



**CITY TRANSIT TRUST SPECIAL
MEETING**

**LAWTON WATER AUTHORITY
SPECIAL MEETING**

**LAWTON CITY COUNCIL
REGULAR MEETING**

**NOVEMBER 22, 2016
6:00 P.M.**

**LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM**

AGENDA
SPECIAL CALLED MEETING
CITY TRANSIT TRUST
NOVEMBER 22, 2016 - 6:00 P.M.
LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

MEETING CALLED TO ORDER

ROLL CALL

CONSIDER APPROVAL OF MINUTES OF CITY TRANSIT TRUST MEETING OF
OCTOBER 25, 2016.

NEW BUSINESS ITEMS:

1. Consider authorizing Lawton Transit Management, Inc. (LATS) to enter into an agreement with Jefferson Bus Lines, Inc., and authorizing the expenditure of funds from the Capital Replacement Fund. Exhibits: Agreement on file in City Clerk's office.
2. Consider approving an agreement between Lawton Public Schools (LPS) and the City Transit Trust, operating LATS, to provide service on the existing fixed routes to students, grades 6 through 12. Exhibits: Agreement is on file in the City Clerk's office

ADJOURNMENT

MINUTES
CITY TRANSIT TRUST SPECIAL MEETING
OCTOBER 25, 2016 - 6:00 P.M.
CITY HALL, COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 6:00 p.m. by Fred Fitch, Chairman. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Bob Morford, Keith Jackson, Rosemary Bellino-Hall, Jay Burk, Dwight Tanner, Jr., Cherry Phillips, V. Gay McGahee, Doug Wells.

ABSENT: None

ALSO PRESENT: Jerry Ihler, City Manager; Frank V. Jensen, City Attorney; Traci Hushbeck, City Clerk.

CONSIDER APPROVAL OF MINUTES OF CITY TRANSIT TRUST MEETINGS OF SEPTEMBER 27 AND OCTOBER 11, 2016.

MOVED by Wells SECOND by Jackson to approve the minutes of City Transit Trust meetings of September 27 and October 11, 2016. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

OLD BUSINESS ITEMS:

1. Consider authorizing a purchase order to Gillig, LLC for three heavy duty transit buses using 2016 CIP funding. Exhibits: None.

Deborah Jones, representing the Lawton Area Transit System, stated two meetings ago the trust requested staff look into the potential of CNG buses and what it would take to go to that. She stated the LATS general manager and the maintenance director visited with communities and the FTA. She outlined in the agenda commentary all the issues they found. She stated she looks out for the fiscal impact on the trust as well as building the best public transportation system we can. The unavailability of FTA funds is compressing transit programs all over the nation and there is no FTA money that has been announced for any kind of competitive grant dealing with alternative energy and that forecloses the assistance of federal money.

Wells stated based on the federal government requiring a building before they can go to CNG, and that is not anywhere in the budget, he is going to make the motion to approve this item.

Jackson questioned why we are buying these buses so quickly with our 2016 money.

Jones stated buses are manufactured, they don't sit on a retail lot. They ordered three in May and this would be the second order of three which would make six. In the CIP they estimated they needed seven. The normal production line for Gillig is 15-16 months, so they won't pay for these for a period of time. They are expecting the first three buses in June 2017 and if they issue the purchase order for the next three this week they are looking at a delivery date of February or March of 2018.

Jackson stated he is going to vote no because he strongly believes they should be moving our operation towards CNG.

Mayor Fitch stated they are in a time restraint with getting the new buses and the condition of the existing buses. Getting the maintenance building prepared for CNG buses will take some time and training with a change of inventory and if they delay this more than 6-7 months, they will be looking at two years before they see the last three buses.

Jackson stated they need to make the first step.

Tanner questioned how long it will be before we are able to go to CNG buses.

Jones stated if they get an assessment of what it costs to put in a maintenance facility in the interim and hopefully they can get some FTA money, that will get them to about the order time when they will replace those seven buses that are currently out on line. It will not be as long as you think, maybe five years.

Tanner stated these buses are being purchased out of the 2015 CIP and he believes they cannot do another CIP until 2025, so he agrees with Councilmember Jackson, if they don't do it now when will they.

Jones stated they are not against an alternative fuel like CNG, but there is no advantage to having a CNG bus if they cannot maintain it in a FTA facility.

Wells stated the problem is to get CNG buses we have to have a facility already built prior to ordering the buses. We might be two years before we can get a building built if we can even find funding and then you are talking about a couple more years on top of that. He feels we cannot sit here and wait that long with the bus fleet we have now unless they are willing to change their routes. They are not going to have the buses to support it

Phillips stated the buses we got from Kansas City are used.

Jones stated when we took them they had over 600,000 miles on them. Since the last meeting when the trust authorized getting more used buses, they were at 5 Kansas City buses. In that two week time period they have had another frame failure and it might last a week or a month. They do not anticipate that the Kansas City buses will last two years, so timing is everything right now.

Phillips stated they need to support the system that is in place right now and they have the money allocated for the buses.

Tanner stated he is frustrated because Oklahoma has an abundance of natural gas and it is frustrating that we are not able to access this resource.

Wells stated they all wanted to go to CNG with these buses but if there is a federal government regulation that says you can't order the buses until you have a facility, that really puts a damper on it and they need to move on this because of the condition of the existing buses.

MOVED by Wells SECOND by Phillips to authorize LATS staff to issue a purchase order in the amount of \$1,205,421 from the 2016 CIP for three heavy duty buses. AYE: Morford, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: Jackson. MOTION CARRIED.

NEW BUSINESS ITEMS:

2. Consider approving a resolution authorizing the filing of a grant for part of federal assistance under Section 5307 Federal Transit Administration for Federal Fiscal Year 2015 appropriated funding in the amount of \$31,685, approving the application and authorizing the Chairman and Secretary to execute the same. Exhibits: Resolution No. 16-__.

Jones stated they have been authorized by the Oklahoma Department of Transportation additional grant funds a little over \$31,000. The match will be \$7,921 from the 2016 CIP. The total of the \$37,000 would be used to bring the Opus buses to Lawton and to bring them up to road standard.

MOVED by Burk SECOND by McGahee to approve **Resolution 16-06** authorizing the filing of a grant for part of federal assistance under Section 5307 Federal Transit Administration for Federal Fiscal Year 2015 appropriated funding in the amount of \$31,685, approving the application and authorizing the Chairman and Secretary to execute the same. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

3. Consider approving a Request for Proposal for an Insurance Company to provide annual auto insurance policy for the Lawton Area Transit System and authorize the solicitation of the same. Exhibits: Request for Proposal is on file in the City Clerk's office.

Ryan Landers, General Manager of LATS, stated per the management contract between McDonald Transit and the City of Lawton, they are required to bid out insurances and in this particular case they are bidding out auto insurance for a three year term. After the RFP is issued they will come back with a recommendation.

MOVED by Burk SECOND by Phillips to approve a Request for Proposal for an Insurance Company to provide annual auto insurance policy for the Lawton Area Transit System and authorize the solicitation of the same. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

There being no further business, the meeting adjourned at 6:16 p.m. upon motion, second and roll call vote.

FRED L. FITCH, CHAIRMAN

ATTEST:

TRACI L. HUSHBECK, SECRETARY

ITEM NO.: 1
MEETING DATE: November 22, 2016

CITY TRANSIT TRUST AGENDA ITEM COMMENTARY

ITEM TITLE: Consider authorizing Lawton Transit Management, Inc. (LATS) to enter into an agreement with Jefferson Bus Lines, Inc., and authorizing the expenditure of funds from the Capital Replacement Fund.

INITIATOR: Community Services Director

STAFF INFORMATION SOURCE: LATS General Manager

BACKGROUND: In August of this year Jefferson Bus Lines approached LATS with a request to maintain a ticket office and bus terminal at a facility adjacent to LATS so Jefferson could close its current office. LATS negotiated a 10 percent commission on covered transactions which is estimated to generate approximately \$36,500 per year and a net income of \$15,000 per year. This agreement has been pre-approved by the Federal Transit Administration and is under review by the City Attorney's office.

The office and terminal are located in an adjacent building to LATS administration facility. It will be necessary that some minor renovations be made to improve the ticket counter and office area. Because no federal funds may be used to subsidize a private carrier, it is recommended the Capital Replacement Fund be used for the source of funds. It is estimated that the renovations will cost \$1,500. These funds will be replaced by the income from ticket sales.

EXHIBITS: Agreement is on file in City Clerk's office

KEY ISSUES: Is it in the best interest of LATS to create new revenue sources?

FUNDING SOURCES: Capital Replacement Fund

RECOMMENDED TRUST ACTION: Authorize the agreement, subject to modifications required by the City Attorney, and authorize the expenditure of \$1,500 from the Capital Replacement Fund.

ITEM NO. 2
MEETING DATE November 22, 2016

CITY TRANSIT TRUST AGENDA ITEM COMMENTARY

ITEM TITLE: Consider approving an agreement between Lawton Public Schools (LPS) and the City Transit Trust, operating LATS, to provide service on the existing fixed routes to students, grades 6 through 12.

INITIATOR: Community Services Director

STAFF INFORMATION SOURCE: LATS General Manager

BACKGROUND: In the summer of 2016 LATS approached LPS with the idea of providing public transportation to LPS students on LATS existing fixed route service. After some discussion and research from other cities around the region, LATS and LPS negotiated an agreement to begin a pilot program in January of 2017. The program allows a LPS middle school or high school student to ride LATS using their student I.D.'s as their pass. Students can ride any time LATS is operating and as often as they would like which would include to and from school, after-school activities, and on Saturdays. LPS has agreed to pay a lump sum of \$35,000 per semester to LATS for the service. The term of the agreement is from January 2017 till June 2017. The pilot program can be evaluated by LPS and LATS after completion.

This pilot program benefits both parties. It lowers LPS transportation costs, provides students with greater opportunities for after-school programs, and assists low and moderate income families who may not have personal transportation. It also builds future ridership for LATS.

EXHIBITS: Agreement in the City Clerk's office

KEY ISSUE:

FUNDING SOURCES: Lawton Public Schools

RECOMMENDED TRUST ACTION: Approve the agreement.

AGENDA
LAWTON WATER AUTHORITY SPECIAL MEETING
NOVEMBER 22, 2016 – 6:00 P.M.
LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

MEETING CALLED TO ORDER

ROLL CALL

CONSIDER APPROVAL OF MINUTES OF SEPTEMBER 13, 2016.

NEW BUSINESS ITEM:

1. Consider and take action with respect to a resolution of the Lawton Water Authority (the “Authority”) approving and authorizing a Clean Water SRF Loan from the Oklahoma Water Resources Board in the total aggregate principal amount of \$200,000.00; approving the issuance of a promissory note in the total aggregate principal amount of \$200,000.00, 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 lease agreement, as amended pertaining to certain Water, Sanitary Sewer, and Refuse Systems; approving various covenants; approving and authorizing the establishment of a project costs disbursement account; approving and authorizing execution of professional services agreements, and containing other provisions relating thereto. Exhibits: Resolution No. 16-__, CWSRF Promissory Note and CWSRF Loan Agreement.

ADJOURNMENT

“The City of Lawton encourages participation from all of its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at (580) 581-3305 at least 48 hours prior to the scheduled meeting is encouraged to make the necessary accommodations. The City may waive the 48 hour rule if interpreters for the deaf (signing) is not the necessary accommodations.”

MINUTES
LAWTON WATER AUTHORITY SPECIAL MEETING
SEPTEMBER 13, 2016 - 6:00 P.M.
NEW CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 6:02 p.m. by Chairman, Fred L. Fitch. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Bob Morford, Keith Jackson, Rosemary Bellino-Hall, Jay Burk, Dwight Tanner, Jr., Cherry Phillips, V. Gay McGahee, Doug Wells.

ABSENT: None

ALSO PRESENT: Jerry Ihler, City Manager; Frank Jensen, City Attorney; Traci Hushbeck, City Clerk, COL Samuel Curtis, Fort Sill Liaison

CONSIDER APPROVAL OF MINUTES OF JULY 12, 2016, 2016.

MOVED by Jackson, SECOND by Burk, to approve the minutes of July 12, 2016. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None.
MOTION CARRIED.

NEW BUSINESS ITEM:

1. Consider approving a First Amendment to Sublease Agreement between the Lawton Water Authority, the City of Lawton, Oklahoma, and T-Mobile Central, LLC, and authorize the Chairman and Secretary to execute the amendment. Exhibits: First Amendment to Sublease Agreement is on file in the City Clerk's Office.

Jensen stated the current carrier has telecommunication equipment on the water tower on Rogers Lane and under their 25 year lease they are asking for an amendment so they can change out that equipment with newer equipment without increasing the load on the tower. Public Works does not have an issue with the change out.

Morford questioned if this was wind load and not poundage.

Jensen stated they would have to answer that question, but the load is not changing.

Morford stated he is a ham radio operator and the wind makes a big difference there sometimes.

Afsaneh Jabbar, Director of Water/Wastewater, stated the report they have received has analyzed it under three different conditions of wind, ice and gusts. Under those conditions they do meet the standards.

MOVED by Morford, SECOND by Jackson, to approve a First Amendment to Sublease Agreement with T-Mobile Central, LLC. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

2. Consider and take action with respect to a resolution authorizing filing a loan application with Oklahoma Water Resources Board in the principal amount of \$200,000; approving and authorizing the execution of the loan application and other provisions relating thereto. Exhibits: Resolution 16-03.

Jabbar stated in 2014 we awarded a contract for an analysis related to alternative water supply to Garver Engineering. The Oklahoma Water Resources Board has a new program which is forgiveness of up to \$200,000 for a loan for that type of investigation. We are the only city that qualifies for it because we are the only one who has an IPR study. Staff is requesting permission to submit an application for the \$200,000.

MOVED by Burk, SECOND by Morford, to approve Resolution 16-03. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 6:05 p.m. upon motion, second and roll call vote.

FRED L. FITCH, CHAIRMAN

ATTEST:

TRACI HUSHBECK, SECRETARY

ITEM NO. 1

MEETING DATE November 22, 2016

LAWTON WATER AUTHORITY
AGENDA ITEM COMMENTARY

ITEM TITLE: Consider and take action with respect to a resolution of the Lawton Water Authority (the "Authority") approving and authorizing a Clean Water SRF Loan from the Oklahoma Water Resources Board in the total aggregate principal amount of \$200,000.00; approving the issuance of a promissory note in the total aggregate principal amount of \$200,000.00, 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 lease agreement, as amended pertaining to certain Water, Sanitary Sewer, and Refuse Systems; approving various covenants; approving and authorizing the establishment of a project costs disbursement account; approving and authorizing execution of professional services agreements, and containing other provisions relating thereto.

INITIATOR: City Manager 

STAFF INFORMATION SOURCE: Finance Director
City Attorney
W/WW Director

BACKGROUND: The City of Lawton has approved the Alternative Water Supply Study Project estimated at \$800,000, which is funded by the 2008 CIP and 2016 CIP. It is anticipated that the City will complete the study in the spring of 2017. The City wishes to take advantage of a Principal Forgiveness Program in the form of a Clean Water SRF Loan from the Oklahoma Water Resources Board (OWRB) in the amount of \$200,000.00 to pay part of the Project costs. The OWRB has approved the loan application and has set the date for closing the Loan. Continue on Page 2

EXHIBITS: Resolution No. 16-
CWSRF Promissory Note
CWSRF Loan Agreement

KEY ISSUES: Do the trustees wish to authorize, approve, and execute the note, loan agreement, and other agreements/documents associated with the loan, all as required by OWRB?

FUNDING SOURCE: Revenue, if necessary, from 2016 CIP

RECOMMENDED COUNCIL ACTION: Approve Resolution No. 16-_____.

Continued from Page 1

To accomplish the task, the Authority must issue a 2016 Series Clean Water SRF Promissory Note, and pledge revenue derived from the 2016 CIP specified for such purpose. However, under the Principal Forgiveness Loan Program, the loan is contemplated to be completely forgiven if the forgiveness provisions of the loan are met and repayment would not be required. The OWRB assigns a term and interest rate for the loan in the event the forgiveness provisions are not met. Resolution 16- will approve and authorize execution of the loan documents and other provisions relating to securing the Loan from OWRB.

Since this loan has been pending for several months, the City/LWA's previous financial advisor and bond counsel involved with the loan expressed a willingness to complete the loan transaction without receiving any fees. The proposed resolution approving this loan authorizes letters of engagement for the previous financial advisor and bond counsel for this particular transaction only without the payment of any fees.

THE BOARD OF TRUSTEES OF THE LAWTON WATER AUTHORITY, MET IN REGULAR SESSION IN CITY HALL, IN LAWTON, OKLAHOMA, ON THE 22ND DAY OF NOVEMBER, 2016, AT 6:00 P.M.

PRESENT:

ABSENT:

Thereupon, the Chairman introduced a Resolution which was read. Trustee _____ moved that the Resolution be adopted and Trustee _____ seconded the motion. The motion carrying with it the adoption of the Resolution prevailed by the following vote:

AYE:

NAY:

The Resolution as adopted is as follows:

RESOLUTION NO. _____

A RESOLUTION OF THE LAWTON WATER AUTHORITY (THE "AUTHORITY") APPROVING AND AUTHORIZING A CLEAN WATER SRF LOAN FROM THE OKLAHOMA WATER RESOURCES BOARD IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$200,000.00; APPROVING THE ISSUANCE OF A PROMISSORY NOTE IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$200,000.00, 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 LEASE AGREEMENT, AS AMENDED PERTAINING TO CERTAIN WATER, SANITARY SEWER, AND REFUSE SYSTEMS; APPROVING VARIOUS COVENANTS; APPROVING AND AUTHORIZING THE ESTABLISHMENT OF A PROJECT COSTS DISBURSEMENT ACCOUNT; APPROVING AND AUTHORIZING EXECUTION OF PROFESSIONAL SERVICES AGREEMENTS, AND CONTAINING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Lawton Water Authority, Comanche County, Oklahoma (the "Borrower"), 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 Lawton, Oklahoma (the "City"); and

WHEREAS, the Borrower is authorized and has determined to finance certain engineering costs related to improvements to the wastewater treatment system serving the City (the "Project") in order to better serve the customers of said Borrower and in payment of part of the cost thereof, to seek money in the form of a Clean Water SRF Loan from the Oklahoma Water Resources Board (the "Board") in the amount of \$200,000.00; and

WHEREAS, the Board has approved a loan application of the Borrower and the Borrower has determined to borrow money from the Board to accomplish the Project and to evidence such loan by the issuance of the Authority's Series 2016 Clean Water SRF Promissory Note to Oklahoma Water Resources Board in the original principal amount of \$200,000.00 (the "2016 Note"), said Note being secured by a pledge of revenue derived from the Authority's water, sanitary sewer, and refuse systems (hereinafter collectively, the "System"), provided however, the referenced pledge of System revenue is subject and subordinate to the lien on said revenues securing the Borrower's Senior Lien Debt, and is on a parity in all respects to the lien on said revenues securing the Borrower's Subordinate Lien Debt (each as defined in Section 1.11 of the hereinafter defined Loan Agreement), and provided further, the referenced pledge of System revenue is subject and subordinate in all respects to the pledge by the City in favor of Waurika Lake Master Conservancy District of revenues derived or to be derived from the sale of water pursuant to the Conservancy District Contract (as defined in Section 1.11 of the Loan Agreement); and

WHEREAS, it is the desire of the Borrower to authorize the execution and delivery of any and all documents necessary or attendant to the issuance of the 2016 Note.

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE LAWTON WATER AUTHORITY, COMANCHE COUNTY, OKLAHOMA:

Section 1. Issuance of Note. The Borrower is hereby authorized to accept said loan and issue its 2016 Note payable to the Board and secured by a pledge of revenue derived from the operation of the System. The officers of the Borrower are hereby authorized and directed to execute said 2016 Note and to do any and all lawful things to effect said loan and secure said loan from the Board, provided that the principal amount of the 2016 Note shall be \$200,000.00, and the rate of interest on the 2016 Note shall be a fixed rate of interest of _____ percent (____%) per annum inclusive of administrative fees of one half of one percent (1/2%).

Section 2. Execution of Loan Agreement for Clean Water SRF Loan. The Loan Agreement for Clean Water SRF Loan by and between the Borrower and the Board (the "Loan Agreement") is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Borrower are hereby authorized to execute same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Loan Agreement.

Section 3. Designation of Local Trustee and Execution of Trust Agreement. The Borrower hereby designates BOKF, NA, to serve as local trustee (the "Local Trustee") of certain funds in relation to the 2016 Note. The Trust Agreement by and between the Borrower and the Local Trustee, pertaining to the 2016 Note (the "Trust Agreement") is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Borrower, and to do all other lawful things to carry out the terms and conditions of said Trust Agreement.

Section 4. Execution of Security Agreement. The Security Agreement by the Borrower in favor of the Board (the "Security Agreement"), whereby the Borrower gives a lien on the revenues of the System to the Board to secure payment of the 2016 Note is hereby approved and the Chairman or Vice Chairman and Secretary or Assistant Secretary are hereby authorized to execute same for and on behalf of the Authority, and do all other lawful things to carry out the terms and conditions of said Security Agreement.

Section 5. Lease. The Lease Agreement dated as of November 1, 1968, as amended by an Amendment to Lease Agreement dated as of July 12, 1988 (collectively, the "Lease Agreement"), whereby the City leased its water, sanitary sewer, and refuse systems to the Borrower and whereby the Borrower agreed to operate and maintain said systems, is hereby ratified and confirmed and the term of said Lease Agreement shall extend until the 2016 Note is paid.

Section 6. Covenants of Borrower. Until payment in full of the 2016 Note and performance of all obligations owing to the Board under the Loan Agreement and the instruments executed pursuant hereto, unless the Board shall otherwise consent in writing, the Borrower hereby represents its intent to abide by and carry out the covenants contained in the Security Agreement and the Loan Agreement, which covenants are incorporated herein in their entirety.

Section 7. Project Costs Disbursement Account; Professional Services Agreements; Fees and Expenses. The Borrower is authorized to establish an account or accounts as necessary to serve as the Project Costs Disbursement Account described in the Loan Agreement. The Borrower is further authorized to enter into professional services agreements with The Public Finance Law Group PLLC, as Bond Counsel, and Municipal Finance Services, Inc., as Financial Advisor. Upon closing of the referenced loan, the officers of the Borrower are hereby authorized to disburse (from loan proceeds or other available funds of the Borrower) those fees and expenses set forth on Exhibit "A" hereto, together with such other fees and expenses as will be set forth on the Borrower's Closing Order to be executed in connection with the closing of the financing referenced herein.

Section 8. Necessary Action. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Borrower are hereby further authorized on behalf of the Borrower to accept, receive, execute, attest, seal and deliver the above mentioned documents and all additional documentation, certifications and instruments and to take such further actions as may be required in connection with the transactions contemplated hereby, and are further authorized to approve and make any changes to the documents approved by this Resolution, for and on behalf of the Borrower, the execution and delivery of such documents being conclusive as to the approval of any terms contained therein.

[Remainder of Page Left Blank Intentionally]

ADOPTED AND APPROVED THIS 22ND DAY OF NOVEMBER, 2016.

LAWTON WATER AUTHORITY

Chairman

ATTEST:

Secretary

(SEAL)

STATE OF OKLAHOMA)
)SS
COUNTY OF COMANCHE)

I, the undersigned, Secretary of the Lawton Water Authority, Comanche County, Oklahoma, an Oklahoma public trust, do hereby certify that the above and foregoing is a true, full and correct copy of an excerpt from the minutes of a meeting of the Board of Trustees of said public trust held on the date above stated, all as recorded in the official minutes of such meeting. I further certify that the "Open Meeting Law" was complied with for such meeting.

GIVEN UNDER MY HAND THIS 22ND DAY OF NOVEMBER, 2016.

(SEAL)

Secretary

EXHIBIT "A"

Fees and Expenses Paid at Closing

| | |
|---|--------|
| The Public Finance Law Group PLLC Legal Fee and Out-of-Pocket Expenses | \$0.00 |
| Municipal Finance Services, Inc. Financial Advisory Fee and Expenses | \$0.00 |
| BOKF, NA Trustee Bank Acceptance Fee | \$0.00 |

**LAWTON WATER AUTHORITY,
COMANCHE COUNTY, OKLAHOMA,
SERIES 2016 CLEAN WATER
SRF PROMISSORY NOTE TO
OKLAHOMA WATER RESOURCES BOARD**

November 29, 2016

\$200,000.00

KNOW ALL MEN BY THESE PRESENTS that the Lawton Water Authority, a public trust duly organized and existing under the laws of the State of Oklahoma (hereinafter, the "Borrower"), for value received, promises to pay from the sources and as hereinafter provided, to the order of the Oklahoma Water Resources Board (hereinafter, the "OWRB"), a body corporate and politic and an instrumentality, agency and department of the State of Oklahoma, the principal sum of Two Hundred Thousand and 00/100 Dollars (\$200,000.00) or so much thereof as is advanced hereunder, together with interest and an administrative fee thereon from the date of each respective advance hereunder at rates as set forth and defined hereinafter, payable in the manner and on the dates set forth herein, in lawful money of the United States of America at the principal office of BOKF, NA, Oklahoma City, Oklahoma (hereinafter, the "Local Trustee"), for deposit into the debt service fund to be established with and held by the Local Trustee for the payment of this Note pursuant to the Indenture (as hereinafter defined). The Local Trustee shall promptly remit payment to the OWRB, Oklahoma City, Oklahoma, or the OWRB's Trustee Bank (as directed by the OWRB) for deposit into the Clean Water State Revolving Fund Loan Account (the "CWSRF").

The proceeds of this Note will be used by the Borrower to evaluate the viability of indirect potable reuse of 5 million gallons per day of effluent generated by the wastewater treatment plant serving the City of Lawton, Oklahoma (the "Project").

