

RESOLUTION NO. 2019-07-08-J

RESOLUTION AUTHORIZING THE EXECUTION OF MODIFICATION CONTRACT NO. 4 WITH EASTLAND COUNTY WATER SUPPLY DISTRICT, APPROVING ISSUANCE OF BONDS BY EASTLAND COUNTY WATER SUPPLY DISTRICT, AND RESOLVING OTHER MATTERS RELATED THERETO

THE STATE OF TEXAS	§
COUNTY OF EASTLAND	§
CITY OF RANGER	§

WHEREAS, Eastland County Water Supply District (“District”) and the City of Ranger, Texas (“City”) entered into a Water Supply Contract dated as of June 1, 1992 (“Contract”) pursuant to Article 8280-139, V.A.T.C.S., now codified as Chapter 6903 of the Special District Local Laws Code, and Article 4413(32c), V.A.T.C.S., now codified as Chapter 791 of the Government Code, as amended and modified by Modification Contract No. 1 dated as of June 1, 2003, Modification Contract No. 2 dated March 18, 2010, and Modification Contract No. 3 dated February 16, 2012 (collectively, the “Contract”);

WHEREAS, the District has heretofore issued its Eastland County Water Supply District Water Supply Revenue Bonds, Series 1992, in the aggregate principal amount of \$1,850,000 (“1992 Bonds”) and Eastland County Water Supply District Water Supply Revenue Bonds, Taxable Series 2012, in the aggregate principal amount of \$3,495,000 (“2012 Bonds”);

WHEREAS, under the Contract the City agreed to pay a proportionate share of the operating costs of the District and a proportionate share of the debt service payments on the 1992 Bonds and the 2012 Bonds;

WHEREAS, the District intends to issue its Water Supply Revenue Bonds, Series 2019 (the “2019 Bonds”), to fund the costs of improvements to the high service pumps and clear well, improvements to the chlorine dioxide system, and a new disinfection by-product removal system (the “2019 Project”);

WHEREAS, the 2019 Bonds are to be issued as “Additional Bonds” as authorized by the resolutions authorizing the 1992 Bonds and the 2012 Bonds;

WHEREAS, the Contract provides in Section 8 thereof that the District may modify the Contract with approval of the City, as long as such modification does not adversely affect the prompt payment when due, of all moneys required to be paid to the City pursuant to the terms of the Contract, and no such change shall be effective which will cause any violation of any provisions of the Bond Resolution that authorize such Bonds;

WHEREAS, this Board of Commissioners hereby finds and determines that it is necessary and in the best interests of the City to amend and modify the Contract in order to provide for the City to pay a proportionate share of the debt service requirements of the 2019 Bonds and to increase the term of the Contract from the calendar year 2044 to the calendar year 2050; 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 OF RANGER, TEXAS:

Section 1. Modification Contract No. 4. The Board of Commissioners hereby approves Modification Contract No. 4, substantially in the form attached hereto as Exhibit A, and the Mayor is hereby authorized to execute and the City Secretary is hereby authorized to attest Modification Contract No. 4 on behalf of the City.

Section 2. Approval of District's 2019 Bonds. The City hereby approves the authorization and issuance of the 2019 Bonds by the District.

Section 3. Further Action. The Mayor, Mayor Pro Tem, City Manager, City Secretary and Director of Finance of the City are hereby instructed to do any and all things necessary in order to accomplish execution and delivery of Modification Contract No. 4 and to carry out the intent and purpose of this Resolution.

[Execution Page Follows]

PASSED, APPROVED and ADOPTED on July 8, 2019.

ATTEST:



Joe Pilgrim, Mayor


Savannah Fortenberry, City Secretary

(SEAL)



Signature Page to
ORDINANCE AUTHORIZING THE EXECUTION OF MODIFICATION CONTRACT NO. 4
WITH EASTLAND COUNTY WATER SUPPLY DISTRICT, APPROVING ISSUANCE OF
BONDS BY EASTLAND COUNTY WATER SUPPLY DISTRICT, AND RESOLVING
OTHER MATTERS RELATED THERETO

EXHIBIT A

MODIFICATION CONTRACT NO. 4

THE STATE OF TEXAS §

COUNTY OF EASTLAND §

CITY OF RANGER §

Eastland County Water Supply District ("District") and the City of Ranger, Texas ("City") have entered into a Water Supply Contract dated as of June 1, 1992 pursuant to Article 8280-139, V.A.T.C.S. and Article 4413(32c), V.A.T.C.S., now codified as Chapter 791 of the Government Code, as amended and modified by Modification Contract No. 1 dated as of June 1, 2003, Modification Contract No. 2 dated as of March 18, 2010, and Modification Contract No. 3 dated as of February 16, 2012 (collectively, the "Ranger Contract").

