|  |
| --- |
| REFINANCING LOAN APPLICATION **APPLICATION NO. \_\_\_\_\_-\_\_\_\_\_\_\_-\_\_\_\_\_\_\_\_\_-\_\_**  (This number is assigned by OWRB) |

The following filing, reviewing and processing fee is required with all loan applications. Such fee shall be based on the amount of financial assistance applied for (as set out below) and must be paid to the Oklahoma Water Resources Board by the applicant at the time of filing this application.

# 0BULoan Application Amount Fee

$ 249,999 or less $ 100.00

$ 250,000 - 999,999 $ 250.00

$1,000,000 or more $ 500.00

### A. APPLICANT INFORMATION

*1. Applicant Name*

|  |  |
| --- | --- |
| Name: |  |
| County: |  |

*2. Applicant Address*

|  |  |  |  |
| --- | --- | --- | --- |
| Address: |  | Phone: | ( ) |
|  |  | Fax: | ( ) |
| Office Hours: |  | | |

*3. Applicant's Chair and Secretary:*

|  |  |
| --- | --- |
| **Name** | **Office Held** |
|  | Chair |
|  | Secretary |

*4. Applicant’s Chief Officer* and/or person to whom all pre-application inquiries should be directed:

|  |  |  |  |
| --- | --- | --- | --- |
| Name: |  | | |
| Address: |  | Phone: | ( ) |
|  |  | Fax: | ( ) |

*5. Applicant's Financial Consultant:*

|  |  |  |  |
| --- | --- | --- | --- |
| Name: |  | | |
| Address: |  | Phone: | ( ) |
|  |  | Fax: | ( ) |

*6. Applicant’s Legal Counsel* (specify general counsel and bond counsel; if appropriate):

|  |  |  |  |
| --- | --- | --- | --- |
| Name: |  | | |
| Address: |  | Phone: | ( ) |
|  |  | Fax: | ( ) |

|  |  |  |  |
| --- | --- | --- | --- |
| Name: |  | | |
| Address: |  | Phone: | ( ) |
|  |  | Fax: | ( ) |

*7. Legal Authorization of Application:* Please include a copy of the duly adopted “parameter buy” resolution of the Applicant authorizing the OWRB to proceed with the fixed rate financing.

*8. Pending Litigation* – Include a statement from the Applicant’s Legal Counsel stating:

(a) the existence of any pending litigation and its potential impact on the Applicant, and

(b) the existence of pending administrative complaints that allege discrimination based on race, color, national origin, sex, age, or disability.  Do not include employment complaints not covered by 40 CFR Parts 5 and 7.

**B. PROJECT FINANCING**

|  |
| --- |
| $ |

*1. Total amount of financing requested from the OWRB:*

*2. Outstanding Loans Eligible for Refinance.* Please list the OWRB loans proposed for refinancing:

|  |  |  |
| --- | --- | --- |
| **Outstanding OWRB Loans** | **Original Amount** | **Amount Outstanding** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**NOTE:** The OWRB anticipates that the requisite financial information is readily available in the applicant’s existing loan files at the OWRB. However, the OWRB reserves the right to request copies of additional information necessary to process the loan application, including annual audited financial statements and other information necessary for compliance with existing loan covenants.

**C. ADDITIONAL INFORMATION**

*1. Private Activity Questionnaire* – Please complete the Private Activity Questionnaire located on page 5.**VERIFICATION**

STATE OF OKLAHOMA )

) ss.

COUNTY OF )

I, , being first duly sworn and upon oath states: that I am the duly authorized representative for the Applicant herein; that I have read the contents of the within and foregoing LOAN APPLICATION and is familiar with the contents thereof; and that the matters and information therein set forth are, to the best of Applicant's knowledge and belief, true and correct.

(Applicant Name)

Signed By:

Printed Name:

Title:

(Applicant's Representative)

Subscribed and sworn to before me this day of , 20 .

(Notary Public)

My Commission Expires:

(SEAL)

ATTORNEY’S CERTIFICATION AS TO LEGALITY OF APPLICATION

I, the undersigned, certify that: I am an attorney representing the applicant herein with respect to the foregoing application attached hereto; the applicant is a [CHECK ONE]:

municipality

public trust

rural water district

other public entity (identify):

duly organized and existing under the laws of Oklahoma; the applicant possesses full power and authority to acquire, complete and operate the project described in this application; and this application has been lawfully and effectively authorized and executed as the valid action of the applicant.

