



**GREATER TEXOMA UTILITY AUTHORITY
BOARD MEETING
JUNE 16, 2025**

**GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020**



**AGENDA
GREATER TEXOMA UTILITY AUTHORITY
BOARD OF DIRECTORS MEETING
GTUA BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
Monday, June 16, 2025, 12:00 p.m.**

Notice is hereby given that a meeting of the Board of Directors of the Greater Texoma Utility Authority will be held on the 16th day of June 2025, at 12:00 p.m. in the Administrative Offices of the Greater Texoma Utility Authority, 5100 Airport Drive, Denison TX, 75020, at which time the following items may be discussed, considered, and acted upon, including the expenditure of funds.

Agenda:

- I. Call to Order.
- II. Pledge of Allegiance.
- III. Consent Agenda
 - * Items marked with an asterisk (*) are considered routine by the Board of Directors and will be enacted in one motion without discussion unless a Board Member or a Citizen requests a specific item to be discussed and voted on separately.
- IV. *Consider and act upon approval of Minutes May 19, 2025, Meeting
- V. *Consider and act upon approval of accrued liabilities for May 2025.
- VI. *Consider and act upon Change Order No. 2 with Hayes Construction, LLC. for the City of Bells Watermains Installation Project.
- VII. * Consider and act upon Change Order No. 1 with Drake General Contractors, LLC. for the Bear Creek SUD Pump Station 2 Project.
- VIII. Citizens to be Heard.
- IX. Consider all matters incident and related to the issuance, sale and delivery of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)", including the adoption of a resolution authorizing the issuance of such bonds, establishing parameters for the sale and issuance of such bonds and delegating certain matters to authorized officials of the Authority
- X. Consider and act upon the resignation of Robert Hallberg.

- XI. Consider and act upon Resolution of Appreciation for Robert Hallberg.
- XII. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority.
- XIII. Adjourn.

¹The Board may vote and/or act upon each of the items listed in this agenda.

²At any time during the meeting or work session and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Greater Texoma Utility Authority Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gifts (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

³PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING, AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT VELMA STARKS AT (903) 786-4433 TWO (2) WORKING DAYS PRIOR TO THE MEETING, SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

AGENDA ITEM IV

**MINUTES OF THE BOARD OF DIRECTORS' SPECIAL MEETING
GREATER TEXOMA UTILITY AUTHORITY**

MONDAY, MAY 19, 2025

**AT THE ADMINISTRATIVE OFFICES
5100 AIRPORT DRIVE
DENISON TX 75020**

Members Present: Donald Johnston, Brad Morgan, Matt Brown, Scott Blackerby, Henry Koehler, Stanley Thomas, and Robert Hallberg

Members Absent: Ken Brawley, Kristofor Spiegel

Staff: Paul Sigle, Nichole Murphy, Stacy Patrick, Debi Atkins, and Lisa Lee

General Counsel: Mike Wynne, Wynne and Smith

I. Call to Order

Board President Brad Morgan called the meeting to order at 12:00 p.m.

II. Pledge of Allegiance

Board President Brad Morgan led the group in the Pledge of Allegiance.

III. Consent Agenda

Items marked with an asterisk () are considered routine by the Board of Directors and are enacted in one motion without discussion unless a Board Member or a Citizen requests a specific item to be discussed and voted on separately.

IV. * Consider and act upon approval of Minutes of April 21, 2025, Meeting.

V. * Consider and act upon approval of accrued liabilities for April 2025.

VI. *Consider and act upon Change Order No. 1 with Hayes Construction, LLC. for the City of Bells Watermains Installation Project.

VII. *Consider and act upon Change Order No. 1 with Hawk Builders, LLC. for the City of Sherman, Laboratory Services Building Addition & Remodel Project.

Board Member Scott Blackerby made the motion to approve the Consent Agenda. Board Member Robert Hallberg seconded the motion. Motion passed unanimously.

VIII. Citizens to be Heard.

No citizens wished to be heard.

IX. Receive Quarterly Investment Report.

Debi Atkins addressed the board with the Quarterly Investment Report. No action.

X. Receive an update from Pape-Dawson Engineers, Inc. for the City of Sherman Major Infrastructure Projects.

Toby Flinn with Pape Dawson addressed the Board with the update on Sherman's infrastructure projects.

No milestones have been missed.

Change order deductions in the amount of 9,000,000.

800,000-man hours of work and no Osha reported injuries.

Winding the program management down by December 2025.

Summary of projects given.

The WWTP project will be substantially complete August 26, 2025

Tom Pruitt introduced Jacob Parnel, a new engineer with COS

XI. Consider and act upon the award of contract for the City of Sherman Progress Park Sewer Industrial Sewer Outfall Project.

Board Member Donald Johnston made the motion to approve the Award of Contract. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

XII. Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the contract with Hayes Construction, LLC. for the City of Sherman, Shepherd Drive Sewer Extension Project as complete.

Board Member Matt Brown made the motion to approve Project Completion. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

XIII. Consider and act upon a Resolution by the Board of Directors of the Greater Texoma Utility Authority accepting the Contract with Triad Services Group, LLC. for the City of Sherman Concentrate Discharge System-Discharge Channel Project as complete.

Board Member Matt Brown made the motion to approve the project completion contingent upon City of Sherman council approval. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

XIV. Consider and act upon a request from the Grayson-Collin Electric Cooperative for an easement related to property for the CGMA Water System.

Board Member Stanley Thomas made the motion to approve the easement request. Board Member Scott Blackerby seconded the motion. Motion passed unanimously.

Board Member Matt Brown made the motion to convene into executive session at 12:33 p.m. Board Member Donald Johnston seconded the motion. Motion passed unanimously.

XV. Executive Session

Pursuant to Government Code, Sections 551.071, 551.072, and 551.0726 the Board of Directors may adjourn into closed Executive Session to discuss the following:

- a. Consultations Between Governmental Body and Its Attorney
- b. Deliberating the purchase, exchange, lease or value of real property

Reconvened to regular session at 12:59 p.m.

No action taken

XVI. Regular Session

XVII. Receive General Manager's Report: The General Manager will update the Board on operational and other activities of the Authority.

New Sherman Bond Issue next month \$50 to \$60 million
NTMWD ILA for Raw Waterline

XVIII. Adjourn

Board Member Donald Johnston made the motion to adjourn. Board Member Stanley Thomas seconded the motion. Board President Brad Morgan declared the meeting adjourned at 1:01 p.m.

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Recording Secretary

Secretary-Treasurer

AGENDA ITEM V

RESOLUTION NO. _____

**A RESOLUTION BY THE BOARD OF DIRECTORS OF THE
GREATER TEXOMA UTILITY AUTHORITY AUTHORIZING
PAYMENT OF ACCRUED LIABILITIES FOR THE MONTH OF MAY**

The following liabilities are hereby presented for payment:

	CURRENT	PRIOR MONTH	PRIOR YEAR	% COMPLETE
GENERAL:				
<u>Dues and Subscriptions</u>				
Government Finance Officers Assoc. (Membership renewal for PS for the period of 5/1/25-4/30/26)	160.00			
<u>Fuel and Reimbursements for Mileage</u>				
Nichole Murphy (Reimbursement for mileage)	206.50			
Paul Sigle (Reimbursement for Mileage)	105.50			
Stacy Patrick (Reimbursement for mileage)	205.10			
Velma Starks (Reimbursement for mileage)	30.59			
Valero Fleet Plus (Fuel - Operations Vehicles)	1,836.56			
<u>Insurance</u>				
Bayless - Hall (Crime Bond renewal for the period of 2/1/25-2/1/26)	810.00			
TWCA Risk Management (Workers' compensation insurance)	525.00			
<u>Leases/Rental Fees</u>				
North Texas Regional Airport (Lease - administrative offices)	2,631.96			
Wells Fargo Financial Leasing (Konika-Minolta copier)	551.96			
<u>Legal Fees</u>				
Terrill & Waldrop (Consultation regarding storage rights in LK Texoma & TCEQ Certificate of Adjudication 02-4900)	2,612.50			
<u>Meetings and Conferences</u>				
Cackle & Oink (BOD Lunch)	220.18			
Huck's Cat Fish (Admin Day)	182.38			
<u>Miscellaneous</u>				
American Express (Banking Fees)	116.05			
Valley View Consulting (Investing fees)	18,750.00			
<u>Postage</u>				
Federal Express (Postage, Ram 2025 Truck documents sent to DMV)				
<u>Professional Services</u>				

	CURRENT	PRIOR MONTH	PRIOR YEAR	% COMPLETE
Final Details (Cleaning Service)	585.00			
<u>Repair & Maintenance - Building & Equipment</u>				
American Express (Ear plugs for SH Pump Station tour)	12.97			
<u>Repair & Maintenance - Administrative and Operations Vehicles</u>				
Bank of Texas Visa (Headlight for 2019 F150 truck)	78.56			
Whistlestop Lube (Oil changes, filter changes, wipers, includes for resubmitted costs from payments lost in the mail)	538.67			
<u>Supplies</u>				
American Express (General Office Supplies, GoDaddy Renewals)	467.40			
<u>Training</u>				
Rick McCool (Water License testing fee at Grayson College)	25.00			
<u>Utilities</u>				
ATMOS Energy (Gas)	153.81			
City of Denison (Water)	355.78			
City of Sherman (Trash services)	89.00			
Shell Energy (Electric)	313.21			
Sparklight (Internet)	133.93			
Zulty Inc.(phone lines - local & long distance)	353.70			
Dave Tomlinson (Reimbursement for cell phone expenses)	25.00			
Eric Kyukendall (Reimbursement for cell phone expenses)	25.00			
Nichole Murphy (Reimbursement for cell phone expences)	25.00			
Paul Sigle (Reimbursment for cell phone expense & internet change)	8.34			
Richard McCool (Reimbursement for cell phone expense)	25.00			
Stacy Patrick (Reimbursement for cell phone expenses)	25.00			
Steve White (Reimbursement for cell phone expenses)	25.00			
Wayne Eller (Reimbursement for cell phone expenses)	25.00			
TOTAL:	\$ 32,234.65	\$ 14,725.04	\$ 35,915.99	
SOLID WASTE:				
<u>Utilities</u>				
Grayson-Collin Electric	281.09			
Starr Water Supply	49.17			
TOTAL:	\$ 330.26	\$ 315.26	\$ 195.00	

	CURRENT	PRIOR MONTH	PRIOR YEAR	% COMPLETE
WASTEWATER:				
<u>Advertising</u>				
American Express (Sherman 2024A - Column Ad to bid SWWTPO MBR Preselection Equipment for solids thickening)	235.29			
<u>Construction Contracts</u>				
Hawk Builders (Sherman 2020 - Sherman Lab Building Remodel and addition 16% complete pay app #2)	166,138.17			16%
Hawk Builders (Sherman 2017A - Sherman Lab Building Remodel and addition 25% complete pay app #3)	120,262.49			
Hawk Builders (Sherman 2020 - Sherman Lab Building Remodel and addition 25% complete pay app #3)	101,461.47			25%
Hayter Engineering (Sherman 2022 - 1442-U Legacy Surface Water Line & SW Booster Pump Station)	532.70			
Kiewit (Sherman 2024A - WWTP MBR Pay App # 20 Project 86% complete)	12,813,278.28			86%
Red River Construction (Sherman 2020 - Post Oak WTP Equalization Basin Improvements Pay App #10 Final)	59,357.19			100%
Red River Construction (Sherman 2020 - Post Oak WWTP Primary Clarifier #1 Equip Replace. & Sludge Transfer Rehab Pay App #11 Final)	116,101.68			100%
Western Municipal (Sherman - Post Oak Swr PH 1. Project is 73% complete. Pay App #7)	389,092.82			73%
Western Municipal (Sherman - Post Oak Swr PH 1. Project is 73% complete. Pay App #8)	230,788.10			78%
<u>Engineering Fees</u>				
Huitt-Zollars (Sherman 2021 - Sherman Post Oak Sanitary Sewer Improvements for period ending 3/29/25)	1,600.00			
LAN (Sherman 2024 - Post Oak Creek Interceptor services through 4/4/25)	146,770.25			
Plummer (Sherman 2022 - WWTP Electrical Switchgear Design for electrical generator services through 3/28/25)	1,546.69			
Plummer (Sherman 2022 - WWTP Electrical Switchgear Design for electrical generator services through 4/25/25)	11,557.44			
Plummer (Sherman 2024 - Industrial WW Support / WWT and Water Reuse Master Plan through 3/28/25)	790,597.28			79%
Plummer (Sherman 2024A - South WWTP PH2 conceptional design for services through 2/21/25)	44,740.05			
Plummer (Sherman 2024A - South WWTP PH2 conceptional design for services through 3/28/25)	65,618.74			
Plummer (Sherman 2024A - SWWTP - MBR Solid Thickening Improvements / Design through 3/28/25)	68,893.51			
<u>Miscellaneous</u>				
BLX Group (Kaufman 2019 - Interim arbitrage rebate report for period ending 4/29/25)	500.00			
United States Treasury (Kaufman 2019 - Form 8038-T; Kaufman 2019 Arbitrage fees)	5,464.28			
TOTAL:	\$ 15,134,536.43	\$ 193,038.90	\$ 8,882,745.15	
WATER:				
<u>Construction Costs</u>				
Archer (Sherman 2024 - Lake Texoma Pump Station Expansion. 21% complete Pay App #6)	767,450.37			21%
Carter Tucker (Sherman 2023A - WTP Equipment)	129,649.39			
Drake (Bear Creek 2024 - Pump Station #1 pay app #1. Project 3% complete)	333,925.00			3%
Drake (Bear Creek 2024 - Pump Station #2. Project 3% complete. Pay App #1)	202,350.00			3%
Elliott Electrical Supply (Sherman 2023 - Lake Texoma Pump Station Motor Control Center materials Pay App #3)	14,400.00			
Garney (Sherman 2023 - CMAR 36" NW/SW water main transmission line Pay App #20. Proj. is 78% complete)	2,893,763.14			78%

