



**City Council
Special Meeting
June 2, 2021**



A G E N D A

**CITY COUNCIL SPECIAL MEETING
WEDNESDAY JUNE 2, 2021, AT 5:30 P.M. CST
COUNCIL CHAMBERS, CITY HALL BUILDING,
100 SOUTH MONROE STREET, EAGLE PASS,
MAVERICK COUNTY, TEXAS**

ESTABLISHMENT OF QUORUM

MOMENT OF REVERENCE

CITIZENS COMMUNICATIONS AND RECOGNITIONS

1. Discussion and possible action on an ordinance authorizing the issuance of "City of Eagle Pass, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2021;" providing for the payment of the certificates by the levy of an ad valorem tax upon all taxable property within the City and further securing the certificates by a lien on and limited pledge of the pledged revenues of the City's Drainage Utility System; and providing for other matters related thereto.

OTHER BUSINESS

2. Consideration and possible awarding of bids for Request for Qualifications for RFQ#2021-041 Engineering Services-Camino Real International Bridge Roadway Reconfiguration.
3. Consideration and possible awarding for Request for Qualifications for RFQ#2021-016 Consulting Services - Bridge Toll Collection System Planning and Implementation.
4. Consideration and possible awarding for Request for Qualifications RFQ#2021-018 City of Eagle Pass - Downtown Development Master Plan.

ADJOURNMENT

The City Council reserves the right to consider business out of the posted order and the right to adjourn into Executive Session to discuss items which are not listed as Executive Session items, but which qualify to be discussed in closed session as permitted by the Texas Open Meetings Act, under Chapter 551 of the Texas Government Code.

Entrance and parking spaces for disabled persons are available in front of City Hall.

CERTIFICATION

I, the undersigned City Secretary, do hereby certify that the agenda mentioned above was posted on the Bulletin Board located in the Lobby at City Hall, 100 South Monroe Street, Eagle Pass, Texas, on Friday, May 28, 2021 at 5:20 p.m.

Imelda B. Rodriguez
TRMC, City Secretary

Item

#1

NO. 2021-

AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF EAGLE PASS, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021;" PROVIDING FOR THE PAYMENT OF THE CERTIFICATES BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND FURTHER SECURING THE CERTIFICATES BY A LIEN ON AND LIMITED PLEDGE OF THE PLEDGED REVENUES OF THE CITY'S DRAINAGE UTILITY SYSTEM; AND PROVIDING FOR OTHER MATTERS RELATED THERETO

WHEREAS, the City Council of the City of Eagle Pass, Texas (the *City*) has caused notice to be given of its intention to issue certificates of obligation in the maximum principal amount of \$28,000,000 for the purpose of providing funds for the following purpose, to-wit: (1) construction, improvement, renovation, and equipment of International Bridge I and II facilities, (2) construction and equipment of a facility for the City's Public Works Department, and purchase of land for this facility (3) construction and equipment of a gymnasium, (4) improvement, renovation, and equipment of City Hall, (5) improvement and equipment of city parks and buildings, and (6) the payment of professional services related to the construction and financing of the aforementioned projects. This notice has been duly published in a newspaper hereby found and determined to be of general circulation in the City, once a week for two (2) consecutive weeks, the date of the first publication of such notice being not less than forty-five (45) days prior to the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates of obligation; and

WHEREAS, no petition protesting the issuance of the certificates of obligation described in this notice, signed by at least 5% of the qualified electors of the City, has been presented to or filed with the City Secretary prior to the date tentatively set in such notice for the passage of this ordinance; and

WHEREAS, the City Council hereby finds and determines that the certificates of obligation described in such notice should be issued and sold at this time, being in the best interest of the City; and

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EAGLE PASS, TEXAS THAT:

Section 1. Authorization - Designation - Principal Amount – Purpose. The certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of _____ MILLION _____ HUNDRED _____ THOUSAND AND NO/100 DOLLARS (\$ _____), to be designated and bear the title of "CITY OF EAGLE PASS, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021 (the *Certificates*), for the purpose of paying contractual obligations to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) construction,

improvement, renovation, and equipment of International Bridge I and II facilities, (2) construction and equipment of a facility for the City’s Public Works Department, and purchase of land for this facility (3) construction and equipment of a gymnasium, (4) improvement, renovation, and equipment of City Hall, (5) improvement and equipment of city parks and buildings, and (6) the payment of professional services related to the construction and financing of the aforementioned projects. The Certificates are being issued pursuant to the authority conferred by and in conformity with the laws of the State of Texas, particularly Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Local Government Code Section 271.041 through 271.063, and the Home Rule Charter of the City.

Section 2. Fully Registered Obligations - Authorized Denominations – Stated Maturities - Interest Rates – Date. The Certificates are issuable in fully registered form only; shall be dated June 1, 2021 (the *Dated Date*), and shall be in denominations of \$5,000 or more, and the Certificates shall become due and payable on March 1 in each of the years and in principal amount (the *Stated Maturities*) and bear interest on the unpaid principal amounts from the Delivery Date (as defined herein), or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to Stated Maturity, at the per annum rates, while Outstanding (hereinafter defined), in accordance with the following schedule:

<u>Years of Stated Maturity (March 1)</u>	<u>Principal Amount (\$)</u>	<u>Interest Rates (%)</u>
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		

The Certificates shall bear interest at the per annum rates, computed on the basis of a 360-day year of twelve 30-day months, and interest thereon shall be payable semi-annually on March 1 and September 1 of each year (the *Interest Payment Date*) commencing March 1, 2022, while the Certificates are outstanding.

Section 3. Paying Agent/Registrar; Book-Entry-Only System and Successor Securities Depository; Transfers Outside Book-Entry-Only System; Payment of Cede & Co.; DTC Letter of Representation.

a. Paying Agent/Registrar. The principal of, premium, if any, and interest on the Certificates, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable 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 such payment of principal of and interest on the Certificates shall be without exchange or collection charges to the Holder (as hereinafter defined) of the Certificates.

The selection and appointment of UMB Bank, N.A., to serve as the initial Paying Agent/Registrar for the Certificates is hereby approved and confirmed, and the City agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment and transfer of the Certificates, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached, in substantially final form, as Exhibit "A" hereto, and such reasonable rules and regulations as the Paying Agent/Registrar and City may prescribe. The City covenants to maintain and provide a Paying Agent/Registrar at all times while the Certificates are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and authorized by law to serve as a Paying Agent/Registrar.

