

RESOLUTION NO. 2020-24

A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COWETA, OKLAHOMA, AN OKLAHOMA MUNICIPAL CORPORATION, AND THE BOARD OF TRUSTEES OF THE COWETA PUBLIC WORKS AUTHORITY, AN OKLAHOMA PUBLIC TRUST HAVING THE CITY OF COWETA, OKLAHOMA AS ITS BENEFICIARY, ALLOCATING FUNDS FOR THE PURCHASE OF AUTOMATIC METER READING TECHNOLOGY AND THE TERMS FOR THE REPAYMENT THEREOF.

WHEREAS, the City of Coweta, Oklahoma, (“City”), an Oklahoma municipal corporation, owns a domestic water system which serves the citizens of City and surrounding areas in Wagoner County, Oklahoma,

WHEREAS, the Coweta Public Works Authority, (“Authority”) is an Oklahoma public trust which has the City as its beneficiary,

WHEREAS, the City, acting by and through the City Council, its duly elected governing body, and the Authority, acting by and through its duly appointed governing body, the Trustees, have entered into and are operating pursuant to a lease of the water system between the City and the Authority whereby the Authority is improving, maintaining and operating the water system for the benefit of the City, the citizens of the City and entities as well as individuals in surrounding areas of Wagoner County, Oklahoma

WHEREAS, the City Council and the Trustees, (jointly the “Parties”) recognize the need for the operation of public utilities to be as efficient as possible; and

WHEREAS, the Parties approved Joint Resolution 2020-07 on March 2, 2020 providing for an agreement between the Parties to finance the purchase of Automatic Meter Reading Technology (AMR); and

WHEREAS, the Parties jointly entered into a Contract for Meter Replacement and/or AMR Installation with the Meter Install Group; and

WHEREAS, quantities for certain size meters included in the Contract were incorrect, creating a need to purchase and install additional AMR meters in the amount of Twenty-Five Thousand Four Hundred Twenty-Two Dollars and Three Cents (\$25,422.03); and

WHEREAS, it is necessary to amend the terms of repayment for the purchase of AMR technology between the Parties to include the additional costs; and

WHEREAS, the City currently has unrestricted and unencumbered funds available in its Capital Projects Fund to cover the costs of the acquisition and installation of an AMR system; and

WHEREAS, the Authority has the ability to repay the City for the costs of the AMR system over a period of years; and

WHEREAS, the use of funds currently available from the City will reduce financing costs for the project.

THEREFORE, BE IT RESOLVED by the City Council of the City of Coweta, Oklahoma and the Board of Trustees of the Coweta Public Works Authority, that:

SECTION 1. The City shall provide funding in an amount not to exceed Six Hundred and Forty-Three Thousand and No/100s Dollars (\$643,000.00) to the Authority for the purchase and installation of Automatic Meter Reading Technology.

SECTION 2. The Authority shall pay to the City the sum of Six Hundred and Forty-Three Thousand and No/100s Dollars (\$643,000.00), or so much thereof that is actual used by the Authority for the purchase and installation of the Automatic Meter Reading Technology plus interest at One Percent (1%) per annum, said sum payable in equal annual installments over a term of Nine (9) years from the date of the last payment made to a third party for the acquisition and installation of the Automatic Meter Reading Technology. Interest shall accrue from the date of the last payment made to a third party for the acquisition and installation of the Automatic Meter Reading Technology. Payments shall be due on the first anniversary date of the beginning of interest accrual and on each anniversary date thereafter until paid in full.

SECTION 3. The obligation created hereby as well as any payments of principal and interest made hereon by the Authority will be subordinate to any and all secured debts of the Authority. The City Manager is hereby authorized execute on behalf of the City any lawful and reasonable Subordination Agreements as may be required by Secured Creditors of the Authority.

This Resolution is approved in open meeting by the City Council of the City of Coweta, Oklahoma, and the Board of Trustees of the Coweta Public Works Authority on this 3rd day of August 2020.

Evette Morris, Mayor and Chairman

ATTEST:

Julie Casteen, City Clerk

APPROVED:

Ronald D. Cates, City/Trust Attorney