This Note is issued pursuant to and secured by and entitled to the protection of a Loan Agreement for Clean Water SRF Loan dated as of November 1, 2016, by and between the Borrower and the OWRB (the "Clean Water SRF Loan Agreement"). The security for the Note includes a pledge and assignment of revenues derived by the Borrower from its operation of the water, sanitary sewer, and refuse systems (hereinafter, collectively the "System") of the Borrower serving the City of Lawton, Oklahoma. The Note is further secured by a Security Agreement dated as of November 1, 2016 (the "Security Agreement") by the Borrower to the OWRB and the provisions of the Trust Agreement dated as of November 1, 2016, by and between the Borrower and the Local Trustee (referred to herein as the "Indenture"). The referenced pledge of System revenue is subject and subordinate to the lien on said revenues securing the Borrower's Senior Lien Debt, and is on a parity in all respects to the lien on said revenues securing the Borrower's Subordinate Lien Debt, each as defined in Section 1.11 of the Clean Water SRF Loan Agreement; provided however, the referenced pledge of System revenue is subject and subordinate in all respects to the pledge by the City of Lawton, Oklahoma, in favor of Waurika Lake Master Conservancy District of revenues derived or to be derived from the sale of water pursuant to the Conservancy District Contract, as defined in Section 1.11 of the Clean Water SRF Loan Agreement. Reference is made to the Security Agreement, the Clean Water SRF Loan Agreement, the Indenture, and to all agreements

supplemental thereto for a complete description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Borrower and the Local Trustee, the rights of the OWRB and the terms upon which this Note or additional indebtedness are or may be issued and secured, and to all the provisions of which the OWRB by the acceptance of this Note assents.

The Borrower shall not redeem this Note in part or in full without the prior written consent of the OWRB, which consent shall not be unreasonably withheld, and any such redemption authorized by the OWRB shall provide for the payment of a sum sufficient to pay the principal and interest requirements of the Loan and/or principal, interest, premium, if any, and any fees to be paid upon the redemption by the OWRB of the appropriate amount of the Bonds (as defined in Section 1.5 of the Clean Water SRF Loan Agreement) represented by the outstanding balance of the Loan at the time of such redemption. Partial prepayments shall be applied first to accrued interest and administrative fees and then in reduction of principal.

This Note shall bear interest at a rate of ___% per annum plus an administrative fee at the rate of 0.5% per annum on the outstanding balance of disbursed loan proceeds. Interest and the administrative fee shall be computed on the basis of a year of 360 days and the number of actual days elapsed. In the event the Borrower defaults in the payment of any amounts due hereunder, such defaulted amount shall bear interest at the rate of fourteen percent (14%) per annum from the date of default until the date of payment thereof.

The Borrower shall make semi-annual payments of principal, interest, and administrative fee directly to the OWRB or the OWRB's Trustee Bank (as directed by the OWRB), in such amounts and at such times as described below, until the Project is complete and the Amortization Table is provided to the Borrower and the Local Trustee as provided for below. Upon commencement of the semi-annual payment cycle beginning the March 15 or September 15 following completion of the Project and provision of the Amortization Table, the Borrower shall be required to commence monthly payments of principal, interest, and administrative fee to the Local Trustee, and the Local Trustee shall remit semi-annual payments as provided for below.

The interest and administrative fee payments shall be made on a semi-annual basis, commencing on March 15, 2017, and continuing each March 15 and September 15 thereafter for the term of the Loan. The Borrower shall commence repayment of principal on the earlier of (i) the March 15 or September 15 next following the date the Project is completed, as certified to the OWRB by the Borrower, or (ii) September 15, 2018, and shall continue to repay principal semiannually for the term of the March according to the Amortization Table to be provided by the OWRB as described hereinbelow; provided, the Borrower shall commence repaying principal to the OWRB as provided in the Preliminary Principal Payment Schedule as set forth on Schedule "A" to the Note, until such time as the OWRB provides the final Amortization Table to the Borrower and the Local Trustee as set forth below. After the Project is completed and the Borrower has certified to the OWRB that all Project Costs have been paid, then the OWRB shall produce and provide to the Borrower and the Local Trustee an Amortization Table which reflects the total amount of principal advanced under the Note less any principal payments already received, plus interest and administrative fees due and payable. [The amortization table will provide to the extent possible for the payment of principal on the Note in a manner consistent with

the Preliminary Principal Payment Schedule.] The amortization table will be attached as Schedule "A" to the Note at the time it is provided by the OWRB to the Borrower and the Local Trustee, and shall replace and supersede the Preliminary Principal Payment Schedule in all respects, and will require no further action or approval by the Borrower or the governing body of the City of Lawton, Oklahoma. The outstanding principal balance of this Note, together with all accrued, but unpaid, interest and administrative fees shall be due and payable in full on the earlier of (x) the March 15 and September 15 next preceding the date which is _____ years after completion of the Project as certified to the OWRB by the Borrower or (y) _____.

Notwithstanding the provisions of the immediately preceding paragraph, should the Project not be completed within thirty (30) days prior to the third anniversary of the Issuance Date of Bonds, the parties agree that the unfunded balance of the Loan may, at the option of the OWRB, be deposited with the Local Trustee in the Project Costs Disbursement Account created under the Indenture, and thereupon the OWRB shall provide the Amortization Table to the Borrower and the Local Trustee and the Borrower shall be required to commence monthly payments of principal, interest, and administrative fee to the Local Trustee as provided for above. The amount so transferred shall be deposited to the credit of the Project Costs Disbursement Account, and disbursed from time to time in the manner provided in Section 2.11 of the Clean Water SRF Loan Agreement. The Borrower agrees that no disbursement of such amount deposited to the credit of the Project Costs Disbursement Account shall be made without the approval of the OWRB as hereinafter provided. The Borrower shall submit to the OWRB certified requests seeking the approval of the disbursement of all or any portion of such amount on ORF-271 forms. The requests shall be accompanied by such invoices or other documentation as may be required by the OWRB to demonstrate that such amounts have been incurred by or on behalf of the Borrower for the payment of Project Costs. Upon approval by the OWRB, the OWRB shall authorize the disbursement of the funds held in the Project Costs Disbursement Account by the Borrower for the payment of the approved Project Costs in an expeditious and timely manner. The Borrower covenants and agrees that such disbursements from the Project Costs Disbursement Account shall be immediately and expeditiously transferred or paid out, as appropriate, for payment of Project Costs as specified by the Borrower and approved by the OWRB on the corresponding ORF-271 form.

This Note may be eligible for Principal Forgiveness as more fully set forth in Article VI of the Clean Water SRF Loan Agreement, which may reduce the total amount of principal, interest, and administrative fee due and owing under the Note.

Payments of principal, interest, and administrative fee shall be made via wire transfer in accordance with written wiring instructions from the OWRB to the Borrower and the Local Trustee. In the event any due date for payment of any installment of principal or interest and the administrative fee as stipulated above shall not be a regular business day, then such date for payment of principal, interest, and administrative fee shall be the immediately preceding business day.

This Note is issued pursuant to and in full compliance with the laws of the State of Oklahoma and a resolution duly adopted by the Borrower, which resolution authorizes the execution and delivery of the Clean Water SRF Loan Agreement, the Security Agreement.

Pursuant to the provisions of the Clean Water SRF Loan Agreement, payments sufficient for the prompt payment when due of the principal of, interest, and administrative fee on this Note are to be paid by the Borrower to the OWRB from the Revenues of the System and other pledged Revenues.

This Note does not constitute an obligation of the City of Lawton, Oklahoma, nor the State of Oklahoma, or any subdivision, department or agency thereof other than the Borrower nor does it constitute a personal obligation of any Trustee, officer, or employee of the Borrower or a general obligation of the Borrower, but is a special, limited obligation payable solely from the sources described in the Clean Water SRF Loan Agreement and the Security Agreement. Neither the faith and credit nor the taxing power of the State of Oklahoma or any political subdivision thereof, including the City of Lawton, Oklahoma, is pledged to the payment of the principal of, premium or penalty, if any, or interest or administrative fee on this Note.

No recourse shall be had for this Note or for any claim based hereon or upon any obligation, covenant, or agreement contained in the Clean Water SRF Loan Agreement and the Security Agreement against any past, present, or future official or employee of the Borrower, or any official or employee of any successor entity, as such, either directly or through the Borrower or any successor thereto, under any rule of law or equity, statute, or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officials or employees as such is hereby expressly waived and released as a condition of and consideration for the execution of the Clean Water SRF Loan Agreement, the Security Agreement, and the issuance of this Note.

Modification or alterations of the Clean Water SRF Loan Agreement, the Security Agreement, or of any supplements thereto, may be made only to the extent and under the circumstances specifically permitted by the Clean Water SRF Loan Agreement or the Security Agreement.

[Remainder of Page
Intentionally Left Blank]

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all acts and conditions required to be performed precedent to and in execution and delivery of the Clean Water SRF Loan Agreement and the issuance of this Note have been performed in due time, form and manner as required by law and that the issuance of this Note does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed for and on its behalf by its Chairman and attested by its Assistant Secretary and its official seal to be impressed hereon, all as of the date first appearing hereinabove.

LAWTON WATER AUTHORITY,
COMANCHE COUNTY, OKLAHOMA

Chairman

(SEAL)

ATTEST:

Secretary

SCHEDULE "A"

[Preliminary Principal Payment Schedule]

| <u>Principal Payment Date</u> | <u>Principal Amount</u> |
|--|-------------------------|
| September 15, 2018 | \$0.00* |
| Each March 15 or September 15 thereafter | \$0.00* |

*Assumes 100% Principal Forgiveness. In the event the Borrower does not comply with requirements directed by the OWRB and/or DEQ in accordance with the CWSRF Cap Grant (as defined in Article VI of the Clean Water SRF Loan Agreement), the principal payment amount beginning September 15, 2017, and continuing each March 15 or September 15 thereafter, shall be equal to ____ of the principal amount due and owing under the Note.

**LOAN AGREEMENT
FOR CLEAN WATER SRF LOAN**

This LOAN AGREEMENT FOR CLEAN WATER SRF LOAN (the "Loan Agreement"), dated as of the 1st day of November, 2016, is by and between the OKLAHOMA WATER RESOURCES BOARD (the "OWRB"), a body corporate and politic and an instrumentality, agency and department of the State of Oklahoma (the "State") and the LAWTON WATER AUTHORITY, Comanche County, Oklahoma (the "Borrower"), a public trust with the City of Lawton, Comanche County, Oklahoma (the "City") as beneficiary.

WITNESSETH:

WHEREAS, Title 82, Oklahoma Statutes 2011, Section 1085.51 *et seq.*, as amended (the "Act") established a Clean Water State Revolving Fund Loan Account (the "CWSRF") to enable the State of Oklahoma to match federal funds and implement Title VI of the Federal Water Quality Act of 1987 by providing for a program for financial assistance (commonly known as the "Clean Water SRF Financing Program") to eligible entities for certain authorized purposes; and

WHEREAS, the Borrower has requested a loan through the Clean Water SRF Financing Program to provide low interest financing for the cost of improving a wastewater project as described in the Borrower's Application for Funding; and

WHEREAS, the OWRB is authorized to enter into binding loan agreements with eligible entities pursuant to the terms of the Act; and

WHEREAS, the OWRB has made all findings required under the Act for approval of the loan, and the OWRB is willing to make a loan to the Borrower for the aforementioned purposes.

NOW, THEREFORE, in consideration of these premises and the mutual covenants and agreements hereinafter contained, the Borrower and the OWRB hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1. Except where the context clearly indicates otherwise, the terms “eligible entity”, “Federal Water Quality Act of 1987”, and “wastewater project” shall have the definitions and meanings ascribed to them under the Act.

1.2 “Accountant” shall mean an independent certified public accountant or firm of independent certified public accountants of recognized standing qualified to perform the duties required in this Loan Agreement.

1.3 “Application for Funding” shall mean the Borrower’s Application for Funding No. ORF-17-0011-CW to the OWRB for a loan for the purpose of financing wastewater system improvements, a copy of which application is attached hereto as Exhibit “A”.

1.4 “Bond Indenture” with respect to each series of Bonds, shall mean the bond indenture or other similar document between the OWRB and the Trustee Bank, pursuant to which a series of Bonds is issued and delivered.

1.5 “Bonds” shall mean obligations issued by the OWRB to provide a source of funding for the Clean Water SRF Financing Program, to which revenues received from repayment of this Loan may be pledged from time to time.

1.6 “Clean Water SRF” shall mean the Clean Water State Revolving Fund Loan Account, or CWSRF.

1.7 “Clean Water SRF Financing Program” shall mean the State’s permanent program approved by EPA for providing financial assistance for water pollution control projects, established in accordance with Title VI of the Federal Water Quality Act of 1987 and Title 82, Oklahoma Statutes 2011, Section 1085.51 *et seq.* as amended.

1.8 “Consulting Engineer” shall mean an independent consulting engineer or firm of independent consulting engineers retained by the Borrower, designated in the Application for Funding and acceptable to the OWRB, and qualified to perform the duties required in the Loan Agreement.

1.9 “DEQ” shall mean the Department of Environmental Quality of the State of Oklahoma.

1.10 “EPA” shall mean the United States Environmental Protection Agency or Regional Office thereof.

1.11 “Existing Indebtedness” shall mean any existing obligations of the Borrower payable from the Revenues pledged by the Borrower to the payment of the debt service requirements of the Loan, including specifically the Borrower’s: (i) Series 2001A Clean Water

SRF Promissory Note to Oklahoma Water Resources Board dated April 6, 2001, issued in the original principal amount of \$2,008,570.47; (ii) Amended Series 2001B Promissory Note to Oklahoma Water Resources Board dated April 2, 2009, issued in the original principal amount of \$2,600,000; (iii) Series 2003A Clean Water SRF Promissory Note to Oklahoma Water Resources Board dated January 24, 2003, issued in the original principal amount of \$1,819,429.52; (iv) Series 2003C Clean Water SRF Promissory Note to Oklahoma Water Resources Board dated January 24, 2003, issued in the original principal amount of \$1,020,000; (v) Series 2004E Clean Water SRF Promissory Note to Oklahoma Water Resources Board dated February 25, 2004, issued in the original principal amount of \$1,310,000; (vi) Series 2009 Clean Water SRF Promissory Note to Oklahoma Water Resources Board dated November 30, 2009, issued in the original principal amount of \$12,270,000; (vii) Series 2009 Drinking Water SRF Promissory Note to Oklahoma Water Resources Board dated November 30, 2009, issued in the original principal amount of \$4,725,000; (viii) Utility System Revenue Note, Series 2011 dated December 21, 2011, issued in the original principal amount of \$5,270,000; and (ix) Utility System Revenue Note, Series 2013 dated July 24, 2013, issued in the original principal amount of \$10,920,000. The obligations described in (ii), (viii), and (ix) above shall be referred to as the "Senior Lien Debt" and the obligations described in (i), (iii), (iv), (v), (vi), and (vii) shall be referred to as the "Subordinate Lien Debt". The pledge of revenues derived from the System in favor of the Note is subject and subordinate in all respects to the Senior Lien Debt. The pledge of revenues derived from the System in favor of the Note is on a parity in all respects with the Subordinate Lien Debt. The pledge of revenue derived from the sale of water is subject to the provisions of that certain Contract between the Waurika Lake Master Conservancy District (the "District") and the City of Lawton, Oklahoma for a Municipal Water Supply dated February 20, 1978, as amended by Modification No. 1 of the Contract for a Municipal Water Supply dated November 13, 2002, as further amended by an Addendum to Contract by and among the District, the City, and the Borrower dated as of November 1, 2010, as further amended by Modification No. 2 of the Contract dated as of July 1, 2015, by and among the District, the City, and the Borrower, and as further amended by a Second Addendum to Contract dated as of July 1, 2015, by and among the District, the City, and the Borrower (collectively, the "Conservancy District Contract"), whereby the City has heretofore pledged to the District sufficient revenues from the sale of water through the water transportation and distribution system owned by the City.

1.12 "Indenture" shall mean the Trust Agreement dated as of November 1, 2016, by and between the Borrower and the Local Trustee.

1.13 "Lease Agreement" shall collectively mean the Lease Agreement dated as of November 1, 1968, as amended by an Amendment to Lease Agreement dated July 12, 1988, by and between the City and the Borrower, whereby the City leased to the Borrower its then-existing and thereafter acquired water, sanitary sewer, and refuse systems.

1.14 "Loan" shall mean the particular loan for long-term financing to be made by the OWRB to the Borrower pursuant to the terms of this Loan Agreement for Clean Water SRF Loan.

1.15 "Local Act" shall mean an official action of the Borrower taken in accordance with applicable ordinances or rules of the Borrower and laws of the State.

1.16 "Local Trustee" shall mean BOKF, NA, a commercial banking entity, with corporate trust powers domiciled in the State, experienced and qualified to act as a corporate trustee, selected by the Borrower, and approved by the OWRB to serve as trustee for the Borrower pursuant to Section 2.7(W) hereof.

1.17 [Left Blank Intentionally]

1.18 "Net Revenues Available for Debt Service" shall mean the Revenues of the System less: (a) any amounts required to replenish the debt service reserve fund established in regard to any Existing Indebtedness; and (b) the Operation and Maintenance Expenses of the System [except that (1) interest on any debt payable from the Revenues of the System and any other revenue source pledged to payment of the Note, (2) depreciation and any other items not requiring the expenditure of cash, (3) any amounts expended for capital replacements, repairs, and maintenance not recurring annually (or at shorter intervals) or reserves therefor, and (4) reserves for administration, operation, and maintenance occurring in the normal course of business, shall not be included as "Operation and Maintenance Expenses" for purposes of this Section 1.18(b)], plus any other Revenues pledged to payment of the Note.

1.19 "Note" shall mean the Series 2016 Clean Water SRF Promissory Note to Oklahoma Water Resources Board to be issued by the Borrower pursuant to the Act, as amended, to evidence the Loan and which obligation will be purchased by the OWRB in accordance with the provisions of this Loan Agreement for Clean Water SRF Loan.

1.20 "Operation and Maintenance Expenses" shall mean the costs of operating and maintaining the System pursuant to generally accepted accounting principles.

1.21 "OWRB" shall mean the Oklahoma Water Resources Board.

1.22 "Project" shall mean the wastewater system improvements, all as described in the Application for Funding No. ORF-17-0011-CW, to be constructed, modified, expanded, or refinanced by the Borrower with, among other funds, the proceeds of the Loan.

1.23 "Project Costs" shall mean in connection with the Project or any future project, together with any other proper cost items not specifically mentioned herein, all costs of acquiring, constructing, furnishing, equipping, and financing the Project as specified on Exhibit "D" attached hereto, including but not limited to: obligations incurred for labor and materials and to contractors, builders, and materialmen; restoration or relocation of property damaged or destroyed in connection with such construction; premiums on contractors' performance, payment, and completion bonds if required; the cost of machinery, equipment, or supplies purchased by the Borrower for inclusion as part of the System; fees, compensation, and expenses of the Borrower for services rendered during said period; taxes, fees, charges, and expenses due and payable in connection with the Project, the financing thereof, or the issuance of and security for bonds or notes; premiums on insurance in connection with the Project, the financing thereof, or the issuance of and security for bonds or notes; premiums on insurance in connection with the construction of additions to the System; costs of architects' and engineers' services; all costs

incident to and properly allocable to the acquisition, equipping, and construction of the Project and placing of the same in operation; capitalizing principal and interest requirements and any reserve funds for any bonds or notes; legal, financing, financial, administrative, accounting, printing, and recording expenses and fees; and the fees and expenses of bond counsel.

1.24 “Project Costs Disbursement Account” shall mean the account the Borrower maintains with a federally insured banking institution, which may or may not be the Local Trustee, that is separate and apart from all other funds and accounts of the Borrower for the purpose of receiving disbursements of Loan funds pursuant to Section 2.2 and Section 2.11 herein.

1.25 “Replacement Costs” shall mean expenditures for obtaining and installing equipment, accessories, or appurtenances during the useful life of the treatment works necessary to maintain the capacity and performance for which such works are designed and constructed, excluding capital replacements, repairs, and maintenance not recurring annually (or at shorter intervals) or reserves therefor.

1.26 “Revenues” shall mean: (i) all rates, fees, rentals, other charges, income, and monies properly allocable to the System in accordance with generally accepted accounting principles resulting from the ownership and/or operation of the System, excluding customer deposits and any other deposits subject to refund until such deposits have become the property of the Borrower; (ii) the proceeds of any insurance covering business interruption loss relating to the System; and (iii) any other monies from other sources pledged by the Borrower to the payment of debt service requirements of the Note. Such Revenues derived from the System shall, unless precluded by restrictions relating to Existing Indebtedness of the Borrower, be dedicated for payment of debt service requirements of the Loan prior to payment of Operation and Maintenance Expenses of the System.

1.27 [Left Blank Intentionally]

1.28 “Security Agreement” shall mean the Security Agreement dated as of November 1, 2016, by the Borrower in favor of the Oklahoma Water Resources Board.

1.29 “System” shall mean collectively the water, sanitary sewer, and refuse systems now or hereafter owned or operated by the Borrower, the proceeds from the operation of which are pledged to the payment of the Note.

1.30 “Trustee Bank” shall mean BancFirst, Oklahoma City, Oklahoma, and any successor entity meeting the qualifications prescribed in the applicable Bond Indenture and selected to perform the duties as Trustee Bank for the OWRB set out in the applicable Bond Indenture.

End of Article I

ARTICLE II

TERMS AND CONDITIONS OF LOAN; SECURITY FOR LOAN; REPAYMENT OF LOAN; COVENANTS AND REPRESENTATIONS OF BORROWER

2.1 Subject to the provisions of this Loan Agreement for Clean Water SRF Loan, applicable state statutes, those items listed on Exhibit "E" attached hereto, and applicable rules, regulations, and procedures of the OWRB and of the DEQ, and in anticipation of the Borrower's issuance of its Note as provided herein, it is hereby agreed that the OWRB shall make a Loan to the Borrower and the Borrower shall accept the Loan from the OWRB, and to such end, it is agreed that the Borrower shall sell to the OWRB and the OWRB shall purchase from the Borrower, the Note in the principal amount of Two Hundred Thousand and 00/100 Dollars (\$200,000.00).

2.2 The OWRB shall disburse proceeds of the Loan to the Borrower only for incurred Project Costs and in accordance with Clean Water SRF Financing Program procedures. The Borrower shall submit certified requests for disbursement of loan proceeds to the OWRB on ORF-271 forms. The requests shall be accompanied by such invoices or other documentation as may be required by the OWRB to demonstrate that such amounts have been incurred by or on behalf of the Borrower for the payment of Project Costs. Upon approval by the OWRB, the OWRB shall provide for disbursement of the loan proceeds to the Borrower in an expeditious and timely manner. The Borrower shall maintain a Project Costs Disbursement Account separate and apart from all other funds and accounts of the Borrower for the purpose of receiving disbursements of Loan funds pursuant to this Section 2.2 (the "Project Costs Disbursement Account"). The Borrower covenants and agrees that all disbursements of loan proceeds received in the Project Costs Disbursement Account shall be immediately and expeditiously transferred or paid out, as appropriate, for payment of Project Costs as specified by the Borrower on the corresponding ORF-271 form. If any deposits to the Project Costs Disbursement Account are funded in whole or in part with proceeds of Bonds issued after January 1, 2008, the OWRB shall maintain records that provide the amount of proceeds funded from proceeds of Bonds and the Issuance Date of such Bonds (referred to herein as the "Issuance Date"). Anything in this Agreement to the contrary notwithstanding, should the Project not be completed within thirty (30) days prior to third anniversary of the Issuance Date of such Bonds, the parties agree that the unfunded balance of the Loan may, at the option of the OWRB, be deposited with the Local Trustee in the Project Costs Disbursement Account created under the Indenture (as defined herein), and disbursements for Project Costs shall be made, in accordance with the provisions of Section 2.11.

2.3 According to EPA requirements for the Clean Water SRF Financing Program, (x) the Note must be fully amortized and repaid no later than thirty (30) years after the date construction of the Project is completed, and (y) the Borrower must commence repayment of principal no later than one (1) year after the date construction of the Project is completed. Accordingly, the parties agree that the Note shall mature on the earlier of (i) the March 15 or September 15 next preceding the date which is _____ years after completion of construction of the Project as certified to the OWRB by the Borrower, or (ii) _____. The outstanding

principal balance of the Note, together with all accrued, but unpaid, interest and administrative fees shall be due and payable in full on said maturity date. The Note shall contain other provisions set forth in Exhibit "B" attached hereto and made a part hereof.

2.4 The Borrower shall make semi-annual payments of principal, interest, and administrative fee directly to the OWRB or the OWRB's Trustee Bank (as directed by the OWRB), in such amounts and at such times as described below, until the Project is complete and the Amortization Table is provided to the Borrower and the Local Trustee as provided for below. Upon commencement of the semi-annual payment cycle beginning the March 15 or September 15 following completion of the Project and provision of the Amortization Table, the Borrower shall be required to commence monthly payments of principal, interest, and administrative fee to the Local Trustee, and the Local Trustee shall remit semi-annual payments as provided for below.

The Borrower shall pay to the OWRB or the Trustee Bank (as directed by the OWRB) interest on the Loan at the rate of ____% per annum, plus an administrative fee at the rate of 0.5% per annum, all on the outstanding balance of disbursed loan proceeds. Interest and the administrative fee shall be computed on the basis of a year of 360 days and the number of actual days elapsed. The interest and administrative fee payments shall be made on a semi-annual basis, commencing on March 15, 2017, and continuing each March 15 or September 15 thereafter for the term of the Loan. The Borrower shall commence repayment of principal on the earlier of (i) the March 15 or September 15 next following the date construction of the Project is completed, as certified to the OWRB by the Borrower, or (ii) September 15, 2018, and shall continue to repay principal semiannually for the term of the Loan according to the Amortization Table to be provided by the OWRB as described hereinbelow; provided, the Borrower shall commence repaying principal to the OWRB as provided in the Preliminary Principal Payment Schedule as set forth on Schedule "A" to the Note, until such time as the OWRB provides the final Amortization Table to the Borrower and the Local Trustee as set forth below. After construction of the Project is completed and the Borrower has certified to the OWRB that all Project Costs have been paid, then the OWRB shall produce and provide to the Borrower and the Local Trustee an Amortization Table which reflects the total amount of principal advanced under the Note less any principal payments already received, plus interest and administrative fees due and payable. [The amortization table will provide to the extent possible for the payment of principal on the Note in a manner consistent with the Preliminary Principal Payment Schedule.] The amortization table will be attached as Schedule "A" to the Note at the time it is provided by the OWRB to the Borrower and the Local Trustee, and shall replace and supersede the Preliminary Principal Payment Schedule in all respects, and will require no further action or approval by the Borrower or the governing body of the City of Lawton. In the event the Borrower defaults in the payment of any of its required payments to the OWRB or the Trustee Bank, the amount of such default shall bear interest at the rate of fourteen percent (14%) per annum, from the date of the default until the date of payment thereof. In the event any due date for payment of any installment of principal, interest, or administrative fee shall not be a regular business day, then such date for payment of principal, interest, or administrative fee shall be the immediately preceding business day.

