

**OF THE CITY COUNCIL OF THE  
CITY OF PURCELL, OKLAHOMA**

**MINUTES**

DATE OF MEETING: Wednesday, March 20, 2019  
TIME OF MEETING: 6:00 o'clock p.m.  
PLACE OF MEETING: City Hall, Downstairs Meeting Room  
230 W. Main Street  
Purcell, Oklahoma 73080

**1. CALL TO ORDER AND DETERMINATION OF QUORUM.**

Mayor Cox called the meeting to order and declared a quorum to be present at 6:00 p.m. Roll call was conducted by City Clerk, Dorothy Kennedy with the following results:  
Councilmen present: Danny Jacobs, Graham Fishburn, Theda Engert, Jay Tate, Ted Cox  
Councilman absent: None  
Staff present: Dale Bunn, Victor Lohn, Dorothy Kennedy  
Legal Counsel: Ted Haxel

Mayor Cox led in the Pledge of Allegiance.

Vice Mayor Jacobs offered the invocation.

Mayor Cox welcomed all in attendance.

**2. CONSIDER AND TAKE ACTION WITH RESPECT TO A RESOLUTION OF THE CITY OF PURCELL, OKLAHOMA (THE "CITY") APPROVING THE INCURRENCE OF INDEBTEDNESS BY THE PURCELL PUBLIC WORKS AUTHORITY (THE "AUTHORITY") ISSUING ITS UTILITY SYSTEM REVENUE NOTE, SERIES 2019 (THE "NOTE"); PROVIDING THAT THE ORGANIZATIONAL DOCUMENT CREATING THE AUTHORITY IS SUBJECT TO THE PROVISIONS OF THE INDENTURE AUTHORIZING THE ISSUANCE OF THE NOTE; WAIVING COMPETITIVE BIDDING WITH RESPECT TO THE SALE OF THE NOTE AND APPROVING THE PROCEEDINGS OF THE AUTHORITY PERTAINING TO THE SALE OF THE NOTE; RATIFYING AND CONFIRMING THE AMENDED LEASE AGREEMENT PERTAINING TO CERTAIN WATER, SANITARY SEWER, AND ELECTRIC SYSTEMS; AND CONTAINING OTHER PROVISIONS RELATING THERETO.**

Mr. Ben Oglesby was present representing Municipal Finance Services, Inc. Mr. Allan Brooks was present representing the Public Finance Law Group PLLC. Mr. Oglesby passed out a handout showing existing debt and collateral. He explained that Ordinance 16-03 is a one cent sales tax expiring December 2039 and is tied to the Hospital. Ordinance 09-07 is also a one cent expiring September 2040 and is tied to Capital Improvements. Ordinance 09-07 is collateral for the 2011 Note. The one cent tax just covers the Hospital's needs and there would be the need to pledge both sales tax. Mr. Oglesby advised the 2011 Bond Series is held by J.P. Morgan and legally we are not allowed to prepay, we can however, renegotiate for additional money

Mr. Oglesby stated over the past several years a significant amount of debt has been paid off. The City is in an excellent position to meeting debt service without any problems. The proposal is to negotiate for a 2019 Note in the amount of \$9,060,000 at an interest rate not to exceed 3%. JP Morgan has given an "Indicative Rate" of 2.75% which is just below the rate we currently pay of 2.85%. He advised "Indicative Rate" is not a solid rate but is what they anticipate being able to offer.

Mr. Oglesby advised the proposal is only a twelve year note with \$5,000,000 new money to be used for a Lift Station, a New City Yard, and Land Acquisition, in which the City already has plans to do.

Mayor Cox reiterating the one cent tax will barely cover the Hospital needs. The lender will want additional collateral coverage. We do not perceive needing the other one cent to meet debt

coverage. Councilman Fishburn asked if there was a down side. Mayor Cox stated there was none that he was aware of unless there was another big unforeseen project.

Mr. Brooks gave a word of caution that if there is a project that would deviate from the note we would need to talk.

Councilman Jacobs made a motion second by Mayor Cox to approve the financial package for the Utility System Revenue Note and approve Resolution No. 19-C07.

Yes: Jacobs, Cox, Fishburn, Engert, Tate                      No: None              Absent: None

*Mayor Cox declared the meeting to be in recess at 6:22 p.m.  
in order to enter into the Purcell Public Works Authority Meeting*

*Mayor Cox declared the meeting to be in joint session with the  
City Council and the Purcell Public Works Authority at 6:23 p.m.*

**3. EXECUTIVE SESSION:      DISCUSSION, CONSIDERATION RE:      AN  
EXECUTIVE SESSION TO BE HELD IN ACCORDANCE WITH 25 O. S. 307 §  
(B) (3)**

**a. Discussion and consideration concerning the purchase or acquisition of  
certain land or property in accordance with 25 O.S. 307 § (B) (3).**

Mr. Bunn advised the Council/Board of Trustees that he could just provide a report and there was not really a need for an Executive Session. He reported the following:

- The appraisal has been ordered
- We have received a lease agreement.
- The land owner is requesting proof of insurance, and we are working with OMAG to get that going.
- Mr. Bunn will be meeting with McClain County Commissioners in order to work out details concerning the land.

**4. EXECUTIVE SESSION:      DISCUSSION, CONSIDERATION AND POSSIBLE ACTION  
CONCERNING ITEMS DISCUSSED IN EXECUTIVE SESSION IN ACCORDANCE  
WITH 25 O. S. 307 § (B) (3)**

**a. Discussion and consideration and possible action concerning the purchase or  
acquisition of certain land or property in accordance with 25 O.S. 307 § (B)  
(3).**

No action.

**5. Council Member comment.**

None.

**6. Public Works Authority Trustee comments.**

None.

**7. Trust Manager and staff comments.**

None.

**8. Trust Attorney comments.**

None.

**9. Adjourn.**

Mayor declared the meeting adjourned at 6:30 p.m.

*Passed and approved this 1st day of April 2019*

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Ted Cox, Mayor

Attest:

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**Dorothy Kennedy, City Clerk**