NOTICE
GLENPOOL UTILITY SERVICE AUTHORITY
SPECIAL MEETING

A Special Session of the Glenpool Utility Service Authority will be held at 6:00 p.m. immediately following the Glenpool City Council Meeting on Monday, June 18, 2018, at Glenpool City Hall, City Council Chambers, 12205 S. Yukon Ave., 3rd Floor, Glenpool, Oklahoma.

AGENDA

Page

A) **Call to Order - Timothy Lee Fox, Chairman**

B) **Roll Call, Declaration of Quorum – Susan White, Secretary; Timothy Lee Fox, Chairman**

C) **Scheduled Business**

1) Discussion and possible action on Resolution No. 2018006 of the City of Glenpool, "Resolution Authorizing The City Of Glenpool To Renew That Certain Security Agreement By And Between The City Of Glenpool And The Glenpool Utility Services Authority With Respect To The Issuance Of Utility System Revenue Bonds, Tax Exempt Refunding Series 2010 A And Taxable Refunding Series 2010 B, Dated As Of December 1, 2010." (John Gonsalves, Finance Director) 2 - 6

2018-2019 2010 BOND RENEWAL

2) Discussion and possible action on Resolution No. 2018007 of the City of Glenpool, "Resolution Authorizing The City Of Glenpool To Renew That Certain Security Agreement By And Between The City Of Glenpool And The Glenpool Utility Services Authority With Respect To The Issuance Of Utility System Revenue Bonds, Tax Exempt Refunding Series 2011, Dated As Of January 1, 2011." (John Gonsalves, Finance Director) 7 - 11

2018-2019 2011 BOND RENEWAL

D) **Adjournment**

This notice and agenda was posted at Glenpool City Hall, 12205 S. Yukon Ave., Glenpool, Oklahoma, on June 14, 2018 at 5:00 pm.
Signed: Susan White
City Clerk

City Of
Glenpool
Creating Opportunity

To: HONORABLE MAYOR, MEMBERS OF THE CITY COUNCIL

From: John Gonsalves, Finance Director/Treasurer

Date: June 18, 2018

Subject: Renewal of Revenue Bond Security Agreements, regarding Bonds Issued December 2010

Background:

In connection with the Series 2010 A, Series 2010 B issued by GUSA as of December 1, 2010, the City and GUSA entered into certain Security Agreements whereby the City secures to bondholders payment of the debt service on such bonds by agreeing to deposit in its general fund each month, as received from the Oklahoma Tax Commission, proceeds derived from sales tax to be paid by the City to GUSA to be used by GUSA for the funding of debt service on the projects for which the foregoing revenue bonds were issued.

Based on the Oklahoma law regarding the encumbrance of annual revenues, these Security Agreements must be renewed for successive annual periods commencing July 1, 2011. This was accomplished by adoption by the Council of an identical resolution on July 16, 2012; July 15,2013; July 7,2014; July 20, 2015; July 3, 2016; and May 16, 2017. Notice of the renewal must be provided to the Bond Trustee, no later than July 31 of each year.

Staff Recommendation:

For all the foregoing reasons and benefits, staff recommends that the City and GUSA adopt the attached Resolution renewing the Security Agreements for FY 2018-2019

Attachments:

1. Proposed Resolution No. 2018006, 2010 Bonds
2. 2010 Security Agreement

12205 S. Yukon, Glenpool, OK 74033 • OFFICE: 918-209-4628 FAX: 918-209-4626
Mayor: Timothy Fox • Vice-Mayor: Momodou Ceesay • Councilors: Patricia Agee, Brandon Kearns and Jacqueline Lund
City Manager: Roger Kolman • City Clerk: Susan White
www.glenpoolonline.com

RESOLUTION NO. 2018006 OF THE CITY OF GLENPOOL

RESOLUTION AUTHORIZING THE CITY OF GLENPOOL TO RENEW THAT CERTAIN SECURITY AGREEMENT BY AND BETWEEN THE CITY OF GLENPOOL AND THE GLENPOOL UTILITY SERVICES AUTHORITY WITH RESPECT TO THE ISSUANCE OF UTILITY SYSTEM REVENUE BONDS, TAX EXEMPT REFUNDING SERIES 2010 A AND TAXABLE REFUNDING SERIES 2010 B, DATED AS OF DECEMBER 1, 2010