	CURRENT	PRIOR MONTH	PRIOR YEAR	% COMPLETE
Kitching & Co. LLC (Sherman 2024 - Miscellaneous water line improvements pay app #1)	104,638.76			
Landmark Structures (Van Alstyne 2021 - Elevated Storage Tank project Pay Apps #14 & #15)	140,400.50			86%
Parkhill (Sherman 2021 - WTP emergency power generation for 3/31/25 engineering services)	4,950.00			
Red River Construction (Sherman 2023A - WTP Sedimentation & Filter Improvements Pay App #2. 23% complete)	192,783.50			23%
Red River Construction (Sherman 2023A - WTP Sedimentation & Filter Improvements Pay App #4. 33% complete)	164,606.50			33%
Red River Construction (Sherman 2023A - WTP Flocculation & Sedimentation pay app #9 Proj. 81% completed)	609,285.12			81%
Red River Construction (CGMA - Pump Station Rehab Pay App #18. Project 85% complete)	317,375.96			85%
Triad Service (Sherman 2023 - WTP Concentrate Discharge Force Main Pay App #5 Project 93% complete)	8,550.00			93%
Viking (Sherman 2024A Sherman Stephens PS & GST Facility Improvements # 1)	82,125.00			
Viking (Sherman 2024A Sherman Stephens PS & GST Facility Improvements # 2)	135,000.00			16%
Viking (Sherman 2024A Sherman Stephens PS & GST Facility Improvements # 3)	14,535.00			
Engineering Fees				
Freese & Nichols (GTUA - Raw Water Supply Master Plan & Regional Water System Feasibility Study through 12/31/24)	65,068.75			
Freese & Nichols (GTUA - Raw Water Supply Master Plan & Regional Water System Feasibility Study through 1/31/25)	51,378.50			
Freese & Nichols (GTUA - Raw Water Supply Master Plan & Regional Water System Feasibility Study through 2/28/25)	21,928.50			
Freese & Nichols (CGMA - Regional Water System Master Plan. Engineering services through 3/31/25)	17,745.24			
Garver (Sherman 2024A - Stephens Rd. Ground Storage Tank & Pump Station Rehab as of 2/28/25)	11,533.65			
Pape-Dawson (Sherman 2023 - WTP Concentrate Discharge & Outfall Design services through 3/28/25. 90% complete)	1,983.50			90%
Pape-Dawson (Sherman 2022 - Sherman Program Management services through 3/28/25. 69% complete)	222,949.00			69%
Groundwater				
American Express (NTGCD - Lodging for Legislation, Parking, GoDaddy renewals, TWC and Doodle scheduling software)	3,264.80			
American Express (RRGCD - Doodle scheduling software, TWC and GoDaddy renewals)	420.08			
Allen Burks (NTGCD - Reimbursement)	12.50			
Allen Burks (RRGCD - Reimbursement)	12.50			
Bank of Texas Visa (NTGCD - BOD Chick-Fil-A, Grayson Cty Clerk, Well monitoring supplies)	333.70			
Bank of Texas Visa (RRGCD - Grayson County Clerk, well monitoring supplies)	57.43			
Diamond Computers (NTGCD - First User setup of a new laptop for KC. Labor on System. Transferred data from WP's laptop to new laptop)	217.50			
Diamond Computers (RRGCD - First User setup of a new laptop for KC. Labor on System. Transferred data from WP's laptop to new laptop)	217.50			
Kelley Carr (NTGCD - Reimbursement, Work shirts and boots)	82.01			
Kelley Carr (RRGCD - Reimbursement, Work shirts and boots)	82.00			
Kenneth Elliott (NTGCD - Reimbursement)	12.50			
Kenneth Elliott (RRGCD - Reimbursement)	12.50			
Paul Sigle (NTGCD - Reimbursement)	687.33			
Paul Sigle (RRGCD - Reimbursement)	8.33			
Paul Sigle (CGMA - Reimbursement)	109.20			
Valero Fleet Plus (NTGCD - Fuel)	205.53			
Valero Fleet Plus (RRGCD - Fuel)	29.05			
Velma Starks (NTGCD - mileage reimbursement)	26.19			
Velma Starks (RRGCD - mileage reimbursement)	20.22			
Whistlestop Car Spa (NTGCD - Oil changes, etc.)	482.56			
Whistlestop Car Spa (RRGCD - Oil changes, etc.)	121.18			
Zulty, Inc. (NTGCD - 800 line, local & long distance)	353.70			
Zulty, Inc. (RRGCD - 800 line, local & long distance)	353.70			
Miscellaneous				

	CURRENT	PRIOR MONTH	PRIOR YEAR	% COMPLETE
BLX Group (Van Alstyne 2015 - Interim arbitrage rebate report for period ending 4/22/25)	500.00			
BLX Group (Whitewright 2004 - Final Arbitrage Rebate Report for the period ending 4/1/25)	500.00			
<u>Postage</u>				
Federal Express (Bear Creek 2024 - Contract Documents for Pump Station #1)	35.20			
<u>CGMA Equipment</u>				
American Express (Tractor Rental for 1 month)	6,585.02			
<u>CGMA Repair & Maintenance</u>				
Brenntag Southwest (CGMA - 6 units of Sodium Hypochlorite 10% NSF & 5 units of Ammonium Sulfate 38%-40% NSF to disinfect waterlines)	1,637.61			
Electric Actuator (CGMA - Reported low water service when valve is open; Pump problems, possible leak)	800.00			
Environmental Monitoring Lab (CGMA - Nitrate Nitrogen, Nitrite Nitrogen Water tests, multiple test sites along water lines)	1,104.00			
Kemp Lawn Maintenance (CGMA - Bloomdale Pump Station)	380.00			
Matheson Tri-Gas (CGMA - CGMA - Nitrogen Ind SZ 250 Cyl 2x; hazardous material charge)	52.80			
Texas Excavation Safety System, Inc. (CGMA - Message Fees)	263.35			
Whistlestop (CGMA - Oil Change for F250)	121.18			
<u>Supplies</u>				
Hach Company (CGMA - KTO Chemkey, 25 pc mono-chlor, and 25 pc f&t ammonia qty 8)	2,488.00			
USA Bluebook (CGMA -Marking posts, MSA Advantage GME /P100 cartridge, Respirators, Water valve decals, ewarning decals etc)	6,919.36			
Uline (CGMA - Outdoor white refl tape)	861.44			
<u>CGMA Utilities</u>				
A1 Little John (CGMA - Bloomdale P.S. - Portable toilet rental from				
AT & T Mobility (CGMA - Cradle Point Emergency back up lines)	782.48			
AT & T U-Verse (CGMA - Bloomdale Pump Station, Internet)	53.76			
North Texas Municipal Water District (Water Usage, June)	540,866.00			
Shell Energy (Bloomdale Pump Station)	24,066.26			
Valero (CGMA - Fuel Expense)	294.09			
TOTAL:	\$ 7,103,807.94	\$ 20,205,600.56	\$ 6,876,254.77	
GRAND TOTAL:	\$ 22,270,909.28	\$ 20,413,679.76	\$ 15,795,110.91	

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY THAT the Secretary-Treasurer is hereby authorized to make payments in the amounts listed above.

On motion of _____ and

seconded by _____, the foregoing

Resolution was passed and approved on this, the _____ day of _____, _____ by the following vote:

AYE:
NAY:

At a regular meeting of the Board of Directors of the Greater Texoma Utility Authority.

President

ATTEST:

Secretary/Treasurer

AGENDA ITEM VI

Change Order

Date of Issuance: 5/27/2025

No. 2

Project: Water Mains Installation project	Project No.: TWDB 21798
Owner: City of Bells	Date of Contract: 8/27/2024
Contractor: Hayes Construction, LLC.	

The Contract Documents are modified as follows upon execution of this Change Order:

Description: At approx STA 130+25, there is a 6" waterline coming from the south going north to a storage tank. The city has requested 6" cross and 4 ea 6" valves, similar to previous change at STA 122+15

Justification: Field discovery of waterline running north and south around STA 130+25. This water line is not shown on construction plans

CHANGE IN CONTRACT PRICE:

Original Contract Price:

\$ 713,630.00

[Increase] [~~Decrease~~] from previously
approved Change Orders No. 1 to No. 1

\$ 10,200.00

Contract Price prior to this Change Order:

\$ 723,830.00

[Increase] [~~Decrease~~] of this Change Order:

\$ 13,375.00

Contract Price incorporating this Change

\$ 737,205.00

CHANGE IN CONTRACT TIMES:

Original Contract

Substantial completion days: 120 days

Substantial completion date: 120 days

[Increase] [Decrease] from previously Change Orders
No. to No. :

Substantial completion days: 120 days

Substantial completion date: 120 days

Contract Times prior to this Change Order:

Substantial completion days: 120 days

Substantial completion date: 120 days

[Increase] [Decrease] of this Change Order:

Substantial completion days: n/a

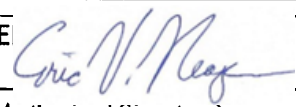
Substantial completion date: n/a

Contract Times with all approved Change Orders:

Substantial completion days: 120 days

Substantial completion date: 120 days

RECOMMENDED

By: 

Engineer (Authorized Signature)

Date: 6/2/2025

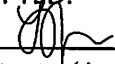
ACCEPTED

By: 

Owner (Authorized Signature)

Date: 6/2/2025

ACCEPTED:

By: 

Contractor (Authorized Signature)

Date: 5/27/2025

Change Order

Date of Issuance: 5/27/2025

No. 2

Project: Water Mains Installation project	Project No.: TWDB 21798
Owner: City of Bells	Date of Contract: 8/27/2024
Contractor: Hayes Construction, LLC.	

The Contract Documents are modified as follows upon execution of this Change Order:

Description: At approx STA 130+25, there is a 6" waterline coming from the south going north to a storage tank. The city has requested 6" cross and 4 ea 6" valves, similar to previous change at STA 122+15

Justification: Field discovery of waterline running north and south around STA 130+25. This water line is not shown on construction plans

ACCEPTED:

By: 

GTUA (Authorized Signature)

Date: 6/4/2025

Hayes Construction, LLC.
205 Cody Lane
Sherman, TX 75092
Tel 469.512.7250



CHANGE ORDER #2

5.27.2025

OWNER	PROJECT
City of Bells 203 S. Broadway St. Bells, TX 75414	Water Mains Installation project

DESCRIPTION	QTY	UNIT COST	TOTAL
6" gate valve	4 ea	\$ 3,175.00	\$ 12,700.00
6" cross	1 ea	\$ 675.00	\$ 675.00
		TOTAL DUE	\$ 13,375.00

Thank you for your business!

AGENDA ITEM VII



DESCRIPTION OF CONTRACTOR'S PRICE FOR PROPOSED MODIFICATION

PROJECT: Bear Creek SUD PS #2 PP#1

PROJECT NUMBER

OWNER: Greater Texoma Utility Authority on behalf of Bear Creek SUD

CONTRACTOR: Drake General Contractors, LLC

DGC No. 05250011

ENGINEER: Kimley-Horn

REFERENCE: CMR-001 - Revised Electrical Shee

Date: May. 21, 2025

The Contractor proposes to make the following additions, modifications, or deletions to the Work

CMR-001: Per the directive from Kimley Horn; see below the cost for the revised electrical sheets E-1, E-10 & E-16.

Recommended for Approval:

Misc Change Order	\$17,334.00
- Revised electrical sheets	
-	
-	
Contractors Fee	\$2,600.10
Equipment	\$0.00
Bond	\$433.90

Tot: \$20,368.00

Art Willey, P.E.

Kimley-Horn

Carmelle Reagan

BCUSD

GTUA

Notice to Proceed:	4/15/2025
Current Substantial Completion:	9/7/2026
New Substantial Completion Date:	9/7/2026

Contractor request/requires **0** days from executed change order be added to the contract for this Proposed Change Modification.
Note: The pricing and terms described above are only valid for **7** days.
Exluded:

Prepared by: Drake General Contractors, Inc.

By: *Chris Armstrong*

Christopher Armstrong

Project Manager



BREAKDOWN OF CONTRACTOR'S PRICE FOR PROPOSED MODIFICATION

Amount Requested \$20,368.00

Additional Days Requested 0

PROJECT: Bear Creek SUD P:

OWNER: Greater Texom

CONTRACTOR: Drake General Contractors, LLC

ENGINEER: Kimley-Horn

REFERENCE: CMR-001 - Revised Electrical Sheets

PROJECT NUMBER

DGC No. 05250011

Description	Qty	Unit	Labor/Unit	Material/Unit	Equipment/Unit	Sub - contractor/Unit	Totals
Supervision & Labor							
	0.0	Wk					\$0.00
	0.0	Wk					\$0.00
	0.0	Wk					\$0.00
Subtotal:							\$0.00
Equipment							
							\$0.00
							\$0.00
							\$0.00
Subcontract							
H&H Electrical	1	LS				\$17,334.00	\$17,334.00
	0	LS					\$0.00
Subtotal:							\$17,334.00
Material							
General Conditions, overhead, & consumables	0	LS					\$0.00
	0	EA					\$0.00
	0	EA					\$0.00
	0	EA					\$0.00
	0	LF					\$0.00
	0	EA					\$0.00
	0	LS					\$0.00
							\$0.00
Subtotal:							\$0.00
					Overall Subtotal:		\$17,334.00
					Contractor's Fee:		\$2,600.10
					Insurance and Bond:		\$433.90
					TOTAL		\$20,368.00

H&H ELECTRICAL CONTRACTORS, INC.

8475 COUNTY ROAD 271, TERRELL, TX. 75160

Office: 972-524-0205 Fax # 972-524-1439

TDLR ELECTRICAL CONTRACTOR # 17190

Date: March 28, 2025

To: Drake Industrial

Attn: Jeff Reynolds

Project: Bear Creek SUD Pump Station #2 Press Plane #1 Improvements

RE: **CMR_01 Revised Electrical Drawings**

Scope:

- Provide (1) New Level Transmitter and (1) New Pressure Transmitter per revised drawings received 3/20/25
- Additional Programming
- Additional Level Transmitter
- Additional Pressure Transmitters
- Programming to Add Additional Devices to SCADA
- Additional Testing and Startup Services

Exclusions:

- Any Items Not Specifically Listed Above

Proposed Total: \$17,334.00

Pricing is valid for thirty (30) Days with letter of intent within ten (10) Days.
If you have any questions, Please do not hesitate to call.

Sincerely,

Kevin Clement
(972) 524-0205
kevinc@hhelectrical.biz

CMR_01 Revised Electrical Drawings

Date: 3/28/2025

Description		Material		Labor
Conduit	Sub-total	\$0		-
Switchgear	Sub-total	\$0		-
Wire & Cable	Sub-total	\$0		-
Fixtures & Devices	Sub-total	\$0		-
Special Systems	Sub-total	\$0		-
Sub-Total From Estimate Sheets		\$0	0%	-
Switchgear	None			-
Generator	None			-
Light Fixtures	None			-
Handhole, Manholes	None			-
Lightning Protection	None			-
Grounding Counter	None			-
Fiber Cabling	None			-
RLC Quote	Quote	\$15,000		-
Control Panels	None			-
Crane Service	None			-
Elect Eq. Testing	None			-
Hi-Pot Testing	None			-
Bore Contractor	None			-
Cable Credit	Quote			-
Sub-Total Quotation		\$15,000	100%	-
Direct Job Expense	\$0 Per Man Crew	\$0		-
Fuel for Testing	No.gal: <input type="text" value="-"/> \$3.25 per Gal	\$0		-
Adder Temporary Power		\$0		-
Sub-Total Load		\$0	0%	-
Sub-total Material and Labor Hours		\$15,000	100%	-
Labor Supervision	<input type="text" value="10%"/>			-
Total Labor Hours				-
Total Labor Dollars	Per M/H <input type="text" value="\$45.00"/>			\$0
Payroll Tax	Burden <input type="text" value="38.00%"/>			\$0
Total Labor Cost			0%	\$0
Total Material, Load & Temporary			100%	\$15,000
Total Prime Cost			100%	\$15,000
Overhead	<input type="text" value="7.50%"/>			\$1,125
Sub-total				\$16,125
Profit	<input type="text" value="7.50%"/>			\$1,209
Total Project Gross Cost				\$17,334
Market Contingency				
Actual Bid Price				\$17,334



SCADA, Security & Control Systems

**GTUA Bear Creek Special Utility District
Pump Station #2
Pressure Plane #1 Improvements**

CO-01 - Proposal to Provide (1) New Level Transmitter and (1) New Pressure Transmitter per revised drawings received 3/20/25

Per Revised drawings received 3/20/25

RLC Controls is pleased to offer this change order proposal to provide additional instrumentation, install and checkout service for newly added instruments as detailed in the above referenced documents.

