

RESOLUTION NO. _____

RESOLUTION OF THE CITY OF BUDA, TEXAS APPROVING THE LOAN FORGIVENESS AGREEMENT BETWEEN THE TEXAS WATER DEVELOPMENT BOARD AND THE CITY OF BUDA AND OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, the City of Buda, located in Hays County, Texas, (the "City"), has filed an application with the Texas Water Development Board, (the "TWDB"), for a loan in the amount of \$401,500 from the Clean Water State Revolving Fund ("CWSRF") for the purposes of (i) acquiring, constructing, installing and equipping additions, improvements and extensions to the City's waterworks and sewer system, including construction and installation of a centralized sewage collection system for the Hillside Terrace subdivision; and (ii) for paying costs of issuance and legal, fiscal and engineering fees in connection with these projects; and

WHEREAS, on April 18, 2013 the TWDB Board of Directors found that the City qualifies as a "Disadvantaged Community" pursuant to 31 TAC § 375.1(21) and is therefore eligible for low-interest loans through the CWSRF; and

WHEREAS, the TWDB Board of Directors agreed, pursuant to TWDB Resolution No. 13-44, to provide a loan in the amount of \$401,500 to the City and further agreed that \$276,500 will be forgiven upon execution of the Loan Forgiveness Agreement between the TWDB and the City (the "Agreement"); and

WHEREAS, the City now desires to approve the Agreement in substantially the form and substance attached hereto as Exhibit A; and

WHEREAS, the City Council of the City finds that approving the Agreement is in the best interest of the public and the City and hereby authorizes the execution, delivery, approval or acceptance, as applicable, of the documents referenced herein;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BUDA, TEXAS THAT:

1. Recitals. 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. Capitalized terms used herein shall have the meaning assigned in the preamble hereof, unless otherwise defined.

2. Agreement Approval. The City Council hereby approves, ratifies and confirms the Agreement and authorizes the staff and other appropriate persons of the City to take the necessary action to give effect to the Agreement, including execution of documents related thereto, and ratifies and confirms the actions taken prior to the date of this Resolution, including the execution of any documents related thereto.

3. Authorization of Additional Acts. The officers, employees and agents of the City, and each of them, shall be and each is expressly authorized, empowered and directed from time to time and at any time to do and perform all acts and things and to execute, acknowledge and deliver

in the name and under the corporate seal and on behalf of the City the Agreement and all certificates, financing statements, instruments and other papers, whether or not herein mentioned, as they may be determined to be necessary or desirable to carry out the terms and provision of this Resolution, such determination to be conclusively evidenced by the performance of such acts and things and the execution of the Agreement and any such certificate, financing statement, instrument or other paper.

4. Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted and approved was open to the public as required by law and public notice of the time, place and purpose of said meeting was given as required by Chapter 551 of the Texas Government Code, as amended (commonly referred to as the "Open Meetings Act").

5. Effective Date. This Resolution shall take effect immediately from and after its adoption in accordance with the law.

PASSED AND APPROVED THIS 16th DAY OF JULY, 2013.

Mayor, City of Buda

ATTEST:

City Secretary, City of Buda

[CITY SEAL]

EXHIBIT A

**LOAN FORGIVENESS AGREEMENT BETWEEN THE TEXAS WATER
DEVELOPMENT BOARD AND THE CITY OF BUDA, TEXAS**

[Please see attached]