The City reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or ordinance terminating such agency. Additionally, the City agrees to promptly cause a written notice of this substitution to be sent to each Holder of the Certificates by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Both principal of, premium, if any, and interest on the Certificates, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the registered owner of the Certificates appearing on the Security Register (the *Holder* or *Holder*s) maintained on behalf of the City by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of payment of interest thereon, and (ii) on the date of surrender of the Certificates for purposes of receiving payment of principal thereof upon redemption of the Certificates or at the Certificates' Stated Maturity. The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Certificate for purposes of receiving payment and all other

purposes whatsoever, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Certificates shall be payable only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its corporate trust office. Interest on the Certificates shall be paid to the Holder whose name appears in the Security Register at the close of business on the fifteenth day of the month next preceding an Interest Payment Date for the Certificates (the *Record Date*) and shall be paid (i) by check sent by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of, premium, if any, or interest on the Certificates shall be a Saturday, a 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 day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Certificates was due.

In the event of a non-payment 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 City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date* - 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.

b. Book-Entry-Only System for Certificates. The Certificates issued in exchange for the Initial Certificates issued to the Purchasers specified in Section 23 herein shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof. Upon initial issuance, the ownership of each Certificate shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company (DTC), and except as provided in Section 7 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf of DTC was created (*DTC Participant*) to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any

ownership interest in the Certificates, (ii) the delivery to any DTC Participant, or any other person, other than a registered owner of the Certificates, as shown on the registration books, of any notice with respect to the Certificates, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Certificates, as shown in the registration books, of any amount with respect to principal of or interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the registration books as the absolute owner of such Certificate for the purpose of payment of principal and interest with respect to such Certificate, for the purpose of registering transfers with respect to the Certificates, and for all other purposes. The Paying Agent/Registrar shall pay all principal and interest on the Certificates only to or upon the order of the registered owners, as shown in the registration books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Certificates to the extent of the sum or sums so paid. No persons other than a registered owner, as shown in the registration books, shall receive a certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

c. Successor Securities Depository; Transfers Outside Book-Entry-Only Systems. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

d. Payment to Cede & Co. and Notice to DTC. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

e. DTC Letter of Representation. The officers of the City are herein authorized for and on behalf of the City and as officers of the City to enter into one or more Letters of Representation with DTC establishing the book-entry-only system with respect to the Certificates.

Section 4. Redemption.

a. Optional Redemption. The Certificates maturing on or after March 1, 20__, shall be subject to redemption prior to Stated Maturity at the option of the City on March 1, 20__, or any date thereafter, in whole or in part, at the redemption price of par plus accrued interest. If less than all of the Certificates are redeemed, the particular Certificates or portions thereof to be redeemed shall be selected at random and by lot by the Paying Agent/Registrar on behalf of the City.

b. Exercise of Redemption Option. At least thirty (30) days prior to a date set for the redemption of Certificates (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of its decision to exercise the right to redeem Certificates, the principal amount to be redeemed, and the date set for the redemption thereof. The decision of the City to exercise the right to redeem Certificates shall be entered in the minutes of the governing body of the City.

c. Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Certificates, a notice of redemption shall be sent by United States mail, first-class postage prepaid, in the name of the City and at the City's expense, by the Paying Agent/Registrar to each Holder of a Certificate to be redeemed, in whole or in part, at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed, (iii) state the redemption price, (iv) state that the Certificates shall become due and payable on the redemption date specified, and the interest thereon shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Certificates shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*). Additionally, this notice may also be sent by the City to any registered securities depository and to any national information service that disseminates redemption notices.

If a Certificate is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Certificate so called for redemption shall become due and payable, and if

money sufficient for the payment of such Certificates at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on said Certificates called for redemption shall cease to accrue and such Certificates shall not be deemed to be Outstanding in accordance with the provisions of this Ordinance.

With respect to any optional redemption of the Certificates, unless the Paying Agent/Registrar has received funds sufficient to pay the principal and premium, if any, and interest on the Certificates to be redeemed before giving of a notice of redemption, the notice of redemption may state the City may condition redemption on the receipt by the Paying Agent/Registrar of such funds on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, that the Certificates have not been redeemed.

d. Transfer/Exchange of Certificates. Neither the City nor the Paying Agent/Registrar shall be required (1) to transfer or exchange any Certificate during a period beginning forty-five (45) days prior to the date fixed for redemption of the Certificates, or (2) to transfer or exchange any Certificate selected for redemption.

Section 5. Execution - Registration. The Certificates shall be executed on behalf of the City by its Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and attested by its City Secretary. The signature of either of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of individuals who were, at the time of the Dated Date, the proper officers of the City shall bind the City, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Certificates to the Purchasers (hereinafter defined), all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 8(b), executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8(c), executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified or registered and delivered.

Section 6. Registration - Transfer - Exchange of Certificates – Predecessor Certificates. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Registrar the name and address of every owner of the Certificates, or, if appropriate, the nominee thereof. Any Certificate may, in accordance with its terms and the terms hereof, be transferred or exchanged for Certificates of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate 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 for transfer of any Certificate at the corporate trust office of the Paying Agent/Registrar, the City shall execute and the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates of authorized denomination and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holder, Certificates may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange upon surrender of the Certificates to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Certificates are so surrendered for exchange, the City shall execute, and the Paying Agent/Registrar shall register and deliver, the Certificates to the Holder requesting the exchange.

All Certificates issued upon any transfer or exchange of Certificates shall be delivered at the corporate trust office of the Paying Agent/Registrar, or be sent by registered mail to the Holder at his request, risk, and expense, and upon the delivery thereof, the same shall be the valid and binding obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Certificates surrendered upon such transfer or exchange.

All transfers or exchanges of Certificates 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.