Services Provided:

- Additional Programming = \$5,000.00
- Additional Level Transmitter = \$4,000.00
- Additional Pressure Transmitters = \$2,500.00
- Programming to Add Additional Devices to SCADA = \$2,500.00
- Additional Testing and Startup Services = \$1,000.00

Total Cost Addition: \$15,000.00

Thanks again and please feel free to call if there are any questions.

Best Regards,

***Clint Cobb
Project Manager
RLC Controls, Inc.
214-620-7332 Cell
clint@rlccontrols.com***

AGENDA ITEM IX



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: June 16, 2025

SUBJECT: AGENDA ITEM NO. IX

PREPARED BY: Stacy Patrick, Project Manager
SUBMITTED BY: Paul M. Sigle, General Manager

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE AND DELIVERY OF “GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2025 (CITY OF SHERMAN PROJECT)”, INCLUDING THE ADOPTION OF A RESOLUTION AUTHORIZING THE ISSUANCE OF SUCH BONDS, ESTABLISHING PARAMETERS FOR THE SALE AND ISSUANCE OF SUCH BONDS AND DELEGATING CERTAIN MATTERS TO AUTHORIZED OFFICIALS OF THE AUTHORITY.

ISSUE

Consider all matters incident and related to the issuance and sale of “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)”.

BACKGROUND

The City of Sherman has requested assistance in obtaining funding for improvements to the City’s water and wastewater system. These improvements include engineering, design, and construction of projects including but not limited to Water and Sewer System Improvements, Lake Texoma Pump Station Electrical Improvements and Expansion, Texoma Raw Water Line #2 and Wastewater Treatment Plant Improvements.

CONSIDERATIONS

At this meeting, General Manager requests delegated sale authority so we can accept bids shortly after the bonds are priced via negotiated sale. The City of Sherman Council will consent to the issuance of the bonds on August 18, 2025, following the negotiated sale. The Bond Issuance is scheduled to close on September 10, 2025.

The resolution will contain limitations on the following: 1) The maximum aggregate principal amount of the Bonds, 2) The true interest cost of the Bonds, and 3) The maximum maturity date of the Bonds.

STAFF RECOMMENDATIONS

The Authority Staff recommends the adoption of a resolution for General Manager to operate as Pricing Officer for the sale of the Bonds on behalf of the City of Sherman.

ATTACHMENTS

Timetable for Issuance
Project List
Preliminary Debt Service Schedule
Bond Resolution

City of Sherman
2025 GTUA OM
Project List

Proj Num	Project Name	Description	Budget
22-030	LTPS Expansion	LTPS Expansion - shortage	9,000,000
22-032	Shepherd 2 MG Elevated Storage Tank	Shepherd 2 MG Elevated Storage Tank Construction	1,200,000
22-042	LTPS Electrical Improvements	Lake Texoma Electrical Imp (Construction)	5,600,000
22-051	Downtown Sewer Improvements	Downtown Sewer Imp Phase II Eng	300,000
23-008	WWTP Electrical MV Loop North Plant	WWTP Electrical MV Loop North Plant (Offsite Oncor)	1,700,000
		WWTP Electrical MV Loop North Plant (Funds to finish project)	3,500,000
23-009	Lake Texoma Backup Generator	LTPS Backup Generator pre-procure, motor controls	2,820,000
24-052	Hwy 82 and N. Loy Lake Sewer	Hwy 82 and N. Loy Lake Sewer	2,200,000
25-001	WWTP Upgrade and Expansion North Plant (Filter and re-lift)	WWTP Upgrade and Expansion North Plant - Filter & re-lift construction	2,000,000
25-012	WWTP South MBR Phase II	WWTP South MBR Phase II	5,000,000
25-057	Industrial Sewer Line by GW	GlobalWafers Sewer Line	5,600,000
25-062	NTMWD Second water line from LTPS to WTP (84")	NTMWD Second water line from LTPS to WTP (84")	5,015,000
25-067	Red River Boundary Comm Settlement	Red River Boundary Comm Settlement	2,150,000
25-068	Blalock Park Interceptor	Outfall line Construction (Blalock Sewer line) Construction	2,600,000
25-077	WWTP Sludge/Solids Thickener construction	WWTP Sludge/Solids Thickener construction	5,100,000
Grand Total			53,785,000

A RESOLUTION by the Board of Directors of the Greater Texoma Utility Authority authorizing the issuance of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)"; pledging the Pledged Revenue to the payment of the principal of and interest on said Bonds; delegating matters relating to the issuance, sale, and delivery of said Bonds to authorized Authority officials; and resolving other matters incident and related thereto

WHEREAS, the Board of Directors of the Greater Texoma Utility Authority (the "Authority") has determined that Bonds should be authorized at this time to provide funding for the Series 2025 Project more fully described in Section 1 hereof; and

WHEREAS, the Authority shall by this Resolution, in accordance with the provisions of Chapter 1371, Texas Government Code, as amended, delegate to a Pricing Officer (hereafter designated) the authority to determine the principal amount of Bonds to be issued and negotiate the terms of sale thereof; and

WHEREAS, the Board of Directors of the Authority has determined that the Bonds herein authorized may and shall be issued as Additional Bonds (herein defined) on a parity with the Outstanding Previously Issued Bonds (herein defined) in that:

(a) The Authority is not now in default as to any covenant, condition or obligation contained in the Contract (as hereinafter defined) and the resolutions authorizing the issuance of Outstanding Previously Issued Bonds;

(b) The City of Sherman, Texas, will approve the resolution authorizing the issuance of the Bonds as to form and content and will acknowledge that payment of principal and interest on the Bonds will be made, in whole or in part, by the City of Sherman, Texas, under and pursuant to the Contract;

(c) A consulting engineer will certify to the Authority the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the Project (herein defined);

(d) The Bonds herein authorized shall mature on April 1 and/or October 1 in each of the years in which they are scheduled to mature as provided in the Pricing Certificate;

(e) As provided herein, deposits to the Bond Fund will be sufficient to pay principal of and interest on the Bonds herein authorized as the same become due;

(f) As provided herein, the amount to be accumulated and maintained in the Reserve Fund will be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis) of all Outstanding Bonds Similarly Secured as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Bonds for the payment of principal of and interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenues, and any additional amount to be maintained in the Reserve Fund shall be accumulated within not more than 60 months from the date of the passage of this Resolution; and;

(g) The Authority will demonstrate to the Texas Water Development Board's Executive Administrator that the Pledged Revenues will be sufficient to pay the Previously Issued Bonds and the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GREATER TEXOMA UTILITY AUTHORITY:

SECTION 1: Authorization - Designation - Principal Amount – Purpose – Bond Date. Revenue bonds of the Authority shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth to be designated and bear the title "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2025 (CITY OF SHERMAN PROJECT)" (herein referred to as the "Bonds"), for the construction, acquisition, and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), and the acquisition of land and rights-of-way necessary therefor or incidental thereto, and for the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds and the payment of all costs incident and related to the acquisition and financing thereof, and the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds, pursuant to authority conferred by and in conformity with the Constitution and the laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283 and Chapter 1371, Texas Government Code, as amended. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate.

SECTION 2: Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from One (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer.

(a) As authorized by Texas Government Code, Chapter 1371, as amended, the General Manager or President of the Board of Directors (either the "Pricing Officer") is hereby authorized to act on behalf of the Authority in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution, including, determining the aggregate original principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Authority, as well as any mandatory sinking fund redemption provisions, the designation of a Paying Agent/Registrar, and all other matters relating to the issuance, sale, and delivery of the Bonds, including any modification of the

Rule 15c2-12 continuing disclosure undertaking contained in Section 39 hereof, all of which shall be specified in the Pricing Certificate; provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$68,500,000;
- (ii) the true interest cost rate for the Bonds shall not exceed the highest rate permitted by law; and
- (iii) the maximum maturity date of the Bonds shall be October 1, 2055.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the Authority to the Purchasers (hereinafter defined).

(b) The delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to 365 days from the date hereof.

SECTION 4: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books (the "Security Register") maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the Authority by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as Exhibit A and such reasonable rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The Authority covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the Authority agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or the redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated office specified in the Pricing Certificate or such other office as shall be designated from time to time by the Paying Agent/Registrar, or its successors (the "Designated Payment/Transfer Office"). Interest on each Bond shall be paid to the Holder whose name appears in the Security Register at the close of business on the Record Date (the fifteenth (15th) day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States mail, first class postage prepaid, to the

address of the Holder recorded in the Security Register, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the Authority at the Designated Payment/Transfer Office of the Paying Agent/Registrar, and also at a location within the State of Texas, as provided herein and in accordance with rules and regulations as the Paying Agent/Registrar and the Authority may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Bonds issued under and pursuant to the provisions of this Resolution, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and being of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and being of a like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the Authority, evidencing the same obligation to pay,

and entitled to the same benefits under this Resolution, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 30 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the Authority nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in this Resolution relating to the payment and transfer/exchange of the Bonds, the Authority hereby approves and authorizes the use of the "Book-Entry Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the operational arrangements referenced in a Blanket Issuer Letter of Representations by and between the Authority and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Authority covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the Authority by the President or Vice President of the Board of Directors under its seal reproduced or impressed thereon and attested by the Secretary or Assistant Secretary of the Board of

Directors. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the Authority on the date of the adoption of this Resolution shall be deemed to be duly executed on behalf of the Authority, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial Holders and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in the Public Security Procedures Act, Texas Chapter 1201, Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Resolution, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate upon any Bond duly signed shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) **Forms Generally.** The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to appear on the Initial Bond(s), the Registration Certificate of Paying Agent/Registrar to appear on the definitive Bonds, and the form of Assignment to appear on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Resolution, and the Bonds may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Bonds are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Authority or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTIES OF GRAYSON, COLLIN, FANNIN AND COOKE
GREATER TEXOMA UTILITY AUTHORITY
CONTRACT REVENUE BONDS, SERIES 2025
(CITY OF SHERMAN PROJECT)

Bond Date:

Interest Rate:
_____ %

Stated Maturity:
_____ 1, 20__

CUSIP NO.

Registered Owner:

Principal Amount:

DOLLARS

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on the Stated Maturity date specified above, the Principal Amount hereinabove stated and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from the _____) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each April 1 and October 1 thereafter until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or date of redemption to the Holder hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of _____, the Paying Agent/Registrar, or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the fifteenth (15th) day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

If the date for payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") for the purpose of providing funds for the construction, acquisition, and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas, and the acquisition of land and rights-of-way necessary therefor or incidental thereto, and for the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds and the payment of all costs incident and related to the acquisition and financing thereof, pursuant to authority conferred by and in conformity with the Constitution and the laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283 and Chapter 1371, Texas Government Code, as amended, and pursuant to a Resolution adopted by the Board of Directors of the Authority (herein referred to as the "Resolution").

The Bonds maturing on and after _____, may be redeemed prior to their Stated Maturities, at the option of the Authority, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar) on _____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

Not fewer than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the Authority and at the Authority's expense, to each Registered Owner of a Bond to be redeemed and subject to the terms and provisions relating thereto contained in the Resolution. If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed.

In the event of a partial redemption of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the Holder only upon presentation and surrender of this Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office, and there shall be issued, without charge therefor to the Holder hereof, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Resolution for the then unredeemed balance of the principal sum hereof. If this Bond is selected for redemption, in whole or in part, the Authority and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Holder within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Resolution have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the Authority shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds constitute special obligations of the Authority, and, together with the outstanding Previously Issued Bonds and any Additional Bonds, if issued, are payable as to principal and interest solely from and equally secured by a first lien on the Pledged Revenue of the Authority (identified and defined in the Resolution, and including revenues to be received under and pursuant to a Contract For Water Supply and Sewer Service between the Authority and the City of Sherman, Texas, dated as of March 1, 1985, together with all amendments thereto). Reference is hereby made to the Resolution, copies of which are on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the revenues pledged for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Authority and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Resolution.

The Authority expressly reserves the right to issue further and additional revenue bond obligations in all things on a parity with the Bonds and the Previously Issued Bonds, payable solely from and equally secured by a first lien on the Pledged Revenue described above; provided, however, that any and all such Additional Bonds may be so issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Resolution, to which reference is hereby made for more complete and full particulars.

The Holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

This Bond, subject to certain limitations contained in the Resolution, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Holder hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The Authority and the Paying Agent/Registrar, and any agent of either, shall treat the Holder whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its redemption in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the Authority nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid and binding obligation of the Authority have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that the issuance of the Bonds does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of Directors of the Authority has caused this Bond to be duly executed under the official seal of the Authority.

GREATER TEXOMA UTILITY AUTHORITY

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

(
(
(
(

REGISTER NO. _____

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on the definitive Bonds.

CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued under the provisions of the within-mentioned Resolution; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The principal office of the Paying Agent/Register in _____ is the "Designated Payment/Transfer Office" for this Bond.

_____,
as Paying Agent/Registrar

Registration Date:

By: _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto
(Print or typewrite name, address, and zip code of transferee:) _____

(Social Security or other identifying number: _____) the within Bond and all
rights thereunder, and hereby irrevocably constitutes and appoints _____

attorney
to transfer the within Bond on the books kept for registration thereof, with full power of substitution
in the premises.

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must
correspond with the name of the registered owner
as it appears on the face of the within Bond in
every particular.

(f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this Section,
except that the form of a single fully registered Initial Bond shall be modified as follows:

REGISTERED
NO. T-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTIES OF COOKE, FANNIN, GRAYSON AND COLLIN
GREATER TEXOMA UTILITY AUTHORITY
CONTRACT REVENUE BONDS, SERIES 2025
(CITY OF SHERMAN PROJECT)

Bond Date: _____

Registered Owner:

Principal Amount:

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value
received, hereby promises to pay to the Registered Owner named above (the "Holder") or the
registered assigns thereof, solely from the revenues hereinafter identified, on _____ in each
of the years and in principal amounts and bearing interest at per annum rates in accordance with
the following schedule:

<u>YEAR</u>	<u>PRINCIPAL INSTALLMENTS</u>	<u>INTEREST RATE</u>
-------------	-----------------------------------	--------------------------

(Information to be inserted from schedule in the Pricing Certificate)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond (or its Predecessor Bond) to the initial Holder, in which case it shall bear interest from the _____) at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each April 1 and October 1 thereafter until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the Holder hereof by _____ (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"), or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the fifteenth (15th) day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Certain Definitions. In addition to terms defined elsewhere in this Resolution, for all purposes of this Resolution and in particular for clarity with respect to the issuance of the Bonds and the pledge and appropriation of the Pledged Revenue therefor, the following definitions are provided:

(a) The term "Additional Bonds" shall mean parity revenue bonds issued in accordance with the terms and conditions prescribed in Section 19 hereof.

