provide grant funding, in the form of an approximately \$305,000 Clean Water SRF Loan with "principal forgiveness" (in other words, a loan that doesn't have to be repaid) to provide storm drainage and stream bank improvements. With matching funds (estimated to be \$3,977,738) from the Association of Central Oklahoma Governments (ACOG), the Norman Water Reclamation Utility will use this grant to fund improvements to the Brookhaven Creek stream bank. The improvements will include tree and shrub planting for bank stabilization, pervious pavement and diversion facilities to improve the stream flow. These improvements are indicative of the types of loan and grant programs that are available to cities through the OWRB's programs for Stormwater Utilities. The project will also provide improvements that would be necessary as a part of the West Main Street Bridge project, as it crosses Brookhaven Creek.

Resolution 1617-78 authorizes the loan application to the OWRB; Resolution 1617-79 is the NUA action to approve the loan and empowering the NUA Chair and staff to execute documents to effectuate the Principal Forgiveness Loan; and Resolution 1617-80 is the City Council action to approve the NUA entering into the loan and renewing the lease of the City's water and sewer systems to the NUA.

RECOMMENDATION: It is recommended that the Resolutions be adopted.