

CITY OF DRIPPING SPRINGS

RESOLUTION 2020-R_____

A RESOLUTION OF THE CITY OF DRIPPING SPRINGS, TEXAS, CONSENTING TO THE ISSUANCE OF ROAD BONDS BY HEADWATERS MUNICIPAL UTILITY DISTRICT OF HAYS COUNTY.

WHEREAS, Headwaters Municipal Utility District of Hays County (the "District") is a conservation and reclamation district, a body corporate and politic and governmental agency of the State of Texas, created under Article XVI, Sec. 59 of the Texas Constitution by order of the Texas Commission on Environmental Quality, and the District operates under Chapters 49 and 54 of the Texas Water Code, as amended; and

WHEREAS, the District, Headwaters Development Company, the Townes Family Trust and the City of Dripping Springs entered into that certain "Agreement Concerning Creation and Operation of Headwaters Municipal Utility District" dated to be effective February 8, 2005, as subsequently amended by that certain "First Amendment to Agreement Concerning Creation and Operation of Headwaters Municipal Utility District" dated June 10, 2008; that certain "Second Amendment to Agreement Concerning Creation and Operation of Headwaters Municipal Utility District" last executed on February 3, 2015; and that certain "Third Amendment to Agreement Concerning Creation and Operation of Headwaters Municipal Utility District" last executed on May 29, 2020 (collectively, the "Consent Agreement"); and

WHEREAS, among other matters, the Consent Agreement provides that all bonds of the District shall be approved by the City Council of the City of Dripping Springs prior to issuance; and

WHEREAS, during the 2015 Regular Legislative Session, the Texas Legislature enacted HB 4185 granting the District the powers of a road district including the power to issue bonds to finance paved roads, and improvements in aid of those roads. The City Council of the City of Dripping Springs adopted Resolution No. 2015-06 in support of such legislation; and

WHEREAS, on November 3, 2015, the registered voters within the District authorized the issuance of road bonds by the District in a maximum amount not to exceed \$54,545,000 and the levy of a tax for payment of debt service on such bonds; and

WHEREAS, the District has heretofore issued its \$3,000,000 Unlimited Tax Road Bonds, Series 2017 (the "Series 2017 Bonds"), its \$2,685,000 Unlimited Tax Road Bonds, Series 2018 (the "Series 2018 Bonds"), and its \$4,500,000 Unlimited Tax Road Bonds, Series 2020 (the "Series 2020 Bonds") pursuant to the authority of the election held on November 3, 2015 as described in the paragraph above; and

WHEREAS, the District now desires to proceed with the issuance of its fourth series of road bonds in a principal amount not to exceed \$3,740,000 (the “Road Bonds”); and

WHEREAS, the Road Bonds will be obligations solely of the District, and the City of Dripping Springs will not be responsible for payment of the Road Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DRIPPING SPRINGS THAT:

Section 1. This meeting of the City Council of the City of Dripping Springs has been properly posted in accordance with the Texas Open Meetings Act.

Section 2. The City Council of the City of Dripping Springs hereby approves the issuance by the District of the Road Bonds in a par amount not to exceed \$3,740,000.

Section 3. This Resolution shall be effective upon the date of its approval.

PASSED & APPROVED this, the 13th day of October 2020.

CITY OF DRIPPING SPRINGS:

Bill Foulds, Jr., Mayor

ATTEST:

Andrea Cunningham, City Secretary