(b) The term "Authorized Investments" shall mean the obligations identified in the "Public Funds Investment Act" (Texas Government Code, Chapter 2256), as amended.

(c) The term "Bonds" shall mean the "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)" authorized by this Resolution.

(d) The term "Bonds Similarly Secured" shall mean the Bonds, the Previously Issued Bonds, and Additional Bonds.

(e) The term "Contract" or "Contract for Water Supply and Sewer Service" shall mean that certain contract, dated as of the 1st day of March, 1985, by and between the Authority and the City of Sherman, Texas, together with amendments and supplements thereto (which by the term of such instrument is designated as a supplement to such Contract), a conformed copy of such Contract being attached hereto as Exhibit B for the purposes of identification only.

(f) The term "Cost of the Project" shall have the meaning assigned such term in Section 1.01 of the Contract.

(g) The term "Fiscal Year" shall mean the twelve month operational period of the Authority commencing October 1 of each year; provided, however, the Authority may change the fiscal year to another period of not less than twelve (12) calendar months but in no event may the fiscal year be changed more than one time in any three calendar year period.

(h) The term "Government Obligations" as used herein, unless otherwise provided in the Pricing Certificate, means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the Authority, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other authorized securities or obligations under applicable laws of the State of Texas that may be used to defease obligations such as the Bonds.

(i) The term "Maintenance and Operation Expense of the Project" shall have the meaning assigned such term in Section 1.01 of the Contract.

(j) The term "Outstanding" shall mean when used in this Resolution with respect to Bonds or Bonds Similarly Secured, as of the date of determination, all Bonds or Bonds Similarly Secured theretofore issued and delivered, except:

(i) those Bonds or Bonds Similarly Secured canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(ii) those Bonds or Bonds Similarly Secured paid or deemed to be paid in accordance with the provisions of Section 27 hereof; and

(iii) those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 30 hereof or similar provisions with respect to Bonds Similarly Secured.

(k) The term "Pledged Revenue" shall mean (i) the amount received by the Authority as monthly amortization payments by reason of Section 3.01 (a) of the Contract, less the fees and charges of the Paying Agent/Registrar with respect to Bonds Similarly Secured, plus (ii) the amounts deposited into the Bond Fund reaffirmed by Section 12(b) of this Resolution, and the Reserve Fund reaffirmed by Section 12(c) of this Resolution; plus (iii) any amounts on deposit in any construction fund, created and established by a resolution authorizing the issuance of the Bonds or Bonds Similarly Secured, pending the application of such money for the payment of the Cost of a Project.

(l) The term "Previously Issued Bonds" shall mean the Outstanding (1) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2006 (City of Sherman Project)," (2) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2013A (City of Sherman Project)," (3) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2014 (City of Sherman Project)," (4) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015

(City of Sherman Project)," (5) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015A (City of Sherman Project)," (6) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015B (City of Sherman Project)," (7) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017 (City of Sherman Project)," (8) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017A (City of Sherman Project)," (9) "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)," (10) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019A (City of Sherman Project)," (11) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)," (12) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2021 (City of Sherman Project)," (13) "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2021 (City of Sherman Project)," (14) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Sherman Project)," (15) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023 (City of Sherman Project)," (16) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023A (City of Sherman Project)", 17) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024 (City of Sherman Project)" and 18) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024A (City of Sherman Project)" heretofore issued which are in every respect on a parity with the Bonds.

(m) The term "Project" shall mean, with respect to the Bonds Similarly Secured, collectively, the projects described as such in the resolutions of the Authority that have from time to time authorized the issuance of Bonds Similarly Secured by the Authority for the financing of such projects.

(n) The term "Series 2025 Project" shall mean, with respect to the Bonds, the project described in Section 1 hereof.

SECTION 11: Pledge. The Authority hereby covenants and agrees that all of the Pledged Revenue is hereby irrevocably pledged for the payment of the Bonds Similarly Secured, and the interest thereon, and it is hereby declared and resolved that the Bonds Similarly Secured and the interest thereon shall constitute a first lien upon said Pledged Revenue.

Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds Similarly Secured and the pledge of the Pledged Revenue granted by the Authority under this Section of this Resolution, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding and unpaid such that the pledge of the Pledged Revenue granted by the Authority under this Section of this Resolution is to be subject to the filing requirements of Texas Business & Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said Pledged Revenue, the Authority agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business & Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said Pledged Revenue to occur.

SECTION 12: Fund Designations. The Authority hereby covenants and agrees with the Holders of the Bonds Similarly Secured that all income, receipts and revenues derived from the operation and ownership of the Project shall be kept separate from other funds or accounts of the Authority. To that end, the following special Funds (herein so called) were created and established by a resolution authorizing Previously Issued Bonds and shall exist and govern the application of the Pledged Revenue while the Bonds Similarly Secured are Outstanding, to wit:

(a) Greater Texoma Utility Authority Revenue Fund, hereinafter called the "Revenue Fund." This Fund shall be kept in a depository of the Authority.

(b) Greater Texoma Utility Authority Bond Interest and Sinking Fund, hereinafter called the "Bond Fund." This Fund shall be deposited with a depository of the Authority as trustee of the Pledged Revenue, and moneys deposited therein shall be used to pay principal of and interest on Bonds Similarly Secured when and as the same shall become due and payable.

(c) Greater Texoma Utility Authority Bond Reserve Fund, hereinafter called the "Reserve Fund." This Fund shall be deposited with a depository of the Authority and money deposited therein shall be used to pay the principal of and interest on Bonds Similarly Secured falling due at any time where there is insufficient money available in the Bond Fund.

SECTION 13: Revenue Fund. All revenues and income of any kind or character received by the Authority by reason of (i) its ownership of all or a part of the Project, (ii) the operation of the Project, or (iii) the Contract, shall be deposited in the Revenue Fund.

In the event money is deposited in the Revenue Fund from sources other than those specified in Section 3.01 of the Contract, then such money may be invested or reinvested or placed on time deposit in the same manner as the Reserve Fund pending its application to the reduction of payments that would otherwise be required to be made by the City under Section 3.01 of the Contract. Investment income and profits from the investment of the Revenue Fund shall be retained therein until used as provided in this Section.

Money in the Revenue Fund shall be used in the following order of priority:

1. Payments into the Bond Fund, as provided by Section 14;
2. Payments into the Reserve Fund, as provided by Section 15;
3. The curing of any deficiencies, as provided by Section 16;
4. The payment of other costs of the Project including maintenance and operation expenses not paid by the Authority and those purposes for which provision is made by Section 3.01(c) through 3.01(e) of the Contract; and
5. Applied as provided in Section 17.

SECTION 14: Bond Fund. The Authority hereby covenants and agrees to deposit to the credit of the Bond Fund amounts sufficient to pay the principal of and interest on the outstanding Bonds Similarly Secured as the same becomes due. There shall be deposited into the Bond Fund, by reason of the issuance of the Bonds, from the Pledged Revenue on deposit in the Revenue Fund (i) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds and on or before the twenty-fifth (25th) day of each following month until and including the first interest payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of interest on deposit by the twenty-fifth (25th) day of the month next preceding the first interest payment date, and thereafter on the twenty-fifth (25th) day of each following month, an amount equal to not less than one sixth (1/6) of the next installment of interest; (ii) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds, and on or before the twenty-fifth (25th) day of each following month until and including the first principal payment date, an amount equal to not less

than the fractional amount required in order to have the amount of the first installment of principal on deposit by the twenty-fifth (25th) day of the month preceding the first principal payment date, and thereafter on or before the twenty-fifth (25th) day of each month, an amount equal to one twelfth (1/12) of the next annual principal payment to become due on the Bonds.

The amounts required to be so deposited shall take into account amounts already on deposit in the Bond Fund.

The monthly deposits to the Bond Fund for the payment of principal and interest on the Bonds shall continue to be made as hereinabove provided until such time as (i) the total amount on deposit in the Bond Fund is equal to the amount required to pay all Outstanding Bonds Similarly Secured (principal and interest) for which said Fund was created and established or (ii) the Bonds Similarly Secured payable therefrom are no longer Outstanding.

Moneys on deposit in the Bond Fund may be invested, to the extent such investments are Authorized Investments, in United States Treasury bills, in similar direct obligations of the United States of America, or in certificates of deposit of any bank that is a member of the Federal Deposit Insurance Corporation (which are fully secured by a pledge of direct obligations of, or obligations of which the principal and interest are guaranteed by, the United States of America to the extent such certificates are not insured) maturing at such dates and in such manner as will provide cash to discharge interest and/or principal payments on Bonds Similarly Secured when and as the same become due.

Investment income and profits realized from the investment of the Bond Fund shall be retained therein until used as provided in this Section. Accrued interest, if any, shall be deposited into the Bond Fund.

SECTION 15: Reserve Fund. Upon the delivery of the Bonds, amounts on deposit in the Reserve Fund, allocated as a part of the Reserve Fund for the security of "Bonds Similarly Secured" under the resolutions authorizing the issuance of such Bonds Similarly Secured (including amounts held in the Reserve Fund by reason of the issuance of the Previously Issued Bonds) shall continue to be held as a part of the Reserve Fund for the security and payment, if required, of Bonds Similarly Secured as defined herein. The Authority hereby covenants and agrees with the holders of the Bonds Similarly Secured that it will provide for the accumulation of, and when accumulated, will thereafter continuously maintain in the Reserve Fund an amount equal to the average annual principal and interest requirement of all Bonds Similarly Secured (the Required Reserve Fund Amount). If any Bonds Similarly Secured are subject to mandatory redemption, the amount required to be redeemed in any Fiscal Year shall be treated as if it matured in that Fiscal Year. The average annual requirement shall be calculated on a Fiscal Year basis on the Outstanding Bonds Similarly Secured on the date of the last series of Bonds Similarly Secured (after giving effect to the issuance of such last series); provided, however, at such time as the Previously Issued Bonds identified in 1-7 of Section 10(I) hereof are no longer Outstanding, the average annual requirement shall also be calculated at the end of each Fiscal Year. Any amounts on deposit in the Reserve Fund in excess of such requirement shall be transferred to the Revenue Fund.

In addition, beginning on or before the twenty-fifth (25th) day of the month following the delivery of the Bonds, and on or before the twenty-fifth (25th) day of each month thereafter, there shall be deposited in the Reserve Fund substantially equal month deposits in an amount which will result in the Required Reserve Fund Amount being on deposit in the Reserve Fund within not

more than sixty (60) months from the date of the passage of this Resolution, and such monthly deposits shall take into account the amounts already on deposit in said Reserve Fund.

When the Required Reserve Fund Amount has been fully accumulated, said monthly payments to said Fund may be terminated; provided, however, should the money in the Reserve Fund be utilized so the Reserve Fund balance is less than the Required Reserve Fund Amount, after the same has been accumulated, monthly deposits shall be made in an amount not less than one-twelfth (1/12th) of the amount of the deficiency and shall continue to be made on or before the twenty-fifth (25th) day of each month until the Required Reserve Fund Amount has been fully restored.

Money in the Reserve Fund may be, at the option of the Authority, invested or reinvested from time to time in direct obligations of or obligations the principal and interest of which are guaranteed by the United States of America or invested in direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, Banks for Cooperatives, and in certificates of deposit of any bank which is a member of the Federal Deposit Insurance Corporation, and such certificates of deposit are fully insured and/or secured by a pledge of the securities of any of the kind hereinabove specified, such obligations or securities to mature in not more than ten years from the date of such investment or not later than the final maturity of the Bonds Similarly Secured Outstanding for which the Reserve Fund is established, whichever is shorter. Any obligations in which money is so invested shall be kept in escrow with the custodian of said Fund, and shall be promptly sold when notified by the Authority that moneys on deposit in the Bond Fund are insufficient to make a current interest and/or principal payment on Bonds Similarly Secured, and the proceeds of sale of such investments and/or moneys on deposit in the Reserve Fund in an amount sufficient to meet the deficiency in the Bond Fund shall be immediately transferred to the Bond Fund, without further notice or authorization. The Authority shall direct the investment of moneys on deposit in the Reserve Fund.

Investment income and profits realized from the investment of the Reserve Fund shall be retained therein as may be necessary to fully establish or restore the Required Reserve Fund Amount and thereafter shall be transferred to the Revenue Fund.

Investments in the Reserve Fund shall be valued at the lower of cost or market on June 1 of each year, by the chief financial officer of the Authority. In the event the amount contained in the Reserve Fund (as the result of such valuation) is less than the amount then required to be on deposit, additional deposits in an amount equal to not less than 1/12th of the deficiency shall be made monthly, beginning on the 25th day of October next following until the deficiency has been corrected. In the event the amount contained in the Reserve Fund (as a result of such valuation) is more than the Required Reserve Fund Amount, the amount of such excess may be transferred to the Revenue Fund and shall be so transferred if directed by the Authority.

SECTION 16: Deficiencies in Funds. If in any month the Authority shall, for any reason, fail to pay into the Bond Fund and Reserve Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the first available and un-allocated Pledged Revenue of the following month or months, and such payments shall be in addition to the amount hereinabove provided to be otherwise paid into said Funds during such month or months.

SECTION 17: Remainder of Revenues. Money remaining in the Revenue Fund, after making the payments required in items (1) through (4) of the last paragraph of Section 13, shall

be transferred to any other fund created by this Resolution and used as a credit to the amount that would otherwise be required to be paid by the City under Section 3.01 of the Contract.

SECTION 18: Security of Funds and Their Transfer. All moneys on deposit in the special Funds for which this Resolution makes provision (except any portions thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys in such special Funds shall be used only for the purposes permitted by this Resolution.

While any of the Bonds are Outstanding, the Board of Directors shall cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Bond Fund and, if necessary, in the Reserve Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures or comes due by reason of redemption prior to maturity, such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the business day next preceding the date of payment for the Bonds.

SECTION 19: Issuance of Additional Parity Bonds. In addition to the right to issue bonds of inferior lien as authorized by the laws of this State, the Authority reserves the right hereafter to issue Additional Bonds. The Additional Bonds, when issued, shall be payable from and secured by a first lien on and pledge of the Pledged Revenue in the same manner and to the same extent as are the Bonds and the Previously Issued Bonds. Bonds Similarly Secured shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more installments provided, however, that no Additional Bonds shall be issued unless and until the following conditions have been met:

(a) The Authority is not then in default as to any covenant, condition or obligation prescribed in a resolution authorizing the issuance of the Outstanding Bonds Similarly Secured or the Contract (including any amendment or supplement thereto).

(b) A consulting engineer certifies to the Authority the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the Project.

(c) The City of Sherman, Texas, shall have approved the resolution(s) authorizing the issuance of the Additional Bonds as to form and content and acknowledged that the payment of principal of and interest on such bonds is payable, in whole or in part, from payments to be made by the City of Sherman, Texas, under and pursuant to the Contract.

(d) The Additional Bonds are made to mature on April 1 or October 1 or both in each of the years in which they are scheduled to mature.

(e) The resolution authorizing the issuance of the Additional Bonds provides for deposits to be made to the Bond Fund in amounts sufficient to pay the principal of and interest on such Additional Bonds as the same become due.