Notwithstanding the provisions of the immediately preceding paragraph, should the Project not be completed within thirty (30) days prior to third anniversary of the Issuance Date of Bonds, the parties agree that the unfunded balance of the Loan may, at the option of the OWRB, be deposited to the Project Costs Disbursement Account, and thereupon the OWRB shall provide the Amortization Table to the Borrower and the Local Trustee, and the Borrower shall be required to commence monthly payments of principal, interest, and administrative fee to the Local Trustee as provided for above; furthermore, this Loan may be eligible for Principal Forgiveness as more fully set forth in Article VI herein, which may reduce the total amount of principal, interest, and administrative fee due and owing under the Note.

2.5 The Borrower, as one of the further conditions of the OWRB making the Loan and as authorized by the Local Act, hereby pledges, grants a security interest in, and dedicates the Revenues derived from the operation of the System (said security interest in Revenues, as defined herein, being subject and subordinate to the pledge in favor of the Senior Lien Debt; and said security interest in Revenues, as defined herein, being on a parity with the pledge in favor of the Subordinate Lien Debt) to the repayment of the Loan. The Loan is further secured according to the terms and conditions of the Security Agreement.

2.6 Subject to provisions of the Existing Indebtedness, Revenues generated from the operation of the System will be used monthly: (i) first, to provide debt service on the Note and, if appropriate, other indebtedness payable from such revenues on a parity with the Note, (ii) second, to pay Operation and Maintenance Expenses of the System, and (iii) third, to make payments, if required, to replenish any amount drawn from any OWRB debt service reserve fund for the benefit of the Borrower or to replenish the minimum required balance of the reserve of the Borrower relating to Note payments and other System indebtedness. So long as there shall exist any outstanding balance on the Note, the gross revenues of the System shall always be used to satisfy the requirements reflected above, and after satisfying the requirements set forth herein, such revenues may be utilized by the Borrower for any legal purpose.

2.7 As further conditions of the OWRB making the Loan, the Borrower covenants, agrees, and represents as follows:

(A) The Borrower agrees and represents that it shall comply with all applicable requirements of Federal and State law and authority, including but not limited to:

- (1) The laws and executive orders listed on Exhibit "E" attached hereto and the Federal Historic Sites Act;
- (2) State statutes and rules administered by the DEQ (as codified in Title 252 of the Oklahoma Administrative Code) regarding the design, construction, operation, and maintenance of water and wastewater collection, treatment, and distribution facilities; and
- (3) The OWRB Rules codified in Title 785 of the Oklahoma Administrative Code;

- (B) (1) The Borrower will expeditiously proceed with and complete the Project in accordance with Project plans and specifications approved by the OWRB and in accordance with the following schedule:

| | |
|--------------------|-------------------------|
| December 1, 2016 | Start Date |
| July 15, 2018 | Projected Completion |
| September 15, 2018 | Deadline for Completion |

Not more than 6 months after substantial completion of construction, the Borrower shall provide to the OWRB a certification in such form as is acceptable to the OWRB regarding completion of construction and quantification of any unexpended loan proceeds. Thereafter, the OWRB will de-obligate any such unexpended loan proceeds and make said funds available for other borrowers; provided, if any loan proceeds remain unexpended, then the Borrower may request OWRB approval of use of such proceeds for another purpose. If approved, such proceeds shall be expended by the date specified by the OWRB, which shall not be later than 18 months after the date of OWRB approval of the additional use; and

(2) The Loan proceeds disbursed to the Borrower shall be used solely and exclusively for the payment of authorized and approved Project Costs incurred toward those items specified on Exhibit "D" attached hereto or as otherwise approved by the OWRB. In the event the OWRB determines that funds furnished were utilized and expended for any unauthorized or unallowable purpose, the Borrower shall return or otherwise pay to the OWRB, for deposit in the CWSRF, any and all such amounts of funds used and expended for unauthorized or unallowable purposes plus interest on such amount(s) at the Loan rate accruing from and after the date of the unauthorized expenditures;

(C) The Borrower agrees to operate and maintain the System in good condition, or will cause the City to operate and maintain the System in good condition;

(D) (1) The Borrower shall maintain separate Project accounts in accordance with generally accepted government accounting standards, including those set forth in the "Standards for Audit of Government Organizations, Programs, Activities and Functions," published by the U.S. General Accounting Office;

(2) The Project may be funded in part from a grant award from EPA referenced as follows:

| | |
|---------------|----------------------------------|
| CFDA title: | Clean Water State Revolving Fund |
| CFDA number: | 66.458 |
| Award number: | ORF-17-0011-CW |

Accordingly, the Borrower agrees that it will comply with the provisions of OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*. If the Borrower expends Federal funds in a total amount equal to or greater than \$750,000.00 in any fiscal year of the Borrower, then the Borrower shall complete an annual audit report in accordance with Revised OMB Guidance (a "Single Audit") and submit a copy thereof to the OWRB within one hundred fifty (150) days after the end of each such fiscal year;

(3) The Borrower shall permit the OWRB, acting by and through their duly authorized representatives, to inspect any and all projects, incidental works, facilities, and premises otherwise pertaining to the Project. The OWRB shall be permitted to inspect at any and all reasonable times for purposes of audit and examination all books, accounts, records, contracts, or other documents possessed by the Borrower or its contractors, agents, employees, or representatives which relate to the Loan; and

(4) The Borrower shall submit to the OWRB (i) monthly operating statements, reflecting the Revenues and Operation and Maintenance Expenses of the System, together with any changes in the governing body members, pertinent staff, or pertinent rate structure(s) of the Borrower, all by the 15th day of the succeeding month; (ii) annual audits; and (iii) such other documents and information as said agency may reasonably require in connection with the administration of the facilities financed by the Loan. The Borrower shall cause its books and records and accounts to be audited (the "Financial Audit") within 30 days after the close of each fiscal year by an Accountant acceptable to the OWRB and, within 150 days after the end of each fiscal year, furnish copies of the reports of such audits to the OWRB including statements in reasonable detail, certified by said Accountant as to the financial condition of the Borrower and detailing the Revenues. The Financial Audit may be, but need not necessarily be, combined with the Single Audit into a single audit. The Financial Audit shall be performed and presented in accordance with *Government Auditing Standards*;

(E) The Borrower shall not enter into any contract with any person who has been convicted of any offense under the criminal provisions of the Federal Clean Air Act and the Federal Water Pollution Control Act, as amended, for the procurement of goods, materials, and services if such contract is to be performed at any facility at which the violation which gave rise to such conviction occurred, and if such facility is owned, leased, or supervised by such person. This prohibition shall continue with respect to any person to whom it applies until the EPA Administrator certifies that the condition giving rise to such conviction has been corrected;

(F) (1) The Borrower agrees to comply with the six good faith efforts contained in 40 CFR, Section 33.301, as the same is provided in the OWRB's regulations codified in the Oklahoma Administrative Code regarding procurement of supplies, construction, or services from disadvantaged business enterprises; and

(2) The Borrower agrees to submit to the OWRB a completed EPA Form 5700-52a within 15 days after the end of each Federal fiscal semi-annual period (March 31st and September 30th) during which the Borrower or its contractors award any subagreements to a minority, women's, or disadvantaged business for building and building related services;

(G) The Borrower agrees to maintain a schedule of user charges for the services of the facilities financed by the Loan which shall always be sufficient to provide revenues which will pay all Operation and Maintenance Expenses and Replacement Costs of the facilities so financed, and to provide to OWRB prior to completion of construction a copy of (i) the user charge rate structure and appropriate calculations or other supporting documentation which substantiates the sufficiency of the user charges as required herein, and (ii) the ordinance(s) which prescribes such user charges;

(H) The Borrower hereby represents, covenants, and acknowledges that all requisite action required on its part to have been taken or performed prior or requisite to the issuance of the Note, specifically including the passage and adoption of the Local Act and the waiver of competitive bidding for the sale of the Note, if required, have happened, occurred, and been performed according to law and that the Note is the valid, legal, and enforceable obligation of the Borrower. The Borrower has obtained all requisite authorizations, orders, and approvals necessary for the issuance of the Note and the proper dedication of the security for the Note, including any required approvals from the beneficiary of the Borrower, if any, and if appropriate, the imposition of rates and fees for use of the System. The Borrower further certifies that it has duly authorized the issuance of and shall have delivered at closing the Note for purchase by the OWRB. All legal matters incident to the authorization, issuance, sale, and delivery of the Note shall be approved by legal counsel experienced in matters of law relating to municipal bonds and public finance and acceptable to the OWRB, in an opinion in substantially the form attached hereto as Exhibit "C";

(I) The Borrower's schedule of rates or charges for the services of the System shall be sufficient to provide funds which, together with other revenues pledged under the Local Act, will provide Net Revenues Available for Debt Service equal to at least 125% of the maximum annual amount required for debt service on all obligations secured by a lien on the Revenues which is senior to the lien on the Revenues securing the Note or on a parity with the lien on said Revenues securing the Note (the "Rate Covenant"); provided that calculation of the Rate Covenant on variable rate obligations in favor of the OWRB shall be on the basis of the average rate of interest borne by variable rate loans in the Oklahoma Water Resources Board's State Loan Program for the immediately preceding 12 month period; and provided further that the schedule of rates or charges for the services of the System shall always be at least sufficient to provide monies to pay the Operation and Maintenance Expenses of the System without consideration of any other revenue source;

(J) The Borrower shall provide the OWRB with a certificate reflecting that the Net Revenues Available for Debt Service will satisfy the Rate Covenant. Such certificate

shall be provided by either: (a) an Accountant reflecting that the Net Revenues Available for Debt Service satisfied the Rate Covenant in each of the two full fiscal years immediately preceding the closing for the Note or (b) an Accountant or Consulting Engineer projecting that in the first two fiscal years following completion of the Project, the Net Revenues Available for Debt Service will satisfy the Rate Covenant. In the event that the Accountant or Consulting Engineer shall provide the certificate to the OWRB pursuant to clause (b) above, the calculations reflecting the sufficiency thereof shall be based upon Net Revenues Available for Debt Service in twelve (12) consecutive months of the previous eighteen (18) months and may take future System rate increases into consideration; provided, however, that for such rate increases to be taken into consideration by the Accountant or Consulting Engineer, the Borrower and any other entity required to give its approval for such rate increases to be effective shall have given such required approvals prior to the closing for the Loan. Additionally, the Accountant or Consulting Engineer may take into consideration additional future revenues of the System to be derived from contractual agreements entered into by the Borrower with other eligible entities. The projections to be made by the Accountant or Consulting Engineer shall only reflect growth in the customer base of the Borrower to the extent that such growth is a result of services to be provided to an existing customer base not currently served by the Borrower;

(K) The Borrower shall not, subsequent to the date of the Loan, issue any other obligations payable from the Revenues, except (i) subordinate obligations without limitation and (ii) obligations on a parity with Existing Indebtedness or obligations on a parity with the Note (which obligations referenced in this subpart (ii) shall be hereinafter referred to as "Additional Indebtedness"). Any such Additional Indebtedness shall be issued only if (x) any applicable provisions of Existing Indebtedness and (y) the conditions of Section 2.7(I) herein, shall be met for the issuance thereof. Prior to the issuance of any Additional Indebtedness, the Borrower shall provide the OWRB with a certificate reflecting that the Net Revenues Available for Debt Service will satisfy the Rate Covenant with respect to the Existing Indebtedness, the Note, and the proposed Additional Indebtedness. Such certificate shall be provided by either: (a) an Accountant reflecting that the Net Revenues Available for Debt Service satisfied the Rate Covenant in each of the two full fiscal years immediately preceding the closing for the Additional Indebtedness, or (b) an Accountant or Consulting Engineer projecting that in the first two fiscal years following completion of the project, if any, to be funded with the Additional Indebtedness, the Net Revenues Available for Debt Service will satisfy the Rate Covenant. In the event that the Accountant or Consulting Engineer shall provide the certificate to the OWRB pursuant to clause (b) above, the calculations reflecting the sufficiency thereof shall be based upon Net Revenues Available for Debt Service in twelve (12) consecutive months of the previous eighteen (18) months and may take future System rate increases into consideration; provided, however, that for such rate increases to be taken into consideration by the Accountant or Consulting Engineer, the Borrower and any other entity required to give its approval for such rate increases to be effective shall have given such required approvals prior to the closing for the Additional Indebtedness. Additionally, the Accountant or Consulting Engineer may take into consideration additional future revenues of the System to be derived from contractual

agreements entered into by the Borrower with other eligible entities. The projections to be made by the Accountant or Consulting Engineer shall only reflect growth in the customer base of the Borrower to the extent that such growth is a result of services to be provided to an existing customer base not currently served by the Borrower. No approval by the OWRB is required in connection with the issuance of the Additional Indebtedness and the OWRB is authorized to execute any necessary documentation to evidence the lien position securing the Additional Indebtedness. Provided, however, that additional obligations may be issued to complete any Project in an amount not to exceed 10% of the Project Costs for such Project without meeting such requirements of Section 2.7(I); and provided further that any payments on subordinate obligations shall be made only after the requirements in items (i) through (iii) of Section 2.6 have been satisfied;

(L) The Borrower hereby irrevocably covenants and agrees to comply with all of the terms, conditions, and requirements of this Loan Agreement and the Local Act. The Borrower hereby further irrevocably covenants and agrees that, as one of the conditions of the OWRB to make the Loan, it has fixed and collected, or will fix and collect (subject to approval by the City Council of the City) adequate rates, fees, and other charges for the use of the System which will be sufficient to satisfy the Rate Covenant;

(M) In the event, for any reason, the Revenues as set forth in the Application for Funding shall prove to be insufficient to produce the minimum sums set forth in Section 2.7(I) hereof, the Borrower hereby covenants and agrees that it will (subject to approval by the City Council of the City), upon notice by the OWRB, to the extent or in the manner authorized by law, within thirty (30) days of receipt of such notice, adjust and increase such rates, fees, and charges or the source of additional collateral so as to provide funds sufficient to produce the minimum sums set forth in Section 2.7(I);

(N) The Borrower acknowledges that the OWRB may assign all or a portion of its rights under the Note and this Loan Agreement, and hereby irrevocably covenants and agrees that in the event of any default hereunder by the Borrower, upon the occurrence of such event, the OWRB or its trustee bank, as assignee, may exercise any or all of the rights and powers provided by law, including without limitation, the right to directly impose, enforce, and collect charges upon users of the System;

(O) The Borrower will not render any free services of the System except to its beneficiary. In the event the Borrower owns or leases the System, it shall, to the fullest extent permitted by law, discontinue or shut off or cause to be discontinued or shut off the services and facilities of the System to all delinquent users of services of the System and will not restore or cause to be restored such services until all delinquent charges for the services of such System have been fully paid. The Borrower will not grant any franchise to provide any services which would compete with the System, and further, to the extent authorized by the laws of the State, the Borrower shall require prospective users of the System to connect thereto;

(P) The Borrower agrees that the System may not be sold, leased, or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to

be realized shall be at least sufficient to fully pay the Note; provided, however, the OWRB may approve the release from the lien created hereunder of any portion of the System which in its discretion is not needed to secure payment of the Note and does not adversely impact the Borrower's ability to pay same;

(Q) (1) The Borrower will carry such insurance covering the System as is customarily carried with respect to works and properties similar to such System and as is reasonably acceptable to the OWRB; and

(2) The Borrower agrees that each of its officers, employees, agents, or other representatives who handle funds of the Borrower shall be covered by a fidelity bond or position coverage in an amount and form acceptable to the OWRB, and further agrees to furnish to the OWRB appropriate proof of such fidelity bond or position coverage;

(R) No litigation of any nature is now pending or, to the best of the Borrower's knowledge, threatened which would restrain or enjoin the execution or delivery of this Loan Agreement or the Note, the payment of administrative fees or interest on or the principal thereof, the collection of rates and charges to pay the same, or in any manner questioning the authority or proceedings for the execution or delivery of this Loan Agreement or the Note or affecting the validity thereof;

(S) The Borrower agrees to indemnify, defend, and save harmless the State, the OWRB, and the officers, agents, and employees of each, against and from any and all claims, demands, damages, losses, costs, expenses, or liability accruing or resulting to any and all contractors, subcontractors, employees, and any other person, firm, or corporation furnishing or supplying services, materials, or supplies in connection with the construction of the Project, and from any and all claims, demands, damages, losses, costs, expenses, or liability accruing or resulting to any person, firm, or corporation, as a result of or incident to, either in whole or in part, whether directly or indirectly, the construction of the Project and the operation of the facilities financed with the proceeds of the Note;

(T) The Borrower hereby warrants and represents that all information provided to the OWRB in this Loan Agreement, in Borrower's Application for Funding, or in any other document or instrument relating hereto was at the time provided, and is now true, correct, and complete, and such information does not omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to its purchase of the Note and making of the Loan, the OWRB shall have the right to cancel all or any of its obligations under this Loan Agreement if (a) any representation made to the OWRB by the Borrower in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Borrower has violated any commitment made in its Application for Funding or in any supporting documentation or has violated any of the terms or conditions of this Loan Agreement;

(U) The Borrower and the OWRB have acknowledged that there are no known historical or archaeological sites in the area where the Project will be constructed. If any

sites are discovered during construction, work shall cease in that area and the Borrower shall notify the OWRB of the discovery. The OWRB shall then proceed in accordance with the regulations of the Advisory Council on Historic Preservation found at 36 CFR Part 800;

(V) The Borrower agrees that should either endangered or threatened plant or animal species be discovered during construction, work shall cease in that area and the Borrower shall notify the OWRB of the discovery. The OWRB shall then proceed in accordance with any applicable provisions of the Endangered Species Act of 1973, as amended;

(W) The Borrower shall select and the OWRB shall approve the appointment of a Local Trustee to administer the funds and accounts required to be established pursuant to this Loan Agreement. In order to qualify to serve as Local Trustee a financial institution or other entity must: (a) have a minimum of \$100,000,000 in assets; (b) have capital, surplus, and undivided profits of at least \$10,000,000; (c) must have a full-time trust officer; and (d) have previously acted or currently be acting as trustee on similar municipal revenue bond financings;

(X) The Local Trustee acceptable to the OWRB as required under Section 2.7(W) hereof and the Borrower shall enter into such contract, indenture, or agreement (referred to herein as the "Indenture") as shall be appropriate and will require the Local Trustee to receive and deposit Note payments sufficient in amount to fully amortize and make when due scheduled payments of principal and interest on the Loan in accordance with the terms of the Note over the term thereof, to be made directly to the Local Trustee by the Borrower on or before the 15th day of each month and thereafter to remit such Note payments to the Trustee Bank in accordance with provisions of Section 2.4 herein. The Indenture shall provide details regarding the duties and obligations of the Local Trustee to receive payments from the Borrower and to make payments to the Trustee Bank in accordance with the provisions of the Bond Resolution and otherwise to administer funds and accounts as specified therein; and

(Y) The Borrower agrees to comply with the provisions of the Wage Rate Requirements as set forth in Davis-Bacon Act, 40 U.S.C. 276a to 276a-7, and related guidance and regulations.

2.8 Proceeds of the Note, including: (i) costs of issuance thereof, (ii) capitalized interest, if any, to be deposited into the debt service fund held by the Local Trustee, and (iii) proceeds, if any, to be deposited into the local reserve fund held by the Local Trustee; shall be deposited in the appropriate funds and accounts created under the Indenture (in accordance with Section 2.7(X) herein) as directed in the Closing Order of the Borrower. All other proceeds of the Note shall be retained by the OWRB and periodically disbursed to the Project Costs Disbursement Account pursuant to the provisions of Section 2.2 and Section 2.11 herein. To the extent permissible under the Indenture, the holder of the Note shall have a lien on any proceeds deposited in the Project Costs Disbursement Account or with the Local Trustee until such proceeds are applied to the accomplishment of the Project.

2.9 It being the intent of the OWRB to ensure that sufficient monies are available to retire a commensurate amount of the Bonds in the event of prepayment of any Note, the Borrower will not redeem the Note in part or in full without the prior written consent of the OWRB, which consent shall not be unreasonably withheld, and any such redemption authorized by the OWRB shall provide for the payment of a sum sufficient to pay the principal and interest requirements of the Loan and/or principal, interest, premium, if any, and any fees to be paid upon the redemption by the OWRB of the appropriate amount of the Bonds represented by the outstanding balance of the Loan at the time of such redemption. Nothing in this Loan Agreement shall be construed to prohibit the OWRB from refunding any of its obligations including, but not limited to the Bonds, and any such refunding need not be based upon or result in any benefit to the Borrower.

2.10 [Left Blank Intentionally]

2.11 Should the Project not be completed within thirty (30) days prior to third anniversary of the Issuance Date of the Bonds, any proceeds of which were used to fund all or any portion of the Loan, the OWRB may, at the option of the OWRB, transfer to the Borrower on or before the third anniversary of such Issuance Date from the remaining proceeds of such Bonds an amount no greater than the unfunded balance of the Loan. The amount so transferred shall be deposited to the credit of the Project Costs Disbursement Account, and disbursed from time to time in the manner hereinafter provided. The Borrower agrees that no disbursement of such amount deposited to the credit of the Project Costs Disbursement Account shall be made without the approval of the OWRB as hereinafter provided. The Borrower shall submit to the OWRB certified requests seeking the approval of the disbursement of all or any portion of such amount on ORF-271 forms. The requests shall be accompanied by such invoices or other documentation as may be required by the OWRB to demonstrate that such amounts have been incurred by or on behalf of the Borrower for the payment of Project Costs. Upon approval by the OWRB, the OWRB shall authorize the disbursement of the funds held in the Project Costs Disbursement Account by the Borrower for the payment of the approved Project Costs in an expeditious and timely manner. The Borrower covenants and agrees that such disbursements from the Project Costs Disbursement Account shall be immediately and expeditiously transferred or paid out, as appropriate, for payment of Project Costs as specified by the Borrower and approved by the OWRB on the corresponding ORF-271 form.

2.12 The Borrower, for and in consideration of the issuance of the Bonds by the OWRB under the Bond Resolution and the making of the Loan pursuant to this Loan Agreement from proceeds of the Bonds, in addition to making the scheduled payments of principal and interest on the Note with respect to the Loan, hereby covenants and agrees to make the following payments:

(A) Local Trustee expenses consisting of the fees and expenses to be paid directly to the Local Trustee upon demand commencing upon the closing on the Loan and continuing until the principal of and interest on the Note shall have been fully paid including: (i) the annual fee of the Local Trustee for its ordinary services rendered and its ordinary expenses in connection with the administration of the funds and accounts

established under this Loan Agreement; and (ii) the reasonable fees and charges of the Local Trustee for necessary extraordinary services rendered by it and extraordinary expenses incurred by it hereunder as and when the same become due, provided that the Borrower may, without creating a default hereunder, contest in good faith the necessity for any such extraordinary services and expenses and the reasonableness of any such fees, charges, or expenses.

2.13 Neither the Borrower nor a “related party” (within the meaning of Section 1.150-1 of the U.S. Treasury Regulations) to the Borrower shall purchase any bonds of the OWRB in an amount related to the Loan amount.

End of Article II

ARTICLE III

ADDITIONAL CONSTRUCTION REQUIREMENTS

3.1 The Borrower shall provide that each construction contractor furnish a performance bond, a payment bond, and a maintenance bond each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract, as security for the faithful performance of such contract.

3.2 The Borrower shall require each of its contractors to maintain during the life of the construction contract, workers' compensation insurance, public liability insurance, property damage insurance, and vehicle liability insurance in amounts and on terms satisfactory to the Consulting Engineer. Until the Project facilities are completed and accepted by the Borrower, the Borrower or (at the option of the Borrower) the contractor shall maintain builders risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the OWRB, the Borrower, and the prime contractor, as their interests may appear.

3.3 The Borrower shall provide and maintain competent and adequate engineering services regarding the supervision and inspection of the development and construction of the Project, and bear the responsibility of assuring that construction conforms to the plans, specifications, and designs prepared by the Consulting Engineer and approved by all necessary governmental bodies. The provider of such engineering services shall certify to the OWRB as to various stages of completion as requests for disbursements are submitted and shall further certify to the OWRB and the Borrower at the completion of construction that construction is in accordance with the approved plans, specifications, and designs, or amendments thereto, and has been approved by all necessary governmental bodies.

