

RESOLUTION NO. 2022-010R

RESOLUTION OF THE BOARD OF DIRECTORS OF WYLIE NORTHEAST SPECIAL UTILITY DISTRICT OF COLLIN COUNTY, TEXAS (DISTRICT), AUTHORIZING THE EXECUTION OF A STATE INFRASTRUCTURE BANK LOAN AGREEMENT; AUTHORIZING THE DISTRICT'S GENERAL MANAGER TO ACT ON BEHALF OF THE DISTRICT IN ALL MATTERS RELATING TO THE LOAN AGREEMENT

WHEREAS, Wylie Northeast Special Utility District (the "District") is a political subdivision of the State of Texas created under authority of Section 59, Article XVI, Texas Constitution, and operating pursuant to Chapters 49 and 65 of the Texas Water Code; and

WHEREAS, the State Infrastructure Bank is a revolving loan fund operated by the Texas Department of Transportation (TxDOT); and

WHEREAS, TxDOT is widening FM 2514 in Collin County and the District requires financial assistance to pay the costs of utility relocation to accommodate the widened road; and

WHEREAS, the District is qualified to apply for and obtain financial assistance from the State Infrastructure Bank for this purpose; and

WHEREAS, on August 8, 2022, the District's Board of Directors approved its Resolution No. 2022-07R authorizing the submission of a loan application to the State Infrastructure Bank; and

WHEREAS, on October 27, 2022, the Texas Transportation Commission issued Minute Order Number 116354, a copy of which is attached hereto, approving the application submitted by the District for financial assistance in the form of a loan from the State Infrastructure Bank; and

WHEREAS, the Board of Directors of the District deems it proper and in the best interest of the District to execute a loan agreement from the State Infrastructure Bank in an amount up to \$5,000,000 to be used for relocating utilities necessary for accommodate the widening of FM 2514 from east of Lavon Parkway to Brown Street identified as CSJ Numbers 2679-03-015 and 2679-03-016 (the "Project").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WYLIE NORTHEAST SPECIAL UTILITY DISTRICT THAT:

SECTION 1. The District's Board of Directors hereby accepts the State Infrastructure Bank loan agreement in its substantially final form in order to secure the receipt of funds in an amount up to \$5,000,000 to be fully repaid over 20 years necessary for the Project.

SECTION 2. The District's Board of Directors hereby authorizes Chester Adams, the General Manager of the District, to execute the State infrastructure Bank loan agreement, together with all required documentation, to effectuate the District's intent to borrow such funds.

SECTION 3. The District's Board of Directors further authorizes Chester Adams, the General Manager of the District, to take and perform any action required for implementation of this Resolution to receive funding from the State Infrastructure Bank.

PASSED, APPROVED, and RESOLVED on this the 21st day of November, 2022, by the Board of Directors of Wylie Northeast Special Utility District.




Jimmy C. Beach, President

ATTEST:



Lance Ainsworth, Secretary,
or Amanda Horst, Assistant Secretary

APPROVED AS TO FORM:


James W. Wilson, Attorney

Attachment: SIB Loan Minute Order

TEXAS TRANSPORTATION COMMISSION

Collin County

MINUTE ORDER

Page 1 of 2

Dallas District

Wylie Northeast Special Utility District (SUD) has submitted an application for financial assistance in the form of a loan of up to \$5,000,000 from the State Infrastructure Bank (SIB) under Transportation Code, Chapter 222, Subchapter D, and Title 43 Texas Administrative Code (TAC), Chapter 6 (SIB Rules). The application satisfies all requirements of the rules, including passage by the City of a resolution authorizing submission of the application to the Texas Department of Transportation (department).

The intended use of the financial assistance conforms to the purposes of the SIB. The SUD intends to use the financial assistance to pay the costs of utility relocation to widen FM 2514 in Collin County.

The present and projected financial condition of the SIB is sufficient to cover the requested financial assistance for the project.

The SUD has proposed a subordinate lien pledge of water system net revenues as security for repayment of the loan.

