



# McAlester City Council

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## NOTICE OF MEETING

### Special City Council and McAlester Public Works Board of Trustees Meeting Agenda

Thursday, August 27, 2015 – 5:30 pm  
McAlester City Hall – Council Chambers  
28 E. Washington

Steve Harrison .....	Mayor
Weldon Smith .....	Ward One
John Titsworth .....	Ward Two
Travis Read, Vice-Mayor.....	Ward Three
Robert Karr .....	Ward Four
Buddy Garvin .....	Ward Five
Jason Barnett.....	Ward Six
Peter J. Stasiak .....	City Manager
William J. Ervin .....	City Attorney
Cora M. Middleton.....	City Clerk

*This agenda has been posted at the McAlester City Hall, distributed to the appropriate news media, and posted on the City website: [www.cityofmcalester.com](http://www.cityofmcalester.com) within the required time frame.*

*The Mayor and City Council request that all cell phones and pagers be turned off or set to vibrate. Members of the audience are requested to step outside the Council Chambers to respond to a page or to conduct a phone conversation.*

*The McAlester City Hall is wheelchair accessible. Sign interpretation or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Clerk's Office at 918.423.9300, Extension 4956.*

#### **CALL TO ORDER**

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*Announce the presence of a Quorum.*

#### **ROLL CALL**

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#### **SCHEDULED BUSINESS**

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1. Consider and take action with respect to a resolution of the City of McAlester, Oklahoma (The 'City') approving the incurrence of indebtedness by the McAlester Public Works Authority (The 'Authority') issuing its Sales Tax Revenue Refunding Note, taxable

Series 2015 (The ‘Note’); providing that the organization document creating the Authority is subject to the provisions of the note indenture 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 a Sales Tax Agreement by and between the City and the Authority pertaining to the year-to-year pledge of certain sales tax revenues; and containing other provisions relating thereto.

## **CONVENE AS McALESTER PUBLIC WORKS AUTHORITY**

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*Majority of a Quorum required for approval*

- Consider and take action with respect to a resolution authorizing the McAlester Public Works Authority (The ‘Authority’) to issue its Sales Tax Revenue Refunding Note, taxable Series 2015 (The ‘Note’) in the aggregate principal amount of not to exceed \$13,000,000.00; waiving competitive bidding and authorizing the Note to be sold on a negotiated basis; approving and authorizing execution of a Sales Tax Agreement by and between the City of McAlester, Oklahoma (The ‘City’) and the Authority pertaining to a year-to-year pledge of certain sales tax revenue; approving and authorizing execution of a note 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 note indenture; authorizing and directing the execution of the Note and other documents relating to the transaction, including an escrow deposit agreement; and containing other provisions relating thereto.

## **ADJOURN MPWA**

## **RECONVENE COUNCIL MEETING**

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## **ADJOURNMENT**

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## **CERTIFICATION**

*I certify that this Notice of Meeting was posted on this \_\_\_\_\_ day of \_\_\_\_\_ 2015 at \_\_\_\_\_ a.m./p.m. as required by law in accordance with Section 303 of the Oklahoma Statutes and that the appropriate news media was contacted. As a courtesy, this agenda is also posted on the City of McAlester website: [www.cityofmcalester.com](http://www.cityofmcalester.com).*

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**Cora M. Middleton, City Clerk**



# McAlester City Council

## AGENDA REPORT

Meeting Date: August 27, 2015

Item Number: 1

Department: \_\_\_\_\_

Prepared By: \_\_\_\_\_

Account Code: \_\_\_\_\_

Date Prepared: August 25, 2015

Budgeted Amount: \_\_\_\_\_

Exhibits: \_\_\_\_\_

### Subject

Consider and take action with respect to a resolution of the City of McAlester, Oklahoma (The 'City') approving the incurrence of indebtedness by the McAlester Public Works Authority (The 'Authority') issuing its Sales Tax Revenue Refunding Note, taxable Series 2015 (The 'Note'); providing that the organization document creating the Authority is subject to the provisions of the note indenture 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 a Sales Tax Agreement by and between the City and the Authority pertaining to the year-to-year pledge of certain sales tax revenues; and containing other provisions relating thereto.