Certificates canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Certificates," evidencing all or a portion, as the case may be, of the same debt evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Certificates shall include any Certificate registered and delivered pursuant to Section 24 in lieu of a mutilated, lost, destroyed, or stolen Certificate which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

Section 7. Initial Certificate(s). The Certificates herein authorized shall be issued initially either (i) as a single fully registered certificate in the total principal amount of \$_____ with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as one (1) fully registered Certificate for each year of Stated Maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (the *Initial Certificate(s)*) and, in either case, the Initial Certificate(s) shall be registered in the name of the Purchasers or the designee thereof. The Initial Certificate(s) shall be the Certificates 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 Purchasers. Any time after the delivery of the Initial Certificate(s), the Paying Agent/Registrar, pursuant to written instructions from the Purchasers, or the designee thereof, shall cancel the Initial Certificate(s) delivered hereunder and exchange therefor definitive Certificates 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 Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

Section 8. Forms.

a. Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration, and the form of Assignment to be printed on each of the Certificates 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 Ordinance and may have such letters, numbers, or other marks of identification (including insurance legends in the event the Certificates, or any Stated Maturities thereof, are insured and identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as may, consistent herewith, be established by the City or determined by the officers executing the Certificates as evidenced by their execution thereof. Any portion of the text of any Certificate may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Certificate.

The definitive Certificates shall be printed, lithographed, or engraved, produced by any combination of these methods, or produced in any other similar manner, all as determined by the officers executing the Certificates as evidenced by their execution thereof, but the Initial Certificate(s) submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

b. Form of Definitive Certificate.

REGISTERED
R- _____

REGISTERED
\$ _____

United States of America
State of Texas
County of Maverick
CITY OF EAGLE PASS, TEXAS
COMBINATION TAX AND LIMITED PLEDGE REVENUE
CERTIFICATES OF OBLIGATION,
SERIES 2021

Interest Rate: _____% Dated Date: June 1, 2021 Delivery Date: July 1, 2021 Stated Maturity: March 1, _____ CUSIP NO. _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

The City of Eagle Pass, Texas (the *City*), a body corporate and municipal corporation in the County of Maverick, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (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 Delivery Date specified above, or from the most recent interest payment date to which interest has been paid or duly provided for until such principal sum has become due and payment thereof has been made or duly provided for, to the earlier of redemption or Stated Maturity, 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 March 1 and September 1 of each year commencing March 1, 2022. CUSIP number identification with appropriate dollar amount of payment pertaining to each CUSIP number (if more than one CUSIP number) must accompany all payments of interest and principal, whether by check or wire transfer.

Principal on this Certificate shall be payable to the Registered Owner hereof (the *Holder*), upon presentation and surrender, at the corporate trust office of the Paying Agent/Registrar, UMB BANK, N.A., executing the registration certificate appearing hereon or a successor thereof Interest shall be payable to the Holder of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance 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 day of the month next preceding each interest payment date. All payments of principal of and interest on this Certificate 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. Interest shall be paid by the Paying Agent/Registrar by check sent on the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Certificate is one of the Series specified in its title issued in the aggregate principal amount of \$_____ (the *Certificates*) pursuant to an Ordinance adopted by the governing body of the City (the *Ordinance*), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) construction, improvement, renovation, and equipment of International Bridge I and II facilities, (2) construction and equipment of a facility for the City's Public Works Department, and purchase of land for this facility (3) construction and equipment of a gymnasium, (4) improvement, renovation, and equipment of City Hall, (5) improvement and equipment of city parks and buildings, and (6) the payment of professional services related to the construction and financing of the

aforementioned projects. The Certificates are being issued under and in strict conformity with the laws of the State of Texas, particularly Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Local Government Code Sections 271.041 through 271.063, and the City's Home Rule Charter.

The Certificates maturing on or after March 1, 20__, shall be subject to redemption prior to Stated Maturity at the option of the City on March 1, 20__, or any date thereafter, in whole or in part, at the redemption price of par plus accrued interest; provided, however, that at least thirty (30) days prior written notice shall be sent to the Holder of the Certificates to be redeemed by United States mail, first-class postage prepaid, and subject to the terms and provisions relating thereto contained in the Ordinance. If less than all of the Certificates are redeemed, the particular Certificates or portions thereof to be redeemed shall be selected at random and by lot by the Paying Agent/Registrar on behalf of the City.

If this Certificate shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Certificate shall become due and payable, and, if the money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is 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. If this Certificate is called for redemption, in whole or in part, the City or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Certificate within forty-five (45) days of the date fixed for redemption.

With respect to any optional redemption of the Certificates, unless the Paying Agent/Registrar has received funds sufficient to pay the principal and premium, if any, and interest on the Certificates to be redeemed before giving of a notice of redemption, the notice of redemption may state the City may condition redemption on the receipt by the Paying Agent/Registrar of such funds on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, that the Certificates have not been redeemed.

The Certificates of this Series are payable from the levy of an ad valorem tax, within the limitations prescribed by law, upon all taxable property in the City and are additionally payable from and secured by a lien on and pledged of the Pledged Revenues, being a limited amount of the Net Revenues in an amount of \$1,000, derived from the operation of the City's Drainage Utility System such lien on and pledge of the limited amount of the Net Revenues being subordinate and inferior to the lien on and pledge thereof providing for the payment and security of any Revenue Obligations hereinafter issued by the City, but prior and superior to the lien on and pledge thereof securing the payment of any Inferior Lien Obligations hereafter issued by the City. In the Ordinance, the City retains the right to issue Revenue Obligations, Additional Limited Pledge Obligations and Inferior Lien Obligations without limitation as to principal amount but subject to any terms, conditions, or restrictions as may be applicable thereto under law or otherwise.

Reference is hereby made to the Ordinance, copies of which are on file in the corporate trust 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 tax levied and the revenues pledged for the payment of the Certificates; the terms and conditions under which the City may issue Revenue Obligations, Additional Limited Pledge and Inferior Lien Obligations; the terms and conditions relating to the transfer or exchange of the Certificates; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holder; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Certificate may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Ordinance. Capitalized terms used herein have the same meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred at the corporate trust office of the Paying Agent/Registrar, 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, and thereupon one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner hereof for purposes of receiving 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 hereof for all other purposes, and neither the City nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment 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 City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date* - 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 the issuance of this Certificate in order to render the same a legal, valid, and binding obligation of the City have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that issuance of the Certificates does not exceed any constitutional or statutory limitation. In case any provision in this Certificate or any application thereof shall be deemed 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 Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF this Certificate has been signed with the manual or facsimile signature of the Mayor or Mayor Pro Tem and attested with the manual or facsimile signature of the City Secretary (or their respective designees), and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate.