End of Article III

ARTICLE IV

DEFAULTS AND REMEDIES

4.1 **Events of Default.** Each of the following events is hereby declared an “Event of Default”:

- (A) The interest or administrative fee on the Loan is not paid punctually when due; or
- (B) The principal of the Loan is not paid punctually when due, whether at the stated maturity thereof, or upon proceedings for redemption or prepayment thereof, or upon the maturity thereof by declaration; or
- (C) This Loan Agreement is terminated or for any reason declared invalid or unenforceable in any material respect by or against the Borrower; or
- (D) Default by the Borrower in the due and punctual performance of any other of the covenants, conditions, agreements, and provisions contained in the Note or in this Loan Agreement on the part of the Borrower to be performed, and such default shall continue for ninety (90) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Borrower by the OWRB; or
- (E) If an order, judgment, or decree shall be entered by any court of competent jurisdiction (a) appointing a receiver, trustee, or liquidator for the Borrower or the whole or any substantial part of the System, (b) approving a petition filed against the Borrower under the provisions of Chapter 9 of Title 11 of the United States Code, as amended (the “Bankruptcy Code”), (c) granting relief substantially similar to that afforded by said Chapter 9, or (d) assuming custody or control of the Borrower or of the whole or any substantial part of the System under the provisions of any law for the relief or aid of debtors and such order, judgment, or decree shall not be vacated or set aside or stayed (or, in case custody or control is assumed by said order, such custody or control shall not be otherwise terminated), within sixty (60) days from the date of the entry of such order, judgment, or decree; or
- (F) If the Borrower shall (a) admit in writing its inability to pay its debts generally as they become due, (b) file a petition in bankruptcy or seeking a composition of indebtedness, (c) make an assignment for the benefit of its creditors, (d) consent to the appointment of a receiver of the whole or any substantial part of the System, (e) file a petition or an answer seeking relief under any amendment to said Bankruptcy Code which shall give relief substantially the same as that afforded by said Chapter 9, or (f) consent to the assumption by any court of competent jurisdiction under the provisions of any other law for the relief or aid of debtors of custody or control of the Borrower or of the whole or any substantial part of the System.

The word "default" where used above shall mean failure of performance when due, exclusive of any period of grace required to correct any such failure.

4.2 **Remedies.**

(A) Upon the occurrence of an Event of Default, the OWRB, acting by and through the Attorney General of the State of Oklahoma, and the Trustee Bank shall have all the rights and remedies at law or equity as may be allowed by law, or pursuant to the provisions of this Loan Agreement, including but not limited to, suit for specific performance of any or all of the covenants of the Borrower contained in this Loan Agreement or in the Note; acceleration of the payment of principal of and interest accrued on the Note; appointment of temporary trustees to take over, operate, and maintain the System on a profitable basis and ensure the payment of the principal of and interest and administrative fees on the Note and any other Borrower indebtedness; or suit at law or equity to enforce or enjoin the action or inaction of parties under the provisions of this Loan Agreement.

(B) The Borrower hereby acknowledges its understanding of the various provisions of this Loan Agreement vesting in the OWRB and the Trustee Bank certain powers, rights, and privileges in the event of default by the Borrower of any of its obligations or responsibilities under the terms and conditions hereof and the Borrower hereby covenants and agrees that it shall take no action of any nature whatsoever calculated to inhibit, nullify, void, or delay such action of the OWRB or the Trustee Bank in the due and prompt implementation of this Loan Agreement.

4.3 **Discontinuance of Proceedings.** In case any proceeding taken by the OWRB or the Trustee Bank on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the Borrower, the OWRB, and the Trustee Bank shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers, and duties of the OWRB and the Trustee Bank shall continue as though no proceeding had been taken.

4.4 **Appointment of Receiver.** Upon the occurrence of an Event of Default or in the event of the appointment of a receiver for the Borrower or for any part of the System, or in the event bankruptcy proceedings are instituted by or against the Borrower, or in the event the Borrower makes an assignment of a substantial part of its assets for the benefit of its creditors, or in the event the Borrower fails to strictly and promptly comply with any of its covenants and agreements in this Loan Agreement, or to strictly and promptly perform any provisions hereof (after the OWRB or the Trustee Bank has first given ten (10) days written notice to comply therewith and upon failure of the Borrower so to comply within said ten (10) day period), or in the event the priority of the pledge and assignment of the Revenues is not at all times fully maintained upon and with respect to the System and every part thereof, or in the event the Borrower is found or adjudged not to be regularly seized of an indefeasible right in and to any part of the System which it purports herein to possess, or in the event the Borrower is found or adjudged not to have had good right and full power and authority to encumber the System or any part thereof in the manner hereby contemplated, then and in any such event, the OWRB and/or

the Trustee Bank shall be entitled at its option and election and without prior notice to or demand upon the Borrower to have or cause to be appointed a receiver or temporary trustee or trustees for the Borrower to take over, operate, and maintain the System on a profitable basis and ensure the payment of the principal of and interest on the Note and any other Borrower indebtedness. Every appointment shall be in writing or shall be made pursuant to an action filed in a court of competent jurisdiction and shall specify the default or defaults existing hereunder whereby the power of appointment hereby granted is involved, and shall designate, by name, the person or persons to be such receiver or temporary trustee or trustees and the officers, servants, or employees of the Borrower so supplanted shall ipso facto cease to have any power or authority under this Loan Agreement.

The receiver or temporary trustee or trustees shall receive a reasonable fee for services rendered in an amount fixed by the OWRB, the Trustee Bank, or court to be paid from the Revenues of the System. In the event of any vacancy in the office or position of any receiver or temporary trustee or trustees, no officer, servant, or employee of the Borrower so supplanted shall be entitled to act on behalf of the Borrower under this Loan Agreement by reason thereof, but such vacancy shall continue to exist until some person be appointed as temporary receiver or trustee under this Section. Notice of the written appointment of any receiver or temporary trustee or trustees hereunder shall be sent by registered mail to the OWRB. Upon the curing of the default or defaults pursuant to which any receiver or temporary trustee or trustees shall have been appointed, and if there shall not be then any default under any of the provisions of this Loan Agreement, the Borrower may give written notice to the OWRB, the Trustee Bank, or court of the curing of said default or defaults and the non-existence of any other defaults hereunder, and upon the delivery of said notice to the OWRB, the Trustee Bank, or court and its acquiescence therein, the receiver or temporary trustee or trustees appointed hereunder shall ipso facto cease to have any power or authority hereunder, and the Borrower shall be reinstated with all rights and powers to the same extent as though a receiver or temporary trustee or trustees had not been appointed.

During the period of continuance of any default hereunder, the receiver or temporary trustee or trustees appointed as provided herein shall take charge of the System for the purpose of collecting the Revenues thereof, for the purpose of exercising all rights and remedies conferred by this Loan Agreement, and for the purpose of doing all things necessary to assure the most remunerative use of the System. Any trustee or receiver of the System, whether appointed by the OWRB, the Trustee Bank, or court, shall be appointed and serve pursuant to this section. The rights and protection of the OWRB set out herein is essential to their security, and receivership and trusteeship procedures hereunder shall be exclusive. All Revenues shall be deposited and disposed of in accordance with the provisions of this Loan Agreement; provided, however, that the appointment of any receiver or temporary trustee or trustees pursuant to the provisions of this section shall not be construed as curing or waiving any default hereunder and, notwithstanding any such appointment of any receiver or temporary trustee or trustees, the OWRB and/or the Trustee Bank may enforce any other remedy herein provided.

4.5 **Other Remedies.** Upon the occurrence of an Event of Default, the OWRB and/or the Trustee Bank may, as an alternative, either after entry or without entry, pursue any available

remedy by suit at law or equity to enforce the payment of the principal of and interest and administrative fees on the Note then outstanding, including, without limitation, mandamus.

4.6 **Remedies Not Exclusive.** No remedy by the terms of this Loan Agreement conferred upon or reserved to the OWRB and/or the Trustee Bank is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or existing at law or in equity or by statute on or after the date of execution and delivery hereof.

4.7 **Remedies Vested in Trustee Bank and OWRB.** All rights of action (including the right to file proof of claims) under this Loan Agreement, or under the Note may be enforced by OWRB and/or the Trustee Bank without the possession of such obligations and without their production in any trial or other proceedings relating thereto. Any suit or proceeding instituted by the Trustee Bank may be brought in its own name as Trustee Bank, and any such action or any action instituted by the OWRB may be brought without the necessity of joining as plaintiffs or defendants any holders of the Note.

4.8 **OWRB and/or Trustee Bank Control Proceedings.** If an Event of Default shall have occurred and be continuing, the OWRB and/or the Trustee Bank shall have the right, at any time by an instrument in writing executed and delivered to the Borrower, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of this Loan Agreement, provided the direction is in accordance with law and the provisions of this Loan Agreement, and provided further, that nothing in this Section shall impair the right of the OWRB and/or the Trustee Bank in its discretion to take any other action under this Loan Agreement which it may deem proper.

4.9 **Waiver and Non-Waiver of Event of Default.**

(A) No delay or omission of the OWRB or the Trustee Bank to exercise any right or power accruing upon any Event of Default shall impair the right or power or shall be construed to be a waiver of an Event of Default or an acquiescence therein. Every power and remedy given by this Article to the OWRB and the Trustee Bank may be exercised from time to time and as often as may be deemed expedient.

(B) The OWRB and/or Trustee Bank may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action, or proceeding instituted by the OWRB and/or the Trustee Bank under the provisions of this Loan Agreement or before the completion of the enforcement of any other remedy under this Loan Agreement.

(C) Notwithstanding anything contained in this Loan Agreement to the contrary, the Trustee Bank, upon the written request of the OWRB, shall waive any Event of Default and its consequences; provided, however, a default in the payment of the principal of and interest on the Note, when due and payable, may not be waived.

(D) In case of a waiver by the Trustee Bank of an Event of Default, the Borrower, the OWRB, and the Trustee Bank shall be restored to their former positions and rights under this Loan Agreement but no waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

End of Article IV

ARTICLE V

MISCELLANEOUS

5.1 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

5.2 This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one of the same instrument. Each party agrees that it will execute any and all other and further documents or other instruments, and take such other action as may be necessary to give effect to the terms and intent of this Loan Agreement.

5.3 No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase, or other provision of this Loan Agreement.

5.4 This Loan Agreement shall become effective as of the date of execution and delivery and shall remain in full force and effect until the Loan made pursuant hereto shall have been fully paid.

5.5 This Loan Agreement may be amended by mutual written agreement executed by the parties hereto.

5.6 This Loan Agreement, together with the Note, the Security Agreement, and all other and further related documents supersedes all prior negotiations, representations, and agreements between the parties hereto relating to the Loan and constitutes the entire agreement between the parties hereto in respect thereof.

5.7 Wherever in this Loan Agreement a party is named or referred to, it shall be deemed to include any other entity organized and existing which may succeed to the respective functions and powers of that party, and all the covenants and provisions contained in this Loan Agreement shall bind and inure to the benefit of said successor.

End of Article V

ARTICLE VI

PRINCIPAL FORGIVENESS

6.1 The Borrower may be subject to additional requirements as may be directed by OWRB in accordance with the Clean Water State Revolving Fund Capitalization Grants (the "CWSRF Cap Grant") and associated procedures for implementing provisions of the appropriations act as provided by the US Environmental Protection Agency. In addition, the Loan may be funded in part with moneys received pursuant to the provisions of a CWSRF Cap Grant and may be eligible for Principal Forgiveness funds. In consideration thereof, the Borrower may receive a credit for and may not be required to repay principal amounts, along with any accrued interest or administrative fee on a percentage of the loan to be determined by OWRB in accordance with the CWSRF Cap Grant. Failure to comply with the requirements shall result in the forfeiture of the eligibility for Principal Forgiveness and shall require the Borrower to repay the full amount of principal disbursed under the Note, including all interest and administrative fee accrued thereon. Additionally, noncompliance with the provisions of this Article VI or other provisions of this Loan Agreement may result in an "Event of Default" as defined in Article IV herein, and the OWRB and/or the Trustee Bank may take action thereunder as appropriate. It is contemplated that the Borrower will receive 100% Principal Forgiveness with respect to the Note, and will not be required to pay any accrued interest or administrative fee. For purposes of certifying as to the Net Revenues Available for Debt Service pursuant to Section 2.7(J) of this Loan Agreement, the Accountant or Consulting Engineer may take into consideration the amount of Principal Forgiveness contemplated at the time of closing.

6.2 The Borrower further certifies that it has complied with any applicable provisions of the Oklahoma Competitive Bidding Act of 1974, 61 Okla. Stat. §101 *et seq.* and the Oklahoma Consultant Act 61 Okla. Stat. §60 *et seq.* regarding procurement of engineering and architectural services for the Project.

End of Article VI

IN WITNESS WHEREOF, the parties have caused this Loan Agreement to be executed by their respective duly authorized officers as of this 1st day of November, 2016.

LAWTON WATER AUTHORITY,
COMANCHE COUNTY, OKLAHOMA,
"Borrower"

(SEAL)
ATTEST:

By _____
Name: Fred Fitch
Title: Chairman

Name: Traci Hushbeck
Title: Secretary

OKLAHOMA WATER RESOURCES
BOARD, "OWRB"

By _____
Board Member

EXHIBIT A

[Application for Funding]

[Copy on file with Oklahoma Water Resources Board]

EXHIBIT B

[Form of Note]

[See Tab 7 of Transcript of Proceedings]

EXHIBIT C

[Form of Opinion of Bond Counsel]

[See Tab 1 of Transcript of Proceedings]

EXHIBIT D

INITIAL PROJECT BUDGET

DATE: November 29, 2016
PROJECT NAME: Lawton Water Authority
PROJECT LOAN NUMBER: ORF-17-0011-CW

| COST CLASSIFICATIONS | Clean Water SRF AMOUNTS | LOCAL AMOUNTS | TOTAL AMOUNTS |
|-----------------------------|------------------------------------|--------------------------|--------------------------|
| Engineering Study | \$ 200,000.00 | \$ - | \$ 200,000.00 |
| TOTAL | \$ 200,000.00 | \$ - | \$ 200,000.00 |

EXHIBIT D Continued

ORF – 43

5/19/93

PROPOSED CONSTRUCTION ITEMS

Date: November 29, 2016

Name of Project: Lawton Water Authority-Engineering Study

Loan No.: ORF-17-0011-CW

Minor variations within an item are to be expected and will not affect its eligibility. Any changes in the items, or substantial changes within an item, however, will be considered ineligible unless reconsideration is specifically required and approved by the Oklahoma Water Resources Board.

| DESCRIPTION OF ITEMS | Eligible for CWSRF Participation | |
|--|----------------------------------|----|
| | YES | NO |
| Under existing program rules and statutes, an ORF-43 is not required for this transaction. | | |

EXHIBIT E

LIST OF FEDERAL LAWS AND AUTHORITIES

Environmental:

Archeological and Historic Preservation Act of 1974, Pub. L. 86-523, as amended

Clean Air Act, Pub. L. 84-159, as amended,

Coastal Barrier Resources Act, Pub. L. 97-348

Coastal Zone Management Act of 1972, Pub. L. 92-583, as amended

Endangered Species Act, Pub. L. 93-205 as amended

Environmental Justice, Executive Order 12898

Floodplain Management, Executive Order 11988 as amended by Executive Order 12148

Protection of Wetlands, Executive Order 11990

Farmland Protection Policy Act, Pub. L. 97-98

Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended

Magnunson-Stevens Fishery Conservation and Management Act, Pub. L. 94-265

National Historic Preservation Act of 1966, Pub. L. 89-665, as amended

Safe Drinking Water Act, Pub. L. 92-523, as amended

Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

Economic and Miscellaneous Authorities:

Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended,
Executive Order 12392

Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans

Uniform Relocation and Real Property Acquisition Policies Act of 1970, Pub. L. 91-646, as amended

Debarment and Suspension, Executive Order 12549

Drug-Free Workplace Act, Pub. L. 100-690

New Restrictions on Lobbying, Section 319 of Pub. L. 101-121

Davis-Bacon Act, 40 U.S.C. 276a to 276a-7, and related guidance and regulations

Social Policy Authorities:

Age Discrimination Act of 1975, Pub. L. 94-135

Byrd Anti-Lobbying Amendment, Title 40 CFR 34

Civil Rights Act of 1964, Pub. L. 88-352

Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act)

Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)

Equal Employment Opportunity, Executive Order 11246

Women's and Minority Business Enterprise, Executive Orders 11625, 12138, and 12432

Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

Preservation of Open Competition and Government Neutrality Toward Government Contractors' Labor Relations on Federal Construction Contracts (Executive Order 13208)

Trafficking Victim Protection Act of 2000, Section 106

Disadvantaged Business Enterprise Authorities

Participation by Disadvantaged Business Enterprises in Procurement Under Environmental Protection Agency (EPA) Financial Assistance Agreements

EXHIBIT F

[Left Blank Intentionally]

AGENDA
LAWTON CITY COUNCIL REGULAR MEETING
NOVEMBER 22, 2016 - 6:00 P.M.
LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

MEETING CALLED TO ORDER WITH INVOCATION AND PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENTATION OF OUTSTANDING CITIZENS OF COMANCHE COUNTY TO
JENNY CLEMENT-SHAW AND GORDON SHAW

PRESENTATION OF CERTIFICATES OF RECOGNITION TO MARY SELLERS,
COURTNEY BOGGS AND TAMAURA SHELTON WHO EARNED TITLES AT THE
ROYAL INTERNATIONAL PAGEANT

AUDIENCE PARTICIPATION: Anyone having an item of business to present to the City
Council that does not appear on the agenda, please come forward at this time.

CONSIDER APPROVAL OF MINUTES OF LAWTON CITY COUNCIL REGULAR
MEETING OF NOVEMBER 8, 2016.

CONSENT AGENDA: The following items are considered to be routine by the City Council
and will be enacted with one motion. Should discussion be desired on an item, that item will
be removed from the Consent Agenda prior to action and considered separately.

1. Consider the following damage claims recommended for denial: Tonya and Larry Walters in the amount of \$298.00 and Martha Phillips in the amount of \$7,724.24. Exhibits: Legal Opinions/Recommendations.
2. Review and approve annual funding of the 3rd Annual Freedom Festival as established in Resolution 14-139 in the amount of \$65,000.00. Exhibits: None.
3. Consider accepting a donation of \$70.00 from the ongoing sale of cookbooks with employee recipes for deposit into the City of Lawton wellness account in Fund 35, to be used for future employee wellness events; further authorize proceeds from the future sales of cookbooks to also be deposited into Fund 35 for employee wellness events; and provide that all unspent proceeds deposited into Fund 35 from these sales not roll over into the general fund at the end of the fiscal year. Exhibits: None.
4. Consider accepting a \$1,246.80 donation to the Library from the Friends of the Library to be designated for library-related activities. Exhibits: None.

5. Consider and take action with respect to a Resolution of the City of Lawton, Oklahoma (the “City”) approving action taken by the Lawton Water Authority (the “Authority”) authorizing issuance, sale and delivery of a promissory note of the Authority to the Oklahoma Water Resources Board; ratifying and confirming a lease agreement, as amended pertaining to certain Water, Sanitary Sewer, and Refuse Systems; and containing other provisions related thereto. Exhibits: Resolution No. 16 - ____.
6. Consider approving the construction plans for waterlines along SW 6th Street to serve Coleman American Moving and Storage located at 2115 SW 6th Street subject to a condition. Exhibits: Location Map.
7. Consider acknowledging receipt of a Tier I permit from the Oklahoma Department of Environmental Quality for the construction of 1,645 linear feet of 8-inch PVC sanitary sewer line, 2,010 linear feet of 12-inch PVC sanitary sewer line, 35 linear feet of 6-inch PVC waterline, 1,820 linear feet of 8-inch PVC waterline, 960 linear feet of 10-inch PVC waterline, and all appurtenances to serve Eastlake Addition, Part 3B, located north of NE Cache Road and west of NE 45th Street, in the SE/4 of Section 22, T2N, R11W, I.M., Comanche County, Oklahoma. Exhibits: Permits to Construct on file in the City Clerk’s Office.
8. Consider releasing the performance bond and accepting the waterline and maintenance bond for Lawton Downtown Center, Part 3, located at 435 NW 2nd Street. Exhibits: Plat Map. Maintenance Bond is on file in the City Clerk’s Office.
9. Consider extending contract (CL15-015) Heavy Equipment Services and Parts to C.L. Boyd Company of Oklahoma City, OK. Exhibits: Department Recommendation, Contract Extension Form, Price Sheet.
10. Consider extending contract (RFPCL15-027) Copier Contract to GMC Solutions LLC dba Bennett Office Equipment of Lawton, OK. Exhibits: Department Recommendation, Contract Extension Form, Price Sheet.
11. Consider approving appointments to boards and commissions. Exhibits: None.
12. Consider approval of payroll for the periods of November 8 – 21, 2016.

OLD BUSINESS ITEMS:

13. Consider the following damage claim recommended for approval: Invitational Apartments in the amount of \$1,200.00. Exhibits: Legal Opinions/Recommendations and Resolution No. 16-____.

NEW BUSINESS ITEMS:

14. Hold a public hearing and consider an ordinance amending Section 18-1-1-106, Division 18-1-1, Article 18-1, Chapter 18, adding the definition of pet day care center and modifying the definition of major street and amending Section 18-5-8-581, Division 18-5-8, Article 18-5, Chapter 18, Lawton City Code, 2015, adding pet day care centers as a Use Permitted on Review in C-1 Local Commercial District and declaring an emergency. Exhibits: Ordinance No. 16-____.

15. Hold a public hearing and consider an ordinance to close the 10 foot utility easement along the rear of Lots 11-13, Block 31, Wyatt Acres Addition, Part 15, located on NW Taylors Landing, between NW Allison Lane and NW Micklegate Boulevard. Exhibits: Ordinance No. 16-___ and Location Map.
16. Hold a public hearing and adopt a resolution declaring the structure located at 7209 NW Maple Drive to be dilapidated pursuant to Lawton City Code 6-5-1; ordering the owner(s) to abate the nuisance; authorizing summary abatement; and authorizing the City Attorney to commence legal action in district court to abate the nuisance. Exhibits: Resolution 16-___.
17. Consider accepting the annual audit report on the City of Lawton for the year ended June 30, 2015, as presented by BKD, LLP. Exhibits: None.
18. Consider approving an ordinance authorizing the calling and holding of an election on February 14, 2017, in the City of Lawton, State of Oklahoma, for the purpose of issuing general obligation bonds in the amount of \$55,300,000 over a 13-year period in order to fund improvements to be made to the City's streets and roadways, as deemed appropriate and prioritized by City Council; providing for severability; declaring an emergency; and requiring the full text to be published and take action as necessary. Exhibits: Ordinance No. 16-___ and Election Proclamation.

REPORTS: MAYOR/CITY COUNCIL/CITY MANAGER

ADJOURNMENT

ITEM NO. 1

MTG. DATE: November 22, 2016

CITY COUNCIL MEETING
STAFF AGENDA ITEM COMMENTARY

ITEM TITLE: Consider the following damage claims recommended for denial: Tonya and Larry Walters in the amount of \$298.00 and Martha Phillips in the amount of \$7,724.24.

INITIATOR: City Attorney *KF LW FT*

STAFF INFORMATION SOURCE: City Attorney

BACKGROUND: The listed claims have been filed against the City of Lawton with the City Clerk. The claims have been investigated by the staff and legal opinions/recommendations have been prepared by the City Attorney's Office.

Tonya and Larry Walters: Claim in the amount of \$298.00 for damage to windshield
Martha Phillips: Claim in the amount of \$7,724.24 for sewer backup

EXHIBIT: Legal Opinions/Recommendations

KEY ISSUES: N/A

FUNDING SOURCE: N/A

STAFF RECOMMENDED COUNCIL ACTION: Deny the claims listed above.



OFFICE OF THE CITY ATTORNEY

CLAIMS MEMORANDUM #DC-2016-067

TO: Mayor and Council

FROM: Kelea Fisher
Assistant City Attorney 

DATE: October 26, 2016

MEETING: November 22, 2016

RE: Damage claim of
Tonya and Larry Walters
1088 Gray Hawk Drive
Lawton, OK 73507

Submitted in the amount of \$298.00 on September 1, 2016

RECOMMENDATION: Denial

BASIS OF CLAIM: Tonya Walters alleges on August 30, 2016, she was traveling north of Cache Road on Fort Sill Boulevard in her 2008 Dodge minivan when she heard something hit her windshield. She further alleges she immediately looked up and saw a City worker weed eating and noticed a crack in her windshield. Claimants have submitted two estimates, one from Gene Burk Auto Glass in the amount of \$297.07 and the other from Glass Doctor in the amount of \$298.85. Claimant is seeking \$298.00.

DATE OF DAMAGE: August 30, 2016

FACTS: According to Keith Neitzke, City of Lawton Parks and Grounds Superintendent, neither the park maintenance crew nor the cemetery crew were mowing the area near the Cemetery on August 30, 2016. Neither crew was contacted by anyone regarding hitting a car with debris or doing damage. There was no police vehicle accident report filed.

LEGAL BASIS FOR DENIAL OF CLAIM: Pursuant to Title 51, Oklahoma Statutes, §151 et seq., municipalities are held accountable in the same manner as private entities or individuals for negligent acts or omissions that result in harm to others. Negligence comprehends the failure to exercise due care required by the circumstances. Berbohn v. Pinkerton, 255 P.2d 260 (Okla. 1953). Under Oklahoma law, every person is under a duty to exercise due care in using that which he controls so as not to injure the property of another. Missouri-Kansas-Texas R. Co. v. Ingram, 322 F.2d 286 (10th Cir. 1963). However, a person or entity who engages in an ultrahazardous activity is responsible for all damage to property and

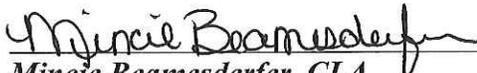
injuries to persons that are directly caused by the activity, regardless of negligence. Oklahoma Uniform Jury Instructions 2d, No. 13.1. The dangerous character of the activity or an instrument at issue may depend upon the manner in which it is used, and the degree of care that should have been exercised in handling the instrument or conducting the activity. Bower v. Corbell, 408 P. 2d 307 (Okla. 1965). These types of cases tender an issue of fact that must be decided on a case by case basis. See also: Wetsel v. Independent School Dist. I-1., 670 P.2d 986 (Okla. 1983).

Lawton City Code Section 23-16-1602 states as follows:

- B. If the damage resulting from such accident is to the property of the driver only, with no damage to the person or property of another, the driver need not stop at the scene of the accident but shall make report of the damage to the Lawton police department within twenty-four (24) hours of such accident.

