

**GROVE MUNICIPAL SERVICES AUTHORITY
REGULAR MEETING
TUESDAY, OCTOBER 20, 2020
4:30 PM
MINUTES**

The Grove Municipal Services Authority met in regular session on Tuesday, October 20, 2020 at 4:30 PM with Chairman, Andy Stewart presiding. Members present were Marty Follis, Berwin Kock, Ivan Devitt and Don Nielsen. Also present was General Manager, Bill Keefer; Attorney, Darren Cook; City Treasurer, Lisa Allred; Public Work Director, Deric Douthit and City Clerk, Bonnie Buzzard. Assistant General Manager, Debbie Bottoroff was absent.

Stewart opened the floor for Election of Officers:

Chairman – Follis nominated Andy Stewart. Nielsen seconded the nomination. Nomination ceased. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Vice-Chairman – Stewart nominated Marty Follis. Devitt seconded the nomination. Nomination ceased. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Devitt made the motion to approve the minutes from the September 15, 2020 regular meeting. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Nielsen made the motion to approve the purchase order register. Seconded by Kock. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to a Resolution approving and authorizing a Clean Water SRF Loan from the Oklahoma Water Resources Board in the total aggregate principal amount of \$5,350,000.00; approving the issuance of a Promissory Note in the total aggregate principal amount of \$5,350,000.00, 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 Sales Tax Agreement; ratifying and confirming Lease Agreements; approving various covenants; approving and authorizing payment of fees and expenses; and containing other provisions relating thereto. Rick Smith – Municipal Finance Services addressed the Board to report on the future financing plan highlights for GMSA that detailed on the following GMSA issuance components for a thirty (30) year term loan for sewer line improvements:

• Estimated Construction Funds:	\$3,860,016.96
• Contingency	\$ 382,703.04
• Engineering	\$ 636,000.00
• Smoke Testing / Televising	\$ 337,080.00
• Bond Counsel Fees & Expenses	\$ 56,000.00
• Local Counsel Fee	\$ 21,700.00
• Financial Advisor Fee & Expenses	\$ 56,000.00
• Trustee Bank Acceptance Fee	<u>\$ 500.00</u>
• Total Note Amount:	\$5,350,000.00

Smith added that the interest rate on the loan will be set approximately ten (10) days before closing. Smith entertained questions, comments and concerns from the Board and Staff. Devitt made the motion to approve a Resolution approving and authorizing a Clean Water SRF Loan from the Oklahoma Water Resources Board in the total aggregate principal amount of \$5,350,000.00; authorizing issuance, sale and delivery of a promissory note of the Authority to the Oklahoma Water Resources Board; ratifying and confirming a Sales Tax Agreement; ratifying and confirming Lease Agreements; and containing other provisions related thereto. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Devitt made the motion to approve the Letter of Binding Commitment with the Oklahoma Water Resources Board in regards to Clean Water State Revolving Fund Loan. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Follis made the motion to approve an Agreement with Darren Cook to provide Issuer's Counsel Services for the Clean Water State Revolving Fund Loan. Seconded by Devitt. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to approval of an Amendment to an Engineering Services Agreement with Rose & McCrary for a Cultural Resources Study as part of the Clean Water State Revolving Fund Loan. Keefer reported that the Oklahoma Water Resource Board received a request from the Cherokee Nation to conduct a cultural resources study in several location with the project boundaries. OWRB indicated that GMSA could not close on the loan process until this report was completed and returned for their review. Therefore, in order to keep the application process moving forward the project engineer offered and enter into a contract with Eagle Environmental to perform the cultural study to the original scope of work for a fee of \$9,000. Devitt made the motion to approve the agreement as presented. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to a Resolution amending the 2020-2021 GMSA Capital Budget. Keefer reported that this amendment transfers the monies from Contingencies to the Mapping line item for the aerial mapping contract that was approved at the last meeting and monies to Miscellaneous Sewer Projects for the described cultural study. Devitt made the motion to approve the Resolution amending the 2020-2021 GMSA budget as presented and discussed. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Stewart then opened the floor for discussion with respect to creating a policy pertaining to the installation of City Utilities as part of the development of a new subdivision. Keefer reported that on several occasions, the City and GMSA has been approached by developers and property owners about providing assistance with the development of infrastructure within new subdivisions which would include water, sewer, gas and street improvements. Keefer added that the current policy requires that the developer install this infrastructure at their expense per our development codes and regulations. Keefer indicated that the Staff has had numerous internal discussion along with discussions with several developers on possible scenarios and options in which the City / GMSA might be able to participate in the upfront installation of our infrastructure. Keefer noted that in most instances, installing the water and gas lines would be something that our crews would be able to do within the resources we have and in a cost effective manner. The City /GMSA would seek to recover the tangible costs related to the installation of those lines including costs for pipe, fittings, fire hydrants, valves, etc. Keefer reported that Douthit has researched some cost estimates per linear feet for the installation of various sized water and gas lines, which has been included in the packet for information. Keefer indicated that if the Board is open to this concept, the City Attorney will research the proposed policy and Staff will develop some more specifics and detail as well as have discussion with the City Council. Devitt made the motion to authorize the Staff to pursue the policy as discussed for consideration before the Board. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

STAFF REPORTS:

Keefer reported that Rural Water District #6 will be meeting this Thursday on the transition of ownership to City / GMSA. Cook reported that Attorney, Tommy Dyer will be serving the same role as he did with Rural Water District #9 a few years back.

Keefer announced that the contractor is approximately 90-95% complete on the Sewer Infrastructure Rehabilitation project.

Douthit updated the Board on the following projects:

- ✓ Third pump installation on the Infrastructure Rehabilitation project today
- ✓ Recent meter audit – Crews starting on repair / replacement projects
- ✓ Continual water leaks

TRUSTEES REPORT:

Kock asked for a status update on the recent employees Covid-19 exposure and quarantine. Keefer reported that the ones that tested positive has recovered. Keefer noted that Bottoroff has been exposed and has home quarantined herself for precautions.

EXECUTIVE SESSION:

At 5:10 PM Kock made the motion for the Board to recess into an Executive Session for the purpose of confidential communication between the public body and its Attorney concerning a pending investigation, claim, or action if the public body, with the advice of its Attorney, determines that disclosure will seriously impair the ability of the public body to process the claim or conduct a pending investigation, litigation or proceeding in the public interest pursuant to Title 25 O.S. Section 307.B.4. (Utility Customer Claim) to include participation from Bill Keefer, Lisa Allred, Bonnie Buzzard, Jen Harmon, Jeremy Brown, and Deric Douthit. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

At 5:13 PM Follis made the motion for the Board to come out of Executive Session with no action taken. Seconded by Devitt. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with Respect to the above-mentioned agenda item. Devitt made the motion to authorize the settlement with Cedar Coves. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

At 5:17 PM Follis made the motion to adjourn. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.