(f) The resolution authorizing the issuance of the Additional Bonds provides that (i) the amount to be accumulated and maintained in the Reserve Fund shall be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis) of the Outstanding Bonds Similarly Secured, as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds) for the payment of principal of and

interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenue, and (ii) any additional amount to be maintained in the Reserve Fund shall be accumulated within not more than 60 months from the date of the passage of the resolution authorizing the issuance of the proposed Additional Bonds.

(g) The Authority will demonstrate to the Executive Administrator of the Texas Water Development Board that the Pledged Revenues will be sufficient to pay the Previously Issued Bonds, the Bonds and the proposed Additional Bonds.

Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the governing body of the Authority may deem to be in the best interest of the Authority, and if less than all such Outstanding Bonds Similarly Secured are refunded the proposed refunding bonds shall be considered as "Additional Bonds" under the provisions of this Section, but the certificate required in subdivision (b) shall not be required or be applicable to the issuance of such refunding bonds.

SECTION 20: Insurance. The Authority covenants that it will at all times keep insured such of its plants, structures, buildings, stations, machinery, equipment, apparatus, distribution pipelines and equipment, as are usually insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which and to the extent insurance is usually carried by corporations operating like properties, and will also at all times maintain worker's compensation insurance and insurance against public liability and property damages to the extent permitted by law, in a reasonable amount with a responsible insurance company or companies; provided, however, that any time while any contractor engaged in construction work shall be fully responsible therefor, or the Authority has assumed such responsibility, the Authority shall not be required to carry such insurance.

SECTION 21: Records - Accounts - Accounting Reports. The Authority hereby covenants and agrees that so long as any of the Bonds Similarly Secured or any interest thereon remain Outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts on a Fiscal Year basis pertaining to the operation of the Project separate and apart from all other records and accounts of the Authority in accordance with accepted accounting practices, and complete and correct entries shall be made of all transactions relating to said Project. The Holder or Holders of any Bonds Similarly Secured, or any duly authorized agent or agents of such Holders, shall have the right at all reasonable times to inspect all such records, accounts and data relating thereto and to inspect the Project and all properties comprising same. The Authority further agrees that within one hundred twenty (120) days following the close of each Fiscal Year, or as soon thereafter as possible, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants or Licensed Public Accountants. Each such audit, in addition to whatever other matters may be thought proper by the Accountant shall particularly include the following:

- (a) A detailed statement of the receipts and disbursements from the Revenue Fund.
- (b) A balance sheet as of the end of such Fiscal Year.

(c) The Accountant's comments regarding the manner in which the Authority and the City have complied with the covenants and requirements of this Resolution and the Contract and his recommendations for any changes or improvements in the operation, records and accounts of the Authority.

(d) A list of the insurance policies in force (if obtained by the Authority) at the end of the Fiscal Year on the Project properties, setting out as to each policy the amount thereof, the risk covered, the name of the insurer, and the policy's expiration date.

(e) A list of the securities which have been on deposit as security for money in the Bond Fund and Reserve Fund throughout the Fiscal Year, a list of the securities, if any, in which money in the Bond Fund and Reserve Fund has been invested, and a statement of the manner in which money in the Revenue Fund has been secured in such Fiscal Year.

Expenses incurred in making the audits above referred to are to be regarded as Maintenance and Operating Expenses of the Project and paid as such. Copies of the aforesaid annual audit shall be immediately furnished to the Executive Director of the Municipal Advisory Council of Texas at his or her office in Austin, Texas, and, upon written request, to the initial Holder and any subsequent Holder of the Bonds Similarly Secured.

By its approval of this Resolution, the City of Sherman, Texas, agrees, in order to secure its obligations under the Contract, to maintain rates and charges for its utility system sufficient to pay all of its obligations secured by and made payable from the revenues derived from the operation of its utility system.

SECTION 22: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the Authority covenants and agrees particularly that in the event the Authority (a) defaults in payments to be made to the Bond Fund or Reserve Fund as required by this Resolution, or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution any Holder shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Board of Directors and other officers of the Authority to observe and perform any covenant, condition or obligation prescribed in this Resolution.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 23: Special Covenants. The Authority hereby further covenants as follows:

(a) It has the lawful power to pledge the revenues supporting this issue of Bonds and has lawfully exercised said power under the Constitution and laws of the State of Texas; that the Bonds, Previously Issued Bonds, and the Additional Bonds, when issued, shall be ratably secured under said pledge of the Pledged Revenue in such manner that one bond shall have no preference over any other bond of said issues.

(b) Other than for the Bonds and the Previously Issued Bonds, the Pledged Revenue has in no manner been committed or pledged to the payment of any debt or obligation of the Authority.

(c) So long as any of the Bonds or any interest thereon remain Outstanding, the Authority will not sell or encumber the Project or any substantial part thereof; provided, however, this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the

Project, and, also, with the exception of the Additional Bonds expressly permitted by this Resolution to be issued, it will not encumber the Pledged Revenue unless such encumbrance is made junior and subordinate to all of the provisions of this Resolution.

(d) The Authority will maintain rates and charges to the City sufficient to meet the debt service requirements on the Outstanding obligations of the Authority that are supported by such revenues.

None of the special covenants herein appearing shall be construed in any manner which would deprive the Authority of its right to pledge any revenues produced by modification of the Contract and specifically designated to meet obligations incurred in providing the Authority with enlarged or additional facilities; further, that none of said covenants shall be construed in any manner which would deprive the Authority of its right to pledge that part of any revenue or income derived by it from other future contracts with other cities, towns or villages or the Authority or others and required to satisfy conditions for payment of other bonds or obligations issued by the Authority and such right is especially reserved.

SECTION 24: Bonds are Special Obligations. The Bonds are special obligations of the Authority payable from the Pledged Revenue and the Holders thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 25: Bonds are Negotiable Instruments. Each of the Bonds herein authorized shall be deemed and construed to be a "Security" and as such a negotiable instrument, within the meaning of Texas Business & Commerce Code, Chapter 8, as amended.

SECTION 26: Resolution a Contract - Amendments. This Resolution shall constitute a contract with the Holders from time to time, be binding on the Authority, and shall not be amended or repealed by the Authority so long as any Bond remains Outstanding except as permitted in this Section and in Section 39 hereof. The Authority, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Authority may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds Similarly Secured then outstanding, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the consent of all Holders of the Bonds then outstanding, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 27: Satisfaction of Obligation of Authority. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Resolution, then the pledge of the Pledged Revenue under this Resolution and all other obligations of the Authority to the Holders shall thereupon cease, terminate, and become void and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor,

together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Obligations shall mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. In the event of a defeasance of the Bonds, the Authority shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent certified public accountant, or another qualified third party concerning the sufficiency of the deposit of cash and/or Government Obligations to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Bonds. The Authority covenants that no deposit of moneys or Government Obligations will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Obligations held in trust by the Paying Agent/Registrar or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the Authority or deposited as directed by the Authority. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the Authority, be remitted to the Authority against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Authority shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 28: Notices to Holders-Waiver. Wherever this Resolution provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder as it appears in the Security Register.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Resolution provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 29: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Authority, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Authority may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Authority may have acquired in any

manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the Authority.

SECTION 30: Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the Authority and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Authority and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Resolution equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 31: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

“Closing Date” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Computation Date” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“Investment” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of (i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (ii) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The Authority shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Authority receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the Authority shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Authority shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the Authority or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the Authority shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is

sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the Authority shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The Authority shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The Authority shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the Authority may commingle Gross Proceeds of the Bonds with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the Authority shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The Authority shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the Authority shall pay to the United States out of the general fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Bond Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date;

and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The Authority shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the Authority shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The Authority hereby directs and authorizes the President, Vice President, Secretary and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 32: Sale of Bonds – Official Statement. The Bonds authorized by this Resolution may be sold by the Authority to the purchaser(s) (herein referred to as the "Purchasers") by (i) negotiated sale, in accordance with a bond purchase agreement (the "Purchase Contract"), (ii) private placement, in accordance with an agreement to purchase or other agreement, or (iii) competitive bidding, in accordance with the successful bid submitted therefor, as determined by the Pricing Officer, in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract, agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable, for and on behalf of the Authority and as the act and deed of this Board.

The President and Secretary of the Board of Directors of the Authority are further authorized and directed to execute and deliver for and on behalf of the Authority copies of a Preliminary Official Statement and Official Statement, prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement in the form and content as approved by the Pricing Officer shall be deemed to be approved by the Board of Directors of the Authority and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 33: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance, and accrued interest received from the Purchasers, if any, of the Bonds) shall be deposited to the credit of a fund kept at a depository bank of the Authority. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Government Code., Section 2256.015, et seq, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Bond Fund as shall be determined by the Board of Directors; all in accordance with written instructions from the Authority or its financial advisor. Any accrued interest received from the Purchasers and as well as all surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Bond Fund.

SECTION 34: Control and Custody of Bonds. The President of the Board of Directors of the Authority shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bonds pending approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts, and the delivery thereof to the Purchaser.

SECTION 35: Legal Opinion. The Purchaser's obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Norton Rose Fulbright US LLP ("Bond Counsel") approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds by the initial purchasers. A true and correct reproduction of said opinion is hereby authorized to be printed on the definitive Bonds or an executed counterpart thereof shall accompany the global Bonds deposited with the Depository Trust Company. The Board of Directors confirms the prior engagement of Norton Rose Fulbright US LLP as the Authority's Bond Counsel.

SECTION 36: CUSIP Numbers. CUSIP numbers may be printed or typed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Authority nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the Bonds.

SECTION 37: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 38: Further Procedures. Any one or more of the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Authority all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, and Bond Counsel are each hereby authorized and directed to approve any technical changes or corrections to this Resolution or to any of the documents authorized and approved by this Resolution: (i) in order to cure any technical ambiguity, formal defect, or omission in the Resolution

or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Resolution, which determination shall be final. In the event that any officer of the Authority whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 39: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

“SEC” means the United States Securities and Exchange Commission.

(b) Annual Reports. The Authority shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in the year stated in the Pricing Certificate, financial information and operating data with respect to the Authority and the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and (2) if not provided as part such financial information and operating data, audited financial statements of the Authority and the City, when and if available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the Authority and the City, respectively, may be required to employ from time to time pursuant to state law or regulation, and audited, if the Authority commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the Authority shall file unaudited financial statements within such twelve-month period and audited financial statements when and if such audited financial statements become available.

If the Authority changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Authority otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The Authority shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the Authority, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal

agent, or similar officer for the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority, and (b) the Authority intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Authority shall notify the MSRB, in a timely manner, of any failure by the Authority to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by this Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The Authority shall be obligated to observe and perform the covenants specified in this Section with respect to the Authority and the Bonds while, but only while, the Authority remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Authority in any event will give notice required by subsection (c) hereof of any Bond calls and defeasance that cause the Authority to be no longer such an “obligated person”.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the Authority or the State of Texas or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Authority does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE AUTHORITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Authority in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Authority under federal and state securities laws.

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the Authority from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the Authority if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Authority's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the Authority so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 40: Benefits of Resolution. Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person other than the Authority, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Authority, the Paying Agent/Registrar, and the Holders.

SECTION 41: Inconsistent Provisions. All orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.

SECTION 42: Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 43: Incorporation of Findings and Determinations. The findings and determinations of the Board of the Authority contained in the preambles hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section.

SECTION 44: Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 45: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact

business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 46: Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 47: Effective Date. This Resolution shall be in force and effect from and after its passage on the date shown below.

[remainder of page left blank intentionally]

PASSED AND ADOPTED, this June 16, 2025.

GREATER TEXOMA UTILITY AUTHORITY

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(Seal)

EXHIBIT A

Form of Paying Agent/Registrar Agreement

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of _____ (this "Agreement"), by and between _____, _____, Texas, a banking corporation duly organized and existing under the laws of the _____ and authorized to do business in the State of Texas, or its successors (the "Bank") and the Greater Texoma Utility Authority (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2025 (City of Sherman Project)" (the "Securities"), dated _____, such Securities scheduled to be delivered to the initial purchasers thereof on or about _____; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE

APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Annex A attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of

the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

“Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any

other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

The term “Paying Agent/Registrar” refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE PAYING AGENT

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Current Interest Bond when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Current Interest Bonds (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE FOUR REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other

information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank represents and warrants that it will at all times have immediate access to the Security Register by electronic or other means and will be capable at all times of producing a hard copy of the Security Register for use by the Issuer. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and

to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12 Iran, Sudan and Foreign Terrorist Organizations. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively

declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. .

Notwithstanding anything contained herein, the representation contained in this Section shall survive termination of this Agreement until the statute of limitations has run.

Section 6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

By:_____

Title: _____

Address: _____

GREATER TEXOMA UTILITY AUTHORITY

By: _____
Pricing Officer

Address: 5100 Airport Drive
Denison, Texas 75020

ANNEX A
FEE SCHEDULE

EXHIBIT B

Contract For Water Supply and Sewer Service

**FIRST AMENDED AND RESTATED CONTRACT
FOR WATER SUPPLY AND SEWER SERVICE**

**THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §**

THIS FIRST AMENDED AND RESTATED CONTRACT FOR WATER SUPPLY AND SEWER SERVICE is made and entered into between the GREATER TEXOMA UTILITY AUTHORITY (herein after referred to as the "Authority"), a conservation and reclamation Authority, a governmental agency, a political subdivision of the State of Texas, and a body politic corporate, duly created, existing and acting by virtue of Chapter 97, Acts of the 66th Legislature of Texas, Regular Session, 1979, as amended (the "Act"), and the CITY OF SHERMAN, TEXAS, a home-rule municipal corporation in the County of Grayson, Texas (hereinafter referred to as the "City") duly created and existing under the laws of the State of Texas:

WITNESSETH:

WHEREAS, the Authority and the City have previously entered into that certain Contract for Water Supply and Sewer Service, dated as of March 1, 1985, as such contract has been amended from time to time (the "Prior Contract"); and,

WHEREAS, this First Amended and Restated Contract amends and restates the Prior Contract, but it is the express intention of the parties hereto that no amendment to the Prior Contract contained herein shall alter or impair any existing obligations to bondholders of Previously Issued Bonds (as defined herein) or constitute or be construed to be the extinguishment of any security or the indebtedness represented thereby or the reissuance of any security or the refunding of any indebtedness represented thereby; and

WHEREAS, the Authority, acting pursuant to the Act, proposes to issue bonds from time to time for the purpose of providing (i) certain sanitary sewer collection and treatment facilities for use by the City, and (ii) an additional supply of water to the City and certain water supply facilities in order to store and transport such water to the City; and

WHEREAS, payments made by the City to the Authority under this Contract are to be pledged to the payment and security of the Bonds to be issued by the Authority and will constitute the basis for the Authority's credit in financing such

facilities; and

WHEREAS, each party represents that it is independently authorized to perform the functions or services contemplated by this Contract; and

WHEREAS, each party desires to enter into this Contract pursuant to Chapter 791 of the Texas Government Code (otherwise known as the Interlocal Cooperation Act), as amended; and