CITY OF EAGLE PASS, TEXAS

By: _____
Mayor

ATTEST:

City Secretary

(CITY SEAL)

c. *Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Certificate(s) Only.

**REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS**

OFFICER OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS §
 § REGISTER NO. _____
 §
THE STATE OF TEXAS §

I HEREBY CERTIFY that this Certificate 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, State of Texas

(SEAL)

**Note to Printer: Not to appear on printed Certificates*

d. Form of Certificate of Paying Agent/Registrar to Appear on Definitive Certificates Only.

This Certificate has been duly issued under the provisions of the within-mentioned Ordinance; the Certificate or Certificates 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.

UMB BANK, N.A.,
As Paying Agent/Registrar

By: _____
Authorized Officer

Registered this date:

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 Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

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

Signature guarantees:

[FORM OF INSURANCE LEGEND GUARANTEE]

If bond insurance is obtained by the City or the Underwriters for the Certificates, the Definitive Certificates and the Initial Certificate shall bear an appropriate legend as provided by the insurer.

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

- (1) immediately under the name of the Certificate(s) the headings "Interest Rate ____" and "Stated Maturity ____" shall both be completed by inserting "as shown below" and the "CUSIP NO." column shall be deleted; and
- (2) the first two paragraphs shall replace "Registered Owner," "Principal Amount" and first two paragraphs with the following:

Registered Owner: _____

Principal Amount: _____ MILLION _____ HUNDRED _____
THOUSAND AND NO/100 DOLLARS (\$ _____)

The City of Eagle Pass, Texas (the City) a body corporate and municipal corporation in the County of Maverick, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, the Principal Amount specified above stated to maturity on the first day of March in each of the years and in the principal amounts and bearing interest at per annum rates in accordance with the following schedule:

<u>Years of Stated</u> <u>Maturity</u> (March 1)	<u>Principal Amount</u> (<u>\$</u>)	<u>Interest</u> <u>Rates (%)</u>
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(Information to be inserted from schedule in Section 2 hereof.)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amounts hereof from the Delivery Date specified above, or from the most recent interest payment date to which interest has been paid or duly provided for, to the earlier of redemption or until the principal amounts have become due and payment thereof has been made or duly provided for, to Stated Maturity, 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 March 1 and September 1 of each year, commencing March 1, 2022.

Principal on this Certificate shall be payable to the Registered Owner hereof (the Holder), upon its presentation and surrender, at the corporate trust office of UMB Bank, N.A. (the

Paying/Agent Registrar). Interest shall be payable to the Holder of this Certificate 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 day of the month next preceding each interest payment date. All payments of principal of and interest on this Certificate 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. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing 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 hereof.

Section 9. Definitions. For all purposes of this Ordinance (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, and certain terms used in Section 25 of this Ordinance have the meanings assigned to them in Section 25 of this Ordinance, and all such terms, include the plural as well as the singular; (ii) all references in this Ordinance to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of this Ordinance as originally adopted; and (iii) the words "herein," "hereof," and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

a. The term *Additional Limited Pledge Obligations* shall mean (i) obligations hereinafter issued by the City payable wholly or in part from and secured by a lien and pledge of the Pledged Revenues as provided in Section 18 of this Ordinance, which obligations are equally and ratably secured by a junior lien on and pledge of the Net Revenues on a parity with the Certificates, and (ii) obligations hereafter issued to refund any of the foregoing as determined by the City Council in accordance with applicable law.

b. The term *Available Funds* shall mean funds appropriated by the City Council from any source that may lawfully be used with respect to any payment obligated or permitted under this Ordinance.

c. The term *Certificates* shall mean the \$ _____, "CITY OF EAGLE PASS, TEXAS, COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021," authorized by this Ordinance.

d. The term *Certificate Fund* shall mean the special Fund created and established by the provisions of Section 10 of this Ordinance.

e. The term *City* shall mean the City of Eagle Pass, Texas, and where appropriate, the City Council of the City.

f. The term *Collection Date* shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

g. The term *Debt Service Requirement* shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the

aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

h. The term *Delivery Date* shall mean the date of physical delivery of the Initial Certificates in exchange for the payment of the agreed purchase price for the Certificates scheduled to occur on July 1, 2021.

i. The term *Depository* shall mean an official depository bank of the City.

j. The term *DTC* shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

k. The term *DTC Participant* shall mean brokers and dealers, bank, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

l. The term *Fiscal Year* shall mean the annual financial accounting period for the City now ending on September 30th of each year; provided, however, the City Council may change such annual financial accounting period to end on another date if such change is found and determined to be necessary for accounting purposes or is required by applicable law.

m. The term *Governmental Obligations*, as used herein, shall mean (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, 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 City, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, or (iv) any additional securities and obligations hereafter authorized by the laws of the State of Texas as eligible for use to accomplish the discharge of obligations such as the Certificates.

n. The term *Gross Revenues* for any period shall mean all income and revenue received by the City by virtue of the operation of the System, including permits and other revenue sources.

o. The term *Holder* or *Holder*s shall mean the registered owner, whose name appears in the Security Register, for any Certificate.

p. The term *Inferior Lien Obligations* shall mean (i) obligations hereinafter issued by the City that are payable, in whole or in part from and secured by a lien on and pledge of the surplus revenues of the System, such pledge being subordinate and inferior to the lien on and pledge of the Net Revenues of the System, that are or may be pledged to the payment of Revenue Obligations, the Certificates or Additional Limited Pledge Revenue Obligations hereafter issued by the City, all as further provided in Section 18 of this Ordinance, and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a lien on and pledge of the surplus revenues of the System as determined by the City Council in accordance with any applicable law.

q. The term *Interest Payment Date* shall mean the date annual interest is payable on the Certificates, being March 1 and September 1 of each year, commencing March 1, 2022, while any of the Certificates remain Outstanding.

r. The term *Maintenance and Operation Expenses* for any period shall mean expenses of operation and maintenance, including all salaries, labor, materials, repairs and improvements necessary to maintain and operate the City's System; provided, however, that only such repairs and improvements as in the judgment of the City Council, reasonably and fairly exercised, are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical action or condition which would otherwise impair the security of any bonds or other obligations payable from and secured by a lien on the Net Revenues of the System derived from the ownership and operation of the System shall be deducted in determining Net Revenues.

