

RESOLUTION AUTHORIZING AND DIRECTING ESTABLISHMENT OF FOUR CONSTRUCTION ACCOUNTS AND A SINKING FUND WITH DEPOSITORY BANK PURSUANT TO BOND ORDINANCES AND PRINCIPAL FORGIVENESS AGREEMENTS WITH THE TEXAS WATER DEVELOPMENT BOARD; APPOINTING AUTHORIZED SIGNATORIES WITH RESPECT TO SUCH ACCOUNTS; AND RESOLVING OTHER MATTERS RELATING TO THE SUBJECT

THE STATE OF TEXAS §
COUNTY OF STEPHENS §
CITY OF BRECKENRIDGE §

WHEREAS, the City of Breckenridge, Texas (the "City") has authorized notice of its intention to adopt two ordinances (the "Bond Ordinances") authorizing the issuance of \$2,935,000 City of Breckenridge, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2022A and \$2,325,000 City of Breckenridge, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2022B (collectively, the "Bonds") to the Texas Water Development Board ("TWDB") for loans in the amounts of \$2,935,000 and \$2,325,000 (the "Loans"), and as required by the terms of said Loans, the City will enter into that certain Principal Forgiveness Agreement – Clean Water State Revolving Fund with the TWDB for a grant in the amount of \$1,227,420 and that certain Principal Forgiveness Agreement – Drinking Water State Revolving Fund with the TWDB for a grant in the amount of \$1,312,809 (collectively, the "Grant Agreements", and together with the Bond Ordinances, the "Agreements");

WHEREAS, in each of the Agreements, the City has agreed to maintain at its depository bank, being First National Bank – Albany/Breckenridge (the "Bank"), an account separate from all other funds and accounts to be known as the "Series 2022A CO Construction Fund", "Series 2022B CO Construction Fund" and two "Construction Accounts", respectively (collectively, the "Construction Accounts");

WHEREAS, in each Bond Ordinance, the City will covenant to at all times maintain a special "Sinking Fund" at an official depository bank of the City, to be kept separate and apart from all other funds and accounts of the City;

WHEREAS, this City Commission hereby finds and determines that it is a public benefit to and in the best interests of the City and its residents to open at the Bank a Series 2022A CO Construction Fund and a Series 2022B CO Construction Fund as required by the Bond Ordinances, and two Construction Accounts, as required by the Grant Agreements, respectively, to open a Sinking Fund, and to authorize signatories with respect to such accounts; 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 COMMISSION OF THE CITY OF BRECKENRIDGE:

1. That five new accounts be established at the Bank, which shall be designated as "City of Breckenridge Series 2022A CO Construction Fund", "City of Breckenridge Series 2022B CO Construction Fund", "City of Breckenridge, Texas, Principal Forgiveness Agreement, Texas Water Development Board Commitment LF1001492 Construction Account", "City of Breckenridge, Texas, Principal Forgiveness Agreement, Texas Water Development Board Commitment LF1001495 Construction Account", and "City of Breckenridge Sinking Fund", respectively (collectively, the "Bank Accounts").

2. That any account opening documentation as required from time to time be executed by the signatories designated hereunder (the "Authorized Signatories"), binding the City to the terms and

conditions governing the Bank Accounts.

3. That instructions relating to banking transactions may be given electronically or by fax to the Bank for execution and to this end any electronic or facsimile indemnity letter authorizing the Bank to act upon such instructions may be signed by the Authorized Signatories.

4. That the following officers and directors are hereby appointed as Authorized Signatories with respect to the Bank Accounts: any two of the following officials, acting jointly:

- a.) Mayor
- b.) Finance Director
- c.) City Manager
- d.) Assistant City Secretary

5. That the Authorized Signatories are hereby authorized to enter into, make, sign, execute, perform and do all such acts, consents, signature cards and other agreements necessary in connection with establishment of the Bank Accounts at the Bank.

DULY PASSED AND APPROVED by the City Commission of the City of Breckenridge, Texas on June 7, 2022.

Mayor
City of Breckenridge, Texas

ATTEST:

City Secretary,
City of Breckenridge, Texas