### Recommendation

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### Discussion

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### Approved By

	<i>Initial</i>	<i>Date</i>
Department Head	_____	_____
City Manager	P. Stasiak _____	_____

**RESOLUTION NO. 15-\_\_**

A RESOLUTION OF THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") APPROVING THE INCURRENCE OF INDEBTEDNESS BY THE MCALESTER PUBLIC WORKS AUTHORITY (THE "AUTHORITY") ISSUING ITS SALES TAX REVENUE REFUNDING NOTE, TAXABLE SERIES 2015 (THE "NOTE"); PROVIDING THAT THE ORGANIZATIONAL DOCUMENT CREATING THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF THE NOTE INDENTURE 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 A SALES TAX AGREEMENT BY AND BETWEEN THE CITY AND THE AUTHORITY PERTAINING TO THE YEAR-TO-YEAR PLEDGE OF CERTAIN SALES TAX REVENUES; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, The McAlester Public Works Authority, Pittsburg County, Oklahoma (the "Authority"), was organized under Title 60, Oklahoma Statutes 2011, Sections 176-180.4, as amended, for the purpose of furthering the public functions of the City of McAlester, Oklahoma (the "City"); and

WHEREAS, the voters of the City have approved, at an election held on April 7, 2015, the issuance of indebtedness by the Authority in an aggregate principal amount not to exceed \$13,000,000.00 to provide funds to pay the cost and expenses of the Refunding (as herein defined); and

WHEREAS, the Authority desires to refund a portion of the outstanding amount of the Authority's Utility System Revenue Bonds, Series 2002 issued in the original principal amount of \$18,402,176.10 (the "Refunding") in order to achieve reasonable economic savings; and

WHEREAS, the Authority is authorized and has determined to issue its \$12,615,000 Sales Tax Revenue Refunding Note, Taxable Series 2015 (the "Note"), for the purpose of accomplishing the Refunding; and

WHEREAS, it is the desire of the City to approve the actions of the Authority and authorize the execution and delivery of any and all documents necessary or attendant to the issuance of the Note.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCALESTER, OKLAHOMA:

**SECTION 1. INDEBTEDNESS AUTHORIZED.** The Authority is hereby authorized to incur an indebtedness by the issuance of its Sales Tax Revenue Refunding Note, Taxable Series 2015 in the amount of \$12,615,000.00, according to the terms and conditions of a Note Indenture by and between the Authority and BancFirst, Oklahoma City, Oklahoma, as Trustee (the "Note Indenture"), provided that said Note shall never constitute a debt of the City.

SECTION 2. ORGANIZATIONAL DOCUMENT SUBJECT TO NOTE INDENTURE.

The organizational document creating the Authority, is hereby made subject to the terms of the Note Indenture authorizing the issuance and securing the payment of the Note as more fully described in Section 1 hereof.

SECTION 3. WAIVING COMPETITIVE BIDDING; APPROVAL OF SALE PROCEEDINGS. The waiving of competitive bidding for the sale of the Note and the sale of said Note by the Authority to JPMorgan Chase Bank, N.A., at a price of par is hereby approved.

SECTION 4. SALES TAX AGREEMENT. The City hereby approves and authorizes the execution of a Sales Tax Agreement by and between the City and the Authority (the "Sales Tax Agreement"), which Sales Tax Agreement pertains to a year-to-year pledge of one-fourth of the revenues derived from the levy of a two percent (2.0%) sales tax authorized by Ordinance No. 1166 of the City, as amended by Ordinance No. 1310 of the City (equal to an aggregate pledge of one-half of one percent (0.5%) sales tax) as security for the Note.

SECTION 5. AUTHORIZING EXECUTION. The Mayor or Vice Mayor and City Clerk or Deputy City Clerk of the City representing the City at the closing of the above-referenced note issue are hereby authorized to approve and make any changes to the documents approved by this Resolution, for and on behalf of the City, the execution and delivery of such documents being conclusive as to the approval of any changes contained therein by the City; and to execute and deliver on behalf of the City any and all certifications and documentation necessary or attendant to the delivery of the Note, as directed by Bond Counsel.

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PASSED AND APPROVED THIS 27<sup>TH</sup> DAY OF AUGUST, 2015.

CITY OF MCALESTER, OKLAHOMA

(SEAL)

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Clerk

CERTIFICATE  
OF  
CITY COUNCIL ACTION

I, the undersigned, hereby certify that I am the duly qualified and acting City Clerk of the City of McAlester, Oklahoma.

I further certify that the City Council of the City of McAlester, Oklahoma, held a Special Meeting at 5:30 o'clock P.M. on August 27, 2015, after due notice was given in full compliance with the Oklahoma Open Meeting Act.

I further certify that attached hereto is a full and complete copy of a Resolution that was passed and approved by said City Council at said meeting as the same appears in the official records of my office and that said Resolution is currently in effect and has not been repealed or amended as of this date.

I further certify that below is listed those Council members present and absent at said meeting; those making and seconding the motion that said Resolution be passed and approved; and those voting for and against such motion:

PRESENT:

ABSENT:

MOTION MADE BY:

MOTION SECONDED BY:

AYE:

NAY:

WITNESS MY HAND THIS 27<sup>TH</sup> DAY OF AUGUST, 2015.