WITNESSETH:

WHEREAS, pursuant to a resolution adopted June 4, 1992 (the "1992 Resolution") the District authorized the issuance of Eastland County Water Supply District Water Supply Revenue Bonds, Series 1992, in the aggregate principal amount of \$1,850,000 ("Series 1992 Bonds");

WHEREAS, pursuant to a resolution adopted February 16, 2012 (the "2012 Resolution") the District authorized the issuance of Eastland County Water Supply District Water Supply Revenue Bonds, Taxable Series 2012 (the "2012 Bonds");

WHEREAS, the District entered into a water supply contract with the City of Eastland, Texas, dated as of June 1, 1992 as amended and supplemented September 1, 1997 and February 16, 2012 (the "Eastland Contract", and together with the Ranger Contract, the "Contracts");

WHEREAS, under the Contracts the Cities of Eastland and Ranger have agreed to pay their proportionate shares of the operating costs of the District and their proportionate shares of the debt service payments on the 1992 Bonds and the 2012 Bonds;

WHEREAS, the District intends to issue its Water Supply Revenue Bonds, Series 2019 (the "2019 Bonds"), to fund the costs of improvements to the high service pumps and clear well, improvements to the chlorine dioxide system, and a new disinfection by-product removal system (the "2019 Project");

WHEREAS, the 2019 Bonds are to be issued as "Additional Bonds" as authorized by the 1992 Resolution;

WHEREAS, the Ranger Contract provides in Section 8 thereof that the District may modify the Ranger Contract with approval of the City, as long as such modification does not adversely affect the prompt payment when due, of all moneys required to be paid to the City pursuant to the terms of the Ranger Contract, and no such change shall be effective which will cause any violation of any provisions of the Bond Resolution that authorize such Bonds;

WHEREAS, the City and the District desire to amend and modify the Ranger Contract in order to provide for the City to pay a proportionate share of the debt service requirements of the 2019 Bonds, to change the point of delivery of water to the City, and to increase the term of the Ranger Contract from the calendar year 2044 to the calendar year 2050;

WHEREAS, the District intends to amend and modify the Eastland Contract to provide for the City of Eastland to pay a proportionate share of the debt service requirements of the 2019 Bonds; and

WHEREAS, the governing bodies of the City and the District have agreed to this modification which is hereby found to be consistent with the provisions of the Ranger Contract.

NOW, THEREFORE, in consideration of mutual covenants and agreements herein contained, the City and the District agree to this modification to the Ranger Contract as follows:

Section 1. The City approves and agrees to the issuance of the 2019 Bonds to pay the costs of the Project. The District and the City hereby affirm and agree that the "Debt Service Requirements" as provided in the Ranger Contract shall include the amounts required for the payment of principal and interest on the 2019 Bonds, including reserve and contingency requirements. Exhibit A to the Ranger Contract is hereby supplemented and modified as set forth in Exhibit A attached hereto to reflect the Debt Service Requirements for the payment of principal and interest on the 1992 Bonds, the 2012 Bonds, and the 2019 Bonds.

Section 2. The fourth paragraph in Section 2 of the Ranger Contract entitled "POINTS OF DELIVERY", is hereby deleted and replaced in its entirety as follows:

"POINT OF DELIVERY. The point of delivery of water to the City shall be at that point located at the District's water treatment plant located at 726 Highway 2461, Ranger, Texas."

Section 3. The term of the Ranger Contract is hereby extended to the calendar year 2050 and Section 7 of the Ranger Contract is hereby amended and modified to read as follows:

"Section 7. TERM OF CONTRACT. It is recognized that the District has issued, sold and delivered, or proposes to issue, sell and deliver its Bonds in order to aid the District in carrying out its obligations under this Contract. It is agreed between the parties hereto that this Contract shall become effective on the date of execution hereof. Thereafter, this Contract shall be and continue in full force and effect through the calendar year 2050."

Section 4. The Ranger Contract as amended and modified is hereby reaffirmed by the City and the District and all of the provisions of the Ranger Contract are hereby re-adopted by the City and the District.

Section 5. The City agrees to provide such financial information and operating data with respect to the City as may be necessary for the District to comply with its continuing disclosure requirements with respect to the Bonds imposed by Securities and Exchange Commission Rule 15c2-12, as said rule may be amended from time to time.

IN WITNESS WHEREOF, the parties hereto acting under the authority of the respective bodies have caused this Modification Contract No. 4 to the Water Supply Contract to be duly executed in several counterparts, each of which shall constitute a duplicate original, all as of the 1st day of July, 2019.

EASTLAND COUNTY WATER SUPPLY DISTRICT

By _____
President, Board of Directors

ATTEST

(DISTRICT'S SEAL)

CITY OF RANGER, TEXAS

By Joe Pilgrim
Joe Pilgrim, Mayor

ATTEST

Savannah Fortenberry
Savannah Fortenberry, City Secretary

(CITY SEAL)