WHEREAS, the Glenpool Utility Services Authority (the "Authority") issued certain tax-exempt and taxable Utility Service Revenue Bonds dated as of December 1, 2010, in Series 2010 A and Series 2010 B, respectively, in order to fund a project that consisted of the acquisition, construction, furnishing and equipping of certain capital improvements to the Authority's Utility Systems and certain other capital improvements for the benefit of the City of Glenpool, Oklahoma, the Authority's beneficiary; and

WHEREAS, in order to better secure the payment of the Bonds, the City and the Authority entered into a Security Agreement whereby City tax revenues were pledged to debt service on the foregoing Bonds; and

WHEREAS, all things required to have been done to make the Security Agreement a valid and binding agreement by and between the City and the Authority have been done, happened and been performed.

BE IT THEREFORE RESOLVED by the City Council for the City of Glenpool, Oklahoma:

§ 1. The City Council shall and hereby does exercise the option provided by Section 4 of the foregoing Security Agreement to renew such Agreement for the fiscal year period commencing July 1, 2018 and concluding June 30, 2019. Notice of such renewal shall be provided to the Authority Board of Trustees and the Bond Trustee, not later than July 31, 2018.

PASSED AND APPROVED by the City Council of the City of Glenpool this 18th day of June 2018.

____

Timothy Lee Fox, Mayor

ATTEST:

____________________________________ Susan White, City Clerk

APPROVED AS TO FORM:

____________________________________ Lowell Peterson, City Attorney

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of the 1st day of December 2010, by and between **THE GLENPOOL UTILITY SERVICES AUTHORITY** (the "Authority") and the **CITY OF GLENPOOL, OKLAHOMA** (the "City").

W I T N E S S E T H :

WHEREAS, The Authority has been created by a Declaration of Trust, dated as of June 12, 1967, as amended, designating the members of the governing body of the City as Trustees of the Authority for the use and benefit of the City under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2001, Sections 176 to 180.3, inclusive, as amended and supplemented, the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma; and

WHEREAS, the City and the Authority did enter into a Lease effective as of January 24, 1973 pursuant to which the City did lease to the Authority its presently existing and after acquired revenue producing utility systems (hereinafter collectively called the "System") for an extended term of fifty (50) years commencing November 1, 2010 to and including November 1, 2060; and

WHEREAS, the City did adopt Ordinance No. 40, dated February 7, 1972, which was approved by the qualified electors of the City at an election held July 31, 1973 levying and assessing a two percent (2%) sales tax to be used for the purpose of the support of the functions of the municipal government of the City. In addition the City did adopt Ordinance No. 176, dated August 24, 1982, which was approved by the qualified electors of the City at an election held October 5, 1982, levying and assessing an additional one percent (1%) sales tax to be used for the purpose of paying the principal and interest requirements on General Obligation Bonds of the City with the surplus to be retained in the General Fund of the City to be used for any lawful purpose, and the City did adopt Ordinance No. 457, dated January 2, 2001, which was approved by the qualified electors of the City at an election held March 6, 2001, levying and assessing an additional one percent (1%) sales tax to be used for the purpose of acquiring, constructing, equipping, operating and /or maintaining capital improvements and/or to be applied or pledged toward the payment of principal and interest on any legal indebtedness, including refunding indebtedness, incurred by or on behalf of the City for such purpose (collectively referred to as the "Sales Tax"); and

WHEREAS, the Authority has determined upon a project relating to funding the costs of acquisition, construction, furnishing and equipping certain capital improvements to the Authority's Utility Systems and certain other capital improvements for the benefit of the City of Glenpool, Oklahoma, the Authority's beneficiary and for paying the costs of refunding all of the outstanding indebtedness evidenced by the Prior Bonds and to fund a Sinking Fund Reserve Fund and to pay the costs of issuance of such bonds (the "Project"); and