CITY OF MCALESTER, OKLAHOMA

(SEAL)

\_\_\_\_\_  
City Clerk



# McAlester City Council

## AGENDA REPORT

Meeting Date: August 27, 2015  
Department: \_\_\_\_\_  
Prepared By: \_\_\_\_\_  
Date Prepared: August 25, 2015

Item Number: \_\_\_\_\_  
Account Code: \_\_\_\_\_  
Budgeted Amount: \_\_\_\_\_  
Exhibits: \_\_\_\_\_

### Subject

Consider and take action with respect to a resolution authorizing the McAlester Public Works Authority (The 'Authority') to issue its Sales Tax Revenue Refunding Note, taxable Series 2015 (The 'Note') in the aggregate principal amount of not to exceed \$13,000,000.00; waiving competitive bidding and authorizing the Note to be sold on a negotiated basis; approving and authorizing execution of a Sales Tax Agreement by and between the City of McAlester, Oklahoma (The 'City') and the Authority pertaining to a year-to-year pledge of certain sales tax revenue; approving and authorizing execution of a note 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 note indenture; authorizing and directing the execution of the Note and other documents relating to the transaction, including an escrow deposit agreement; and containing other provisions relating thereto.

### Recommendation

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### Discussion

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### Approved By

	<i>Initial</i>	<i>Date</i>
Department Head	_____	_____
City Manager	P. Stasiak _____	_____

**RESOLUTION NO. 15-\_\_\_**

A RESOLUTION AUTHORIZING THE MCALESTER PUBLIC WORKS AUTHORITY (THE "AUTHORITY") TO ISSUE ITS SALES TAX REVENUE REFUNDING NOTE, TAXABLE SERIES 2015 (THE "NOTE") IN THE AGGREGATE PRINCIPAL AMOUNT OF \$12,615,000.00; WAIVING COMPETITIVE BIDDING AND AUTHORIZING THE NOTE TO BE SOLD ON A NEGOTIATED BASIS; APPROVING AND AUTHORIZING EXECUTION OF A SALES TAX AGREEMENT BY AND BETWEEN THE CITY OF MCALESTER, OKLAHOMA (THE "CITY") AND THE AUTHORITY PERTAINING TO A YEAR-TO-YEAR PLEDGE OF CERTAIN SALES TAX REVENUE; APPROVING AND AUTHORIZING EXECUTION OF A NOTE 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 NOTE INDENTURE; AUTHORIZING AND DIRECTING THE EXECUTION OF THE NOTE AND OTHER DOCUMENTS RELATING TO THE TRANSACTION, INCLUDING AN ESCROW DEPOSIT AGREEMENT; AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, The McAlester Public Works Authority, Pittsburg County, Oklahoma (the "Authority"), was organized under Title 60, Oklahoma Statutes 2011, Sections 176-180.4, as amended, for the purpose of furthering the public functions of the City of McAlester, Oklahoma (the "City"); and

WHEREAS, the voters of the City have approved, at an election held on April 7, 2015, the issuance of indebtedness by the Authority in an aggregate principal amount not to exceed \$13,000,000.00 to provide funds to pay the cost and expenses of the Refunding (as herein defined); and

WHEREAS, the Authority desires to refund a portion of the outstanding amount of the Authority's Utility System Revenue Bonds, Series 2002 issued in the original principal amount of \$18,402,176.10 (the "Refunding") in order to achieve reasonable economic savings; and

WHEREAS, the Authority is authorized and has determined to issue its \$12,615,000.00 Sales Tax Revenue Refunding Note, Taxable Series 2015 (the "Note"), for the purpose of accomplishing the Refunding; and

WHEREAS, it is the desire of the Authority to authorize the execution and delivery of any and all documents necessary or attendant to the issuance of the Note.

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE MCALESTER PUBLIC WORKS AUTHORITY:

**SECTION 1. INDEBTEDNESS AUTHORIZED.** The Authority is authorized to incur an indebtedness by the issuance of its Sales Tax Revenue Refunding Note, Taxable Series 2015 for and on behalf of the City, in an aggregate principal amount of \$12,615,000.00 for the purpose of (i) accomplishing the Refunding of the outstanding amount of its Utility System Revenue Bonds, Series

2002, and (ii) paying certain costs associated with the issuance of the Note. The Note shall bear interest at the fixed rate of \_\_\_\_% per annum and shall mature not later than February 1, 2028. The principal installments on the Note shall be paid as set forth on Exhibit “A” hereto.

SECTION 2. COMPETITIVE BIDDING WAIVED. Competitive bidding on the sale of said Note is waived and the Note is authorized to be sold to JPMorgan Chase Bank, N.A., at a price of par.