As stated above, Claimant made no report of the alleged damage to the Lawton Police Department as required by City Code. Furthermore, no City workers were weed eating in the reported location on the date submitted by the Claimant. **Accordingly, this office recommends denial of this claim.**

KELEA FISHER
ASSISTANT CITY ATTORNEY


Mincie Beamesderfer, CLA
Claims Investigator



OFFICE OF THE CITY ATTORNEY

CLAIMS MEMORANDUM #DC-2016-066

TO: Mayor and Council

FROM: Kelea L. Fisher 
Assistant City Attorney

DATE: November 3, 2016

MEETING: November 22, 2016

RE: Damage claim of
Martha E. Phillips
3 Lawtonka Road
Lawton, Oklahoma 73507

Submitted in the amount of \$7,724.24 on September 1, 2016

RECOMMENDATION: Denial

BASIS OF CLAIM: Claimant is the owner of the rental property located at 320 NE Skyline Circle. Claimant alleges that on May 27, 2016, the City's main flooded sewer into the house through the toilets, tub, shower and sinks, causing damage to the flooring and walls. Claimant has submitted an invoice from Service Masters of Texhoma for initial cleaning and sanitization in the amount of \$2,800.00; an invoice from Towers Plumbing in the amount of \$425.00 for installation of a backflow preventer; an invoice from Cobb's Carpet for replacement of wood flooring in the amount of \$1,324.24; a receipt from Ben Phillips for painting in the amount of \$775.00; and three months lost rent in the amount \$2,400.00. Claimant is seeking reimbursement in the amount of \$7,724.24, which is the total amount of the receipts submitted with the claim.

DATE OF DAMAGE: May 27, 2016

FACTS: Wastewater Collections received a call from Emergency Dispatch on May 27, 2016, at 12:20 a.m. reporting a sewer up. Wastewater Collections responded and flushed the City's main and found an obstruction of debris in the actual pipe segment that services Claimant's address. The crew flushed the line and cleared the obstruction. Damages to the property were reported to Wastewater Collections and pictures were taken of the damaged property. **Records show no prior main history on the pipe segment above, the actual pipe segment, first pipe segment below, second pipe segment below,**

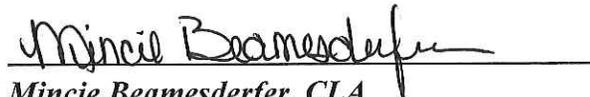
third pipe segment below or the fourth pipe segment below this location in the last 3 years. None of the pipe segments appear on the SSES report.

LEGAL BASIS FOR DENIAL OF CLAIM: Pursuant to Title 51, Oklahoma Statutes, §151 et seq., municipalities are held accountable in the same manner as private entities or individuals for negligent acts or omissions that result in harm to others. However, negligence is never presumed, and the burden of proving negligence and that it was the proximate cause of the harm complained of, is on the complaining party. Oklahoma Ry. Co. v. Ivery, 204 P.2d 978 (Okla. 1949). **In the case of a defective water and sanitary sewer system, the Oklahoma Supreme Court has held that a complaining party does not meet his burden of proving negligence unless prior notice of the defective condition, actual or constructive, has been received by the entity controlling and managing the system.** City of Holdenville v. Griggs, 411 P.2d 521 (Okla. 1966). In that instance, a duty arises to abate the defect within a reasonable time. Id. at 522.

This office recommends denial of this claim because in this instance:

1. There was no prior history on the actual pipe segment in question or the first, second, third or fourth pipe segments below this pipe segment in the past three years. Therefore, the City had no prior notice, actual or constructive, of a defective condition with the main.

KELEA L. FISHER
ASSISTANT CITY ATTORNEY



Mincie Beamesderfer, CLA
Claims Investigator

ITEM NO. 2

MTG. DATE November 22, 2016

CITY COUNCIL MEETING
STAFF AGENDA ITEM COMMENTARY

ITEM TITLE: Review and approve annual funding of the 3rd Annual Freedom Festival as established in Resolution 14-139 in the amount of \$65,000.00.

INITIATOR: Councilman Keith Jackson

STAFF INFORMATION SOURCE: Assistant City Manager, Administration

BACKGROUND: On July 2, 2016, the Second Annual Freedom Festival was held in Elmer Thomas Park to provide entertainment and fireworks for the citizens of Lawton in celebration of Independence Day. The festival was a success, billed as the largest fireworks display in the State of Oklahoma and drew an estimated crowd of over 30,000.

Resolution 14-139, dated October 14, 2014, provides funds not to exceed \$65,000.00 to be appropriated to the Fireworks Display Fund as funds become available, subject to annual review by the City Council.

EXHIBITS: None

KEY ISSUES: N/A

FUNDING SOURCE: Hotel/Motel Tax

RECOMMENDED COUNCIL ACTION: Approve annual funding of the 3rd Annual Freedom Festival as established in Resolution 14-139 in the amount of \$65,000.00.

ITEM NO 3

MTG. DATE November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider accepting a donation of \$70.00 from the ongoing sale of cookbooks with employee recipes for deposit into the City of Lawton wellness account in Fund 35, to be used for future employee wellness events; further authorize proceeds from the future sales of cookbooks to also be deposited into Fund 35 for employee wellness events; and provide that all unspent proceeds deposited into Fund 35 from these sales not roll over into the general fund at the end of the fiscal year.

INITIATOR: Human Resources Director

STAFF INFORMATION SOURCE: Human Resources Director

BACKGROUND: Currently the City of Lawton does not budget any funds to be used for employee wellness events. To help come up with funds the City of Lawton Wellness Committee asked employees for healthy recipes to be used in a healthy options cookbook. This cookbook is now being sold for \$10, with the intent that all proceeds go to future wellness events.

Any funds deposited from cookbook sales and not spent prior to the end of the fiscal year should remain in Fund 35 to be used for future wellness events and not role over into the general fund at the end of the fiscal year.

EXHIBITS: N/A

KEY ISSUES: N/A

FUNDING SOURCE: N/A

RECOMMENDED COUNCIL ACTION: Accept the donation of \$70.00 from the ongoing sale of cookbooks with employee recipes to the City of Lawton wellness account in Fund 35, to be used for future employee wellness events; further authorize proceeds from the future sales of cookbooks to also be deposited into Fund 35 for employee wellness events; and provide that all unspent proceeds deposited into Fund 35 from these sales not roll over into the general fund at the end of the fiscal year.

ITEM NO 4

MTG. DATE November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider accepting a \$1,246.80 donation to the Library from the Friends of the Library to be designated for library-related activities.

INITIATOR: Library Director

STAFF INFORMATION SOURCE: Library Director

BACKGROUND: The Friends regularly support the Library by volunteering and donating funds. The Friends are donating \$1,246.80, and the Library plans to use said donation as follows: \$1,246.80 for library-related activities.

EXHIBITS: n/a

KEY ISSUES: Should the City of Lawton accept the donation from the Friends of the Library?

FUNDING SOURCE: n/a

RECOMMENDED COUNCIL ACTION: Accept the donation of \$1,246.80 to the Library from the Friends of the Library to be designated for library-related activities and book materials.

ITEM NO. 5

MEETING DATE November 22, 2016

CITY COUNCIL MEETING
STAFF AGENDA ITEM COMMENTARY

ITEM TITLE: Consider and take action with respect to a Resolution of the City of Lawton, Oklahoma (the "City") approving action taken by the Lawton Water Authority (the "Authority") authorizing issuance, sale and delivery of a promissory note of the Authority to the Oklahoma Water Resources Board; ratifying and confirming a lease agreement, as amended pertaining to certain Water, Sanitary Sewer, and Refuse Systems; and containing other provisions related thereto.

INITIATOR: City Manager 

STAFF INFORMATION SOURCE: Finance Director
City Attorney
W/WW Director

BACKGROUND: The City of Lawton has approved the Alternative Water Supply Study Project estimated at \$800,000, which is funded by the 2008 CIP and 2016 CIP. It is anticipated that the City will complete the study in the spring of 2017. The City wishes to take advantage of a Principal Forgiveness Program in the form of a Clean Water SRF Loan from the Oklahoma Water Resources Board (OWRB) in the amount of \$200,000.00 to pay part of the Project costs. The OWRB has approved the loan application and has set the date for closing the Loan. Continue on Page 2

EXHIBITS: Resolution No. 16-

KEY ISSUES: Does the Council wish to approve and ratify the actions of the Lawton Water Authority authorizing, approving, and executing the note, loan agreement, and other agreements/documents associated with the loan?

FUNDING SOURCE: Revenue, if necessary, from 2016 CIP

RECOMMENDED COUNCIL ACTION: Approve Resolution No. 16-_____.

Continued from Page 1

To accomplish the task, the Authority is required to issue a 2016 Series Clean Water SRF Promissory Note with the approval of the City, and pledge revenue derived from the 2016 CIP specified for such purpose. However, under the Principal Forgiveness Loan Program, the loan is contemplated to be completely forgiven if the forgiveness provisions of the loan are met and repayment would not be required. The OWRB assigns a term and interest rate for the loan in the event the forgiveness provisions are not met. City Resolution 16- will approve and ratify the Authority's execution of the loan documents and other actions relating to securing the Loan from OWRB.

Since this loan has been pending for several months, the City/LWA's previous financial advisor and bond counsel involved with the loan expressed a willingness to complete the loan transaction without receiving any fees. The proposed resolution approving this loan authorizes letters of engagement for the previous financial advisor and bond counsel for this particular transaction only without the payment of any fees.

PURSUANT TO THE LEGAL NOTICE AS IS REQUIRED BY THE OKLAHOMA OPEN MEETING ACT INCLUDING THE POSTING OF NOTICE AND AGENDA AS IS REQUIRED BY THE TERMS THEREOF, THE CITY COUNCIL OF THE CITY OF LAWTON, OKLAHOMA (THE "CITY") MET IN CITY HALL, IN LAWTON, OKLAHOMA, ON THE 22ND DAY OF NOVEMBER, 2016, AT 6:00 O'CLOCK P.M.

PRESENT:

ABSENT:

(OTHER PROCEEDINGS)

Thereupon, the following resolution was introduced and caused to be read. Councilmember _____ moved passage of the Resolution and Councilmember _____ seconded the motion. The motion carrying with it the approval of said Resolution was approved by the following vote:

AYE:

NAY:

The Resolution so approved is as follows:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF LAWTON, OKLAHOMA (THE "CITY") APPROVING ACTION TAKEN BY THE LAWTON WATER AUTHORITY (THE "AUTHORITY") AUTHORIZING ISSUANCE, SALE AND DELIVERY OF A PROMISSORY NOTE OF THE AUTHORITY TO THE OKLAHOMA WATER RESOURCES BOARD; RATIFYING AND CONFIRMING A LEASE AGREEMENT, AS AMENDED PERTAINING TO CERTAIN WATER, SANITARY SEWER, AND REFUSE SYSTEMS; AND CONTAINING OTHER PROVISIONS RELATED THERETO.

WHEREAS, the Lawton Water Authority (the "Authority") did, by its Resolution adopted November 22, 2016, authorize the issuance, sale and delivery of its Series 2016 Clean Water SRF Promissory Note to Oklahoma Water Resources Board; and

WHEREAS, the City hereby determines that the actions taken by the Authority should be authorized and approved; and

WHEREAS, the City hereby determines that such other action necessary or attendant to accomplishment of the referenced financing should be considered by the City Council of the City.

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

Section 1. Issuance of Note. That the issuance, sale and delivery of the Lawton Water Authority, Comanche County, Oklahoma, Series 2016 Clean Water SRF Promissory Note to Oklahoma Water Resources Board in the principal amount of \$200,000.00 (the "2016 Note"), all as approved by said Authority on November 22, 2016, be and hereby is authorized, approved and ratified.

Section 2. Approval. That all actions heretofore taken by the Authority in connection with the issuance, sale and delivery of the 2016 Note and all other aspects of the transaction be and are hereby authorized, approved and ratified.

Section 3. Lease. The Lease Agreement dated as of November 1, 1968, as amended by an Amendment to Lease Agreement dated July 12, 1988 (collectively, the "Lease Agreement"), whereby the City leased its water, sanitary sewer, and refuse systems to the Borrower and whereby the Borrower agreed to operate and maintain said systems, is hereby ratified and confirmed and the term of said Lease Agreement shall extend until the 2016 Note is paid.

Section 4. Necessary Action. That the Mayor or Vice Mayor and City Clerk or Deputy City Clerk be and hereby are authorized and empowered to execute and deliver for and on behalf of the City any and all other documents or instruments reasonably necessary to accomplish the issuance, sale and delivery of the 2016 Note and all other aspects of the transaction.

[Remainder of Page Left Blank Intentionally]

PASSED AND APPROVED THIS 22ND DAY OF NOVEMBER, 2016.

CITY OF LAWTON, OKLAHOMA

By _____
Mayor

ATTEST:

By _____
City Clerk

(SEAL)

ITEM NO. 6
MEETING DATE: November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider approving the construction plans for waterlines along SW 6th Street to serve Coleman American Moving and Storage located at 2115 SW 6th Street subject to a condition.

INITIATOR: Community Services Director

STAFF INFORMATION SOURCE: Planning Director

BACKGROUND: Construction plans have been submitted for approximately 220 linear feet of 14-inch waterline and approximately 50 linear feet of 12-inch waterline to serve Coleman American Moving and Storage located at 2115 SW 6th Street. The developer is Coleman American Moving and Storage and the consulting engineer is Landmark Engineering, LLC.

Staff has reviewed the plans and recommends approval subject to the following condition:

1. Obtain ODEQ construction permit for the waterline extension.

EXHIBITS: Location Map

KEY ISSUES:

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Approve the construction plans for waterlines along SW 6th Street to serve Coleman American Moving and Storage located at 2115 SW 6th Street subject to the condition listed.

ITEM NO. 7
MEETING DATE: November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider acknowledging receipt of a Tier I permit from the Oklahoma Department of Environmental Quality for the construction of 1,645 linear feet of 8-inch PVC sanitary sewer line, 2,010 linear feet of 12-inch PVC sanitary sewer line, 35 linear feet of 6-inch PVC waterline, 1,820 linear feet of 8-inch PVC waterline, 960 linear feet of 10-inch PVC waterline, and all appurtenances to serve Eastlake Addition, Part 3B, located north of NE Cache Road and west of NE 45th Street, in the SE/4 of Section 22, T2N, R11W, I.M., Comanche County, Oklahoma.

INITIATOR: Community Services Director

STAFF INFORMATION SOURCE: Planning Director

BACKGROUND: On September 21, 2016, the City of Lawton was granted Permit No. SL000016160841 for the construction of 1,645 linear feet of 8-inch PVC sanitary sewer line, 2,010 linear feet of 12-inch PVC sanitary sewer line and Permit No. WL000016160840 for the construction of 35 linear feet of 6-inch PVC waterline, 1,820 linear feet of 8-inch PVC waterline, 960 linear feet of 10-inch PVC waterline. These permits are for the improvements to serve Eastlake Addition, Part 3B, located north of NE Cache Road and west of NE 45th Street, in the SE/4 of Section 22, T2N, R11W, I.M., Comanche County, Oklahoma.

A condition of the permit is that it must be noted in the minutes of the next regular meeting of the Lawton City Council.

EXHIBITS: Permits to Construct on file in the City Clerk's Office

KEY ISSUES: None

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Acknowledge receipt of Permit No. SL000016160841 and Permit No. WL000016160840 from the Oklahoma Department of Environmental Quality.

ITEM NO. 8
MEETING DATE: November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider releasing the performance bond and accepting the waterline and maintenance bond for Lawton Downtown Center, Part 3, located at 435 NW 2nd Street.

INITIATOR: Community Services Director 

STAFF INFORMATION SOURCE: Planning Director

BACKGROUND: On August 9, 2016, the City Council approved the construction plat which included approximately 130 feet of 8-inch waterline, accepted a performance bond in the amount of \$29,755 as surety that the improvements would be completed, and approved the record plat for Lawton Downtown Center, Part 3, located between NW 2nd Street and Railroad Avenue, Gore Boulevard and Ferris Avenue, and addressed as 435 NW 2nd Street. The developer is Lawton Town Center, LLC., and the consulting engineer is SMC Consulting Engineers.

The waterline has been installed, inspected, and determined to be acceptable by staff. The developer has submitted a maintenance bond in the amount of \$3,200.00 for the waterline improvements. An Administrative Revocable Permit will be issued for parking area pavement placed on top of any public utility easements.

EXHIBITS: Plat Map
Maintenance Bond is on file in the City Clerk's Office.

KEY ISSUES:

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Release the performance bond and accept the waterline and maintenance bond for Lawton Downtown Center, Part 3, located at 435 NW 2nd Street.

ITEM NO 9

MTG. DATE November 22, 2016

CITY COUNCIL MEETING
STAFF AGENDA ITEM COMMENTARY

ITEM TITLE: Consider extending contract (CL15-015) Heavy Equipment Services and Parts to C.L. Boyd Company of Oklahoma City, OK.

INITIATOR: Public Works Director *BS*

STAFF INFORMATION SOURCE: Equipment Maintenance Superintendent
Financial Services Supervisor *SM*

BACKGROUND: The contract (CL15-015) Heavy Equipment Services is currently in effect. The vendor, C.L. Boyd Company of Oklahoma City, OK has agreed to the contract extension with the same terms, conditions, and prices that are currently in effect. The recommendation has been received from the Equipment Maintenance Superintendent that the contract is extended for an additional year.

EXHIBITS: Department Recommendation, Contract Extension Form, Price Sheet

KEY ISSUES: Does the City of Lawton wish to extend contract (CL15-015) Heavy Equipment Services and Parts to C.L. Boyd Company of Oklahoma City, OK?

FUNDING SOURCE: General Fund

RECOMMENDED COUNCIL ACTION: Extend contract (CL15-015) Heavy Equipment Services and Parts to C.L. Boyd Company of Oklahoma City, OK.



City of Lawton
Public Works Department
Equipment Maintenance Division

2215 SW 3rd Street
Lawton, Oklahoma 73501
(580) 581-3415 FAX (580) 581-3543

TO: Julie Magness, Financial Supervisor
THRU: Larry S. Wolcott, Deputy Public Works Director *LSW*
FROM: Dennis A. Bothell, Equipment Maintenance Superintendent *AB*
SUBJECT: Request 1 Year Extension of Contract CL15-015 Heavy Equipment Service and Parts
DATE: 10 October 2016

MEMORANDUM

Contract Name: Heavy Equipment Service and Parts

Contract Number: CL 15-015

Recommend this contract be extended for an additional year. The contractor has met and/or exceeded all requirements of the contract.

Funding Source: 001-0679-000-00-02140000

CONTRACT EXTENSION FORM

CONTRACT TITLE: Heavy Equipment Services and Parts

CONTRACT NUMBER: CL15-015

In accordance with the Agreement between the parties, the above-described contract is hereby modified in the following respects:

1. The contract period is extended to **December 31, 2017**, by mutual agreement between the undersigned vendor and the City of Lawton, Oklahoma subject to funding availability beyond this fiscal year.
2. All other terms and conditions of the contract or any written modifications thereto remain unchanged.
3. The laws of the State of Oklahoma shall govern this contract.

WITNESS the hands of the parties hereto this 24 day of October, 2016.

AFFIDAVIT:

STATE OF Oklahoma COUNTY OF Oklahoma

I, Preston Thomason (name of affiant), of lawful age, being first duly sworn, on oath says that:

1. Affiant is the duly authorized agent of the vendor executing the extension to the above referenced agreement, and that as such agent Affiant has the authority to bind the vendor, whether an individual, partnership, or corporation; for the purpose of negotiating and entering into any extension to or modification of said agreement, and for certifying the facts pertaining to the existence of collusion among vendors and City officials or employees; as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting or extension of any contract entered; 2. Affiant is fully aware of the facts and circumstances surrounding the procurement of the contract to which this statement refers and has been personally and directly involved in the proceedings leading to the submission of such extension; 3. Neither the vendor nor anyone subject to the vendor's direction or control has been a party: a. to any collusion among vendors in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding, b. to any collusion with any municipal official or employee as to quantity, quality or price in the contract, or as to any other terms of such contract, c. in any discussions between vendors and any municipal official concerning exchange of money or other thing of value for special consideration in the letting or extension of a contract, nor d. to paying, giving or donating or agreeing to pay, give or donate to any officer or employee of the City of Lawton, any money or other thing of value, either directly or indirectly, in procuring the extension of the contract described above. 4. Affiant further agrees to be held personally liable in the event that Affiant has misrepresented the scope or extent of Affiant's authority to bind the vendor herein, and to indemnify and hold harmless the City of Lawton, its departments, boards, commissions, agencies, institutions, and all employees of the aforementioned from all damages based upon such misrepresentation, including but not limited to all costs and attorney fees incurred, in addition to any other remedies available by law.

Firm: CL Boyd Company Inc. Preston Thomason
SIGNATURE OF AUTHORIZED AGENT

Address: PO. Box 26427 Preston Thomason Customer Support Advisor
PRINT/TYPE NAME/TITLE

OKla. city OK, 73126
(City, State, Zip) Subscribed & sworn before me this 24 day of October, 2016.

Phone: 405-945-8515 Kristin Huntley
Notary Public



My Commission expires: 9/17/20
City of Lawton, Oklahoma
A Municipal Corporation

Fred L. Fitch
MAYOR

ATTEST:

CITY CLERK

APPROVED as to form and legality on behalf of the City of Lawton on the 31st day of October, 2016

[Signature]
CITY ATTORNEY

Bid Number: CL15-015

Bid Title: Heavy Equipment Service and Parts

Vendor Name: C L Boyd Company, Inc.
(please complete above information)

Price Bid

(must be completed and returned with the bid)

| ITEM | DESCRIPTION | QTY | UNIT | UNIT PRICE |
|--|--|-----|----------|------------|
| 1 | Labor rates | | | |
| a | On-site, regular hours | per | hour | \$100.00 |
| b | On-site, after hours | per | hour | \$100.00 |
| c | On-site, weekend/holidays | per | hour | \$100.00 |
| 2 | Shop labor rates | | | |
| a | Regular hours | per | hour | \$90.00 |
| b | After hours | per | hour | \$90.00 |
| c | Weekend/holiday hours | per | hour | \$90.00 |
| 3 | Parts | | | |
| a | Discount offered from Manufactures list price for makes & models represented by vendor | % | discount | |
| | | 0 | | |
| b | Discount offered from Manufactures list price for all other makes & models | % | discount | |
| | | 0 | | |
| As per accompanying specifications | | | | |
| Specifications Point of Contact: Dennis Bothell (580) 581-3415 or dbothell@cityoflawton.ok.us | | | | |

TRAVEL CHARGES/SERVICE CALL

Is there a travel/service call charge? Y ___ N X

Is it, per mile 0 or per trip 0

What is the cost, if any, of the travel/service call charge?

Per mile 0

Per trip 0

Does the travel/service call charge include the first hour

of labor? Y ___ N X

Please take note that no FUEL SURCHARGES will be allowed.

Notes:

1. This is a requirements contract.
2. There are no insurance requirements for this contract.
3. Please submit two copies of any additional documents such as descriptive literature.
4. WARRANTY:
 - a) The vendor must provide detailed information on all warranties provided with the purchase of items covered by this contract.
 - b) The vendor must also provide details, including prices, on any available extended or optional warranties.
 - c) The information provided on warranties will be considered during the bid evaluation. Available warranties are factors for bid award.

ITEM NO 10

MTG. DATE November 22, 2016

CITY COUNCIL MEETING
STAFF AGENDA ITEM COMMENTARY

ITEM TITLE: Consider extending contract (RFPCL15-027) Copier Contract to GMC Solutions LLC dba Bennett Office Equipment of Lawton, OK.

INITIATOR: Finance Director JJ

STAFF INFORMATION SOURCE: Financial Services Supervisor sm

BACKGROUND: The contract (RFPCL15-027) Copier Contract is currently in effect. The vendors, GMC Solutions LLC dba Bennett Office Equipment of Lawton, OK has agreed to the contract extension with the same terms, conditions, and prices that are currently in effect. The recommendation has been received from the Financial Services Supervisor that the contract be extended for an additional year.

EXHIBITS: Department Recommendation, Contract Extension Form, Price Sheet

KEY ISSUES: Does the City of Lawton wish to extend contract (RFPCL15-027) Copier Contract to GMC Solutions LLC dba Bennett Office Equipment of Lawton, OK?

FUNDING SOURCE: General Fund

RECOMMENDED COUNCIL ACTION: Extend contract (RFPCL15-027) Copier Contract to GMC Solutions LLC dba Bennett Office Equipment of Lawton, OK.



FINANCE ADMINISTRATION
City Hall Annex
102 SW 5th Street
Lawton, Oklahoma 73501
(580) 581-3328 FAX (580) 581-3355

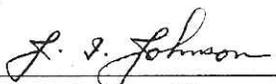
MEMORANDUM

TO: Julie Magness, Financial Services Supervisor
FROM: J.I. Johnson, Finance Director
RE: Contract Extension Notification
DATE: October 17, 2016

Contract Name: Copy Machine Lease

Contract Number: CL15-027

I recommend that CL15-027 be extended for another year. The City has contracted with BOE for the several years and we are pleased with their quality of machines and customer service provided.



J.I. Johnson-Finance Director

J.I.J:ss

CONTRACT EXTENSION FORM

CONTRACT TITLE: COPIER CONTRACT

CONTRACT NUMBER: RFPCL15-027

In accordance with the Agreement between the parties, the above-described contract is hereby modified in the following respects:

1. The contract period is extended to **DECEMBER 31, 2017**, by mutual agreement between the undersigned vendor and the City of Lawton, Oklahoma subject to funding availability beyond this fiscal year.
2. All other terms and conditions of the contract or any written modifications thereto remain unchanged.
3. The laws of the State of Oklahoma shall govern this contract.

WITNESS the hands of the parties hereto this 24th day of OCTOBER, 2016.

