

**GROVE MUNICIPAL SERVICES AUTHORITY  
REGULAR MEETING  
TUESDAY, JUNE 21, 2022  
4:30 PM  
MINUTES**

The Grove Municipal Services Authority met in regular session on Tuesday, June 21, 2022 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, Debbie Bottoroff; Attorney, Darren Cook; City Treasurer, Lisa Allred; Public Works Director, Deric Douthit and City Clerk, Bonnie Buzzard.

**ADDITIONAL STAFF PRESENT:**

Public Works Superintendent – Jeremy Brown  
Utility Office Manager – Jen Harmon  
Water / Wastewater Superintendent – Aston York was absent

**PUBLIC COMMENTS:**

Stewart opened the floor for presentation from Jim Serage dba Zap Plumbing requesting GMSA to consider approving a highway bore on Highway 10 aka E 290 Road to provide sanitary sewer service for Triad-Eye Center. Serage addressed the Board to report that back in the early fall of 2021 he had visited with Public Works Director, Deric Douthit requesting permission to bore under Highway 59 (aka E 290 Road) for sanitary sewer connection to service Triad Eye Center. Douthit indicated at that time that it was against Oklahoma Department of Transportation (ODOT) regulations and GMSA's policy. Douthit further informed Serage that he would first have to obtain a Special Provision Permit from ODOT. Serage later informed Douthit that he has retained a permit from ODOT and again requested authorization to bore under the highway, and again was denied due to GMSA policy. Serage then requested authorization to be placed upon the GMSA agenda for request of waiver of policy for this project since he has attained a permit from ODOT. The Board turned to Staff for advice on how this matter may be resolved. Attorney, Cook indicated that he has visited with Douthit to learn that other contractors has expressed the same interest in boring under the highway(s) and was denied again due to the regulations currently in place with ODOT and GMSA. Cook reported that he had visited with Douthit about the project, and they both agreed that if Serage would get the project professional engineered up to the Department of Environmental Quality (DEQ) standards then GMSA could consider revising the policy (for all contractors who follow the same procedures) and authorize such projects. Serage entertained questions, comments and concerns from the Board and Staff. Serage presentation lasted for approximately 40 minutes. The Board directed Staff to look at a reasonable solution of revising the policy upon conditions and to authorize Serage to proceed with the project only upon the specific engineering service design and approval.

Devitt made the motion to approve the minutes from the May 17, 2022 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 Devitt. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Stewart opened the floor to consider and take action with respect to a Resolution authorizing the Grove Municipal Services Authority (the "authority") to issue its promissory note, Taxable

Series 2022 (the “note”) in the aggregate principal amount of \$1,000,000.00; waiving competitive bidding and authorizing the note to be sold on a negotiated basis; approving and authorizing execution of an indenture authorizing the issuance and securing the payment of the note; providing that the organizational document creating the authority is subject to the provisions of the indenture; approving and authorizing execution of an agreement of support; approving a professional services agreement with the Public Finance Law Group PLLC as Bond Counsel; authorizing and directing the execution of the note and other documents relating to the transaction; and containing other provisions relating thereto. Rick Smith – Municipal Finance Services addressed the Board to report that GMSA along with the City of Grove has determined a need to assist developers with certain infrastructure improvements as part of an effort to provide additional housing within the community. The assistance would involve GMSA & City crews to construct utilities and sidewalks in new residential development areas and then having the developers repay such costs as lots are sold and developed. Smith reported that the purpose of the 2022 Note is to provide funds for the purpose of constructing gas and water lines and connections and curbs and gutters along with sidewalks and drainage improvements to undeveloped housing sites to enhance residential development. Smith added that the Promissory Note, Taxable Series 2022 has a not-to-exceed amount of \$1,000,000, and is a draw down note for the purpose of creating infrastructure assistance for residential housing and costs of insurance. Smith presented and discussed the following estimated loan components:

- Project Funds \$ 949,250.00
- Bond Counsel Fees & Expenses \$ 27,500.00
- Financial Advisor Fee & Expenses \$ 20,000.00
- Trustee Bank Acceptance Fee \$ 750.00
- Total Loan Amount: \$1,000,000.00

Smith added that the Staff advertised for interest rate bids from local banking institutions for this note and that the following bids were received:

- ✓ Grand Savings Bank 3.790%
- ✓ Bank of Grand Lake 3.970%
- ✓ BancFirst 4.125%

Smith entertained questions, comments and concerns from the Council and Staff. Devitt made the motion to approve a Resolution authorizing the issuance of said note; waiving competitive bidding with respect to the sale of said note and approving the proceedings of the authority pertaining to the sale of said note; approving and authorizing execution of an agreement of support; and containing other provisions relating thereto which includes the awarding of interest rate bid to Grand Savings Bank at 3.790%. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen and Stewart. NAY: None. Motion carried.

Devitt made the motion to approve a Resolution amending multiple GMSA funds in the 2021-2022 Fiscal Year GMSA budget as presented and discussed by Allred. 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 authorizing Staff to participate in the Oklahoma Municipal Assurance Group (OMAG) Gas Study Group. Cook reported that this Resolution only authorizes GMSA participation in meetings to discuss subjects like bulk gas purchasing, distribution of grant funds, applying for grants, and forming of co-op. Devitt made the

motion to authorize GMSA to participate in OMAG Gas Study group. Seconded by Follis. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

**STAFF REPORTS:**

Bottoroff reported that Todd Riley of Constellation has reported to the Staff that the June index price is \$8.50 per DKTH, and that the market seems like the indexes are going to continue that trend through out the summer. Bottoroff reported that the Staff will continue to monitor the market closely.

Harmon made the Board aware of the upcoming fall sewer audit and added that the notification letters are ready to be sent out for customer awareness.

Harmon added that effective July 1<sup>st</sup> CARDS will start distributing their new 96 gallons poly carts to all residential's customers.

**TRUSTEES REPORT:**

Follis asked for an update on the Delaware County wood chipping project. Douthit reported that would be a fall project.

Devitt recognized the new light poles along the highway. Douthit reported that two (2) new poles had recently been replaced.

**EXECUTIVE SESSION:**

At 5:36 PM Follis made the motion for GMSA to recess into an Executive Session for the purpose of conferring on matters pertaining to economic development, including the transfer of property, financing, or creation of a proposal to entice a business to locate within the jurisdiction if public disclosure of the matter discussed would interfere with the development of products or services or if public disclosure would violate the confidentiality of the business, pursuant to Title 25 O.S. Section 307.C.11. (Economic Development Proposal) to include participation from Bottoroff, Douthit and Brown. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

At 5:46 PM Kock made the motion to come out of Executive Session with no action taken. Seconded by Follis AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

Stewart opened the floor for discussion with respect to agenda item E.1 above-mentioned. Stewart made the motion to authorize the Staff to present an offer to the proposed property buyer a cost incentive assistance with their utility installation. Seconded by Kock. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.

At 5:48 PM Devitt made the motion to adjourn. Seconded by Nielsen. AYE: Follis, Kock, Devitt, Nielsen, and Stewart. NAY: None. Motion carried.