

JOINT RESOLUTION

JOINT RESOLUTION OF THE CITY OF OKLAHOMA CITY AND THE OKLAHOMA CITY MUNICIPAL FACILITIES AUTHORITY (“OCMFA”) APPROVING USE OF \$18,156 FROM OKLAHOMA CITY MUNICIPAL FACILITIES AUTHORITY REVOLVING FUNDS TO PURCHASE EASEMENT(S) ON ATTACHMENT “A” IN OKLAHOMA CITY’S NAME FOR THIS GENERAL OBLIGATION BOND PROJECT; AND UPON THE SALE OF ALL THE BONDS DESIGNATED FOR THIS LISTED PROJECT TO AUTHORIZE THE EXPENDITURE OF SUCH 2017 GENERAL OBLIGATION STREETS PROPOSITION BOND FUNDS BY ADMINISTRATIVE TRANSFER TO THE OKLAHOMA CITY MUNICIPAL FACILITIES AUTHORITY IN THE AMOUNT OF \$18,156 FOR THE PURCHASE OF SAID EASEMENT(S) AS NECESSARY FOR THE DESIGN, CONSTRUCTION, AND COMPLETION OF PROJECT PC-0602, STREET WIDENING IMPROVEMENTS, S HARRAH ROAD, BETWEEN I-40 AND THE CITY LIMITS, WITHIN THE ARBITRAGE RULE TIMELINES; AND AUTHORIZING THE OCMFA TO ADMINISTRATIVELY ACCEPT AND DEPOSIT SAID BOND FUNDS INTO THE OKLAHOMA CITY MUNICIPAL FACILITIES AUTHORITY REVOLVING FUND FOR FUTURE USE ON GENERAL OBLIGATION BOND PROJECTS AS NEEDED.

WHEREAS, the Oklahoma City voters approved the 2017 General Bond Authorization Proposition One - Streets including listed projects and unlisted funds. Annually the City of Oklahoma City (“City”) determines the amount of bonds to sell in each proposition; and

WHEREAS, the General Bond Authorization Propositions authorize the use of bond funds for project construction and for those costs and services necessary and incidental to construction of the project; and

WHEREAS, the Internal Revenue Service Arbitrage Rules require general obligation bond funds be expended within certain specific time parameters. These rules require 5% of bond funds to be spent within six months of the bond sale, 85% to be expended within 3 years of the bond sale, and 100% to be expended within 5 years of the bond sale. Several factors present challenges in meeting these deadlines. For example, the City is restricted in its authority to expend listed bond funds for projects until such listed project is fully funded. Timely expenditure of bond funds is much more difficult whenever a project requires the acquisition of

land or easements as the acquisition process may require surveying and multiple contacts and site visits with the property owner. Purchases of land and easements are not merely incidental but are necessary as a first step in many bond projects as the location of and access to the project site is necessary for the timely design, construction, and completion of the project and such purchases directly affect the feasibility and constructability of the project. If the property owner is not a willing seller, then the condemnation process may take months to years to complete significantly impacting the City's ability to meet IRS Arbitrage Rule timelines; and

WHEREAS, depending upon the Proposition language, unlisted project funds may be utilized for necessary costs and services and incidental costs and services; and

WHEREAS, the Bond Proceeds Act provides that funds from outside the bond proceeds for any specific project may be used to reduce the amount of bond funds for that specific project and surplus funds, funds designated for a specific project not necessary to complete said specific project, may be used on other projects within the same general purpose; and "other funds" may be utilized for necessary costs and services and incidental costs and services; and

WHEREAS, in addition to other funding avenues, to facilitate the timely expenditure of bond funds, on August 2, 2011, the City and OCMFA entered into an agreement authorizing the OCMFA to provide temporary funding to purchase these necessary pre-construction items such as land and easement acquisition, when OCMFA revolving funds are available, and the City morally pledged to purchase these pre-construction items once the bond project was fully funded. This revolving funding agreement was established to enable the City to make necessary land and easement acquisitions to timely comply with IRS Arbitrage Rules but was not intended to be outside funds to reduce the amount of bond funds; and

WHEREAS, Oklahoma City voters approved the 2017 General Bond Authorization Proposition One – Streets Listed Project B (5), S Harrah Road, I-40 to City Limits; and

WHEREAS, OCMFA funds are needed to purchase easement(s) necessary for the completion of project PC-0602, street widening improvements, S Harrah Road, I-40 to City Limits, through the OCMFA revolving fund, not as outside funds. The easements are attached hereto as “Attachment A.” The easements will be titled in the City’s name upon OCMFA’s purchase from the property owner; and

WHEREAS, the Public Works Bond Manager and the Finance Director agree that there are adequate listed project funds to complete project PC-0602, as described in the general obligation bond proposition, including \$18,156 for the acquisition of the necessary property rights through the Oklahoma City Municipal Facilities Authority; and

WHEREAS, upon the sale of all the bonds designated for this listed project, it is the City’s desire to complete the purchase of the easements associated with PC-0602 through the OCMFA revolving fund using an administrative transfer of bond funds to the Oklahoma City Municipal Facilities Authority in the amount of the purchase price of the easement.

NOW, THEREFORE BE IT RESOLVED by the City of Oklahoma City and the Oklahoma City Municipal Facilities Authority to approve use of \$18,156 from the Oklahoma City Municipal Facilities Authority revolving fund to purchase the easement(s) on Attachment “A” in Oklahoma City’s name for this General Obligation Bond Project and upon the sale of all the bonds designated for this listed project to authorize the expenditure of such 2017 General Obligation Streets Proposition bond funds by administrative transfer to the Oklahoma City Municipal Facilities Authority in the amount of \$18,156 for the purchase of said easement(s) as

necessary for the design, construction, and completion of Project PC-0602, street widening improvements, S Harrah Road, I-40 to City Limits, within the IRS Arbitrage Rule timelines.

AND BE IT FURTHER RESOLVED by the Oklahoma City Municipal Facilities Authority to administratively accept and deposit said bond funds into the Oklahoma City Municipal Facilities Authority revolving fund for future use on General Obligation Bond Projects as needed.

ADOPTED by the Oklahoma City Municipal Facilities Authority and signed by its Chairman this 23RD day of MAY, 2023.

ATTEST:

Amy K. Simpson
SECRETARY

[Signature]
VICE CHAIRMAN

The seal is circular with the text "OKLAHOMA CITY MUNICIPAL FACILITIES AUTHORITY" around the perimeter and "OFFICIAL SEAL" in the center.

ADOPTED by the City of Oklahoma City and signed by its Mayor this 23RD day of MAY, 2023.

ATTEST:

Amy K. Simpson
CITY CLERK

[Signature]
VICE-MAYOR

The seal is circular with the text "SEAL OF THE CITY OF OKLAHOMA" around the perimeter and a central shield with a cross.

Reviewed for form and legality.

[Signature]
ASSISTANT MUNICIPAL COUNSELOR

ATTACHMENT “A”

EASEMENT(S)

Project PC-0602

**2017 General Bond Authorization Proposition One – Streets Listed Project B (5) South
Harrah Road, I-40 to City Limits. Ward 4**

Claimant/Grantor:

Mary Harkey and John Eric Harkey, 7P, and 8P \$18,156