WHEREAS, the subject matter of this Contract constitutes a governmental function that serves the public health, safety and welfare and is of mutual concern to the parties; and

WHEREAS, each party obligated to pay for the performance of governmental functions or services under this Contract shall make those payments from current revenues available to the paying party and all payments are in an amount that fairly compensates the performing party for the services or functions performed under this Contract; and

WHEREAS, the Authority and the City, acting through their duly constituted governing bodies, have mutually agreed upon the terms and conditions of this Contract; now, therefore:

IN CONSIDERATION of the mutual covenants, agreements and undertakings herein set forth, the parties hereto hereby agree, and contract as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01: Unless the context shall indicate a contrary meaning of intent, the terms below defined, for all purposes of this Contract and any contract, amendatory or supplemental to this Contract, shall be construed or used and are intended to have meanings as follows:

- (a) “Authority” shall mean the Greater Texoma Utility Authority, or its successor;
- (b) “Board” and “Board of Directors” shall mean the Board of Directors of

the Authority;

- (c) “Bond Resolution” shall mean any resolution of the Board of Directors authorizing the issuance of a Bond and providing for their security and payment, as such resolution(s) may be amended from time to time as therein permitted, where the proceeds from the sale of each such Bond will be used to discharge the cost of a Project. The Authority shall provide to City a copy of each Bond Resolution and any amendments thereto at least 72 hours before each resolution or amendment is to be considered by the Authority’s Board of Directors, and the City is entitled to object in writing to each resolution or amendment prior to action by the Board of Directors, in which case the Board of Directors shall not approve the resolution or amendment;
- (d) “Bonds” shall mean any bonds to be issued from time to time by the Authority for the purpose of providing funds to pay the necessary costs of a Project upon the written request of the City, whether in one or more series or issues, or any bonds issued to refund same;
- (e) “City” shall mean the City of Sherman, Texas;
- (f) “Cost of the Project” shall mean, with respect to a Water Project or a Sewer Project, all cost and expense incurred in connection with the acquisition, construction, improvements, enlargement, extension and repair of a Project, including, without limiting the generality of the foregoing the cost of the acquisition of all land, rights-of-way, property rights, easements, and interests, the cost of all machinery and equipment, financing charges, interest and administrative expenses expected to accrue during the period of construction, the funding of any reserve funds created by the Bond Resolution(s), cost of estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenue, other expenses necessary or incident to determining the feasibility and practicability of acquiring, constructing, improving, enlarging, extending, or repairing a Project, and such other expense as may be necessary or incident to the acquisition, construction, improvement, enlargement, extension or repair of a Project and all legal fees, printing and other costs, fees and expenses necessary for or incident to the issuance of the Bonds;
- (g) “Engineer” shall mean a registered, professional engineer (who may be

the City Engineer or the Authority's Engineer). The City and Authority agree that the Engineer may be a different firm on different aspects of a Project; and that each Project will be acquired, constructed, improved, enlarged, extended and repaired in accordance with the plans and specifications prepared under the supervision of the Engineer. It is further agreed that an Engineer may be changed or added and the scope of duties adjusted by the Authority, subject to the consent of the City;

- (h) "Fiscal Year" shall mean the twelve month operating period commencing October 1st of each year
- (i) "Maintenance and Operation Expense of the Project" shall mean the expense of maintenance and operation of a Project including all salaries, labor, materials, interest, repairs, and replacements necessary to render efficient service, or which might be necessary to meet some physical accident or condition which would otherwise impair the security of the Bonds. Such term shall not include depreciation;
- (j) "Previously Issued Bonds" shall mean the outstanding (1) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2006 (City of Sherman Project)," (2) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2013A (City of Sherman Project)," (3) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2014 (City of Sherman Project)," (4) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015 (City of Sherman Project)," (5) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015A (City of Sherman Project)," (6) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015B (City of Sherman Project)," (7) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017 (City of Sherman Project)," (8) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017A (City of Sherman Project)," (9) "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)," (10) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019A (City of Sherman Project)," (11) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)," (12) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2021 (City of Sherman Project)," (13) "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2021 (City of Sherman Project),"

(14) “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2022 (City of Sherman Project),” (15) “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023 (City of Sherman Project),” (16) “Greater Texoma Utility Authority Contract Revenue Bonds, Series 2023A (City of Sherman Project) and (17) Greater Texoma Utility Authority Contract Revenue Bonds, Series 2024 (City of Sherman Project) heretofore issued which are in every respect on a parity with any proposed Bonds proposed to be issued pursuant to this Contract.

- (k) “Project” shall mean a Water Project or a Sewer Project as described in each resolution or order of the Authority, duly passed prior to or subsequent to the date of this Contract, authorizing the issuance of Bonds by the Authority to finance the Costs of the Project.;
- (l) “Sewer Project” shall mean the sanitary sewer facilities for which the City has made a written request for funding from the Authority and which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder, and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract, or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project; and
- (m) “Water Project” shall mean the water supply, storage and transmission facilities for which the City has made a written request for funding from the Authority and which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder, and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Contract or obtained as grant funds, from any source, for the purpose of paying all or part of the Cost of the Project.

ARTICLE II

REPRESENTATIONS AND AGREEMENTS

SECTION 2.01: The City’s Representations and Agreements.

In connection with its undertakings hereunder, the City represents to the Authority and agrees with the Authority as follows:

- (a) In its capacity as a duly incorporated city of Texas, it is empowered under applicable laws of Texas, particularly under the Interlocal Cooperation Act, to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract;
- (b) It will timely pay to the Authority the full amount it is required to pay under the provisions of this Contract;
- (c) It will plan, construct, maintain, operate and finance its own utility system and set retail rates to individual customers for water and sanitary sewer service adequate to pay all City obligations secured by and made payable from the revenues derived from the operation of the City's combined water and sanitary sewer system;
- (d) That it will cooperate with the Authority in the performance of the duties and responsibilities assigned to the Authority by this Contract.

SECTION 2.02: Representations and Agreements of Authority.

In connection with its undertakings hereunder, the Authority represents to the City and agrees with the City as follows:

- (a) In its capacity as conservation and reclamation Authority created by the Act, pursuant to Article XIV, Section 59 of the Texas Constitution, it is empowered under the applicable laws of the State of Texas, particularly under the Interlocal Cooperation Act and the Texas Water Code, to enter into the engagements prescribed for it under this Contract and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this Contract; and
- (b) That it will finance all costs of each Project not provided by the City and any grant secured for the construction of each Project; and
- (c) That it will cooperate with the City in the performance of the duties and responsibilities assigned to the City by this Contract.

SECTION 2.03: Construction.

The City agrees to assume responsibility for the construction of each Project, and the Authority will enter into and enforce such contracts as are necessary to provide each Project. To this end, the Authority and the City agree that:

- (a) Unless otherwise agreed by the parties in writing, the City shall be responsible for the preparation of final plans and specifications for each Project;
- (b) Final plans and specifications for each Project shall be subject to the approval of the City;
- (c) All construction contracts shall be let by the City, acting as GTUA's authorized agent, pursuant to all applicable laws;
- (d) The Authority shall award all construction contracts, subject to the approval of each contract by the City;
- (e) The Authority shall deposit from the proceeds from the sale of its Bonds and any grant funds received for the purpose of providing all or part of each Project in a segregated, special Construction Fund for each Project to be created and established by the Bond Resolution(s), an amount of money which shall be specified in said Bond Resolution(s). The Authority shall draw on and use said Construction Fund to pay the cost of acquiring, constructing, improving, extending, enlarging and repairing each Project; and
- (f) Unless otherwise agreed by the parties in writing, the City shall be responsible for the acquisition of all land, rights-of-way, property rights, easements and interest required to provide the Project

ARTICLE III

FISCAL MATTERS

SECTION 3.01: Payment for Service.

The Authority will provide from the proceeds received through the issuance and sale of its Bonds such funds as are necessary, when coupled with any funds or property provided by the City and any grant received for the purpose of providing all or part of each Project. It is agreed that the City and its customers shall have the exclusive use of the entire Project for the useful life of each Project, unless otherwise approved by the City after consultation with Bond Counsel to the Authority to ensure compliance with covenants contained in the Bond Resolution(s), including compliance with the Internal Revenue Code of 1986 and Treasury Regulations promulgated thereunder. In consideration for the Authority's obligations hereunder, the City recognizes and agrees that the Authority is the owner of each Project during the period in which one or more Bonds to fund the Project have been duly issued and remain outstanding. It is further agreed that the City's obligations to make any and all payments for each Project as specified in this Article will automatically terminate when all of the Authority's Bonds issued in connection with each such Project have been paid in full and retired and are no longer outstanding. It is further agreed that upon completion of each Project, and when all of the Authority's Bonds issued in connection with each Project have been paid in full and retired and are no longer outstanding, ownership of the Project shall automatically transfer to and fully vest in the City. At the request of the City, the Authority shall promptly provide to the City a written statement or other evidence of such ownership transfer on a form approved by both parties. It is within the lawful and reasonable contemplation of the parties that the amounts due under this Contract from the City will be satisfied out of current revenues or some currently available fund within the immediate control of the City. It is further understood and agreed that the Authority's only source of funds to pay the principal of and interest on the Bonds is from the payments to be made by the City to the Authority under this Contract, grant funds received for the purpose of providing all or part of each Project and other funds as approved by the City and GTUA, and the City agrees that it will make to the Authority the following payments:

- (a) Monthly amortization payment. Such amounts, payable monthly on or before the 25th day of each month, in approximately equal installments, as are necessary to pay (i) the principal coming due on the

Authority's Bonds on the next succeeding principal payment date; (ii) the interest coming due on the Authority's Bonds on the next succeeding interest payment date; and; (iii) the fees and charges of the Paying Agent(s) for paying or redeeming the Bonds and interest thereon coming due on each applicable date;

- (b) Reserve Fund Payment. Such amount as is required to be paid into the Reserve Fund from the Revenue Fund (out of payments to be made by the City) under the Bond Resolution in order to establish, maintain or, replenish the Reserve for the security and payment of Bonds similarly secured;
- (c) Administrative Payment. An amount sufficient to pay the administrative and overhead expenses of the Authority, directly attributable and chargeable to the Bonds and the Project, including the cost of routine annual accounting reports; and
- (d) Extraordinary Expense Payment. Such amounts, as are necessary to pay or reimburse the Authority for any extraordinary, unexpected expenses or costs reasonably and necessarily incurred by the Authority in connection with the Bonds and the Project, and costs of special studies and special professional services, if and when required by any governmental directive or regulation or as may be agreed between City and Authority. The City's obligation to pay such extraordinary, unexpected expenses or costs is conditioned on GTUA providing to the City advance written notice of the nature, cause and anticipated amount of such expenses or costs before GTUA incurs any such expenses or costs and the City providing written approval of the same.

SECTION 3.02: Time for Making of Payments.

The City agrees to make the payments required by Section 3.01 at the times hereafter specified:

- (a) Monthly Amortization Payments. The City shall commence making monthly amortization payments at such time as any amount required by the Bond Resolution(s) to be deposited into an escrow account for the payment of interest on the Bonds during the Project construction period has been fully exhausted; provided that such payments shall commence

in no event later than the earlier of (i) twelve months prior to the first principal payment date specified in the Bond Resolution(s), or (ii) six months prior to the first interest payment date for which monies are not set aside for the payment of the interest coming due on such date from the proceeds of the Bonds. Monthly amortization payments shall continue to be made throughout the term of the Contract and shall be adjusted by the City so as to provide for the accumulation of the full amount of debt service requirements (principal, interest and paying agent fees due on any given payment date) on or before the first day of the month such debt service requirements become due;

- (b) Reserve Fund Payment. The City shall commence making these payments on the 25th day of a month, as may be provided in the Bond Resolution after the delivery of the initial series of Bonds to provide the Project, and upon the issuance of additional Bonds, shall increase the payments in accordance with the Resolution authorizing such Bonds;
- (c) Administrative Payment. The City shall commence making the administrative payment as required under Section 3.01(d) on the 10th day following the Effective Date (hereinafter defined) of this Contract, and thereafter such payment shall be made on the 25th day of each month thereafter throughout the term of this Contract;
- (d) Extraordinary Expense Payment. The City shall make any extraordinary expense payment as required under Section 3.01(d) on the 30th day following the date the City receives the written statement with all relevant backup information therefore; and
- (e) Maintenance and Operating Expenses. Such expenses shall be paid by the City as the same becomes due.

SECTION 3.03: Maintenance and Operation of the Project.

Unless otherwise agreed by the parties in writing, it is agreed that the City will be responsible for maintaining and operating each Project, and shall pay all costs and expenses incurred in regard to the maintenance and operation of each Project. The City hereby agrees and covenants to operate and maintain the Project in accordance with accepted good business and engineering practices and in accordance with all applicable federal and state laws, including any rules and

regulations issued by appropriate agencies in the administration of said laws.

SECTION 3.04: Insurance.

The City specifically agrees to carry fire, casualty, public liability, or other insurance on each Project for purposes and in an amount which would ordinarily be carried by a municipal corporation owning and operating such facilities. Such insurance will provide, to the extent feasible and practicable, for the restoration of damaged or destroyed properties and equipment so as to minimize the interruption of services of such facilities. All premiums for such insurance shall constitute a maintenance and operation expense of the Project.

SECTION 3.05: Covenant of Timely Payment.

The City covenants that it will timely make (i) the monthly amortization payments and (ii) the additional payments specified hereunder in accordance with the provisions of this Contract as the same shall become due and payable, irrespective of whether service of the Project has been abandoned or discontinued, or if the Project has been rendered wholly or partially useless by reason for "force majeure". The City recognizes the fact that the Authority will use the payment received from the City hereunder to pay, secure and finance the issuance of the Bonds, and the holders of the Bonds shall be entitled to rely on the foregoing covenant of payment regardless of any other agreement that may exist between the Authority and the City.

SECTION 3.06: Late Payment Penalty.

Should the City fail to make any payment at the times herein specified, interest on such amounts shall accrue at the rate specified in Section 2251.025 of the Texas Government Code from the date such payment becomes due until paid in full with interest as herein specified. In the event such payment is not made within sixty (60) days from the date such payment becomes due, the Authority may institute a proceeding for a mandatory injunction requiring the payment of the amount due and interest thereon, such action to be instituted in a court of competent jurisdiction.

SECTION 3.07: Priority of Charges - City to Fix Adequate Rates.

- (a) The City represents and covenants that all payments to be made by it hereunder shall constitute "operating expenses" of the City's combined

water and sanitary sewer system; and

- (b) The City further agrees to fix and collect such rates and charges for water and sanitary waste services to its customers as will make possible the prompt payment of all expenses of operating and maintaining its combined water and sanitary sewer system, including all payments, obligations and indemnities contracted hereunder.

SECTION 3.08: Nature of Obligation of City.