s. The term *MSRB* means the Municipal Securities Rulemaking Board.

t. The term *Net Revenues* for any period shall mean the gross revenues of the System less the expenses of operation and maintenance, including all salaries, labor, materials, repairs and improvements necessary to maintain and operate the City's Drainage Utility System; provided, however, that only such repairs and improvements as in the judgment of the City Council, reasonably and fairly exercised, are necessary to keep the City's in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical action or condition which would otherwise impair the security of any bonds or other obligations payable from and secured by a lien on the Net Revenues of the System derived from the ownership and operation of the System shall be deducted in determining Net Revenues. Depreciation charges shall not be considered operating and maintenance expenses for purposes of determining Net Revenue.

u. The term *Ordinance* shall mean this ordinance adopted by the City Council of the City on June 2, 2021.

v. The term *Outstanding* when used in this Ordinance with respect to Certificates shall mean, as of the date of determination, all Certificates issued and delivered under this Ordinance, except:

- (1) those Certificates canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
- (2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 27 of this Ordinance; and
- (3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 22 of this Ordinance.

w. The term *Pledged Revenues* during the entire period the Certificates or interest thereon remain Outstanding and unpaid, shall mean an amount totaling \$1,000 of Net Revenues, which pledge is a junior and subordinate lien of the Net Revenues securing the Revenue Obligations.

x. The term *Pledged Revenue Amount* shall mean the total amount of \$1,000 while the Certificates are Outstanding, of Net Revenues that are deposited into the Revenue Fund pursuant to Section 13 of this Ordinance and may be transferred by the City, in any given Fiscal Year, to the Certificate Fund.

y. The term *Purchasers* shall mean the initial purchaser or purchasers of the Certificates named in Section 23 of this Ordinance.

z. The term *Revenue Obligations* shall mean (i) bonds or other similar obligations now outstanding or hereafter issued payable solely from and secured only by a lien on a pledge of the Net Revenues of the System not limited to a pledge of the Pledged Revenues as provided in Section 18 of this Ordinance and being prior and superior to the lien on and pledge thereof securing the payment the Certificates, Additional Limited Pledge Obligations or Inferior Lien Obligations hereinafter issued by the City, and (ii) obligations hereafter issued to refund the foregoing as determined by the City Council in accordance with any applicable law.

aa. The term *Rule* shall mean SEC Rule 15c2-12, as amended from time to time.

bb. The term *SEC* shall mean the United States Securities and Exchange Commission.

cc. The term *System* shall mean the land and improvements (real property, fixtures, and personalty) constitute the City's Drainage Utility System.

Section 10. Certificate Fund, Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Certificates, there shall be and is hereby created a special Fund to be designated "COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021, INTEREST AND SINKING FUND" (the *Certificate Fund*), which Fund shall be kept and maintained at the Depository, and money deposited in such Fund shall be used for no other purpose and shall be maintained as provided in Section 25. Authorized officials of the City are hereby authorized and directed to make withdrawals from said Fund sufficient to pay the principal of and interest on the Certificates as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest falling due on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Certificates.

The City, at its sole discretion, may appropriate the Pledged Revenue Amount and deposit it into the Certificate Fund as provided in Section 14 hereof. The Pledged Revenue Amount, if deposited into the Certificate Fund, shall be expended annually to pay principal of and interest on the Certificates as the same become due and payable. This Pledge Revenue Amount shall be accounted for and transferred to the Paying Agent/Registrar in accordance with the provisions of the previous paragraph of this Section.

Pending the transfer of funds to the Paying Agent/Registrar, money deposited in any Fund established pursuant to the provisions of this Ordinance may, at the option of the City, be placed in time deposits or certificates of deposit, as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from such fund will be available at the proper time or times. Except as provided in Section 13 hereof, all interest and income derived from deposits and investments in any fund established pursuant to the provisions of this Ordinance shall be credited to, and any losses debited to, such fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

Section 11. Tax Levy. To provide for the payment of the Debt Service Requirements on the Certificates being (i) the interest on the Certificates, and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the fiscal year commencing October 1, 2022, and each succeeding year thereafter while the Certificates or any interest thereon shall remain Outstanding, a sufficient tax on each one hundred dollars' valuation of taxable property in the City, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund. The City Council hereby declares its purpose and intent to provide and levy a tax within the limits provided by law and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

a. Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the City Council shall determine:

- (1) the amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year;
- (2) the amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied, and (b) adding thereto the amount of the Pledge Revenue Amount, if any, to be appropriated and allocated during such year to pay such Debt Service Requirements, if any, prior to the Collection Date for the ad valorem taxes to be levied;
- (3) the amount of Pledged Revenue Amount, if any, to be appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding Fiscal Year; and
- (4) the amount of Available Funds, if any, to be appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes to be levied during the next succeeding Fiscal year.

b. The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (1) above less the sum total of the amounts established in paragraphs (2), (3), and (4) after taking into consideration delinquencies and costs of collecting such annual taxes.

Section 12. Pledge of Pledged Revenues. The City hereby covenants and agrees that (i) the Pledged Revenue Amount is (within the limitation of a total amount of \$1,000 during the time the Certificates or interest thereon remain Outstanding and unpaid), hereby irrevocably pledged to the payment of the principal of and interest on the Certificates (subject to the provisions of Section 10) and (ii) the pledge of Pledged Revenue Amount herein made for the payment of the Certificates shall constitute a lien on and pledge of the Pledged Revenue Amount in accordance with the terms and provisions hereof and be valid and binding without any physical delivery thereof or further act by the City.

Section 13. Revenue Fund. The City covenants and agrees that there shall be deposited on the Delivery Date into a special fund or account designated as "City of Eagle Pass, Texas, Pledged Revenue Fund" (the *Revenue Fund*) previously created, established, and maintained by the City an amount equal to \$1,000 which shall constitute the Pledged Revenue Amount. The amounts on deposit in the Revenue Fund shall be pledged and appropriated to the extent required to the payment of the amounts required to be deposited in the Certificate Fund.

Pledged Revenues, and income earned thereon, in the Revenue Fund in excess of the amounts required to fully discharge and satisfy the foregoing requirements may be used for any lawful purpose.