Attorney at Law

Printed Name:

OBA No.:

**PRIVATE ACTIVITY QUESTIONNAIRE**

OKLAHOMA WATER RESOURCES BOARD  
FINANCIAL ASSISTANCE DIVISION

The Oklahoma Water Resources Board has been requested to provide a loan for the project described in Section 1 below. Please answer the questions in Sections 2 and 3 (if applicable), regarding the Project. Due to Federal Law, this information is needed before a loan can be made to finance the Project, so please reply promptly.

This form should be returned to:

Oklahoma Water Resources Board

3800 North Classen Boulevard

Oklahoma City, OK 73118

Questions regarding the completion of the form should be directed to:

Joe S. Freeman or Kate Burum, Esq. or Your Local Bond Counsel

Chief, Financial Assistance Div. Assistant General Counsel

[joe.freeman@owrb.ok.gov](mailto:joe.freeman@owrb.ok.gov) Financial Assistance Div.

(405) 530- 8800 [kate.burum@owrb.ok.gov](mailto:kate.burum@owrb.ok.gov)

(405) 530 -8800

|  |  |  |  |
| --- | --- | --- | --- |
| Section 1. | Name of Applicant |  |  |
|  | Applicant Contact: |  |  |
|  | Phone Number: |  |  |
|  | Amount of Loan: | $ |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Section 2. | Please check all statements that describe the Project. “Governmental unit” as used below does not include the Federal government or any instrumentality thereof or any not-for-profit, tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. | | |
|  | 🞎 | (1) | No portion of the Project will be used for anything other than water or wastewater system improvements, and no portion of the proceeds of the loan will be used for anything other than water or wastewater system improvements and related transaction costs. Please check all that apply to the project: |
|  |  |  | 🞎 Infrastructure  🞎 Engineering  🞎 Planning & Design  🞎 Land Acquisition  🞎 NonPoint Source Pollution Prevention (CWSRF and FAP loan only)  🞎 Green Project Reserve (CWSRF loan only)  🞎 Stormwater Control (CWSRF and FAP loan only) |
|  | 🞎 | (2) | No portion of the Project will be owned by, leased or sold to, any person or entity other than a governmental unit. |
|  | 🞎 | (3a) | No portion of the Project will be managed by any person or entity other than a governmental unit,  -or- |
|  | 🞎 | (3b) | Some portion of the Project will be managed pursuant to a management contract or incentive pay contract that is a qualified management contract.[[1]](#footnote-1)  Please include a copy of any operating or management contract with this form. |
|  | 🞎 | (4) | No portion of the Project will be used for research or testing pursuant to an agreement with private industry. |
|  | 🞎 | (5) | No person other than a governmental unit will have a priority right to treatment or other use of the facility through any procedure or contract (other than one permitting bulk discounts to large users) which gives preference to one customer over any other. |
|  | 🞎 | (6) | The applicant is not lending any of the loan proceeds. |
|  | 🞎 | (7) | No portion of the proceeds will be used to reimburse the governmental unit for any costs paid or incurred more than 60 days prior to the date a resolution was adopted by the governmental unit declaring the governmental unit’s intent to reimburse such expenditure from the proceeds of the loan. Any amounts paid by the governmental unit in respect of the Project prior to the loan closing will be reimbursed not later than (a) 18 months after such Project cost was paid or (b) 18 months after the Project was placed in service, but in no event more than 3 years after such Project cost was paid.[[2]](#footnote-2) |
|  | 🞎 | (8) | At least 75 percent of the loan proceeds will be applied to the payment of construction and construction-related costs; that is, no more than 25 percent of the loan proceeds will be used for the acquisition of land, equipment, and expenses related to the acquisition process. |
|  | 🞎 | (9) | No portion of the loan is to be used to repay any outstanding tax-exempt indebtedness with respect to the Project. If any portion of such loan is to be used to repay outstanding tax-exempt borrowing, please complete Section 3 below. |