The payments required to be made by the City under the terms of this Contract shall be due and payable in any and all events regardless of whether there shall be, for any reason, a delay in the completion of all or any part of a Project and regardless of whether the Project shall have been wholly or partially destroyed or damaged. The agreements of the City shall be and are separate and independent covenants and the City shall have no rights of setoff, recoupment, or counterclaim. The Authority shall never have the right to demand payment of any amounts due hereunder by the City out of funds raised or to be raised by taxation. Any obligations assumed or imposed on either party hereto shall never be construed to be a debt of such party of a kind that would require it to levy and collect taxes to discharge any such obligation, it being expressly understood by the parties hereto that the funds required for all payments due from the City pursuant to this Contract are to be collected from the sources referenced herein, and from no other.

SECTION 3.09: Right to Audit; Access to Books and Records.

The City shall have the right to audit, to examine and to make copies of or extracts from all financial, performance and compliance records (in whatever form they may be kept, whether written, electronic or other) relating to or pertaining to the Authority's activities under this Contract kept by or under the control of the Authority, including but not limited to, those kept by the Authority, its employees, agents, assigns successors and subcontractors. In the event of such audit, the Authority agrees to provide the City with reasonable access to the Authority's employees and make all such financial, performance and compliance records available to the City. The Authority shall, at all times during the term of this Contract and for a period of five years after the termination or expiration of this Contract, maintain such records, together with supporting or underlying documents and materials.

SECTION 3.10: Indemnity.

- (a) IN THE EVENT ANY PERSON OR ENTITY, NOT A PARTY TO THIS CONTRACT, SHALL MAKE ANY CLAIM OR FILE ANY LAWSUIT AGAINST THE AUTHORITY THAT ARISES OUT OF, RELATES IN WHOLE OR IN PART, OR RELATES IN ANY WAY TO THE SUBJECT OF THIS CONTRACT IN ANY RESPECT, THE CITY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS AUTHORITY FROM ANY AND ALL SUCH CLAIMS AND LAWSUITS, INCLUDING THE PAYMENT OF ALL DAMAGES, EXPENSES, COSTS, AND ATTORNEYS' FEES, EVEN WHEN CAUSED IN WHOLE OR IN PART BY THE ACTS, OMISSIONS, NEGLIGENCE, GROSS NEGLIGENCE OR OTHER LEGAL DEFAULTS OF THE AUTHORITY, EXCEPT ANY CRIMINAL ACT COMMITTED BY THE AUTHORITY OR ITS OFFICERS, EMPLOYEES OR OTHER AGENTS. IT IS WITHIN THE LAWFUL AND REASONABLE CONTEMPLATION OF THE PARTIES THAT ANY AMOUNTS DUE UNDER THIS SUBSECTION (a) WILL BE SATISFIED OUT OF CURRENT REVENUES OR SOME CURRENTLY AVAILABLE FUND WITHIN THE IMMEDIATE CONTROL OF THE CITY.**
- (b) IN THE EVENT ANY PERSON OR ENTITY, NOT A PARTY TO THIS CONTRACT, SHALL MAKE ANY CLAIM OR FILE ANY LAWSUIT AGAINST THE CITY THAT ARISES OUT OF, RELATES IN WHOLE OR IN PART, OR RELATES IN ANY WAY TO ANY CRIMINAL ACT COMMITTED BY THE AUTHORITY OR ITS OFFICERS, EMPLOYEES OR OTHER AGENTS IN CONNECTION WITH THE SUBJECT OF THIS CONTRACT IN ANY RESPECT, THE AUTHORITY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY FROM ANY AND ALL SUCH CLAIMS AND LAWSUITS, INCLUDING THE PAYMENT OF ALL DAMAGES, EXPENSES, COSTS, AND ATTORNEYS' FEES, EVEN WHEN CAUSED IN WHOLE OR IN PART BY THE ACTS, OMISSIONS, NEGLIGENCE, GROSS NEGLIGENCE OR OTHER LEGAL DEFAULTS OF THE CITY. IT IS WITHIN THE LAWFUL AND REASONABLE CONTEMPLATION OF**

THE PARTIES THAT ANY AMOUNTS DUE UNDER THIS SUBSECTION (b) WILL BE SATISFIED OUT OF CURRENT REVENUES OR SOME CURRENTLY AVAILABLE FUND WITHIN THE IMMEDIATE CONTROL OF THE AUTHORITY.

ARTICLE IV

Miscellaneous Provisions

SECTION 4.01: Contract Term.

The obligation of the City to promptly make all prescribed payments shall commence with the delivery of the first series of Bonds issued to fund the cost of each Project and continue for the period during which the Bonds are outstanding and unpaid.

SECTION 4.02: Useful Life of Project.

The City and Authority agree and mutually find that the anticipated useful life of each Project equals or exceeds the period specified in the Bond Resolution(s) for the maturity of all Bonds authorized to be issued.

SECTION 4.03: Abandonment of Use of Project.

It is specifically recognized by the parties hereto that the City, during the term of this Contract, may acquire other facilities so as to make the continued operation of each Project uneconomical so it will be to the best interest of the parties to discontinue the operation of the Project.

Should the City choose to discontinue the operation of all or part of a Project, the City shall have the exclusive right to the salvage of all of the properties and improvements constituting the Project so discontinued. Any cost of salvage will be a maintenance and operating expense of the City, and any money realized from such salvage will serve as a reduction of such expense. The City shall retain the use of the land where the Project is situated and all remaining improvements thereon for its corporate purposes.

The abandonment of the use of the Project shall have no effect upon the obligations of the City to the Authority provided for by this Contract and all

payments provided for by this Contract shall remain obligations of the City of the same nature as provided for by this Contract.

SECTION 4.04: Modification of Provisions.

This Contract may be changed and modified only with the consent of the governing bodies of all parties. Such modification may be requested by either party, in which event a joint meeting of the governing bodies or of their duly authorized and appointed representatives shall be held not less than thirty (30) days after the giving of such notice. At such joint meeting, the suggested changes or modifications shall be considered, discussed and settled. No such change or modification may be made which will effect adversely the payment when due of all monies required to be paid by the City under the terms of this Contract and no such change will be effective which effects adversely or causes a violation of any covenants contained in the Bond Resolution(s).

SECTION 4.05: Regulatory Provisions.

This Contract shall be subject to, and each party shall comply with, all valid rules, regulations and laws applicable thereto, as promulgated by the United States of America, the State of Texas, or any other governmental body or agency having lawful jurisdiction, or any authorized representative or agency of any of them.

SECTION 4.06: Taxes.

In the event any sales or use taxes, or taxes of any nature are hereafter imposed upon a Project or the Authority on account of the acquisition, existence, ownership, operation and maintenance of the Project, the amount of such taxes shall be treated as operating expenses of the Project.

SECTION 4.07: Title to Water and Sewage.

Title to all water and sewage put into a Project under this Contract shall be in the City's Certificate of Convenience and Necessity (CCN).

SECTION 4.08: Notices.

Any notice, request, demand, statement or bill provided for in this Contract shall be in writing and shall be considered to have been duly delivered when sent by

registered mail, addressed as follows:

To the Authority: 5100 Airport Drive
Denison, Texas 75020
Attention: _____
President, Board of Directors

To the City: City Hall
220 W. Mulberry
Sherman, Texas 75091
Attention: City Manager
City of Sherman

as the case may be, except that routine communications may be sent by ordinary mail and except that either party, by the filing of an appropriate written notice to the other, may specify some other individual to whom communications thereafter are to be addressed.

SECTION 4.09: Covenant to Enforce Contractual Obligations.

The Authority covenants that it will enforce the obligations of the City hereunder as may be required to accomplish the purpose of this Contract. Either party may enforce any obligations hereunder owed to it by the other party.

SECTION 4.10: Consequences of City Default.

The Authority and the City agree that in the event of default or threatened default, in the payment of principal or interest on the Bonds, any court of competent jurisdiction upon petition of the holders of twenty-five percent (25%) of the principal amount of the then outstanding Bonds of the Authority shall appoint a receiver with authority to collect and receive all resources pledged to the payment of the Bonds, enforce all rights arising from default, if any, by the City in making payment under this Contract, and take charge of the pledged funds on hand and manage the proprietary affairs of the Authority insofar as such affairs relate to the Project. The court may further vest the receiver with such powers and duties as the court may find necessary for the protection of the holders of the Bonds.

SECTION 4.11: Further Agreements of the Parties.

The parties hereto specifically recognize that the City has heretofore issued, sold and delivered, and may in the future issue, sell and deliver, revenue and other bonds that are payable from and secured by a lien on and pledge of the net revenue of its combined water and sanitary sewer system;

The City represents to the Authority:

- (a) There is no provision in the ordinances authorizing the issuance of such revenue bonds which prohibits the City from entering into and executing this Contract; and
- (b) The execution of this Contract and the operation thereunder will not in any way impair the obligation of Contract by and between the City and the owners of its outstanding bonds payable from revenues of its water and sanitary sewer system since each Project is in furtherance of governmental policy, not inconsistent with the existing contractual obligations of the City.

SECTION 4.12: Control of Project by City.

The parties hereto recognize and it is specifically agreed that after completion of each Project and during the term of this Contract, the City shall have the exclusive right to the use and utilization of the Project, for the benefit of the City, as determined by the City; that the City without hindrance from the Authority or the City, or the employees or other agents of either of them, may operate, maintain, repair, enlarge, improve, extend, provide for additions to or otherwise control, manage and keep up each such Project. Except as specified in this Contract, the abandonment of the use of all or part of each such Project has no effect upon the obligations of the parties.

SECTION 4.13: Force Majeure.

- (a) If for any reason of “force majeure” either of the parties hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, other than the obligation of City to make the payments required under the terms of Section 3.01 hereof, then if such party shall give notice and full particulars of such reasons in writing to the other party within a reasonable time after the occurrence of the event, or

cause relied on, the obligation of the party giving such notice, so far as it is affected by such "force majeure" shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such parties shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of a public enemy, orders or actions of any kind of the Government of the United States of America or of the State of Texas or any civil or military authority; insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakages or accident to dams, machinery, partial or entire failure of water supply and inability on the part of the Authority to deliver water hereunder or to provide sewage treatment or of the City to receive water or to deliver sewage treatment on account of any other cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch, shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing parties when such settlement is unfavorable to it in the judgment of the party having the difficulty. No failure of Authority to meet any obligation by reason of force majeure shall relieve the City from its obligations to make the payments required under the terms of Section 3.01 hereof;

- (b) No damage shall be recoverable from Authority by reason of the suspension of the operation of the Project due to any of the causes above mentioned. If City's ability to operate the Project is affected by any such causes, the City shall promptly notify the other party in writing giving the particulars as soon as practicable after the occurrence of the cause or causes for such interruption; and

SECTION 4.14: Easements.

City agrees that Authority may have such easements over any easements, right of way or property held by City as are necessary so that the facilities herein anticipated and the placement thereof and of all required equipment may be

appropriately provided.

SECTION 4.15: Bond Approval by the City.

- (a) Prior to the issuance and delivery of any Bonds which are: (i) payable as to principal, interest or redemption premium out of the debt service payments, or (ii) to provide facilities or service or any item which is to be maintained by the Authority utilizing any part of the base monthly payments, the governing body of the City shall approve the issuance thereof by the Authority and the facilities to be constructed or acquired by the Authority.

SECTION 4.16: Effective Date of this Contract.

- (a) The parties hereto recognize this Contract amends and restates the Prior Contract to the extent any certain amendment does not affect adversely or cause a violation of any covenants contained in the Bond Resolution(s) of Previously Issued Bonds.

SECTION 4.17: Severability.

The parties hereto agree that if any of the provisions of this Contract contravene or be held invalid under the laws of the State, same shall not invalidate the whole Contract but it shall be construed as through not containing that particular provision and the rights and obligations of the parties shall be construed and in force accordingly.

If any amendment herein of the Prior Contract or the application thereof to any circumstance shall be held to affect adversely the payment when due of monies required to be paid by the City under the terms of the Prior Contract or affects adversely or causes a violation of any covenants contained in the Bond Resolution (s) for the Previously Issued Bonds, no such amendment shall become effective and the remainder of this Contract or the application thereof to other circumstances shall nevertheless be valid.

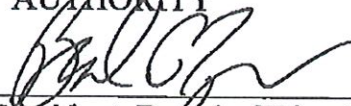
SECTION 4.18: Immunity.

It is expressly understood and agreed that, in the execution and performance of this Contract, neither party has waived, nor shall be deemed hereby to have

waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Contract, the parties do not create any obligations, express or implied, other than those set forth herein. Nothing in this Contract shall be construed to create any right in any third party not a signatory to this Contract, and the parties do not intend to create any third party beneficiaries by entering into this Contract.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this Contract to be duly executed in several counterparts, each of which shall constitute an original. The date this Contract is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Contract ("Effective Date").


GREATER TEXOMA UTILITY
AUTHORITY

BY: 
President, Board of Directors
DATE: 8-19-24

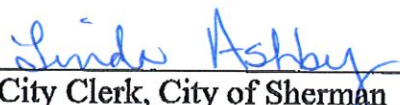
ATTEST:


Secretary, Board of Directors

CITY OF SHERMAN, TEXAS

BY: 
City Manager, City of Sherman
DATE: 8/30/2024

ATTEST:


City Clerk, City of Sherman
(Authority Seal)

APPROVED AS TO LEGAL FORM:



City Attorney, City of Sherman
(Authority Seal)

Preliminary

Greater Texoma Utility Authority

\$67,390,000 Contract Revenue Bonds, Series 2025

(City of Sherman Project)

For Purposes of Illustration Only

Sources & Uses

Dated 09/10/2025 | Delivered 09/10/2025

Sources Of Funds

Par Amount of Bonds	\$67,390,000.00
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Total Sources	\$67,390,000.00
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Uses Of Funds

Total Underwriter's Discount (0.650%)	438,035.00
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Costs of Issuance	291,127.50
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Gross Bond Insurance Premium (30.0 bp)	415,953.58
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Deposit to Debt Service Reserve Fund (DSRF)	3,226,116.11
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Deposit to Capitalized Interest (CIF) Fund	9,051,319.38
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Deposit to Project Construction Fund	53,965,000.00
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Rounding Amount	2,448.43
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Total Uses	\$67,390,000.00
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Preliminary

Greater Texoma Utility Authority

\$67,390,000 Contract Revenue Bonds, Series 2025

(City of Sherman Project)