Section 14. Deposits to Certificate Fund; Excess Certificate Proceeds. The City covenants and agrees to cause to be deposited in the Certificate Fund prior to a principal and interest payment date for the Certificates, from the Pledged Revenues in the Revenue Fund, any Pledged Revenue Amount appropriated during any Fiscal Year.

Ad valorem taxes levied and collected shall be deposited in the Certificate Fund. In addition, Available Funds, any surplus proceeds, along with any investment income thereon, from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sum otherwise required to be deposited in the Certificate Fund from ad valorem taxes or Pledged Revenues to pay principal only on the outstanding Certificates.

Section 15. Security of Funds. All money on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds, and money on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

Section 16. Records and Accounts - Annual Audit. The City further covenants and agrees that so long as any of the Certificates remain Outstanding it will keep and maintain separate and complete records and accounts pertaining to the receipts and disbursements of

the Net Revenues. The Holders of the Certificates or any duly authorized agent or agents of the Holders shall have the right to inspect these records and accounts. The City further agrees that, following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants. Copies of each annual audit shall be furnished to the Executive Director of the Municipal Advisory Council of Texas at his office in Austin, Texas, and, upon written request, to the Purchasers of the Certificates and any subsequent holder thereof.

Section 17. Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Certificate Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, the Holders of any of the Certificates shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

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 and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not lie deemed to be exclusive.

Section 18. Additional Obligations. The City expressly reserves the right to hereafter issue Revenue Obligations, Additional Limited Pledge Obligations, and Inferior Lien Obligations without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise.

Revenue Obligations, Additional Limited Pledge Obligations, and Inferior Lien Obligations, if issued, may be payable, in whole or in part, from an appropriate pledge of Net Revenues as provided in this Ordinance (without impairment of the obligation of contract with the Holders of the Certificates) upon such terms and conditions as the City Council may determine. Additional Limited Pledge Obligations, if issued and payable, in whole or in part from Pledge Revenues (as defined in the same or similar terms as the term Pledge Revenues is defined in this Ordinance), shall not, in any event, be construed as payable from the Pledge Revenues required by this Ordinance to be budgeted and appropriated for the payment of the Certificates and interest thereon. Any Inferior Lien Obligations hereafter issued shall be payable from and secured by a lien on and pledge of certain surplus revenues of the System that is subordinate and inferior to the lien on and pledge of an appropriate pledge of Net Revenues as provided in this Ordinance securing the payment of Revenue Obligations, the Certificates or Additional Limited Pledge Obligations hereafter issued by the City.

Section 19. Special Covenants. The City hereby further covenants that:

a. it has the lawful power to pledge the Pledged Revenues supporting the Certificates and has lawfully exercised this power under the laws of the State of Texas, including power existing under Chapter 1502, as amended, Texas Government Code, Certificate of Obligation Act of 1971, as amended, Local Government Code Section 271.041 through Section 271.063, and the City's Home Rule Charter; and

b. other than for the payment of the Certificates, the Pledged Revenues have not in any manner been pledged to the payment of any debt or obligation of the City.

Section 20. Notices to Holders; Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the address of each Holder as it appears in the Security Register.

In any case where 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 Holders. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holders 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 21. Cancellation. All Certificates surrendered for payment, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any, manner whatsoever, and all Certificates so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Certificates held by the Paying Agent/Registrar shall be destroyed as directed by the City.

Section 22. Mutilated, Destroyed, Lost, and Stolen Certificates. If (1) any mutilated Certificate is surrendered to the Paying Agent/Registrar, or the City and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Certificate, and (2) there is delivered to the City and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the City or the Paying Agent/Registrar that such Certificate has been acquired by a bona fide purchaser, the City shall execute and, upon its request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Certificate, a new Certificate of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost, or stolen Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Certificate, pay such Certificate.

Upon the issuance of any new Certificate or payment in lieu thereof, under this Section, the City may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Certificate issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Certificate shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost, or stolen Certificate shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates.

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 Certificates.

Section 23. Sale of the Certificates; Use of Proceeds. The sale of the Certificates to _____, as representative of a group of underwriters (the Purchasers and having all the rights, benefits, and obligations of a Holder), at the price of \$_____ (which amount is equal to the par amount of the Certificates plus a premium of \$_____ and less an underwriter's discount in the amount of \$_____), pursuant to the terms and provisions of a Bond Purchase Agreement in substantially the form attached hereto as Exhibit "B," which the Mayor of the City is hereby authorized to execute and deliver and which the City Secretary of the City is hereby authorized to attest. The Initial Certificate shall be registered in the name of SIEBERT WILLIAMS SHANK & CO., LLC. Delivery of the Certificates to the Purchasers shall occur as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale.

Proceeds from the sale of the Certificates shall be applied as follows:

- (1) Accrued interest and premium, if any, received from the Purchasers shall be deposited into the Certificate Fund.
- (2) The balance of the proceeds derived from the sale of the Certificates (after paying costs of issuance) shall be deposited into the special construction account or accounts created for the projects to be constructed with the proceeds of the Certificates. This special construction account shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Ordinance. Interest earned on the proceeds of the Certificates pending completion of construction of the projects financed with such

proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 14 of this Ordinance.

Section 24. Rule 15c2-12; Official Statement. The City hereby deems the Preliminary Official Statement, as supplemented on the date hereof, to be an Official Statement of the City with respect to the Certificates that is "final" as of its date in accordance with Rule. The City Council hereby finds that the information and data contained in the Official Statement pertaining to the City and its financial affairs are true and correct in all material respects and no material facts have been omitted therefrom which are necessary to make statements therein, in light of the circumstances under which they were made, not misleading. The Mayor or Mayor Pro Tem and City Secretary of the City Council are further authorized and directed to manually execute and deliver for and on behalf of the City copies of the Official Statement in final form as may be required by Purchaser and such final Official Statement in the form and content manually executed by said official shall be deemed to be approved by the City Council. The use of such Official Statement in the offering of the Certificates by the Purchaser is hereby approved and authorized.

Section 25. Covenants to Maintain Tax-Exempt Status.

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

"Certificates" means the \$ _____, "CITY OF EAGLE PASS, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2021," dated June 1, 2021, issued on the Delivery Date.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Delivery 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 Certificates.

