

RESOLUTION NO. 240514-08

RESOLUTION APPROVING THE EXECUTION AND DELIVERY OF A PRINCIPAL FORGIVENESS AGREEMENT FOR WATER SYSTEM IMPROVEMENTS; AND RESOLVING OTHER MATTERS RELATING TO THE SUBJECT

THE STATE OF TEXAS §
COUNTY OF FANNIN §
CITY OF LEONARD §

WHEREAS, the City of Leonard, Texas (the “City”) has received approval from the Texas Water Development Board (“TWDB”) for financial assistance from TWDB to the City in the amount of \$8,480,000 (the “Loan”), consisting of the City’s Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024A, in the amount of \$2,040,000, the City’s Combination Tax and Surplus Revenue Certificates of Obligation, Series 2024B, in the amount of \$2,285,000, and Principal forgiveness in the amount of \$4,155,000;

WHEREAS, TWDB has presented to the City a Principal Forgiveness Agreement (the “Principal Forgiveness Agreement”) in connection with the Loan, in which the City agrees to certain conditions with respect to the Loan;

WHEREAS, this City Council hereby finds and determines that it is a public benefit to and in the best interests of the City and its residents to enter into the Principal Forgiveness Agreement in order to obtain the Loan to fund needed sanitary sewer improvements within the City; and

WHEREAS, it is officially found, determined and declared that the meeting at which this Resolution has been adopted was open to the public, and public notice of the date, hour, place and subject of said meeting, including this Resolution, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code; Now, Therefore

BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF LEONARD, TEXAS THAT:

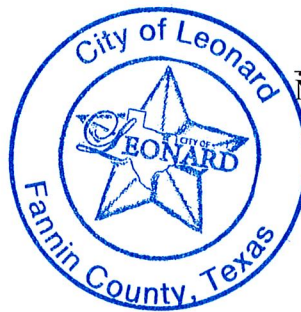
1. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.
2. The Principal Forgiveness Agreement, in substantially the form presented at this meeting, is hereby approved and the Mayor or Mayor Pro-Tem of the City Council is hereby authorized and directed to execute and deliver the Principal Forgiveness Agreement. The Escrow Agreement relating to the Principal Forgiveness Agreement between the City and the escrow agent named therein (the "Escrow Agent"), substantially in the form and content presented at this meeting, is hereby approved and the Mayor or Mayor Pro-Tem of the City Council is hereby authorized and directed to execute the Escrow Agreement on behalf of the City. The Escrow Agent named in the Escrow Agreement is hereby appointed as the Escrow Agent pursuant to such Escrow Agreement.
3. The Mayor, Mayor Pro-Tem and City Secretary of the City, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to take such actions and to execute and deliver in the name and on behalf of the City all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution.
4. This Resolution shall become effective immediately upon adoption.

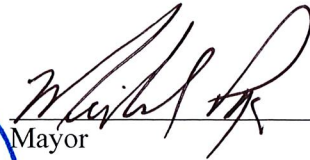
DULY PASSED AND APPROVED by the City Council of the City of Leonard, Texas, on May 14, 2024.

ATTEST



City Secretary





Mayor

Resolution Approving the Execution and Delivery of a
Principal Forgiveness Agreement – Drinking Water State Revolving Fund
Between the Texas Water Development Board and the City of Leonard, Texas