WHEREAS, in order to pay the costs of the Project, the Authority intends to issue its $29,575,000.00 The Glenpool Utility Services Authority Utility System Revenue Bonds, Tax Exempt Refunding Series 2010A and its $2,740,000.00 The Glenpool Utility Services Authority Utility System Revenue Bonds, Taxable Refunding Series 2010B (the "Bonds"); and

WHEREAS, in order to better secure the payment of the Bonds it is necessary that this Security Agreement be entered into; and

WHEREAS, all things required to have been done to make this Security Agreement a valid and binding agreement by and between the City and the Authority have been done, happened and been performed.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS EXPRESSED HEREIN AND THE ISSUANCE OF THE BONDS BY THE AUTHORITY AND OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY THE PARTIES HERETO, THE CITY AND THE AUTHORITY AGREE AS FOLLOWS:

SECTION 1. The Authority shall issue the Bonds and use the net proceeds from the sale thereof to fund the Project, as more fully set out in the Bond Indenture, dated as of December 1, 2010 (the "Indenture"), by and between the Authority and Bank of Oklahoma, N.A., (the "Trustee").

SECTION 2. In consideration of the issuance of the Bonds and implementation of the Project by the Authority, the City shall deposit in its General Fund each month as received, proceeds derived from the Sales Tax as received from the Oklahoma Tax Commission, and pursuant to an annual appropriation as required pursuant to applicable laws, all of the proceeds of the Sales Tax shall be paid by the City to the Authority to be used by the Authority for the purposes for which the Authority was created, which purposes it is hereby acknowledged are consistent with the authorized and proper use of such Sales Tax revenues.

SECTION 3. The Authority agrees that all proceeds of the Sales Tax received by it shall be utilized exclusively for the purposes set out in Section 2 of this Agreement and for no other purposes.

SECTION 4. This Agreement shall be for a term commencing on the date hereof and ending on June 30, 2011. This Agreement may be renewed for successive annual periods commencing July 1, 2011, at the option of the City, upon written notice of the exercise of each such option from the City to the Authority given prior to the expiration of the then current term and the taking by the City of such official action as shall be required by applicable laws to effect such renewal and annual appropriation described in Section 2 hereof. Notice of such renewal shall be provided to the Trustee, not later than July 31 of each year.

SECTION 5. It is understood and agreed that this Security Agreement is a third party beneficiary contract for the benefit of the holders of the Bonds and may be pledged and assigned by the Authority as security for the Bonds.

IN WITNESS WHEREOF, the Authority has caused this Security Agreement to be signed by its Chairman, attested by its Secretary and has caused the seal of the Authority to be impressed hereon, and the City has caused this Security Agreement to be signed by its Mayor, attested by its City Clerk and has caused the seal of the City to be impressed hereon all as of the date first above written.

THE GLENPOOL UTILITY SERVICES AUTHORITY

Chairman

ATTEST:

Secretary

(SEAL)

GLENPOOL UTILITY SERVICE AUTHORITY
SEAL
GLENPOOL, OKLAHOMA

CITY OF GLENPOOL, OKLAHOMA

Mayor

ATTEST:

City Clerk

(SEAL)

CITY OF GLENPOOL
OFFICIAL SEAL
TULSA COUNTY, OKLAHOMA

City Of
Glenpool
Creating Opportunity

To: HONORABLE MAYOR, MEMBERS OF THE CITY COUNCIL

From: John Gonsalves, Finance Director/Treasurer

Date: June 18, 2018

Subject: Renewal of Revenue Bond Security Agreements, regarding Bonds Issued January 2011

Background:

In connection with the Series 2011 Utility System Revenue Bonds issued by GUSA as of January 1, 2011, the City and GUSA entered into certain Security Agreements whereby the City secures to bondholders payment of the debt service on such bonds by agreeing to deposit in its general fund each month, as received from the Oklahoma Tax Commission, proceeds derived from sales tax to be paid by the City to GUSA to be used by GUSA for the funding of debt service on the projects for which the foregoing revenue bonds were issued.

Based on the Oklahoma law regarding the encumbrance of annual revenues, these Security Agreements must be renewed for successive annual periods commencing July 1, 2011. This was accomplished by adoption by the Council of an identical resolution on July 16, 2012; July 15,2013; July 7,2014; July 20, 2015; July 3, 2016; and May 16, 2017. Notice of the renewal must be provided to the Bond Trustee, no later than July 31 of each year.