AFFIDAVIT:

STATE OF OKLAHOMA COUNTY OF COMANCHE

I MELISSA FUNK (name of affiant), of lawful age, being first duly sworn, on oath says that:

1. Affiant is the duly authorized agent of the vendor executing the extension to the above referenced agreement, and that as such agent Affiant has the authority to bind the vendor, whether an individual, partnership, or corporation, for the purpose of negotiating and entering into any extension to or modification of said agreement, and for certifying the facts pertaining to the existence of collusion among vendors and City officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting or extension of any contract entered; 2. Affiant is fully aware of the facts and circumstances surrounding the procurement of the contract to which this statement refers and has been personally and directly involved in the proceedings leading to the submission of such extension; 3. Neither the vendor nor anyone subject to the vendor's direction or control has been a party: a. to any collusion among vendors in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding, b. to any collusion with any municipal official or employee as to quantity, quality or price in the contract, or as to any other terms of such contract, c. in any discussions between vendors and any municipal official concerning exchange of money or other thing of value for special consideration in the letting or extension of a contract, nor d. to paying, giving or donating or agreeing to pay, give or donate to any officer or employee of the City of Lawton, any money or other thing of value, either directly or indirectly, in procuring the extension of the contract described above. 4. Affiant further agrees to be held personally liable in the event that Affiant has misrepresented the scope or extent of Affiant's authority to bind the vendor herein, and to indemnify and hold harmless the City of Lawton, its departments, boards, commissions, agencies, institutions, and all employees of the aforementioned from all damages based upon such misrepresentation, including but not limited to all costs and attorney fees incurred, in addition to any other remedies available by law.

Firm: GMC SOLUTIONS LLC DBA BOE

Melissa R. Funk
SIGNATURE OF AUTHORIZED AGENT

Address: 705 SW B AVE

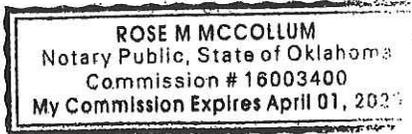
MELISSA FUNK CFO
PRINT/TYPER NAME/TITLE

LAWTON OK 73501
(City, State, Zip)

Subscribed & sworn before me this 24 day of October, 2016.

Phone: 580-248-8850

Roscoe M. McCollum
Notary Public



My Commission expires: 04/01/2020

City of Lawton, Oklahoma
A Municipal Corporation

Fred L. Fitch
MAYOR

ATTEST:

CITY CLERK

APPROVED as to form and legality on behalf of the City of Lawton on the 3rd day of November, 2016

[Signature]
CITY ATTORNEY

Bennett

LEASING

Municipal Lease Agreement

LESSOR: Bennett Leasing
PO BOX 386
705 SW B AVE
Lawton, OK 73502

| | | | | | |
|---|--|-------------|--|-----------------------|-----------------|
| LESSEE (hereafter referred to as a "YOU" OR "YOUR") | | | | Agreement Number: 117 | |
| Full Legal Name: CITY OF LAWTON | | | | | |
| Address 212 SW 9TH STREET | | City LAWTON | State OK | Zip 73501 | County COMANCHE |
| VENDOR BENNETT OFFICE EQUIPMENT | | | EQUIPMENT LOCATION (if other than above) | | |

TERMS AND CONDITIONS • PLEASE READ CAREFULLY BEFORE SIGNING

DESCRIPTION OF EQUIPMENT LEASED See attached schedule for additional equipment

| Quantity | Type, Make, Model # and Included accessories | Serial # |
|----------|--|----------|
| 12 | MP2554SP SYSTEMS W/CABINET | |
| 17 | MP2501SP SYSTEMS W/CABINET | |
| 2 | MP7502SP SYSTEMS | |
| 10 | MP2503 SYSTEMS | |
| 1 | MPC4503 SYSTEM | |

36 MONTHLY RENTAL PAYMENTS OF \$ 4,412.31 plus tax SECURITY DEPOSIT \$

PURCHASE OPTION: (CHECK ONE) FAIR MARKET VALUE \$1.00 OF OTHER (_____% of equipment cost)

LEASE AGREEMENT AND FEES: You (the Lessee specified above) want to acquire the above Equipment from Vendor. You want us, Bennett Leasing to buy the Equipment and then lease it to You. This Lease Agreement (this lease) will begin on the date the Equipment is delivered to You (or any later date We designate). We may charge You a reasonable fee to cover documentation and investigation costs. This Lease is **YOU UNDERSTAND WE ARE BUYING THE EQUIPMENT BASED ON YOUR UNCONDITIONAL ACCEPTANCE OF THE EQUIPMENT AND YOUR PROMISE TO PAY US UNDER THE TERMS OF THIS LEASE WITHOUT SET-OFFS, EVEN IF THE EQUIPMENT DOES NOT WORK PROPERLY OR IS DAMAGED FOR ANY REASON, INCLUDING REASONS THAT ARE NOT YOUR FAULT.** If any amount payable to us is not paid when due, You will pay us a 'late charge' equal to: 1) the greater of ten (10) cents for each dollar overdue or twenty-six (\$26.00) dollars; or 2) the highest lawful charge, whichever is less.

NO WARRANTY: We are leasing the Equipment to You "AS IS". We do not manufacture the Equipment. You selected the Equipment and the Vendor, based on your judgement. You may contact the Vendor for a statement of the warranties, if any, that the Vendor or manufacturer is providing. We hereby assign to You the warranties given to us, if any. **WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THIS LEASE.** You agree to settle any dispute You may have regarding performance of the Equipment directly with the manufacturer or Vendor.

EQUIPMENT USE AND REPAIR: You agree the Equipment will be used for business purposes only. You are responsible for keeping the Equipment in good working order. Except for normal wear and tear, You are responsible for any damage or losses to the Equipment. **IN NO EVENT SHALL WE BE RESPONSIBLE FOR ANY CONSEQUENTIAL OR INDIRECT DAMAGES.**

END OF TERM: If You fail to 1) return the Equipment to us in Average-Saleable Condition, to a location specified by us at the end of the lease term (or any renewal term); 2) timely pay the purchase option; or 3) deliver to us written notice at least sixty (60) days prior to the expiration of the term or renewal term. "Average Saleable Condition" means the Equipment is immediately available for use by another lessee without the need of any repair. You also agree to reimburse us for repair costs. If You are granted a purchase option, and provided You have not defaulted under this Lease, You may purchase the Equipment from us "WHERE IS, AS IS" for the option price at the end of the lease term. At the termination of this Lease, if You have not defaulted, your security deposit will be refunded to You without interest. Your security deposit may be commingled with our other assets. You may not pay off this Lease in full and return the Equipment prior to the end of the lease term without our consent.

OWNERSHIP, TITLE and UCC'S: Except for any software covered by this Lease (the "Software"), We are the owner of the Equipment and have title to it. You appoint Us as attorney-in-fact to execute and file on your behalf, and at your cost, Uniform Commercial Code (UCC) financing statement(s) to show our interest in the Equipment.

SOFTWARE: We do not have title to the Software. We are not responsible for the Software or the obligations owed by either You or the licensor under any License Agreement for the Software. If You properly exercise the purchase option, if any, for the Equipment, You understand that We do not own the Software and cannot transfer it to You. Except as provided in this paragraph, all references to "Equipment" in this Lease include the Software.

LOSS AND INSURANCE: Customer, at its sole cost and expense, shall obtain, maintain and pay for (a) insurance against the loss, theft, or damage to the Equipment for the replacement value thereof. Customer may add equipment to a present existing policy in force.

TAXES: You agree that You will pay when due all taxes relating to this Lease and Equipment. If this Lease includes a \$1 purchase option, You

agree to file any required personal property tax returns.

DEFAULT: If You do not pay any sum by its due date, or You breach any other term of this Lease or any other agreement with Us, then You will be in default of this Lease. If You default, we may require that You pay 1) all past due amounts under this lease, and 2) all future amounts owed for the unexpired term, discounted at the rate of six percent (6%) per annum. Upon a default, We may also choose to repossess the Equipment, You will also pay to Us our booked residual value for the Equipment. We can also use any and all remedies available to Us under the UCC or any other law. You also agree to pay interest on all past due amounts, from the due date until paid, at the lower of one and one-half percent (1.5%) per month or the highest lawful rate.

ASSIGNMENT: You have no right to sell, transfer, assign or sublease the Equipment or this Lease. We may sell, assign or transfer this Lease or our rights in the Equipment. You agree that if We sell, assign or transfer this Lease, the new owner will have rights, but it will not be subject to any claim, defense or set-off that You assert against Us or any other party.

WAIVER OF ARTICLE 2A RIGHTS: You agree that this Lease is a 'finance lease' as the term is defined in Article 2A of the UCC.

MISCELLANEOUS: You agree that this Lease is the entire agreement between You and Us regarding the lease of the Equipment and supersedes any purchase order You issue. Any change must be in writing and signed by each party. We may accept a facsimile copy of this Lease as an original. **ANY CLAIM RELATED TO THIS LEASE WILL BE GOVERNED BY OKLAHOMA LAW AND WILL BE ADJUDICATED IN A STATE OR FEDERAL COURT LOCATED IN LAWTON, OKLAHOMA. YOU HEREBY CONSENT TO PERSONAL JURISDICTION AND VENUE IN SUCH COURT AND WAIVE ANY RIGHT TO TRANSFER VENUE.**

"Lessee Acknowledges that lease is assigned to Liberty National Bank, Lawton Oklahoma and upon notification from Liberty National Bank that if Bennett Leasing is in default, lessee will make all future payments payable to Bennett Leasing and Liberty National Bank, mailed to 629 S.W. "C" Ave., Lawton OK 73501".

| | |
|---|--------------------------|
| THIS LEASE IS NOT BINDING ON US UNTIL WE SIGN BELOW | LESSEE (As Stated above) |
| LESSOR: Bennett Leasing | |

By: Melvin C Hull Date: 12-17-14
(Signature)

Print Name & Title: Melvin C Hull President

Approved as to form and legality:
X: [Signature] Date: 12-12-14
(Signature)

Print Name & Title: Kelca L Fisher, Assistant City Attorney
For Frank Jensen, City Attorney

| |
|---|
| LESSEE (hereafter referred to as a "YOU" OR "YOUR") |
|---|

The undersigned unconditionally guarantees that the Lessee will timely perform all obligations under this Lease. The undersigned also waives any notification if the Lessee is in default and consents to any extensions or modifications granted to the Lessee. In the event of default, the undersigned will immediately pay all sums due under the terms of this Lease without requiring lessor to proceed against Lessee, any other party or the Equipment.

X: _____ individually
X: [Signature] individually

PHYSICAL FUNDING ADDENDUM

FOR 36 MONTH LEASE # 117

| | | |
|---------------|--|--|
| LESSEE | Full Legal Name <u>CITY OF LAWTON</u> | DBA Name (if Any) _____ |
| | Billing Address <u>212 SW 9TH STREET</u> | Phone Number <u>580-581-3329</u> |
| | City <u>LAWTON</u> | County <u>COMANCHE</u> State <u>OK</u> Zip Code <u>73501</u> |
| | Lease Number <u>117</u> | Lease Date <u>12-16-2014</u> |

Lessee warrants that it has funds available to pay all rents (the "Lease Payments") payable under the above - identified Lease until the end of Lessee's current appropriation periods. If Lessee's legislative body or other funding authority does not appropriate funds for Lease Payments for any subsequent appropriation period and Lessee does not otherwise have funds available to lawfully pay the Lease Payments (a "Non-Appropriation Event") Lessee may, subject to the conditions herein and upon prior written notice to Lessor (the "Non-Appropriation Notice"), effective 60 days after the later of Lessor's receipt of, same or the end of the Lessee's current appropriation period (the "Non-Appropriation Date"), terminate the Lease and be released of its obligation to make all Lease Payments due Lessor coming due after the Non-Appropriation Date. As a condition to exercising its rights under the Addendum Lessee shall (1) provide in the Non-Appropriation Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (2) deliver to Lessor an opinion of Lessee's counsel (addressed to Lessor) verifying that the Non-Appropriation Event as set forth in the Non-Appropriation Notice has occurred, (3) return the equipment subject to the Lease (the "Equipment") on or before the Non-Appropriation Date to Lessor or a location designated by Lessor, in the condition required by, and in accordance with the return provisions of, the Lease and at Lessee's expense, and (4) pay Lessor all sums payable to Lessor under the Lease up to the Non-Appropriation Date.

In the event of any Non-Appropriation Event, Lessor shall retain all sums paid hereunder or under the Lease by Lessee, including the Security Deposit (if any) specified in the Lease.

This Addendum permits Lessee to terminate the Lease at will or for convenience.

YOU AGREE THAT A FACSIMILE COPY OF THIS DOCUMENT WITH FACSIMILE SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

Approved as to form and legality:

| | | |
|-------------------------|---|----------------------|
| LESSEE SIGNATURE | Signature X <u><i>[Handwritten Signature]</i></u> | |
| | Print Name <u>Kelea L. Fisher for Frank Jensen, City Attorney</u> | |
| | Title <u>Assistant City Attorney</u> | Date <u>12-12-14</u> |
| | Name of Government Entity <u>City of Lawton</u> | |

| | | |
|------------------------------|---|----------------------|
| ACCEPTED BY SIGNATURE | Signature X <u><i>[Handwritten Signature]</i></u> | |
| | Print Name <u>Melvin C Hull</u> | |
| | Title <u>President</u> | Date <u>12-17-14</u> |
| | Name of Government Entity _____ | |



Customer Service Maintenance Agreement

BENNETT OFFICE EQUIPMENT
P.O. BOX 386
LAWTON, OK 73502
PH. 580-248-8850

| MAINT. TYPE | Model | SERIAL NUMBER | RATE PER MONTH | ALLOWABLE COPIES PER YEAR | PER COPY / COVERAGE RATE | STARTING METER READING | ANNUAL DATE | EFFECTIVE DATE |
|--------------|---------------|-----------------|----------------|---------------------------|--------------------------|------------------------|-------------|----------------|
| FMS | (12) MP2554SP | | N/A | N/A | .00475 B/W | | | |
| FMS | (17) MP2501SP | | N/A | N/A | .00475 B/W | | | |
| FMS | (2) MP7502SP | | N/A | N/A | .00475 B/W | | | |
| FMS | (10) MPC2503 | | N/A | N/A | .00475 B/W | | | |
| | | | N/A | N/A | .0425 COLOR | | | |
| FMS | (1) MPC4503 | | N/A | N/A | .00475 B/W | | | |
| | | | N/A | N/A | .0425 COLOR | | | |
| | | | | | | | | GRAND TOTAL |
| KEY CONTACT: | | BROOKS MITCHELL | | PHONE NUMBER: | | 580-581-3329 | | |

Service coverage under this agreement to be 8:30 AM to 5:00 PM: Monday thru Friday.

OTHER TERMS AND REMARKS: IF NONE, STATE "NONE"

SEE APPENDIX B OF RFP FOR LOCATIONS, INSTALL AND DELIVERY SHEETS FOR STARTING METER READINGS

CAPLES INCLUDED

THIS AGREEMENT IS ACCEPTED SUBJECT TO THE TERMS AND CONDITIONS APPEARING ON BOTH SIDES.

BILL TO:
COMPANY City of Lawton
ADDRESS 212 SW 9TH STREET
CITY LAWTON
STATE OK
ZIP 73501

SHIP TO:
COMPANY City of Lawton
ADDRESS 212 SW 9TH STREET
CITY LAWTON
STATE OK
ZIP 73501

YOUR SIGNATURE AUTHORIZES BENNETT TO MAINTAIN THE EQUIPMENT LISTED ABOVE ACCORDING TO THE COVERAGE OF THIS MAINTENANCE AGREEMENT.

SIGNED

** Brooks J. Mitchell* Finance Director 1-13-15

CUSTOMER TITLE DATE

BENNETT OFFICE EQUIPMENT CUSTOMER SERVICE MAINTENANCE AGREEMENT

In consideration of the payment, in advance, of the rates prescribed by the company, BENNETT agrees to maintain all equipment which are listed on the reverse side of this agreement in good operating condition. This is subject to the terms and conditions provided herein.

This maintenance agreement is based on the number of copies shown on the reverse side of this agreement. For each copy generated in excess of the number during the term of this agreement or during subsequent terms, customer agrees to pay the then current per copy average rate.

TERMS AND CONDITIONS OF AGREEMENT:

A. Preventive Maintenance Inspection:

For the purpose of cleaning, lubrication, and adjustment of the equipment, preventive maintenance inspections will be performed during BENNETT's regular business hours.

B. Additional Service:

If additional service or shop work is required during the term of the agreement, it will be furnished to the customer during BENNETT's regular business hours at no additional cost.

C. Parts and Labor:

M¹ - Standard Service Maintenance:

All parts and labor fees are included in this agreement. However, the following supplies and accessories are not included but will be furnished at the prevailing prices.

| | | | |
|---------|--------|----------------|----------------------|
| PAPER | TONER | DEVELOPER | PHOTOCONDUCTOR DRUMS |
| STAPLES | STANDS | PAPER CASSETTE | |

FM¹ - Full Service Maintenance and Supplies:

All parts and labor fees are included in this agreement. However, the following supplies and accessories are not included but will be furnished at the prevailing prices.

| | |
|-------|---------|
| PAPER | STAPLES |
|-------|---------|

D. Machine Condition:

Equipment must be in good operating condition on the date that this agreement becomes effective. Prior to the acceptance of this agreement any needed repairs will be accomplished at the customer's expense. Equipment out of warranty are subject to inspection and repair at the customer's expense.

E. IT Support

IT Support is available but not covered under this contract.

BENNETT is not responsible for maintenance service if damage is caused by accident, misuse, or unauthorized service.

This Customer Service Maintenance Agreement is non-transferable. It will be automatically renewed each year at the rates in effect at the time of renewal, unless either party provides a 30 day written cancellation notice. When cancelled, BENNETT will be relieved of all obligations stated in this agreement.

ITEM NO. 11

MEETING DATE November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider approving appointments to boards and commissions.

INITIATOR: Mayor Fred L. Fitch

STAFF INFORMATION SOURCE: N/A

BACKGROUND: On November 16, 2016 the City Council received a list of appointees recommended for appointment to various boards and commissions. It is recommended that the persons nominated as shown on the exhibit attached hereto be approved for appointment to the following boards and commissions.

Industrial Development Authority

Keith Jackson
2603 NE Garden Lane
Lawton, OK 73507
Unexpired Term 5/25/19
Vacancy

EXHIBITS: None

KEY ISSUES: N/A

FUNDING SOURCE: N/A

RECOMMENDED COUNCIL ACTION: Approve the appointment of the persons to boards and commissions.

BUSINESS ITEMS

ITEM NO. 13

MTG. DATE November 22, 2016

CITY COUNCIL MEETING
STAFF AGENDA ITEM COMMENTARY

ITEM TITLE: Consider the following damage claim recommended for approval: Invitational Apartments in the amount of \$1,200.00

INITIATOR: City Attorney *KF for FD*

STAFF INFORMATION SOURCE: City Attorney

BACKGROUND: The listed claim has been filed against the City of Lawton with the City Clerk. The claim has been investigated by the staff and a legal opinion/recommendation has been prepared by the City Attorney's Office.

Invitational Apartments: Claim in the amount of \$1,200.00 for reimbursement of a plumbing bill

EXHIBIT: Legal Opinions/Recommendations
Resolution No. _____

KEY ISSUES: N/A

FUNDING SOURCE: N/A

STAFF RECOMMENDED COUNCIL ACTION: Approve the claim listed above.



OFFICE OF THE CITY ATTORNEY

CLAIMS MEMORANDUM #DC-2016-062

TO: Mayor and Council

FROM: Kelea Fisher 
Assistant City Attorney

DATE: October 31, 2016

MEETING: November 22, 2016

RE: Damage claim of
Lawton Invitational Apartments
4645 W, Gore
Lawton, OK 73505

Submitted in the amount of \$1,200.00 on August 10, 2016

RECOMMENDATION: Approval in the amount of \$1,200.00

BASIS OF CLAIM: Sandra Cochrane, agent for Lawton Equity Enterprises dba Invitational Apartments located at 4645 W. Gore Boulevard, alleges on March 2, 2016, a City of Lawton employee made contact with their office and informed them that a leak was detected on the private side of the meter/service line and it needed to be repaired. Invitational Apartments hired a plumber to make the repair and the plumber found a section of the City's main with a crack in it. Claimant is seeking reimbursement of \$1,200.00, which is the amount that plumber charged them for four hours tractor work and four hours labor.

DATE OF DAMAGE: March 2, 2016

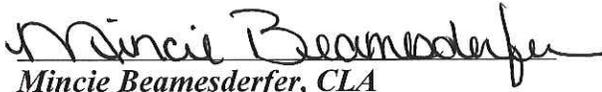
FACTS: According to Water Distribution records, a Water Distribution Supervisor went to check on a reported water leak at 4645 W. Gore on several occasions and on February 6, 2016, he notified the apartment office of the leak and showed the apartment maintenance worker the approximate location of the leak. On March 2, 2016, a plumbing company called Water Distribution to inform them that while digging up the service line, he found a leak on the City's main. Water Distribution called for emergency locates and started their repair two hours later. According to the crew leader, when he pulled out the first bucket of dirt he could see that the main had a split in it and looked as if it was previously scraped with a backhoe bucket by the plumber. The crew completed the main repair at approximately 9:15 pm. and left the hole open for the plumber to make the repair to the service line. The crew returned the next day to cover the hole. The City Attorney's Claims Investigator asked the crew chief who contacted the plumber to let him know the main repair was complete so that the plumber could make his repair and the crew chief said he did not contact the plumber and he was not sure who, if anyone, notified the plumber. Therefore, it is

unknown whether or not the plumber came back to repair the alleged service line leak. However, after Water Distribution made the repair to the **main**, there have not been any new reports of a water leak at that location.

LEGAL BASIS FOR APPROVAL OF CLAIM: Pursuant to Title 51, Oklahoma Statutes, §151 et seq., municipalities are held accountable in the same manner as private entities or individuals for negligent acts or omissions that result in harm to others. However, negligence is never presumed, and the burden of proving negligence and that it was the proximate cause of the harm complained of, is on the complaining party. Oklahoma Ry. Co. v. Ivery, 204 P.2d 978 (Okla. 1949).

In this instance, the water leak was initially reported as a service line leak. However, after the City repaired the **main**, there were no new reports of a leak. There is no proof that the City contacted the plumber to repair the reported service line leak nor is there any proof that the plumber repaired the service line after the main line was repaired. Therefore, the facts seem to indicate that the leak was actually on the City's main given the fact that the leak ceased to exist after the City repaired the main. Accordingly, this office recommends approval of this claim in the amount of \$1,200.00.

KELEA FISHER
ASSISTANT CITY ATTORNEY


Mincie Beamesderfer, CLA
Claims Investigator

RESOLUTION NO. 16-____

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY ATTORNEY TO ASSIST SANDRA COCHRANE ON BEHALF OF INVITATIONAL APARTMENTS IN FILING A FRIENDLY SUIT IN THE DISTRICT COURT OF COMANCHE COUNTY, OKLAHOMA, AGAINST THE CITY OF LAWTON; AND AUTHORIZING THE CITY ATTORNEY TO CONFESS JUDGMENT THEREIN IN THE AMOUNT OF ONE THOUSAND TWO HUNDRED AND 00/100 DOLLARS (\$1,200.00).

WHEREAS, on March 2, 2016, City of Lawton Water Distribution informed Invitational Apartments that they had a leak on their water service line and it was later discovered that the leak was on the City's water main, causing damage in the alleged amount of \$1,200.00, as stated in the claim, which was filed with the City Clerk against the City of Lawton on August 10, 2016; and,

WHEREAS, it would be in the best interest of the City of Lawton to settle the claim by filing a friendly suit in the District Court of Comanche County and confess judgment therein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Lawton, Oklahoma, that the City Attorney is hereby authorized and directed to assist Sandra Cochran in bringing suit in the District Court of Comanche County, Oklahoma, against the City of Lawton and to confess judgment therein in the amount of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00); and further, **BE IT RESOLVED** that the Mayor and City Clerk are hereby authorized to execute a written Warrant of Attorney directing the City Attorney to confess judgment against the City in said amount.

ADOPTED and **APPROVED** by the Council of the City of Lawton this 22nd day of November, 2016.

FRED L. FITCH, MAYOR

ATTEST:

TRACI L. HUSHBECK, CITY CLERK

APPROVED as to form and legality this 22nd day of November, 2016.



KELLEA FISHER
ASSISTANT CITY ATTORNEY

**WARRANT OF ATTORNEY
FOR MAKING CONFESSION OF JUDGMENT**

KNOW ALL MEN BY THESE PRESENTS:

That on November 22, 2016, by Resolution, the City Council of the City of Lawton, directed the City Attorney of the City of Lawton to waive the service of summons, to make a general appearance and to confess judgment in the District Court of Comanche County case to be styled:

INVITATIONAL APARTMENTS vs. CITY OF LAWTON, OKLAHOMA

CASE NO. CS-2016-

in the amount of \$1,200.00.

Said Resolution further directed the Mayor and City Clerk of the City of Lawton to execute this Warrant, and the execution of said Warrant by the Mayor and the attestation by the Clerk of the City of Lawton thereby authorized the City Attorney to confess aforesaid judgment in the amount of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00).

Dated this 22nd day of November, 2016.

FRED L. FITCH, MAYOR

ATTEST:

TRACI L. HUSHBECK, City Clerk

APPROVED as to form and legality this 22nd day of November, 2016.


KELEA FISHER
ASSISTANT CITY ATTORNEY

ITEM NO. 14
MEETING DATE: November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Hold a public hearing and consider an ordinance amending Section 18-1-1-106, Division 18-1-1, Article 18-1, Chapter 18, adding the definition of pet day care center and modifying the definition of major street and amending Section 18-5-8-581, Division 18-5-8, Article 18-5, Chapter 18, Lawton City Code, 2015, adding pet day care centers as a Use Permitted on Review in C-1 Local Commercial District and declaring an emergency.

INITIATOR: Community Services Director 

STAFF INFORMATION SOURCE: Planning Director

BACKGROUND: Recently a request for rezoning was submitted for a doggie day care. Pet day care centers are not listed in the City Code, and the use listed in the Code which is closest to the operation of a pet day care center is a kennel. The least restrictive zoning classification which permits a kennel is C-5 General Commercial District. On October 27, 2016, the City Planning Commission (CPC) reviewed the rezoning request and considered C-5 as too intense for this type of use and recommended the City Code be amended to allow pet day care centers as a Use Permitted on Review in C-1 Local Commercial District. Following the CPC meeting, the applicant for the rezoning asked that staff delay the rezoning request pending the outcome of the recommended Code change.