|  |  |  |
| --- | --- | --- |
| Section 3. | REFINANCING. Complete questions 1 through 8 below only if any portion of the proceeds of any loan received from the Oklahoma Water Resources Board will be used to repay any outstanding borrowing with respect to the Project. | |
|  | (1) | Date of issue of prior borrowing \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Insert original issue date if prior borrowing was itself a refinancing of a previous loan.) |
|  | (2) | Original issue amount of prior borrowing: $\_\_\_\_\_\_\_\_\_\_ |
|  | (3) | Outstanding amount of prior borrowing: $\_\_\_\_\_\_\_\_\_\_ |
|  | (4) | Unexpended amount of prior borrowing: $\_\_\_\_\_\_\_\_\_\_ |
|  | (5) | Please state whether the prior borrowing was itself tax-exempt or taxable.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  | (6) | First date on which prior borrowing may be repaid: \_\_\_\_\_\_\_\_\_\_ |
|  | (7) | Date election was made with respect to prior borrowing to pay 1-1/2 percent penalty in lieu of rebate amount: \_\_\_\_\_\_\_\_\_\_. This election would apply only if the original bond was issued after December 19, 1989 and qualified in whole or in part for the 2-year construction bond exception to rebate. (Indicate N/A if no election has been made.) |
|  |  | or |
|  |  | Check whether borrower has met \_\_\_ 6-month, \_\_ 18-month or \_\_\_ 2-year expenditure exceptions to rebate with respect to such prior borrowing or whether it expects to meet a \_\_\_ 6-month, \_\_\_ 18-month or \_\_\_ 2-year rebate expenditure exception. |
|  | Comments by the applicant: | |
|  |  | |
|  |  | |
|  |  | |
|  |  | |
|  |  | |
|  |  | |
|  |  | |
|  |  | |
|  |  | |

RESPONDENT

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. A qualified management contract is a contract where: (i) the compensation is reasonable for the services rendered and may include reimbursement of actual and direct expenses and related administrative overhead; (ii) no element (eligibility for, amount of, and timing) of the compensation provides the service provider a share of net profits from the operation of the facility financed and refinanced with the proceeds of the Bonds; (iii) no burden of bearing any share of net losses from the operation of the managed property is imposed on the service provider; (iv) compensation is based solely on a capitation fee, a periodic fixed fee, a per unit fee and/or incentive compensation based on qualitative measurements; (v) payment of compensation is deferred due to insufficient net cash flows, as long as the contract includes requirements that (a) compensation is payable at least annually, (b) the qualified user is subject to reasonable consequences for late payment such as reasonable interest charges or late payment fees and (c) compensation must be paid no later than five years from the original due date; (vi) the term of the contract including all renewal options is not greater than the lesser of 30 years or 80% of the weighted average reasonable expected economic life of the managed property; (vii) the qualified user exercises a significant degree of control over the use of the managed property, such as approving the annual budget of the managed property, capital expenditures with respect to the managed property, each disposition of property that is that is part of the managed property, rates charged for the use of the managed property, and the general nature and type of use of the managed property; (viii) the qualified user bears the risk of loss upon damage or destruction of the managed property (but third party insurance is permitted); (ix) the service provider agrees that it is not entitled to take any tax position inconsistent with its role as service provider to the qualified user with respect to the managed property (such as claiming depreciation or amortization, investment tax credit, or deduction for rent with respect to the managed property); (x) not more than twenty percent (20%) of the voting power of the governmental unit in the aggregate may be vested in the service provider and its directors, officers, shareholders partners, members and employees; (xi) the governing body of the governmental unit must not include the chief executive officer of the service provider, or the chairperson of the service provider’s governing body; and (xii) the chief executive officer of the service provider must not be the chief executive officer of the governmental unit or any of the governmental unit’s related parties.

   A renewal option, for purposes of the foregoing, is defined to mean a provision under which the service provider has a legally enforceable right to renew the contract. Thus, for example, a provision under which a contract is automatically renewed for one year periods absent cancellation by either party is not a renewal option, even if it is expected to be renewed.

   The service provider must not have any role or relationship with the qualified user, that, in effect, substantially limits the qualified user’s ability to exercise its rights under the contract, based on all the facts and circumstances.

   If the compensation terms of a management contract are materially revised, the requirements for compensation terms are retested as of the date of the material revision and the management contract is treated as one that was newly entered into as of the date of the material revision. [↑](#footnote-ref-1)
2. An exception to these requirements is provided with respect to an amount not to exceed 20 percent of the cost of the Project financed with the proceeds of the Bonds, but only if such costs are “preliminary expenditures”, e.g.,architectural, engineering, surveying, soil testing or similar costsincurred prior to the commencement of acquisition, construction or rehabilitation of the Project, other than land acquisition, site preparation and similar costs incident to the commencement of construction. [↑](#footnote-ref-2)