Staff Recommendation:

For all the foregoing reasons and benefits, staff recommends that the City and GUSA adopt the attached Resolutions renewing the Security Agreements for FY 2018-2019

Attachments:

1. Proposed Resolution No. 2018007, 2011 Bonds
2. 2011 Security Agreement

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Mayor: Timothy Fox • Vice-Mayor: Momodou Ceesay • Councilors: Patricia Agee, Brandon Kearns and Jacqueline Lund
City Manager: Roger Kolman • City Clerk: Susan White
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RESOLUTION NO. 2018007 OF THE CITY OF GLENPOOL

RESOLUTION AUTHORIZING THE CITY OF GLENPOOL TO RENEW THAT CERTAIN SECURITY AGREEMENT BY AND BETWEEN THE CITY OF GLENPOOL AND THE GLENPOOL UTILITY SERVICES AUTHORITY WITH RESPECT TO THE ISSUANCE OF UTILITY SYSTEM REVENUE BONDS, TAX EXEMPT REFUNDING SERIES 2011, DATED AS OF JANUARY 1, 2011

WHEREAS, the Glenpool Utility Services Authority (the "Authority") issued certain tax-exempt Utility Service Revenue Bonds dated as of January 1, 2011, in Series 2011, in order to fund a project that consisted of the acquisition, construction, furnishing and equipping of certain capital improvements to the Authority's Utility Systems and certain other capital improvements for the benefit of the City of Glenpool, Oklahoma, the Authority's beneficiary; and

WHEREAS, in order to better secure the payment of the Bonds, the City and the Authority entered into a Security Agreement whereby City tax revenues were pledged to debt service on the foregoing Bonds; and

WHEREAS, all things required to have been done to make the Security Agreement a valid and binding agreement by and between the City and the Authority have been done, happened and been performed.

BE IT THEREFORE RESOLVED by the City Council for the City of Glenpool, Oklahoma:

§ 1. The City Council shall and hereby does exercise the option provided by Section 4 of the foregoing Security Agreement to renew such Agreement for the fiscal year period commencing July 1, 2018 and concluding June 30, 2019. Notice of such renewal shall be provided to the Authority Board of Trustees and the Bond Trustee, not later than July 31, 2018.

PASSED AND APPROVED by the City Council of the City of Glenpool this 18th day of June 2018.

____

Timothy Lee Fox, Mayor

ATTEST:

____________________________________ Susan White, City Clerk

APPROVED AS TO FORM:

____________________________________ Lowell Peterson, City Attorney

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of the 1st day of January 2011, by and between **THE GLENPOOL UTILITY SERVICES AUTHORITY** (the "Authority") and the **CITY OF GLENPOOL, OKLAHOMA** (the "City").

W I T N E S S E T H :

WHEREAS, The Authority has been created by a Declaration of Trust, dated as of June 12, 1967, as amended, designating the members of the governing body of the City as Trustees of the Authority for the use and benefit of the City under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2001, Sections 176 to 180.3, inclusive, as amended and supplemented, the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma; and

WHEREAS, the City and the Authority did enter into a Lease effective as of January 24, 1973 pursuant to which the City did lease to the Authority its presently existing and after acquired revenue producing utility systems (hereinafter collectively called the "System") for an extended term of fifty (50) years commencing November 1, 2010 to and including November 1, 2060; and

WHEREAS, the City did adopt Ordinance No. 40, dated February 7, 1972, which was approved by the qualified electors of the City at an election held July 31, 1973 levying and assessing a two percent (2%) sales tax to be used for the purpose of the support of the functions of the municipal government of the City. In addition the City did adopt Ordinance No. 176, dated August 24, 1982, which was approved by the qualified electors of the City at an election held October 5, 1982, levying and assessing an additional one percent (1%) sales tax to be used for the purpose of paying the principal and interest requirements on General Obligation Bonds of the City with the surplus to be retained in the General Fund of the City to be used for any lawful purpose, and the City did adopt Ordinance No. 457, dated January 2, 2001, which was approved by the qualified electors of the City at an election held March 6, 2001, levying and assessing an additional one percent (1%) sales tax to be used for the purpose of acquiring, constructing, equipping, operating and /or maintaining capital improvements and/or to be applied or pledged toward the payment of principal and interest on any legal indebtedness, including refunding indebtedness, incurred by or on behalf of the City for such purpose (collectively referred to as the "Sales Tax"); and