"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 Certificates are invested and which is not acquired to carry out the governmental purposes of the Certificates.

"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 Certificates. 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

- (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and
- (2) the Certificates as calculated pursuant to Section 1.148-4 of the Regulations.

b. Not to Cause Interest to Become Taxable. The City 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 Certificate 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 City 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 Certificate, the City shall comply with each of the specific covenants in this Section.

c. No Private Use or Private Payments. Except to the extent that it will cause the Certificates to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:

- (1) 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 Certificates, 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
- (2) not directly or indirectly impose or accept an charge or other payment by any person or entity who is treated as using Gross

Proceeds of the Certificates 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 City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

d. No Private Loan. Except to the extent that it will cause the Certificates to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates 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 that it will cause the Certificates to become "arbitrage bonds" within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield on any Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, materially exceeds the Yield of the Certificates.

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

g. Information Report. The City 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:

- (1) The City 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 Certificate is discharged. However,

to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

- (2) Not less frequently than each Computation Date, the City 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 City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.
- (3) As additional consideration for the purchase of the Certificates 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 City shall pay to the United States out of the Certificate Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Certificates 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.
- (4) The City 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 City shall not, at

any time prior to the earlier of the Stated Maturity or final payment of the Certificates, 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 Certificates not been relevant to either party.

j. Certificates Not Hedge.

- (1) The City reasonably expects to spend at least 85% of the spendable proceeds of the Certificates within three years after such Certificates are issued.
- (2) Not more than 50% of the proceeds of the Certificates will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

k. Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, City Secretary, Director of Finance, or City Attorney, either or any combination of them, 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 Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

Section 26. Control and Custody of Certificates. The Mayor or Mayor Pro Tem of the City 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 and shall take and have charge and control of the Certificates pending their approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery of the Certificates to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Secretary, City Manager, City Attorney or Director of Finance, either or all, are hereby authorized and directed to furnish and execute such documents relating to the City and its financial affairs as may be necessary for the issuance of the Certificates, the approval of the Attorney General and their registration by the Comptroller of Public Accounts and, together with the City's financial advisors, bond counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Certificates to the Purchasers and the initial exchange thereof for definitive Certificates.

Section 27. Satisfaction of Obligation of City. If the City 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 Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied and the lien on and pledge of the Pledged Revenues under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Certificates, 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 Certificates or the principal amount(s) thereof at Stated Maturity or 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) Governmental Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Governmental Obligations have been certified by an independent accounting firm to 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 money deposited therewith, if any, to pay when due the principal of and interest on such Certificates, 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; provided, however, that no certification by an independent accounting firm of the sufficiency of deposits shall be required in connection with a gross defeasance of obligations. The City covenants that no deposit of money or Governmental Obligations will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as arbitrage bonds within the meaning of section 148 of the Code (as described in Section 25 hereof).

Any money so deposited with the Paying Agent/Registrar, and all income from Governmental 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 Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of four (4) years after the Stated Maturity of the Certificates or applicable redemption date, such money was deposited and is held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem defeased Certificates that is made in conjunction with the payment arrangements specified in subsection (i) or (ii) above shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the City expressly reserves the right to call the defeased Certificates for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Certificates immediately following the defeasance; (3) directs that notice of the reservation be included in any redemption notices that it authorizes; and (4) at the time of the redemption, satisfies the conditions of (i) or (ii) above with respect to such defeased debt as though it was being defeased at the time of the exercise of the option to redeem the defeased Certificates, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Certificates.

Section 28. Printed Opinion. The Purchasers' obligation to accept delivery of the Certificates is subject to their being furnished a final opinion of Escamilla & Poneck, LLP, Attorneys at Law, approving certain legal matters as to the Certificates, said opinion to be dated and delivered as of the date of initial delivery and payment for such Certificates.

Printing of a true and correct copy of said opinion on the reverse side of each of said Certificates, with appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City is hereby approved and authorized.

Section 29. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 30. Ordinance a Contract; Amendments – Outstanding Certificates. The City acknowledges that the covenants and obligations of the City herein contained are a material inducement to the purchase of the Certificates. This Ordinance shall constitute a contract with the Holders from time to time, binding on the City and its successors and assigns, and it shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance 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 City may, with the written consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition, or rescission.

Section 31. Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, Bond Counsel, the Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, Bond Counsel, the Paying Agent/Registrar, and the Holders.

Section 32. Inconsistent Provisions. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 33. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 34. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

Section 35. Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council of the City.

Section 36. Authorization of Paying Agent/Registrar Agreement. The City Council of the City hereby finds and determines that it is in the best interest of the City to authorize the execution of a Paying Agent/Registrar Agreement pertaining to the registration, transferability, and payment of the Certificates. A copy of the Paying Agent/Registrar Agreement is attached hereto, in substantially final form, as Exhibit "A" and is incorporated by reference to the provisions of this Ordinance.

Section 37. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance 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 Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 38. Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Ordinance shall be given in such other manner and at such time or times as in the judgment of the City or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Ordinance be deemed to be in compliance with the requirements for publication thereof.

Section 39. No Recourse Against City. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Certificate or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificate.

Section 40. Continuing Disclosure Undertaking.

(a) Definitions.

As used in this Section, the following terms have the meanings ascribed to such terms below:

"EMMA" means the MSRB's Electronic Municipal Market Access system, accessible by the general public, without charge, on the internet through the uniform resource locator (URL) <http://www.emma.msrb.org>.

"MSRB" means the Municipal Securities Rulemaking Board.

"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 defined in the Securities

Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports.

The City shall file annually with the MSRB (1) within six months after the end of each fiscal year ending in or after 2021, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 24 of this Ordinance, being the information described in Exhibit "C" hereto, and (2) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit "C" hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City 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 such period, then the City shall provide unaudited financial statements within such period and audited for the applicable fiscal year to the MSRB, when and if the audit report on such statements becomes available. Under current Texas law, including, but not limited to, Chapter 103, as amended, Texas Local Government Code, Texas Government Code Sections 1502.66, 1502.67 and 1502.68, as amended, the City must keep its fiscal records in accordance with generally accepted accounting principles, must have its financial accounts and records audited by a certified or permitted public accountant and must file each audit report with the Secretary of the City within 180 days after the close of the City's fiscal year. Copies of each audit report must also be filed in the office of the City and with the Secretary of the City Council. The City's fiscal records and audit reports are available for public inspection during the regular business hours of the Mayor of the City of Eagle Pass, Texas. Additionally, upon the filing of these financial statements and the annual audit, these documents are subject to the Texas Public Information Act, as amended, Texas Government Code, Chapter 552. Thereafter, any person may obtain copies of these documents upon submission of a written request to the Mayor at the City of Eagle Pass, Texas, 100 South Monroe Street, Eagle Pass, Texas 78852, and upon paying the reasonable copying, handling, and delivery charges for providing this information.