In accordance with the SIB Rules, the executive director has negotiated all the terms of an agreement as necessary to protect the public's safety and to prudently provide for the protection of public funds while furthering the purposes of the SIB, contained in the Term Sheet attached hereto as Exhibit A.

The SIB Rules allow for final approval by the Texas Transportation Commission (commission) of any SIB loan in the principal amount of \$10 million or less without first going through the preliminary approval process described in the SIB Rules if the financial assistance is to be used for a project for which the department has primary responsibility.

The executive director or his designee implemented actions authorized and required by the SIB Rules for final approval. The executive director affirms that the necessary social, economic, and environmental impact studies have been completed and approved by the department. The executive director recommends that the commission grant final approval of SUD's application for financial assistance from the SIB.

In accordance with the SIB Rules, the commission finds that:

1. the project is consistent with the Statewide Long-Range Transportation Plan and the metropolitan transportation plan developed by the applicable metropolitan planning organization;
2. the project is in a Clean Air Act non-attainment area and is consistent with the Statewide Transportation Improvement Program, with the conforming plan and Transportation Improvement Program for the MPO in which the project is located, and with the State Implementation Plan;
3. the project will improve the efficiency of the state's transportation systems;
4. the project will expand the availability of funding for transportation projects or reduce direct state costs;

TEXAS TRANSPORTATION COMMISSION

Collin County

MINUTE ORDER

Page 2 of 2

Dallas District

5. the application shows that the SUD is likely to have sufficient revenues to assure repayment of the financial assistance;

6. providing financial assistance will protect the public’s safety and prudently provide for the protection of public funds, while furthering the purposes of the SIB; and

7. the project will provide for all reasonable and feasible measures to avoid, minimize, or mitigate for adverse environmental impacts.

IT IS THEREFORE DETERMINED AND ORDERED by the commission that the application submitted by the SUD for financial assistance in the form of a loan from the SIB meets the applicable requirements of the SIB Rules and, in accordance with those provisions, the commission grants final approval of the SUD’s application for a SIB loan under the terms in the Term Sheet attached hereto as Exhibit A in an amount not to exceed \$5,000,000 to pay the costs of utility relocation for the non-tolled project.

IT IS FURTHER ORDERED by the commission that the executive director or his designee is directed and authorized to enter into a financial assistance agreement with the SUD which complies with the SIB Rules and which contains the terms in the Term Sheet attached hereto as Exhibit A.

Submitted and reviewed by:

Recommended by:

DocuSigned by: Benjamin Asher
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Director, Project Finance,
Debt & Strategic Contracts Division

DocuSigned by: [Signature]
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Executive Director

116354 October 27, 2022

Minute Date
Number Passed

Wylie Northeast Special Utility District Term Sheet
State Infrastructure Bank Loan

Loan Provisions	Negotiated Terms
Project Description:	Costs associated with utility relocation necessary for a non-tolled project to improve FM 2514 in Collin County.
Interest Rates:	3.16%
Fees:	Not Applicable
Charges:	Not Applicable
Term to Maturity:	20 years; Initial repayment deferred up to 2 years.
Pledged Collateral:	Subordinate Lien of Water System Net Revenues
Default Provisions:	<p>A. The Borrower shall be in default if it fails to repay the SIB Loan (the Principal Payments and the Interest Payments) or otherwise fails to comply with any term of this Agreement. The Department shall not be obligated to take further action nor resume its obligations under this Agreement until the Borrower is no longer in default. The Borrower shall reimburse the Department for all costs or other losses of funds resulting from any default or failure to perform by the Borrower.</p> <p>B. The Borrower agrees that in the event of a default under this Agreement the Department may, by all legal and equitable means, require the Borrower and any appropriate official of the Borrower (acting solely in his/her official capacity) to remedy any default under, and carry out the provisions of, this Agreement, including specifically the use and filing of mandamus proceedings. Venue for any legal proceedings shall be in Travis County, Texas.</p>
Special Conditions:	None