For Purposes of Illustration Only

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
09/30/2025	-	-	-	-
09/30/2026	-	-	1,975,369.38	1,975,369.38
09/30/2027	-	-	3,537,975.00	3,537,975.00
09/30/2028	-	-	3,537,975.00	3,537,975.00
09/30/2029	-	-	3,537,975.00	3,537,975.00
09/30/2030	1,160,000.00	5.250%	3,507,525.00	4,667,525.00
09/30/2031	1,225,000.00	5.250%	3,444,918.75	4,669,918.75
09/30/2032	1,290,000.00	5.250%	3,378,900.00	4,668,900.00
09/30/2033	1,360,000.00	5.250%	3,309,337.50	4,669,337.50
09/30/2034	1,435,000.00	5.250%	3,235,968.75	4,670,968.75
09/30/2035	1,510,000.00	5.250%	3,158,662.50	4,668,662.50
09/30/2036	1,590,000.00	5.250%	3,077,287.50	4,667,287.50
09/30/2037	1,675,000.00	5.250%	2,991,581.25	4,666,581.25
09/30/2038	1,770,000.00	5.250%	2,901,150.00	4,671,150.00
09/30/2039	1,865,000.00	5.250%	2,805,731.25	4,670,731.25
09/30/2040	1,965,000.00	5.250%	2,705,193.75	4,670,193.75
09/30/2041	2,070,000.00	5.250%	2,599,275.00	4,669,275.00
09/30/2042	2,180,000.00	5.250%	2,487,712.50	4,667,712.50
09/30/2043	2,300,000.00	5.250%	2,370,112.50	4,670,112.50
09/30/2044	2,420,000.00	5.250%	2,246,212.50	4,666,212.50
09/30/2045	2,555,000.00	5.250%	2,115,618.75	4,670,618.75
09/30/2046	2,690,000.00	5.250%	1,977,937.50	4,667,937.50
09/30/2047	2,835,000.00	5.250%	1,832,906.25	4,667,906.25
09/30/2048	2,990,000.00	5.250%	1,680,000.00	4,670,000.00
09/30/2049	3,150,000.00	5.250%	1,518,825.00	4,668,825.00
09/30/2050	3,320,000.00	5.250%	1,348,987.50	4,668,987.50
09/30/2051	3,500,000.00	5.250%	1,169,962.50	4,669,962.50
09/30/2052	3,690,000.00	5.250%	981,225.00	4,671,225.00
09/30/2053	3,885,000.00	5.250%	782,381.25	4,667,381.25
09/30/2054	4,095,000.00	5.250%	572,906.25	4,667,906.25
09/30/2055	4,315,000.00	5.250%	352,143.75	4,667,143.75
09/30/2056	4,550,000.00	5.250%	119,437.50	4,669,437.50
Total	\$67,390,000.00	-	\$71,261,194.38	\$138,651,194.38

Yield Statistics

Bond Year Dollars	\$1,357,356.08
Average Life	20.142 Years
Average Coupon	5.2500000%
DV01	82,135.35

Net Interest Cost (NIC)	5.2822712%
True Interest Cost (TIC)	5.3049796%
Bond Yield for Arbitrage Purposes	5.3021767%
All Inclusive Cost (AIC)	5.3954726%

IRS Form 8038

Net Interest Cost	5.2500000%
Weighted Average Maturity	20.142 Years

2025 \$53.965mm PCF Contra | SINGLE PURPOSE | 6/10/2025 | 9:26 AM

Preliminary

Greater Texoma Utility Authority

\$67,390,000 Contract Revenue Bonds, Series 2025

(City of Sherman Project)

For Purposes of Illustration Only

Net Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
09/10/2025	-	-	-	-	-	-	-	-
04/01/2026	-	-	1,975,369.38	1,975,369.38	-	(1,975,369.38)	-	-
10/01/2026	-	-	1,768,987.50	1,768,987.50	-	(1,768,987.50)	-	-
04/01/2027	-	-	1,768,987.50	1,768,987.50	-	(1,768,987.50)	-	-
10/01/2027	-	-	1,768,987.50	1,768,987.50	-	(1,768,987.50)	-	-
04/01/2028	-	-	1,768,987.50	1,768,987.50	-	(1,768,987.50)	-	-
10/01/2028	-	-	1,768,987.50	1,768,987.50	-	-	1,768,987.50	-
04/01/2029	-	-	1,768,987.50	1,768,987.50	-	-	1,768,987.50	-
09/30/2029	-	-	-	-	-	-	-	3,537,975.00
10/01/2029	1,160,000.00	5.250%	1,768,987.50	2,928,987.50	-	-	2,928,987.50	-
04/01/2030	-	-	1,738,537.50	1,738,537.50	-	-	1,738,537.50	-
09/30/2030	-	-	-	-	-	-	-	4,667,525.00
10/01/2030	1,225,000.00	5.250%	1,738,537.50	2,963,537.50	-	-	2,963,537.50	-
04/01/2031	-	-	1,706,381.25	1,706,381.25	-	-	1,706,381.25	-
09/30/2031	-	-	-	-	-	-	-	4,669,918.75
10/01/2031	1,290,000.00	5.250%	1,706,381.25	2,996,381.25	-	-	2,996,381.25	-
04/01/2032	-	-	1,672,518.75	1,672,518.75	-	-	1,672,518.75	-
09/30/2032	-	-	-	-	-	-	-	4,668,900.00
10/01/2032	1,360,000.00	5.250%	1,672,518.75	3,032,518.75	-	-	3,032,518.75	-
04/01/2033	-	-	1,636,818.75	1,636,818.75	-	-	1,636,818.75	-
09/30/2033	-	-	-	-	-	-	-	4,669,337.50
10/01/2033	1,435,000.00	5.250%	1,636,818.75	3,071,818.75	-	-	3,071,818.75	-
04/01/2034	-	-	1,599,150.00	1,599,150.00	-	-	1,599,150.00	-
09/30/2034	-	-	-	-	-	-	-	4,670,968.75
10/01/2034	1,510,000.00	5.250%	1,599,150.00	3,109,150.00	-	-	3,109,150.00	-

2025 \$53.965mm PCF Contra | SINGLE PURPOSE | 6/10/2025 | 9:27 AM

Preliminary

Greater Texoma Utility Authority

\$67,390,000 Contract Revenue Bonds, Series 2025

(City of Sherman Project)

For Purposes of Illustration Only

Net Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
04/01/2035	-	-	1,559,512.50	1,559,512.50	-	-	1,559,512.50	-
09/30/2035	-	-	-	-	-	-	-	4,668,662.50
10/01/2035	1,590,000.00	5.250%	1,559,512.50	3,149,512.50	-	-	3,149,512.50	-
04/01/2036	-	-	1,517,775.00	1,517,775.00	-	-	1,517,775.00	-
09/30/2036	-	-	-	-	-	-	-	4,667,287.50
10/01/2036	1,675,000.00	5.250%	1,517,775.00	3,192,775.00	-	-	3,192,775.00	-
04/01/2037	-	-	1,473,806.25	1,473,806.25	-	-	1,473,806.25	-
09/30/2037	-	-	-	-	-	-	-	4,666,581.25
10/01/2037	1,770,000.00	5.250%	1,473,806.25	3,243,806.25	-	-	3,243,806.25	-
04/01/2038	-	-	1,427,343.75	1,427,343.75	-	-	1,427,343.75	-
09/30/2038	-	-	-	-	-	-	-	4,671,150.00
10/01/2038	1,865,000.00	5.250%	1,427,343.75	3,292,343.75	-	-	3,292,343.75	-
04/01/2039	-	-	1,378,387.50	1,378,387.50	-	-	1,378,387.50	-
09/30/2039	-	-	-	-	-	-	-	4,670,731.25
10/01/2039	1,965,000.00	5.250%	1,378,387.50	3,343,387.50	-	-	3,343,387.50	-
04/01/2040	-	-	1,326,806.25	1,326,806.25	-	-	1,326,806.25	-
09/30/2040	-	-	-	-	-	-	-	4,670,193.75
10/01/2040	2,070,000.00	5.250%	1,326,806.25	3,396,806.25	-	-	3,396,806.25	-
04/01/2041	-	-	1,272,468.75	1,272,468.75	-	-	1,272,468.75	-
09/30/2041	-	-	-	-	-	-	-	4,669,275.00
10/01/2041	2,180,000.00	5.250%	1,272,468.75	3,452,468.75	-	-	3,452,468.75	-
04/01/2042	-	-	1,215,243.75	1,215,243.75	-	-	1,215,243.75	-
09/30/2042	-	-	-	-	-	-	-	4,667,712.50
10/01/2042	2,300,000.00	5.250%	1,215,243.75	3,515,243.75	-	-	3,515,243.75	-
04/01/2043	-	-	1,154,868.75	1,154,868.75	-	-	1,154,868.75	-

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Preliminary

Greater Texoma Utility Authority

\$67,390,000 Contract Revenue Bonds, Series 2025

(City of Sherman Project)

For Purposes of Illustration Only

Net Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
09/30/2043	-	-	-	-	-	-	-	4,670,112.50
10/01/2043	2,420,000.00	5.250%	1,154,868.75	3,574,868.75	-	-	3,574,868.75	-
04/01/2044	-	-	1,091,343.75	1,091,343.75	-	-	1,091,343.75	-
09/30/2044	-	-	-	-	-	-	-	4,666,212.50
10/01/2044	2,555,000.00	5.250%	1,091,343.75	3,646,343.75	-	-	3,646,343.75	-
04/01/2045	-	-	1,024,275.00	1,024,275.00	-	-	1,024,275.00	-
09/30/2045	-	-	-	-	-	-	-	4,670,618.75
10/01/2045	2,690,000.00	5.250%	1,024,275.00	3,714,275.00	-	-	3,714,275.00	-
04/01/2046	-	-	953,662.50	953,662.50	-	-	953,662.50	-
09/30/2046	-	-	-	-	-	-	-	4,667,937.50
10/01/2046	2,835,000.00	5.250%	953,662.50	3,788,662.50	-	-	3,788,662.50	-
04/01/2047	-	-	879,243.75	879,243.75	-	-	879,243.75	-
09/30/2047	-	-	-	-	-	-	-	4,667,906.25
10/01/2047	2,990,000.00	5.250%	879,243.75	3,869,243.75	-	-	3,869,243.75	-
04/01/2048	-	-	800,756.25	800,756.25	-	-	800,756.25	-
09/30/2048	-	-	-	-	-	-	-	4,670,000.00
10/01/2048	3,150,000.00	5.250%	800,756.25	3,950,756.25	-	-	3,950,756.25	-
04/01/2049	-	-	718,068.75	718,068.75	-	-	718,068.75	-
09/30/2049	-	-	-	-	-	-	-	4,668,825.00
10/01/2049	3,320,000.00	5.250%	718,068.75	4,038,068.75	-	-	4,038,068.75	-
04/01/2050	-	-	630,918.75	630,918.75	-	-	630,918.75	-
09/30/2050	-	-	-	-	-	-	-	4,668,987.50
10/01/2050	3,500,000.00	5.250%	630,918.75	4,130,918.75	-	-	4,130,918.75	-
04/01/2051	-	-	539,043.75	539,043.75	-	-	539,043.75	-
09/30/2051	-	-	-	-	-	-	-	4,669,962.50

2025 \$53.965mm PCF Contra | SINGLE PURPOSE | 6/10/2025 | 9:27 AM

Preliminary

Greater Texoma Utility Authority

\$67,390,000 Contract Revenue Bonds, Series 2025

(City of Sherman Project)

For Purposes of Illustration Only

Net Debt Service Schedule

Part 4 of 4

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
10/01/2051	3,690,000.00	5.250%	539,043.75	4,229,043.75	-	-	4,229,043.75	-
04/01/2052	-	-	442,181.25	442,181.25	-	-	442,181.25	-
09/30/2052	-	-	-	-	-	-	-	4,671,225.00
10/01/2052	3,885,000.00	5.250%	442,181.25	4,327,181.25	-	-	4,327,181.25	-
04/01/2053	-	-	340,200.00	340,200.00	-	-	340,200.00	-
09/30/2053	-	-	-	-	-	-	-	4,667,381.25
10/01/2053	4,095,000.00	5.250%	340,200.00	4,435,200.00	-	-	4,435,200.00	-
04/01/2054	-	-	232,706.25	232,706.25	-	-	232,706.25	-
09/30/2054	-	-	-	-	-	-	-	4,667,906.25
10/01/2054	4,315,000.00	5.250%	232,706.25	4,547,706.25	-	-	4,547,706.25	-
04/01/2055	-	-	119,437.50	119,437.50	-	-	119,437.50	-
09/30/2055	-	-	-	-	-	-	-	4,667,143.75
10/01/2055	4,550,000.00	5.250%	119,437.50	4,669,437.50	(3,226,116.11)	-	1,443,321.39	-
09/30/2056	-	-	-	-	-	-	-	1,443,321.39
Total	\$67,390,000.00	-	\$71,261,194.38	\$138,651,194.38	(3,226,116.11)	(9,051,319.38)	\$126,373,758.89	-

2025 \$53.965mm PCF Contra | SINGLE PURPOSE | 6/10/2025 | 9:27 AM



SPECIALIZED PUBLIC FINANCE INC.
FINANCIAL ADVISORY SERVICES

\$73.46MM* Greater Texoma Utility Authority (Sherman)
Timetable for Issuance of
Contract Revenue Bonds, Series 2025

Wednesday, June 4, 2025	• Project budget finalized and provided to SPFI.
Wednesday, June 11, 2025	• Bond proforma finalized by SPFI and provided to Wil-Dan.
Monday, June 16, 2025**	• Authority Board approves delegated sale authority.
Wednesday, June 18, 2025	• Preliminary Official Statement (POS) distributed by SPFI for comments by working group. • Rating and bond insurance applications submitted.
Monday, June 30, 2025	• Revised rate study results available to share with S&P and bond insurers.
Week of July 14, 2025	• Rating call (with S&P; time TBA).
Thursday, July 31, 2025	• Rating and insurance responses due.
Monday, August 4, 2025	• POS is electronically posted on I-Deal.
Thursday, August 14, 2025	• Series 2025 Bonds are priced via negotiated sale and final rates are locked.
Monday, August 18, 2025	• City Council meeting to affirm delegated sale of Bonds.
Wednesday, September 10, 2025	• Closing. Bond proceeds distributed according to Closing Instruction Letter.

* Preliminary.

** Regular Authority Board Meeting.

AGENDA ITEM XI



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

DATE: June 16, 2025

SUBJECT: AGENDA ITEM NO. XI

PREPARED BY: Stacy Patrick, Project Manager
SUBMITTED BY: Paul M. Sigle, General Manager

CONSIDER AND ACT UPON RESOLUTION OF APPRECIATION FOR ROBERT HALLBERG

ISSUE

Consider and act upon a Resolution of Appreciation for Robert Hallberg for service on the GTUA Board of Directors from June 2022 to May 2025.

BACKGROUND

Robert Hallberg was chosen as a representative by General Law cities to serve on the GTUA Board of Directors from June 2022 to December 2026.

STAFF RECOMMENDATIONS

The staff recommends the Board approve a Resolution of Appreciation for his service and present him with a plaque.

ATTACHMENTS

Appreciation Resolution

RESOLUTION NO. _____

GREATER TEXOMA UTILITY AUTHORITY

A RESOLUTION BY THE GREATER TEXOMA UTILITY AUTHORITY RECOGNIZING

Robert Hallberg

WHEREAS, the Greater Texoma Utility Authority wishes to recognize

Robert Hallberg

for contributing toward furthering economic development of this area and for helping to promote effective planning and utilization of water and other resources by faithfully participating in the activities of the Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE GREATER TEXOMA UTILITY AUTHORITY THAT: the Authority conveys its sincere appreciation and gratitude to

Robert Hallberg

for leadership provided to the Authority and its member cities.

On motion of _____, seconded by _____, the foregoing Resolution was passed and approved on this the _____ day of _____, 2025, by the following vote:

AYE:

NAY:

ABSTAIN:

At a regular meeting of the Board of Directors of the Greater Texoma Utility Authority.

President

ATTEST:

Secretary-Treasurer

ADJOURN