

ORDINANCE NO. O-12-22

ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A
STATE INFRASTRUCTURE BANK LOAN AGREEMENT; APPROVING THE
LEVY OF A TAX IN PAYMENT OBLIGATIONS THEREUNDER; AND
APPROVING CERTAIN MATTERS RELATED THERETO

THE STATE OF TEXAS §
COUNTY OF HOUSTON §
CITY OF CROCKETT §

WHEREAS, the Texas Legislature established the State Infrastructure Bank (“SIB”) as an account in the State Highway Fund to be administered by the Texas Transportation Commission (the “Commission”) (Transportation Code, Chapter 222, Subchapter D); and

WHEREAS, the City of Crockett, Texas (the “City”) is developing projects in Houston County, Texas for utility relocation and construction for non-tolled off-system projects to improve up 11 roadways, identified as CSJ #s 0911-28-066, 0911-28-067, 0911-28-068, 0911-28-069, 0911-28-070, 0911-28-071, 0911-28-072, 0911-28-073, 0911-28-074, 0911-28-075, 0911-28-076, 0911-28-77 (collectively, the “Project”). The City is providing the actual cost of utility relocation and construction necessary for the Project; and

WHEREAS, the City is a public entity in Texas (the “State”) and is authorized by law to construct, maintain, or finance the construction of the Project, may borrow money from the SIB under Texas Transportation Code (the “Code”) §222.0745 for that purpose, and is authorized to levy taxes or otherwise provide for sufficient funds to repay the SIB loan; and

WHEREAS, in accordance with 43 Texas Administrative Code (“TAC”) §6.23, the City submitted an application to the Texas Department of Transportation (the “Department”) seeking to borrow Six Million Dollars (\$6,000,000) from the SIB to pay for City’s actual cost of the Project; and

WHEREAS, in accordance with 43 TAC §6.32(c)(2): (1) the Project is consistent with the Statewide Long-Range Transportation Plan; (2) the Project is not in a Clean Air Act non-attainment area; (3) the Project will improve the efficiency of the State’s transportation systems; (4) the Project will expand the availability of funding for transportation Project or reduce direct State costs; and (5) the application shows that the Project and the applicant are likely to have sufficient revenues to assure repayment of the financial assistance; and

WHEREAS, the City passed Resolution No. R-05-22 on May 2, 2022, authorizing the SIB loan application in the amount of up to Six Million Dollars (\$6,000,000); and

WHEREAS, in accordance with 43 TAC §6.32, the Department reviewed, analyzed, and found the application to be in compliance with the requirements of 43 TAC Chapter 6; and

WHEREAS, the Commission, in Minute Order No. 116333 dated September 22, 2022, and

Minute Order No. 116355 dated October 27, 2022, granted preliminary and final approval of the application from the City to borrow up to Six Million Dollars (\$6,000,000) from the SIB, and authorized the Executive Director of the Department or his designee to enter into a financial assistance agreement with the City to finance the City's actual cost of the Project; and

WHEREAS, the City now wishes to approve the SIB Loan Agreement in substantially the form attached hereto as Exhibit A, which is attached hereto and incorporated herein for all purposes, to evidence the loan to finance the Project.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CROCKETT, TEXAS:

Section 1. That the terms defined in the recitals to this Ordinance are true and correct and are incorporated herein for all purposes.

Section 2. The City is authorized by law to construct, maintain, or finance the construction of the Project and to borrow money from the SIB for such purposes. The City is further authorized to levy ad valorem taxes to provide sufficient funds for the payment of the SIB loan as described in the SIB Loan Agreement, and City Council hereby authorizes and approves the levy of ad valorem taxes for such purpose as described in the SIB Loan Agreement.

Section 3. That the Mayor of the City is hereby authorized and directed, for and on behalf of the City Council, to approve and execute the SIB Loan Agreement, which shall be in substantially the form attached hereto as Exhibit A with such changes as are approved by the Mayor. The Mayor's approval of the final terms shall be conclusively evidenced by the execution and delivery of the SIB Loan Agreement. The City Secretary is hereby authorized and directed, for and on behalf of the City, to attest the SIB Loan Agreement.

Section 4. That the Mayor, the City Administrator and the City Secretary are hereby authorized to take all action necessary or desirable to carry out, give effect to, and consummate the transactions contemplated by this Ordinance and the SIB Loan Agreement, including without limitation the execution of agreements and certificates required in connection with the closing of the SIB Loan Agreement, the payment of the principal and interest due under the SIB Loan Agreement, and the payment of fees and expenses associated with the preparation and approval the SIB Loan Agreement.

Section 5. That this Ordinance shall take effect and be in full force and effect upon and after its passage.

(SIGNATURE PAGE FOLLOWS)

PASSED, APPROVED, AND EFFECTIVE THIS 5th DAY OF DECEMBER, 2022.

Dr. Ianthia Fisher, Mayor
City of Crockett, Texas

ATTEST:

Mitzi Stefka, City Secretary
City of Crockett, Texas

[SEAL]

Exhibit A: Form of State Infrastructure Bank Loan Agreement

Exhibit A
Form of State Infrastructure Bank Loan Agreement

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS §
COUNTY OF HOUSTON §

I, the undersigned officer of the City Council of the City of Crockett, Texas, hereby certify as follows:

1. The City Council of the City of Crockett, Texas, convened in a regular meeting on the 5th day of December, 2022, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Dr. Ianthia Fisher	Mayor
Gene Caldwell	Council Member, Precinct 1
Darrell Jay Jones	Council Member, Precinct 2
Ernest Jackson	Council Member, Precinct 3
Marquita Beasley	Council Member, Precinct 4
Mike Marsh	Mayor Pro Tem and Council Member, Precinct 5

and all of said persons were present, except the following absentee(s):_____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting, a written

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was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said ordinance be adopted; and, after due discussion, said motion, carrying with it the adoption of said ordinance, prevailed and carried by the following vote:

_____ Member(s) of City Council shown present voted "Aye."

_____ Member(s) of City Council shown present voted "No."

_____ Member(s) of City Council shown present abstained from voting.

2. A true, full and correct copy of the aforesaid ordinance adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said ordinance has been duly recorded in said City Council's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said meeting pertaining to the adoption of said ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said ordinance would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 5th day of December, 2022.

[SEAL]

Mitzi Stefka, City Secretary
City of Crockett, Texas