The attached proposed ordinance adds the definition of pet day care center and adds pet day care centers as a Use Permitted on Review in C-1 if located on a major street. The ordinance also modifies the definition of major street to include all arterial and collector streets as shown on the Federal Highway Administration Functional Classification Map.

Notice was published in *The Lawton Constitution* on November 6, 2016.

The CPC will hold a public hearing on the proposed code amendment on November 21st. The recommendation of the CPC will be provided at the Council meeting.

EXHIBITS: Ordinance No. 16-___

KEY ISSUES:

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Hold a public hearing and adopt Ordinance No. 16-___, waive the reading of the ordinance, read the title only.

ORDINANCE NO. 16-____

AN ORDINANCE PERTAINING TO PLANNING AND ZONING AMENDING SECTION 18-1-1-106, DIVISION 18-1-1, ARTICLE 18-1, LAWTON CITY CODE, 2015, AMENDING THE DEFINITION OF MAJOR STREET AND ADDING THE DEFINITION OF PET DAY CARE CENTER; AMENDING SECTION 18-5-8-581, DIVISION 18-5-8, ARTICLE 18-5, CHAPTER 18, LAWTON CITY CODE, 2015, ADDING PET DAY CARE CENTER AS A USE PERMITTED ON REVIEW IN C-1 LOCAL COMMERCIAL DISTRICT; PROVIDING FOR RENUMBERING; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

Emergency Ordinance

BE IT ORDAINED by the Council of the City of Lawton, Oklahoma, that:

SECTION 1. Section 18-1-1-106 is hereby amended to read as follows:

18-1-1-106 - Definitions.

- A. As used in this chapter, unless otherwise specified, the following terms shall have the meanings respectively ascribed to them in this section:

* * *

62. "Pet day care center" means an indoor facility that regularly provides care for animals, which may include limited boarding and an outdoor relief area. The outdoor area shall be fully screened and animals shall not be left unattended;

* * *

77. "Street categories" means and includes the following:

- a. "Expressway:" This class of facilities is devoted entirely to the task of traffic movement and performs little or no land service function. Thus, it is characterized by at least some degree of access control. Except in rare instances, this classification should be reserved for multilane, divided roads with few, if any, intersections at grade. Expressways provide for large volumes of traffic at relatively high speed and are primarily intended to serve long trips;
- b. "Major arterial:" This class of streets brings traffic to and from the expressway and serves those major movements of traffic within or through the metropolitan area not served by expressways. Major arterials interconnect the principal traffic generators within the city and the important different areas of the city and should form a reasonably integrated system. The length of the typical trip on the system should exceed one mile. Major arterials mainly serve to move traffic, but they normally also perform a secondary land service function. Thus, although abutting property will have free access, parking and loading may have been restricted or prohibited altogether to improve capacity;

- c. "Collector:" This class of streets serves the internal traffic movement within an area of the city such as a subdivision and connects this area with the major arterial system. They do not handle long, through trips and are not, of necessity, continuous for any great length. In gridiron patterns, however, a street of several miles in length may be serving as a collector rather than a major arterial if the predominant use is to reach the next junction with a major arterial and there turn off. The collector street is intended to supply abutting property with the same degree of land service as a local street while at the same time serving local traffic movement. This may necessitate a wide roadway-wider than that of many major arterials-if the traffic volumes are high, as they would be in the vicinity of the Central Business District;
- d. "Local:" Local streets are those streets whose sole function is to provide access to immediately adjacent land. They make up a large percentage of the total street mileage of the city but carry a small proportion of the vehicle-miles of travel. In and around the Central Business District, local streets may carry traffic volumes measured in the thousands of vehicles; but this is an exception to the rule;
- e. "Major streets:" Expressways, ~~and major~~ principal and minor arterials, and collectors as shown on the Federal Highway Administration Functional Classification Map are referred to collectively as "major streets";

* * *

SECTION 2. Section 18-5-8-581 is hereby amended to read as follows:

18-5-8-581 - Uses permitted on review.

- A. The following uses may be permitted on review in a C-1 district in accordance with provisions of Section 18-113 of this code:
 - 1. Any use permitted on review in an R-4 High-Density Apartment Dwelling residential district;
 - 2. Gasoline service or filling station;
 - 3. Government offices;
 - 4. Institutional or fraternal building and use not to include a mixed beverage licensee and sale of nonintoxicating alcoholic beverages for on-premises consumption;
 - 5. Nursery and/or garden center;
 - 6. Pet shop;
 - 7. Upholstery shop for retail service only, limited to a maximum gross floor area of one thousand five hundred (1,500) square feet; and
 - 8. The following uses may be permitted on review when located on a major street and may be subject to conditions, i.e., setbacks and/or screening from adjacent residential uses or districts, limitations on intensity, hours of operation, etc.:
 - a. Any use listed in Section 18-591 and Section 18-592 of this code, ~~provided such uses are abutting a major street.;~~
 - b. Pet day care centers.

- 9. Any other retail store, shop or establishment serving the neighborhood in the manner stated above and not listed in any other commercial or industrial zone and which is similar in character to those above enumerated and is not more obnoxious or detrimental to the area in which it is located, by reason of noise, offensive odor, smoke, dust, vibration, traffic congestion or danger to life and property than those uses enumerated above.

SECTION 3. Renumbering. The provisions of Section 18-1-1-106, Division 18-1-1, Article 18-1, Chapter 18, Lawton City Code, 2015, shall be renumbered consecutively to reflect the new numbering of paragraphs of said section as amended by this ordinance as to avoid duplication or omission of numbers and/or letters in said section.

SECTION 4. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, said portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portion of this ordinance.

SECTION 5. Emergency. Whereas, it being immediately necessary for the preservation of the peace, health and safety of the City of Lawton and the inhabitants thereof that the provisions of this ordinance be put into full force and effect, an emergency is hereby declared to exist by reason whereof this ordinance shall take effect and be in full force from and after its passage, as provided by law.

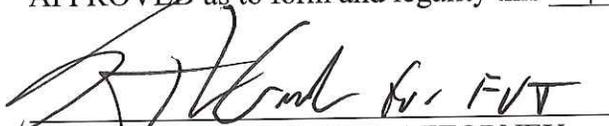
ADOPTED and APPROVED by the Council of the City of Lawton, Oklahoma, this ___ day of _____, 2016.

FRED L. FITCH, MAYOR

ATTEST:

TRACI HUSHBECK, CITY CLERK

APPROVED as to form and legality this 4 day of November, 2016.



FRANK V. JENSEN, CITY ATTORNEY

ITEM NO. 15
MEETING DATE: November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Hold a public hearing and consider an ordinance to close the 10 foot utility easement along the rear of Lots 11-13, Block 31, Wyatt Acres Addition, Part 15, located on NW Taylors Landing, between NW Allison Lane and NW Micklegate Boulevard.

INITIATOR: Community Services Director 

STAFF INFORMATION SOURCE: Planning Director

BACKGROUND: On October 11, 2016, Council set a date of November 22, 2016, to hold the public hearing for this proposed closure. The request is to close the 10 foot utility easement along the rear of Lots 11-13, Block 31, Wyatt Acres Addition, Part 15, located on NW Taylors Landing, between NW Allison Lane and NW Micklegate Boulevard. There are no utilities located within this easement; all of the utilities are located in the 25 foot utility easement located along the front of these lots.

PSO, CenterPoint Energy, AT&T, Fidelity, and the City of Lawton Public Works have been notified of this request and they have no objections.

Notice of public hearing was mailed to 14 property owners within 300 feet of the requested area on October 19, 2016, and notice was published in *The Lawton Constitution* on November 11, 2016. No objections to this closing have been received.

EXHIBITS: Ordinance No. 16-____
Location Map

KEY ISSUES:

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Hold a public hearing and approve Ordinance No. 16-____, waive the reading of the ordinance and read the title only.

ORDINANCE NO. 16-__

AN ORDINANCE CLOSING THE UTILITY EASEMENT ALONG THE REAR OF LOTS 11-13, IN BLOCK 31, OF WYATT ACRES ADDITION, PART 15.

BE IT ORDAINED by the Council of the City of Lawton, Oklahoma, that:

SECTION 1. The following described easement as shown on the plat of Wyatt Acres Addition, Part 15, is hereby closed to wit:

The 10 foot utility easement along the rear of Lots 11-13, Block 31, of Wyatt Acres Addition, Part 15, to the City of Lawton, Comanche County, Oklahoma.

(Located at approximately 7704 – 7708 NW Taylors Landing)

ADOPTED and APPROVED by the Council of the City of Lawton, Oklahoma, this 22nd day of November, 2016.

FRED L. FITCH, MAYOR

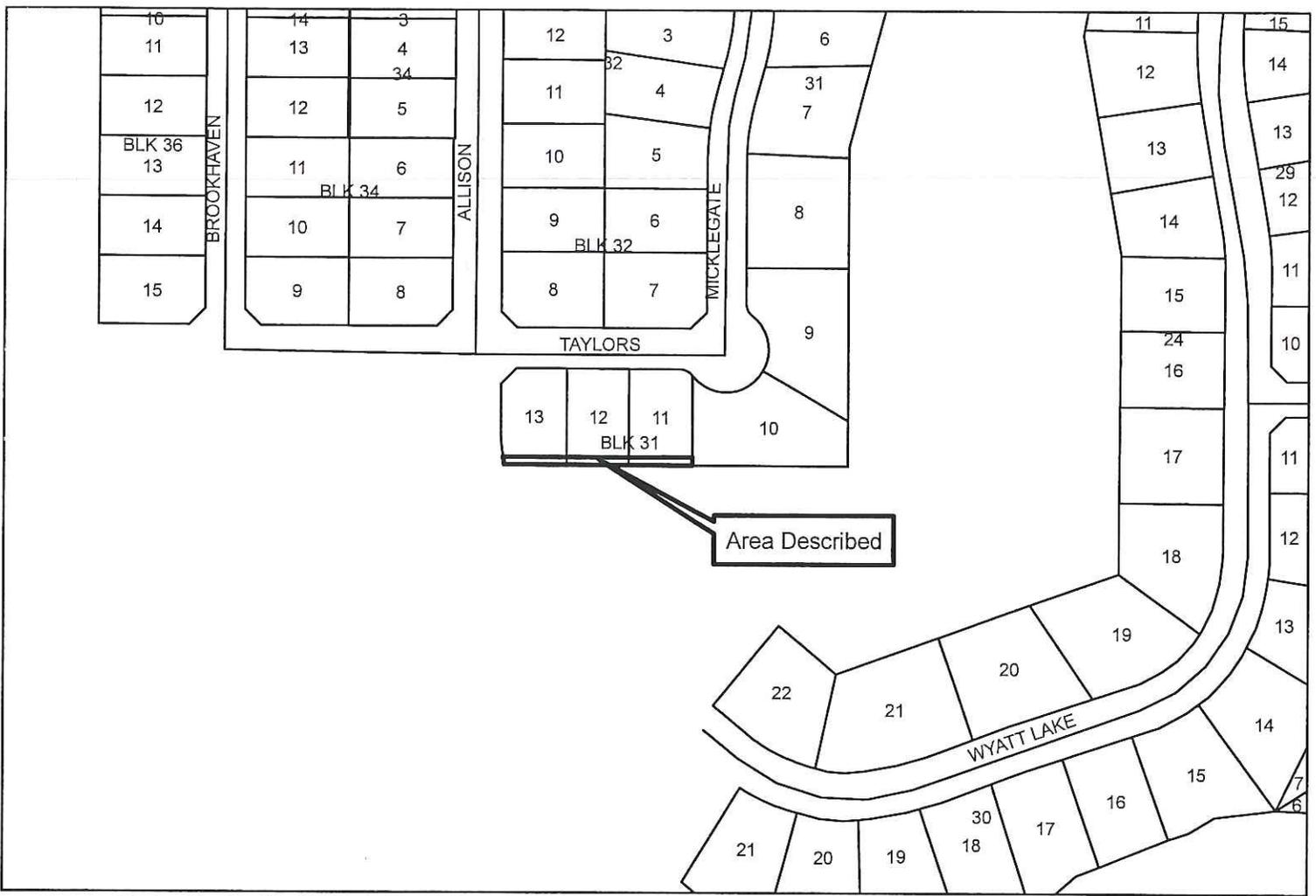
ATTEST:

TRACI HUSHBECK, CITY CLERK

APPROVED as to form and legality this 4 day of November, 2016.



FRANK JENSEN, CITY ATTORNEY



CLOSING OF PUBLIC WAY OR EASEMENTS

Requested By: Mitchell Wyatt

Area Described As: The South 10 feet of Lots 11-13, Block 31, Wyatt Acres Addition, Part 15

Legend

 Area Described



ITEM NO. 16
MTG. DATE: November 22, 2016

CITY COUNCIL MEETING
STAFF AGENDA ITEM COMMENTARY

ITEM TITLE: Hold a public hearing and adopt a resolution declaring the structure located at 7209 NW Maple Drive to be dilapidated pursuant to Lawton City Code 6-5-1; ordering the owner(s) to abate the nuisance; authorizing summary abatement; and authorizing the City Attorney to commence legal action in district court to abate the nuisance.

INITIATOR: Assistant City Manager, Administration

STAFF INFORMATION SOURCE: Neighborhood Services Supervisor

BACKGROUND: The structure located at 7209 NW Maple Drive have been inspected and found to meet the criteria to be declared dilapidated pursuant to Lawton City Code 6-5-1. The structure is in an obvious state of neglect and disrepair such that it is detrimental to the health, safety and welfare of the general public and a blighting influence on the Lawton community. The attached resolution provides that the structure listed above be declared dilapidated, and direct that it be remodeled or demolished by the property owners in compliance with the City's building code requirements. The property owners and any mortgage holders have been notified of this public hearing by mail with a receipt of mailing obtained from the post office and by a Notice of Hearing posted on the property. Summary documents with supporting photos, reports from the Fire Marshal, and from city Inspectors, and case history are on file with the Neighborhood Services Division.

EXHIBITS: Resolution No 16-_____.

KEY ISSUE:

FUNDING SOURCE: Neighborhood Services Abatement and Demolition Funds

RECOMMENDED COUNCIL ACTION: Adopt Resolution No 16-_____ declaring the structure located at 7209 NW Maple Drive to be dilapidated pursuant to Lawton City Code 6-5-1, ordering the owner(s) to abate the nuisance, authorizing summary abatement, and authorizing the City Attorney to commence legal action in district court to abate the nuisance.

RESOLUTION NO. 16 - _____

A RESOLUTION DECLARING CERTAIN STRUCTURE(S) TO BE DILAPIDATED, DETRIMENTAL TO THE HEALTH, SAFETY, OR WELFARE OF THE GENERAL PUBLIC AND COMMUNITY, A BLIGHTING INFLUENCE, AND A PUBLIC NUISANCE; DIRECTING THE OWNER(S) TO OBTAIN A REMODEL OR DEMOLITION PERMIT WITHIN THIRTY (30) DAYS AND ABATE THE NUISANCE; AUTHORIZING SUMMARY ABATEMENT SHOULD THE OWNER(S) FAIL TO ABATE THE NUISANCE; AND ALTERNATIVELY AUTHORIZING THE CITY ATTORNEY TO COMMENCE LEGAL ACTION IN COMANCHE COUNTY DISTRICT COURT TO ABATE SUCH NUISANCE IF SUMMARY ABATEMENT IS NOT ECONOMICALLY PRACTICAL.

WHEREAS, the condition of the structure(s) on the property located at **7209 NW MAPLE DRIVE, LOT 40, BLOCK 11, WILLOW CREEK ADDITON, PART 7**, has become dilapidated and detrimental to the health, safety or welfare of the City of Lawton and it's inhabitants, a blighting influence and the real property therewith has therefore become a public nuisance; and

WHEREAS, a City official caused ten (10) days notice to be given the property owner(s) and any recorded mortgage holders thereof, notifying them that on a day certain the City Council of the City of Lawton, Oklahoma, would hold a public hearing, be presented with evidence concerning the condition of the said structure(s) and then determine whether said structure(s) should be declared dilapidated, detrimental to the health, safety or welfare of the City of Lawton and its inhabitants, a blighting influence and the real property to be a public nuisance; and

WHEREAS, such notice being given as required by statutes of the State of Oklahoma and the ordinances of the City of Lawton, and said public hearing being held, the Council of the City of Lawton, Oklahoma, determined and found the structure(s) located on the following described real property:

**7209 NW MAPLE DRIVE
LOT 40, BLOCK 11, WILLOW CREEK ADDITION, PART 7
COMANCHE COUNTY, LAWTON, OKLAHOMA**

Title Holder(s): LUDOVINO TORRES
RE: 7209 NW MAPLE DRIVE
LAWTON, OK 73501
1614 NW 48TH ST
LAWTON, OK 73505

Mtg. Holder(s): DEUTSCHE BANK NATIONAL TRUST COMPANY
c/o OCWEN LOAN SERVICING, LLC
WEST PALM BEACK, FLORIDA 33409

EQUIFIRST CORPORATION
500 FOREST POINT CIRCLE
CHARLOTTE, NC 28273

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC
PO BOX 2026
FLINT, MICHIGAN 48501

Leins: FIRST NATIONAL BANK AND TRUST COMPANY
6702 QUANAH PARKER TRAILWAY
LAWTON, OK 73505

CITY OF LAWTON
212 SW 9th
LAWTON, OK 73501

Date Notice Sent Firm Mail: (1) Title Holder(s): November 10, 2016.

Date Notice Posted on the Property: November 10, 2016.

to be dilapidated, detrimental to the health, safety or welfare of the general public and the community, a blighting influence, and a public nuisance; and

WHEREAS, the Council of the City of Lawton, Oklahoma, further found that the dilapidated structure(s) must, at the expense of the property owner, either be repaired and brought up to the standards of Chapter 6 of the City's Municipal Code and any other applicable code provisions or be torn down and removed by the property owner.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Lawton, State of Oklahoma, that:

SECTION 1: The Council of the City of Lawton, Oklahoma, after a public hearing held and evidence being heard, determines the structure(s) located upon the real property hereinbefore described is/are dilapidated, detrimental to the health, safety, or welfare of the community, a blighting influence, and a public nuisance.

SECTION 2: The property owner of said dilapidated structure(s) shall have thirty (30) days from the date of the adoption of this resolution, at said owner's expense, to obtain a permit either (1) to remodel and bring the dilapidated structure(s) within the standards of Chapter 6 of the City's Municipal Code and any other applicable code provisions or (2) to tear down and remove such dilapidated structure(s). No such work shall begin or be done by the owner or said owner's agents without a permit therefore. Any work authorized under a permit to remodel and bring the dilapidated structure(s) within the standards of the City's building code must be completed as outlined in Paragraph D, Section 6-1-1-108, Article One, Chapter 6, of the Lawton City Code. Should the property owner fail to remodel and bring the dilapidated structure(s) within the applicable code standards within the time prescribed in Section 6-1-1-108, said property owner shall then obtain a demolition permit within seven (7) days of the expiration of the time period outlined in Section 6-1-1-108 and demolish and remove the dilapidated structure(s) within four (4) weeks of the issuance of the demolition permit. Further, until all such work is completed and for so long as the structure(s) remain deemed dilapidated and the real property deemed a public nuisance, the owner or said owner's agents shall not allow the premises to be occupied.

SECTION 3: In the event the property owner either (1) fails to obtain a permit as directed in Section 2 of this Resolution or (2) fails to perform in accordance with the conditions of the permit issued, then the City's agents are authorized to enter upon said property, to abate the nuisance thereon, and to otherwise demolish, dismantle and remove the dilapidated structure(s) as necessary should the City's agents determine it economically or otherwise practical to do so. Further, Neighborhood Services is authorized to solicit bids to raze and remove the dilapidated structure(s), if necessary.

Section 4: In conjunction with or in lieu of any such summary abatement, the City Attorney is hereby authorized to abate the nuisance through any method authorized by law, including the initiation and settlement of cases in Comanche County District Court. In addition to the property owner, the City Attorney shall be authorized to name as a party to any court action any individual or entity having an interest in said real property, to include mortgage and lien holders, as necessary. In lieu of or in conjunction with any such litigation the City Attorney is authorized to allow a demolition permit to be issued to any individuals with a legally valid ownership claim to the property.

Section 5: All of the costs borne by the City in abating the nuisance shall be charged to the owner of said property as a personal obligation and to the real property itself pursuant to the provisions of Title 11 O.S. §22-112 and Title 50 O.S. §17 and any other applicable law. These costs will include the following: (1) the cost of any necessary litigation and attorney fees, (2) the cost of any notice, mailing and all other costs of suit, (3) the actual cost of the labor, maintenance, and equipment required for the dismantling and removal of the dilapidated structure(s), and (4) any other expenses that may be necessary in conjunction with the demolition, dismantling and removal of the structures and otherwise abating the public nuisance on the property.

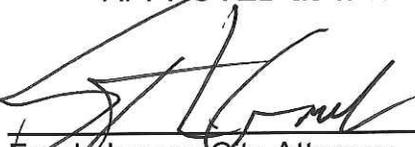
ADOPTED and **APPROVED** by the Mayor and Council of the City of Lawton, Oklahoma, this 22nd day of November 2016

Fred L. Fitch, Mayor

ATTEST:

Traci Hushbeck, City Clerk

APPROVED as to form and legality this 15 day of November 2016.



Frank Jensen City Attorney



EXHIBIT A
NEIGHBORHOOD SERVICES DIVISION
212 SW 9TH STREET
Lawton, Oklahoma 73501
(580) 581-3467 FAX (580) 581-3510
PROPERTY MAINTENANCE EVALUATION WORKSHEET

The following property is in violation of Lawton City Code 6-5-1; Existing Structures Code, as described in this attachment:

Inspection Date: Sept 26, 2016

Address: 7209 NW Maple Dr.

Type of Occupancy: RESIDENTIAL

Vacant structure and premises is not maintained in a clean, safe, secure and sanitary condition; Creating blight problem or adversely affecting the public health and safety. (IPMC 301.3)

Weeds plant growth in excess of 12 inches (IPMC 302.4, as amended by LCC 15-2)

Insect and rodent harborage and/or infestation (IPMC 302.5 & 308.1)

Accessory structures, including detached garages, fences, and walls are not structurally sound (IPMC 302.7)

Exterior surface lacks protective treatment from the elements, decay and rust; peeling, flaking and chipped paint; missing, cracked or broken siding. (IPMC 304.2)

Foundation walls not plumb; open cracks and breaks; openings that allow animals to enter (IPMC 304.5)

Exterior walls have holes, breaks, or other loose or rotting materials (IPMC 304.6)

Roof, roof drains, gutters, and downspouts in disrepair, inadequate to prevent dampness or deterioration in walls and interior portion of the structure; roof water discharging in a manner that creates a public nuisance. (IPMC 304.7)

Decorative features (cornices, trim, wall facings, etc.) in disrepair, improperly anchored, unsafe. (IPMC 304.8)

Windows, skylights, and door-frames cracked, not weather tight, unable to open, disrepair (IPMC 304.13)

Lacking insect screens where required for ventilation; existing screens in disrepair (IPMC 304.14)

Doors, door assemblies and hardware in poor condition, unlocked, poor condition (IPMC 304.15)

Interior of structure and equipment not maintained in good repair, structurally sound and in a sanitary condition. (IPMC 305.1)

Structural members structurally unsound; incapable of supporting the imposed loads (IPMC 305.2)

Interior surfaces poorly maintained unclean, unsanitary, decayed wood, peeling paint, cracked or loose plaster. (IPMC 305.3)

Exterior property and premises, and the interior of every structure not free of any accumulation of rubbish and garbage. (IPMC 307.1)

NOTES: VACANT UNSECURE MAIN STRUCTURE. THERE IS TALL GRASS AND THE MAIN STRUCTURE HAS EXTENSIVE ROOF DAMAGE. THIS STRUCTURE IS NOT HABITABLE AND DOES NOT HAVE ANY UTILITIES. PHOTOS WERE TAKEN.

Inspected By: Stephen Sellman and Joshua Leach

This inspection sheet is not intended to be all-inclusive and additional items may be identified and corrected to bring the property in compliance with the Lawton City Code.

ITEM NO. 17
MEETING DATE: November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider accepting the annual audit report on the City of Lawton for the year ended June 30, 2015, as presented by BKD, LLP.

INITIATOR: Finance Director

STAFF INFORMATION SOURCE: Finance Director

BACKGROUND: The public accounting firm of BKD, LLP, as engaged by the City under contract CL15-006, has completed the fiscal year 2014-2015 annual audit of the City of Lawton.

EXHIBITS: None.

KEY ISSUES: None.

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Accept the annual audit report on the City of Lawton for the year ended June 30, 2015.

ITEM NO. 18
MEETING DATE: November 22, 2016

CITY COUNCIL AGENDA ITEM COMMENTARY

ITEM TITLE: Consider approving an ordinance authorizing the calling and holding of an election on February 14, 2017, in the City of Lawton, State of Oklahoma, for the purpose of issuing general obligation bonds in the amount of \$55,300,000 over a 13-year period in order to fund improvements to be made to the City's streets and roadways, as deemed appropriate and prioritized by City Council; providing for severability; declaring an emergency; and requiring the full text to be published and take action as necessary.

INITIATOR: Mayor and City Council

STAFF INFORMATION SOURCE: City Manager 

BACKGROUND: Over the past few months, the City Council has reviewed the capital improvement needs for the City's streets and roadways. Because of the dollar and work magnitude of the improvements contemplated, it has been determined that the improvements will require a series of separate work projects to be conducted over a period of several years and will need to be funded through resources currently unavailable within the City's operating budget. As a result, the most feasible funding source for the contemplated improvement projects is through the issuance of general obligation bonds, as allowed by the Oklahoma Constitution, Article X, Section 27. General obligation bonds are repaid from the future collection of ad valorem taxes assessed to property owners within the City's jurisdiction and, therefore, require an affirmative vote of a majority of the City's electorate.