WHEREAS, the Authority has determined upon a project relating to funding the costs of acquisition, construction, furnishing and equipping certain capital improvements to the Authority's Utility Systems and certain other capital improvements for the benefit of the City of Glenpool, Oklahoma, the Authority's beneficiary and for paying the costs of refunding all of the outstanding indebtedness evidenced by the Prior Bonds and to fund a Sinking Fund Reserve Fund and to pay the costs of issuance of such bonds (the "Project"); and

WHEREAS, in order to pay the costs of the Project, the Authority intends to issue its $7,315,000.00 The Glenpool Utility Services Authority Utility System Revenue Bonds, Tax Exempt Refunding Series 2011 (the "Bonds"); and

WHEREAS, in order to better secure the payment of the Bonds it is necessary that this Security Agreement be entered into; and

WHEREAS, all things required to have been done to make this Security Agreement a valid and binding agreement by and between the City and the Authority have been done, happened and been performed.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS EXPRESSED HEREIN AND THE ISSUANCE OF THE BONDS BY THE AUTHORITY AND OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY THE PARTIES HERETO, THE CITY AND THE AUTHORITY AGREE AS FOLLOWS:

SECTION 1. The Authority shall issue the Bonds and use the net proceeds from the sale thereof to fund the Project, as more fully set out in the Bond Indenture, dated as of December 1, 2010 as amended by the First Supplemental Bond Indenture, dated as of January 1, 2011, (collectively the "Indenture"), by and between the Authority and BOKF, N.A., d/b/a Bank of Oklahoma, formerly Bank of Oklahoma, N.A., (the "Trustee").

SECTION 2. In consideration of the issuance of the Bonds and implementation of the Project by the Authority, the City shall deposit in its General Fund each month as received, proceeds derived from the Sales Tax as received from the Oklahoma Tax Commission, and pursuant to an annual appropriation as required pursuant to applicable laws, all of the proceeds of the Sales Tax shall be paid by the City to the Authority to be used by the Authority for the purposes for which the Authority was created, which purposes it is hereby acknowledged are consistent with the authorized and proper use of such Sales Tax revenues.

SECTION 3. The Authority agrees that all proceeds of the Sales Tax received by it shall be utilized exclusively for the purposes set out in Section 2 of this Agreement and for no other purposes.

SECTION 4. This Agreement shall be for a term commencing on the date hereof and ending on June 30, 2011. This Agreement may be renewed for successive annual periods commencing July 1, 2011, at the option of the City, upon written notice of the exercise of each such option from the City to the Authority given prior to the expiration of the then current term and the taking by the City of such official action as shall be required by applicable laws to effect such renewal and annual appropriation described in Section 2 hereof. Notice of such renewal shall be provided to the Trustee, not later than July 31 of each year.

SECTION 5. It is understood and agreed that this Security Agreement is a third party beneficiary contract for the benefit of the holders of the Bonds and may be pledged and assigned by the Authority as security for the Bonds.

IN WITNESS WHEREOF, the Authority has caused this Security Agreement to be signed by its Chairman, attested by its Secretary and has caused the seal of the Authority to be impressed hereon, and the City has caused this Security Agreement to be signed by its Mayor, attested by its City Clerk and has caused the seal of the City to be impressed hereon all as of the date first above written.

THE GLENPOOL UTILITY SERVICES AUTHORITY

Chairman

ATTEST:

Secretary

(SEAL)

GLENPOOL UTILITY SERVICE AUTHORITY SEAL GLENPOOL, OKLAHOMA

CITY OF GLENPOOL, OKLAHOMA

ATTEST:

City Clerk

Mayor

(SEAL)

CITY OF GLENPOOL
OFFICIAL SEAL
TULSA COUNTY, OKLAHOMA