SECTION 3. SALES TAX AGREEMENT. The Authority hereby approves and authorizes the execution of a Sales Tax Agreement by and between the City and the Authority (the “Sales Tax Agreement”), which Sales Tax Agreement pertains to a year-to-year pledge of one-fourth of the revenues derived from the levy of a two percent (2.0%) sales tax authorized by Ordinance No. 1166 of the City, as amended by Ordinance No. 1310 of the City (equal to an aggregate pledge of one-half of one percent (0.5%) sales tax) as security for the Note.

SECTION 4. NOTE INDENTURE. The Note Indenture by and between the Authority and BancFirst, Oklahoma City, Oklahoma, as Trustee (the “Note Indenture”), authorizing the issuance of and securing the payment of the Note approved in Section 1 hereof, is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are authorized and directed to execute and deliver same for and on behalf of the Authority.

SECTION 5. ORGANIZATIONAL DOCUMENT SUBJECT TO THE NOTE INDENTURE. The organizational document creating the Authority is subject to the provisions of the Note Indenture referenced in Section 4 hereof.

SECTION 6. EXECUTION OF NECESSARY DOCUMENTS. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are hereby authorized and directed on behalf of the Authority to execute and deliver the Note to JPMorgan Chase Bank, N.A., upon receipt of the purchase price and are further authorized and directed to execute all necessary documentation and closing and delivery papers required by Bond Counsel, including but not limited to an Escrow Deposit Agreement by and between the Authority and BancFirst, as Escrow Agent, and professional services agreements with The Public Finance Law Group, PLLC, as Bond Counsel, Municipal Finance Services, Inc., as Financial Advisor, Ervin & Ervin, L.L.P., as Authority Counsel, and Hawkins Delafield & Wood LLP, as Special Tax Counsel; approved execution of documentation in connection with the termination of that certain Forward Supply Agreement with Morgan Stanley pertaining to the debt service fund for the Authority’s Utility System Revenue Bonds, Series 2002, and authorizing the Authority to disburse funds in the amount of not to exceed \$150,000.00 for payment of a termination fee; approve the disbursement of the proceeds of the Note, including any costs of issuance; to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Authority, the execution and delivery of such documents being conclusive as to the approval of any changes contained therein by the Authority; and to execute, record and file any and all the necessary financing statements and security instruments, including but not limited to the documents approved hereby, and to consummate the transaction contemplated hereby.

[Remainder of Page Intentionally Left Blank]

PASSED AND APPROVED THIS 27<sup>TH</sup> DAY OF AUGUST, 2015.

THE MCALESTER PUBLIC WORKS  
AUTHORITY

(SEAL)

By: \_\_\_\_\_  
Chairman

ATTEST:

By: \_\_\_\_\_  
Secretary

CERTIFICATE  
OF  
AUTHORITY ACTION

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of The McAlester Public Works Authority.

I further certify that the Trustees of The McAlester Public Works Authority held a Special Meeting at 5:30 o'clock P.M. on August 27, 2015, after due notice was given in full compliance with the Oklahoma Open Meeting Act.

I further certify that attached hereto is a full and complete copy of a Resolution that was passed and approved by said Trustees at said meeting as the same appears in the official records of my office and that said Resolution is currently in effect and has not been repealed or amended as of this date.

I further certify that below is listed those Trustees present and absent at said meeting; those making and seconding the motion that said Resolution be passed and approved, and those voting for and against such motion:

PRESENT:

ABSENT:

MOTION MADE BY:

MOTION SECONDED BY:

AYE:

NAY:

WITNESS MY HAND THIS 27<sup>TH</sup> DAY OF AUGUST, 2015.

THE MCALESTER PUBLIC WORKS  
AUTHORITY

(SEAL)

\_\_\_\_\_  
Secretary of Authority

EXHIBIT "A"

[Principal Payment Schedule]

<b>Payment Date</b>	<b>Principal Amount</b>
February 1, 2016	\$250,000
August 1, 2016	210,000
February 1, 2017	200,000
August 1, 2017	270,000
February 1, 2018	275,000
August 1, 2018	395,000
February 1, 2019	395,000
August 1, 2019	460,000
February 1, 2020	460,000
August 1, 2020	485,000
February 1, 2021	490,000
August 1, 2021	515,000
February 1, 2022	515,000
August 1, 2022	520,000
February 1, 2023	520,000
August 1, 2023	545,000
February 1, 2024	545,000
August 1, 2024	570,000
February 1, 2025	570,000
August 1, 2025	605,000
February 1, 2026	610,000
August 1, 2026	785,000
February 1, 2027	785,000
August 1, 2027	820,000
February 1, 2028	820,000