Enclosed for the Council's consideration is an ordinance along with a special election proclamation which would call for an election on February 14, 2017, to place the question of the proposed ad valorem bond issue before the electorate. The ordinance sets out the proposition to be placed upon the election ballot. For the purpose of informing the public, the full text of the ordinance will be published in the Lawton Constitution.

EXHIBITS: Ordinance No. 16-____
Election Proclamation

KEY ISSUES: Does the City Council wish to place the proposed \$55,300,000 ad valorem bond issue before the electorate for the purpose of street and roadway improvements?

FUNDING SOURCE: General Fund – Election Expenses

RECOMMENDED ACTION: Approve Ordinance No. 2016 - ____, including the Emergency Clause by separate vote, and the Special Election Proclamation.

THE CITY COUNCIL OF THE CITY OF LAWTON, STATE OF OKLAHOMA, MET IN REGULAR SESSION IN THE COUNCIL CHAMBERS AT THE MAIN CITY HALL BUILDING IN SAID CITY ON THE 22nd DAY OF NOVEMBER, 2016, AT 6:00 O'CLOCK P.M.

PRESENT:

ABSENT:

Notice of the regular meeting of the City Council of the City for November 22, 2016, was filed with the City Clerk of the City of Lawton on _____ at _____ o'clock p.m., and public notice of this meeting, setting forth the date, time, place and agenda was posted at the Main City Hall in prominent view and open to the public twenty-four (24) hours each day, seven (7) days each week at ___ o'clock __.m., on the ___ day of November, 2016, being twenty-four (24) hours or more prior to this meeting, excluding Saturdays, Sundays and legal holidays, all in compliance with the Oklahoma Open Meeting Act (as attached hereto).

(Other Proceedings)

THEREUPON, the Mayor introduced the Ordinance set forth below, which was read in full by the Clerk. Upon motion by _____, seconded by _____, said Sections 1 through 4 of the Ordinance were adopted by the following vote:

AYE:

NAY:

Thereupon Section 5 of the Ordinance setting forth the emergency nature of said Ordinance was read and _____ moved that Section 5 be adopted and an emergency be declared, which matter was seconded by _____, whereupon the roll was called on the question of the adoption of Section 5 and declaring an emergency to exist, resulting in the adoption thereof by the following vote:

AYE:

NAY:

Said Ordinance was thereupon signed by the Mayor, attested by the Clerk, sealed with the seal of said municipality, and is as follows:

EMERGENCY ORDINANCE

AN ORDINANCE AUTHORIZING THE CALLING AND HOLDING OF AN ELECTION IN THE CITY OF LAWTON, STATE OF OKLAHOMA, FOR THE PURPOSE OF SUBMITTING TO THE

REGISTERED QUALIFIED ELECTORS OF SAID CITY THE QUESTIONS OF THE APPROVAL OR REJECTION OF ORDINANCE NO. 16-__ OF THE CITY RELATING TO THE ISSUANCE OF THE BONDS OF SAID CITY IN THE SUM OF FIFTY-FIVE MILLION THREE HUNDRED THOUSAND DOLLARS (\$55,300,000) TO PROVIDE FUNDS FOR STREET/ROADWAY IMPROVEMENTS, INCLUDING CITY UTILITIES UNDER AND ADJACENT TO SUCH STREETS/ROADWAYS FOUND TO BE IN NEED OF REPAIR/REPLACEMENT, SUCH UTILITIES TO BE OWNED EXCLUSIVELY BY SAID CITY; AND LEVYING AND COLLECTING AN ANNUAL TAX , IN ADDITION TO ALL OTHER TAXES, UPON ALL THE TAXABLE PROPERTY IN SAID CITY FOR THE PAYMENT OF THE INTEREST AND PRINCIPAL ON SAID BONDS; AND DECLARING AN EMERGENCY.

WHEREAS, it is deemed advisable by the City of Lawton, State of Oklahoma, for the public health, welfare, safety and continued economic development of the City that the City improve the streets/roadways of the City; and

WHEREAS, the estimated amount necessary to improve the streets/roadways, including right of way acquisition for said purpose, which is to be funded with general obligation bonds payable from ad valorem taxes, is fifty-five million three hundred thousand dollars (\$55,300,000) and the funds are not available in the treasury for such purpose and the power is granted said City by Section 27 of Article 10, of the Constitution and laws of the State of Oklahoma, to issue bonds to provide funds for such purpose, provided the same be authorized by the registered, qualified voters thereof, voting at an election held for such purpose; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAWTON, STATE OF OKLAHOMA:

Section 1. That the Mayor of said City be, and he is hereby authorized and directed to call a special election to be held in said City on the 14th day of February, 2017, whereupon the following proposition shall be submitted to the registered qualified voters of the City.

PROPOSITION

(STREET/ROADWAY IMPROVEMENT BONDS)

“SHALL THE CITY OF LAWTON, STATE OF OKLAHOMA INCUR AN INDEBTEDNESS BY ISSUING ITS BONDS IN THE SUM OF FIFTY-FIVE MILLION THREE HUNDRED THOUSAND DOLLARS (\$55,300,000) OVER THE NEXT THIRTEEN (13) YEARS FOR THE PURPOSE OF IMPROVING THE STREETS/ROADWAYS ACQUIRED BY THE CITY THROUGH GRANT, DEDICATION OR OTHERWISE FOR USE BY THE CITY’S INHABITANTS AND TRAVELING PUBLIC, INCLUDING CITY UTILITIES UNDER AND ADJACENT TO SUCH STREETS/ROADWAYS FOUND TO BE IN NEED OF REPAIR/REPLACEMENT, SUCH UTILITIES TO BE OWNED EXCLUSIVELY BY SAID CITY, ALL AS PRIORITIZED BY THE CITY’S GOVERNING BODY FROM TIME TO TIME AFTER PUBLIC HEARING THEREON, WITH OR WITHOUT THE USE OF OTHER FUNDS; AND LEVY AND COLLECT A SPECIAL TAX PAYABLE ANNUALLY, IN ADDITION TO ALL OTHER TAXES, UPON ALL THE TAXABLE PROPERTY IN SAID CITY SUFFICIENT TO PAY THE INTEREST ON SAID BONDS AS IT FALLS DUE, AND ALSO TO CONSTITUTE A SINKING FUND FOR THE PAYMENT OF THE PRINCIPAL THEREOF WHEN DUE, SAID BONDS TO BEAR INTEREST AT NOT TO EXCEED THE RATE OF TEN PERCENTUM (10%) PER ANNUM, PAYABLE SEMIANNUALLY AND TO BECOME DUE WITHIN FIFTEEN (15) YEARS FROM THEIR DATE?”

FOR THE ABOVE PROPOSITION

AGAINST THE ABOVE PROPOSITION

Section 2. The specific projects for which one hundred percent (100%) of the proceeds of the aforesaid \$55,300,000 street/roadway improvement general obligation ad valorem backed bonds shall be expended and the estimated dollar amount of proceeds to be spent on such projects shall be as follows:

Improvements to street/roadways throughout the City, including City utilities under and adjacent to such streets/roadways found to be in need of repair/replacement, all as prioritized by the City’s governing body from time to time after public hearing thereon. (\$55,300,000)

TOTAL STREET/ROADWAY IMPROVEMENT BOND PROJECTS: (55,300,000)

Section 3. That such call for said election be by proclamation, signed by the Mayor and attested by the City Clerk, setting forth the proposition to be voted upon and the hours of opening and closing of the polls. That the ballots shall set forth the proposition to be voted upon substantially as set out in Section 1 hereof, and the returns of said election shall be made to and canvassed by the Comanche County Election Board.

Section 4. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, said portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion of this ordinance.

Section 5. Whereas, it being immediately necessary for the preservation of the peace, health and safety of the City of Lawton and the inhabitants thereof of said City being without adequate streets/roadways, it is deemed and hereby declared necessary for the preservation of the public health, peace and safety that this Ordinance shall become operative immediately; wherefore an emergency is hereby declared to exist by reason whereof this ordinance shall take effect and be in full force from and after its passage, as provided by law.

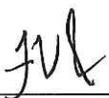
PASSED AND APPROVED this 22nd day of November, 2016.

FRED L. FITCH, MAYOR

(SEAL)
ATTEST:

TRACI L. HUSHBECK, CITY CLERK

APPROVED as to form and legality this 11 day of November, 2016.



FRANK V. JENSEN, CITY ATTORNEY

STATE OF OKLAHOMA)
) §§
COUNTY OF COMANCHE)

I, the undersigned, the duly qualified and acting Clerk of the City of Lawton, Oklahoma hereby certify that the foregoing is a true and complete copy of an Ordinance authorizing the calling and holding of an election for the purpose therein set out adopted by the governing body of said municipality and Transcript of Proceedings of said governing body at a regular meeting thereof held on the date therein set out, insofar as the same relates to the introduction, reading and adoption thereof as the same appears of record in my office.

I further certify that attached hereto is a true and complete copy of the public notice setting forth the date, time, place and agenda which was posted at the Main City Hall in prominent view and open to the public twenty-four (24) hours each day, seven (7) days each week at ___ o'clock __.m., on the ___ day of November, 2016, being twenty-four (24) hours or more prior to this meeting, excluding Saturdays, Sundays and legal holidays, all in compliance with the Oklahoma Open Meeting Act (as attached hereto).

WITNESS my hand and seal this 22nd day of November, 2016.

(SEAL)

City Clerk

ATTACHMENT

[Attach copy of meeting notice
showing when, where and to whom delivered]

and

[Attach copy of meeting agenda showing
when, where and by whom posted]

SPECIAL ELECTION PROCLAMATION AND NOTICE

Under and by virtue of Section 27 of Article X, of the Oklahoma Constitution and the Statutes of the State of Oklahoma, and Acts complementary, supplementary, an enacted pursuant thereto, authorizing the calling of an election on the proposition hereinafter set forth, I, the undersigned Mayor of the City of Lawton, Oklahoma, hereby call a special election and give notice thereof to be held in the City of Lawton, Oklahoma, on the 14th day of February, 2017, for the purpose of submitting to the registered, qualified voters in said City, the following proposition:

PROPOSITION

(STREET/ROADWAY IMPROVEMENT BONDS)

“SHALL THE CITY OF LAWTON, STATE OF OKLAHOMA INCUR AN INDEBTEDNESS BY ISSUING ITS BONDS IN THE SUM OF FIFTY-FIVE MILLION THREE HUNDRED THOUSAND DOLLARS (\$55,300,000) OVER THE NEXT THIRTEEN (13) YEARS FOR THE PURPOSE OF IMPROVING THE STREETS/ROADWAYS ACQUIRED BY THE CITY THROUGH GRANT, DEDICATION OR OTHERWISE FOR USE BY THE CITY’S INHABITANTS AND TRAVELING PUBLIC, INCLUDING CITY UTILITIES UNDER AND ADJACENT TO SUCH STREETS/ROADWAYS FOUND TO BE IN NEED OF REPAIR/REPLACEMENT, SUCH UTILITIES TO BE OWNED EXCLUSIVELY BY SAID CITY, ALL AS PRIORITIZED BY THE CITY’S GOVERNING BODY FROM TIME TO TIME AFTER PUBLIC HEARING THEREON, WITH OR WITHOUT THE USE OF OTHER FUNDS; AND LEVY AND COLLECT A SPECIAL TAX PAYABLE ANNUALLY, IN ADDITION TO ALL OTHER TAXES, UPON ALL THE TAXABLE PROPERTY IN SAID CITY SUFFICIENT TO PAY THE INTEREST ON SAID BONDS AS IT FALLS DUE, AND ALSO TO CONSTITUTE A SINKING FUND FOR THE PAYMENT OF THE PRINCIPAL THEREOF WHEN DUE, SAID BONDS TO BEAR INTEREST AT NOT TO EXCEED THE RATE OF TEN PERCENTUM (10%) PER ANNUM, PAYABLE SEMIANNUALLY AND TO BECOME DUE WITHIN FIFTEEN (15) YEARS FROM THEIR DATE?”

FOR THE ABOVE PROPOSITION

AGAINST THE ABOVE PROPOSITION

Section 1. The specific projects for which one hundred percent (100%) of the proceeds of the aforesaid \$55,300,000 street/roadway improvement general obligation ad valorem backed bonds shall be expended and the estimated dollar amount of proceeds to be spent on such projects shall be as follows:

Improvements to streets/roadways throughout the City, including City utilities under and adjacent to such streets/roadways found to be in need of repair/replacement, all as prioritized by the City's governing body from time to time after public hearing thereon. (\$55,300,000)

TOTAL STREET/ROADWAY IMPROVEMENT BOND PROJECTS:
(\$55,300,000)

Only the registered, qualified voters of the City of Lawton, Oklahoma may vote upon the proposition set forth above.

The polls shall be opened at 7:00 o'clock a.m. and shall remain open continuously until and be closed at 7:00 o'clock p.m.

Those precinct officers designated by the County Election Board of Comanche County, Oklahoma, which officers shall also act as counters and certify the results thereof as required by law, shall conduct such election.

The number and location of the polling places for the election shall be the same as prescribed by the County Election Board for state and county elections and shall include all precincts totally or partially contained within the city limits of the City of Lawton.

DATED this ____ day of November, 2016.

FRED L. FITCH
MAYOR

(SEAL)
ATTEST:

TRACI L. HUSHBECK
CITY CLERK

MINUTES
LAWTON CITY COUNCIL REGULAR MEETING
NOVEMBER 8, 2016 – 6:00 P.M.
LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

Fred L. Fitch, Mayor
Presiding

Also Present:
Bart Hadley, Acting City Manager
Frank V. Jensen, City Attorney
Traci Hushbeck, City Clerk
COL Samuel Curtis, Fort Sill Liaison

Mayor Fitch called the meeting to order at 6:00 p.m. Notice of meeting and agenda were posted on the City Hall notice board as required by law. Invocation was given by Pastor Terry Marsh, Carriage Hills Christian Church, followed by the Pledge of Allegiance.

ROLL CALL

PRESENT: Bob Morford, Ward One
Keith Jackson, Ward Two
Rosemary Bellino-Hall, Ward Three
Jay Burk, Ward Four
Dwight Tanner, Jr., Ward Five
Cherry Phillips, Ward Six
V. Gay McGahee, Ward Seven
Doug Wells, Ward Eight

ABSENT: None

PROCLAMATION FOR PSI UPSILON CHAPTER, OMEGA PSI PHI FRATERNITY, INC.
WEEK

Mayor Fitch proclaimed the week of November 13-19, 2016 as Psi Upsilon Chapter, Omega Psi Phi Fraternity, Inc. Week and November 17, 2016 as Psi Upsilon Chapter, Omega Psi Phi Fraternity, Inc. Day. He presented the proclamation to Gene Deloach, President of Psi Upsilon Chapter, Omega Psi Phi Fraternity and Mike Forrest, the keeper of records and seals.

PROCLAMATION FOR NATIONAL FAMILY CAREGIVERS MONTH

Mayor Fitch proclaimed the month of November as National Family Caregivers Month. He presented the proclamation to Jenny Breeden.

AUDIENCE PARTICIPATION: None

CONSIDER APPROVAL OF MINUTES OF LAWTON CITY COUNCIL REGULAR
MEETING OF OCTOBER 25, 2016.

MOVED by Wells SECOND by McGahee to approve the minutes of Lawton City Council regular meeting of October 25, 2016. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

CONSENT AGENDA

Jackson stated he was called earlier today about a home at 1502 Bishop Road and he was told the property owner was going to be here tonight to discuss the denial of the claim but it appears she is not here so he will not pull item #2.

Phillips requested item #1 be pulled for discussion.

MOVED by Burk SECOND by Jackson to approve the consent agenda with the exception of item #1. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

1. Consider the following damage claim recommended for approval: Invitational Apartments in the amount of \$1,200.00. Exhibits: Legal Opinions/Recommendations, Resolution No. 16-__.

Phillips stated she pulled this item at the request of staff.

Afsaneh Jabbar, Director of WWTP/WTP, stated when her staff provided information to the City Attorney's office they forgot to mention an important point. At this apartment complex water feeds the boiler and the boiler feeds the heating unit. In February when the water line broke they attempted to turn the water off so they could find the location of the leak but the maintenance man at the apartment complex declined to shut the water off. Therefore they identified the location of the leak based on where the water was going and they did not have opportunity to isolate the problem. Based on the request by the apartment complex not to shut the water off they diagnosed the problem with half the information.

Phillips questioned if that information changes the recommendation.

Jabbar stated if they would have shut the water off to the building then they might have seen the water flowing at that point.

Kelea Fisher, Assistant City Attorney, stated their recommendation was based on the information they received from Ms. Jabbar's office and the basis of that recommendation was that we originally told the apartment complex that the water leak was on their side. They hired a plumber and paid the \$1,200 and then the plumber determined the leak was still continuing so staff went out and rectified the situation and after that the leak stopped. There was nothing done by Ms. Jabbar's department to confirm with the apartment complex that the plumber actually came back in after that time to fix their side of the line. It would have changed her recommendation if she had known, but they did not receive that information.

Jensen questioned if Ms. Fisher had heard that information prior to tonight.

Fisher stated she did hear this in passing two or three days ago and Ms. Jabbar told her she was going to try and confirm this information and this is the first that she heard that she actually confirmed it.

Jensen stated his staff needs to hear about information like that before it comes to the council.

Jackson questioned if they need to reconsider this item.

Wells stated it was still on the city side. Do they have a policy about shutting off heat in the middle of winter?

Jensen recommended they table this item and find out all the information before the next council meeting and go from there.

MOVED by Jackson SECOND by Morford to table. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

2. Consider the following damage claim recommended for denial: Thelma and John Pendley in the amount of \$69,000.00. Exhibits: Legal Opinion/Recommendation.
3. Consider approving an Outside Water Sales Contract with Shawn Owen, and authorize the Mayor and City Clerk to execute the Contract. Exhibits: Location Map. Contract is on file in the City Clerk's Office.
4. Consider approving an amendment to the professional services agreement with John C. Mackey Jr., to add duties of an independent investigator, and authorize the Mayor and City Clerk to execute the Agreement. Exhibits: Proposed Amended Agreement for Professional & Legal Services on file in City Clerk's Office.
5. Consider authorizing NFP, the City's insurance broker, to prepare a Request for Proposal (RFP) for an online benefit administration system that will provide a private exchange model allowing City of Lawton employees to choose their insurance plans. Exhibits: None.
6. Consider amending the Community Development Block Grant Fund FY 2016-2017 budget. Exhibits: U.S. Department of Housing & Urban Development Award letter and Funding Allocation Summary.
7. Consider adopting a resolution authorizing the installation and/or removal of traffic control measures on NE 43rd at Cache Road and on Mossy Oak Drive at NE 45th and East Gore Blvd at Albert Johnson Sr. Avenue. Exhibits: **Resolution 16-81**, Traffic Commission Minutes and Traffic Issue Requests.
8. Consider accepting a grant from the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) in the amount of \$89,611.20 for acquisition and demolition of flood-prone properties located at 906 SW 9th, 908 SW 9th, and 810 SW I Ave. Exhibits: Grant award letter, Hazard Mitigation Assistance Grant Agreement.

9. Consider approving an agreement and payment of \$1,800.00 to Mr. Robert Arbuckle for the replacement of a portion of the residential driveway located at 6819 NW Crestwood Dr., which was demolished in the course of completing a city waterline repair. Exhibits: Proposed agreement between the City of Lawton and Mr. Arbuckle.
10. Consider adopting the 2016 City of Lawton Stormwater Management Plan (SWMP). Exhibits: Stormwater Management Plan on file in the City Clerk's Office.
11. Consider approving plans and specifications for the Elmer Thomas Park Splash Pad Project, Project No. 2016-01 and authorizing staff to advertise for bids. Exhibits: Plans and specifications are on file in the Engineering Department office.
12. Consider approving appointments to boards and commissions. Exhibits: None

Airport Authority

Ed Peterson
8231 NW Stonebridge
Lawton, Oklahoma 73505
12/31/2019

Sam Firman
709 SW B Avenue
Lawton, Oklahoma 73501
12/31/2019

Citizens' Committee On Capital Improvement Program (CIP)

Rick Flores
2316 NE Garden Lane
Lawton, Oklahoma 73507
11/08/19

City Planning Commission

David Davison
3721 NE Eastlake Drive
Lawton, Oklahoma 73507
12/14/2019

Historical Preservation Commission

Dr. Suzanne Crawford
Professional Historian
3320 Atlanta
Lawton, Oklahoma 73505
12/14/18

13. Consider approval of payroll for the periods of November 8 – November 7, 2016.

NEW BUSINESS ITEMS:

14. Consider an ordinance amending Section 10-4-402, Article 10-4, Chapter 10, Lawton City Code, 2015, relating to the disposition of personal property in the possession of the Chief of Police, by amending the notice requirements for potential property owners to match those required by state law; providing for severability and establishing an effective date. Exhibits: Ordinance 16-__.

Fisher stated this ordinance pertains to the process that the chief of police is required to undergo in order to dispose of property that comes into his possession. The amendment would simply change that process by changing the notice requirements to meet those that are set by state statute.

MOVED by Burk SECOND by Jackson to adopt **Ordinance 16-29**, waive the reading of the ordinance, read the title only and establishing an effective date of thirty days from today. AYE: Morford, Jackson, Bellino-Hall, Burk, Tanner, Phillips, McGahee, Wells. NAY: None.
MOTION CARRIED.

(Title read by City Attorney)

Ordinance 16-29

An ordinance amending Section 10-4-402, Article 10-4, Chapter 10, Lawton City Code, 2015, relating to the disposition of personal property in the possession of the chief of police, by amending the notice requirements for potential property owners to match those required by state law, providing for severability, and establishing an effective date of thirty days from today.

REPORTS: MAYOR/CITY COUNCIL/CITY MANAGER

Mayor Fitch requested COL Curtis give some additional clarification on the passes to get into Fort Sill. He stated some of the passes are expiring and he questioned if they are going to be able to be renewed even if they don't have the valid driver's license.

COL Curtis stated the driver's license will still be accepted through the 9th of January. If there is an existing pass on Fort Sill with the drivers license, even though it is not within compliance of the real ID act, they can renew their pass at that point prior to January 9th. He stated if someone went in on January 2nd and renewed their yearly pass with their Oklahoma driver's license, the pass would be good for a year.

Mayor Fitch stated his pass expires in March, so he needs to go in prior to January 9th and get it renewed.

COL Curtis stated yes. He stated they are working with other military installations on a list of alternate documents since a lot of people don't have a passport.

Wells stated there has been a lot of talk about the audit and us being so far behind. He stated we are actually only 10 months late. He stated it was due to be presented tonight for 2015 but it has been moved to next council meeting and at that point our audits will be up to date. He stated our

local election has gotten as nasty as the national election. There has been an allegation that the council used \$27 million from the general employee retirement fund to back the loan on 2nd Street and that is absolutely false. The employees retirement system is in a trust and cannot be touched by the council. He stated six years ago the council, by a vote of 6-2, approved to make the City basically the co-signer for the note for 2nd Street and had they not done that then those shops would not be down on 2nd street. The allegations that we are using any city funds to pay that note are false. The sales tax, state match and the property taxes have handled the note payments up to this point and should continue to do so and there will be no city money expended for 2nd Street unless sometime in the future that were to go under and then the city would pick up the obligation for that debt.

Mayor Fitch stated that is correct and we have started reducing the principle. One was made in September and we will make another interest only payment in March with another interest and principle due in September of next year. We are on track and these items have been circulated in the community and they are totally false.

Wells stated when someone is running against a council member and you make allegations that broad, which reflects on all 8 council members, please have your facts straight. He can assure the citizens that not one penny of money is missing from the city and there is no money being expended illegally or outside of the normal channels. He stated the council is very honest.

McGahee stated on behalf of Veteran's Day she thanked those who have served.

Phillips stated she attended the groundbreaking for the GOSPARQ CNG facility. She also attended the seminar sponsored by the rotary club which was very well attended and the Arts for All gala. She stated it was a very positive week for Lawton.

Wells stated there was also an ad in the paper regarding recycling and Snow Peak. The letter from Snow Peak is misleading. He stated they worked with the company for 18 months and a couple council members and staff went to Montgomery, Alabama and looked at the company they were partnering with and they had a great operation and then we found we didn't have enough tonnage for them to do the job so they weren't interested. Six months later they closed the plant down because there was no market for recycling products anymore. The council committee kept looking at it and they could make a recommendation to start recycling and charge every citizen \$7 a month or they could do a voluntary program and see if there was interest. The council opted for a voluntary program and if we could get 5,000 we could offer recycling but we ended up with around 1,300 – 1,500 people sign up so they did not start the program. Council is still looking at recycling but there is not much market and he feels the council did the right thing on recycling and not forcing something the citizens didn't want and have to pay additional money for.

Mayor Fitch stated the broker involved with Snow Peak had a lot of untruths and the thing was a mess.

McGahee stated Lawton Animal Welfare is offering a free rabies clinic on November 19th from 10:00 a.m. to 2:00 p.m.

Tanner stated the Live 2 Lead seminar was a packed house with many city employees attending. He stated he attended the Arts for All gala. He stated the Ambucs pancake event was well attended and the Armed Forces YMCA will hold their chicken/fish dinner event at the end of this week.

Burk stated he doesn't know of any council member who benefits from sitting on city council where it helps their business. There are a lot of things that have come out over the past few days that have been bothersome to him, his family and friends and members of the council. Things were said that were just untrue. He does this because he loves this city and representing the citizens of Lawton and there is not a single person on this council that does not feel the same way. He thanked everyone for their support.

Bellino-Hall stated they do not do this for financial gain or popularity in the community. She does it because she loves this city and wants to make it a better place to live.

Jackson congratulated the future winners and he hopes everyone can move on and unify the country, state and city of Lawton.

Hadley stated LATS will offer all active duty and retired service members free bus rides on Veteran's Day.

Burk stated Animal Welfare had a success rate of 69% in October. He stated the animal shelter has become a wonderful place due to the hard work of many organizations and people.

There being no further business to consider, the meeting adjourned at 6:42 p.m. upon motion, second and roll call vote.

FRED L. FITCH, MAYOR

ATTEST:

TRACI HUSHBECK, CITY CLERK