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

(c) Material Event Notices.

The City shall provide notice of any of the following events with respect to the Certificates 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-exempt status of the Certificates, or other material events affecting the tax status of the Certificates;
- (7) Modifications to rights of holders of the Certificates, if material;
- (8) Certificate calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the City 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; and
- (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 City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, 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 City, any of which reflect financial difficulties.

For these purposes, (A) any event described in the immediately preceding paragraph (xii) is considered to occur when any of the following occur; the appointment of a receiver, fiscal agent, or similar officer for the City 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 City, 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 City; and (B) the words used in the immediately preceding paragraphs (xv) and (xvi) above and in the definition of "financial obligation" are to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The City shall file with the MSRB, in a timely manner, notice of any failure by the City to provide financial information or operating data in accordance with this Section by the time required by this Section.

(d) Limitations, Disclaimers, and Amendments.

The City shall be obligated to observe and perform the covenants specified in this Section with respect to the City and the Certificates while, but only while, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will provide the notice required by subsection C hereof of any Certificate calls and defeasance that cause the City 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 Certificates, 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 City 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 City or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITH 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 City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

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

The provisions of this Section may be amended by the City 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 City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates 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 Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Certificates. The City may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the City also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the City 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 of this Section 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.

(e) Information Format; Incorporation by Reference.

The City information required under this Section shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document

format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the Series of Certificates to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

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 (including an official statement or other offering document) available to the public through EMMA or filed with the United States Securities and Exchange Commission.

Section 41. Further Procedures. The officers and employees of the City are hereby 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 under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions, of this Ordinance, the initial sale and delivery of the Certificates, and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Certificates, the Mayor, the City Manager, the Director of Finance, and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Certificates by the Texas Attorney General's Office. In case any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 42. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

Section 43. Effective Date. This Ordinance shall be in full force and effect from and upon its adoption.

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READ, PASSED, AND APPROVED on June 2, 2021.

CITY OF EAGLE PASS, TEXAS

By: _____
ROLANDO SALINAS, Mayor

ATTEST:

IMELDA RODRIGUEZ, City Secretary

(CITY SEAL)

APPROVED TO LEGALITY:

LANGLEY & BANACK, INC.

By: _____
Printed Name: _____

- Exhibit A- Paying Agent/Registrar Agreement
- Exhibit B- Bond Purchase Agreement
- Exhibit C- Description of Annual Financial Information

EXHIBIT "A"

PAYING AGENT/REGISTRAR AGREEMENT

[See separate tab of this Transcript]

EXHIBIT "B"

BOND PURCHASE AGREEMENT

[See separate tab of this Transcript]

EXHIBIT "C"

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 41 of this Ordinance.

Annual Financial Statements and Operating Data

The updated financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified below:

1. The portions of the audited financial statements of the City included in the Official Statement, but for the most recently concluded fiscal year, and, to the extent that such statements are not completed and available, unaudited financial statements for such fiscal year.
2. The tables numbered 1 through 5 and 7 through 12 and in Appendix B in the Official Statement.

Accounting Principles

The accounting principles, with respect to the City, referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above, as such principles may be changed from time to time to comply with state law or regulation.

Item

#2

COUNCIL COMMUNICATION

MEETING DATE: April 2nd, 2021	SUBJECT OF DELIBERATION: Consideration and possible awarding for RFQ#2021-014 Engineering Services-Camino Real International Bridge Roadway Reconfiguration
REQUESTED BY: Jesse Rodriguez, Finance Director	DEPARTMENT SOURCE: Finance Department
BACKGROUND/PREVIOUS ACTION: The City received three (3) proposals: Andurra, Dannenbaum and S&B	
COST:	BUDGETED or FUNDING SOURCE? :
RECOMMENDATION FROM DEPARTMENT DIRECTOR: To approve award	
FINANCE DIRECTOR'S COMMENTS: Same as above.	
CITY MANAGER'S COMMENTS:	
LEGAL COUNSEL COMMENTS:	
ATTACHMENTS: Bid Tabulation	
SUGGESTED MOTION: To award Dannenbaum	

Item

#3

COUNCIL COMMUNICATION

MEETING DATE: April 2nd, 2021	SUBJECT OF DELIBERATION: Consideration and possible awarding for RFQ#2021-016 Consulting Services - Bridge Toll Collection System Planning and Implementation
REQUESTED BY: Jesse Rodriguez, Finance Director	DEPARTMENT SOURCE: Finance Department
BACKGROUND/PREVIOUS ACTION: The City received one (1) proposals: RKK	
COST:	BUDGETED or FUNDING SOURCE? :
RECOMMENDATION FROM DEPARTMENT DIRECTOR: To approve award	
FINANCE DIRECTOR'S COMMENTS: Same as above.	
CITY MANAGER'S COMMENTS:	
LEGAL COUNSEL COMMENTS:	
ATTACHMENTS:	
SUGGESTED MOTION: To award RKK	

Item

#4

COUNCIL COMMUNICATION

MEETING DATE: April 2nd, 2021	SUBJECT OF DELIBERATION: Consideration and possible awarding for RFQ#2021-018 City of Eagle Pass - Downtown Development Master Plan
REQUESTED BY: Jesse Rodriguez, Finance Director	DEPARTMENT SOURCE: Finance Department
BACKGROUND/PREVIOUS ACTION: The City received four (4) proposals: Able City, AG3, JHP and Asakura Robinson	
COST:	BUDGETED or FUNDING SOURCE? :
RECOMMENDATION FROM DEPARTMENT DIRECTOR: To approve award	
FINANCE DIRECTOR'S COMMENTS: Same as above.	
CITY MANAGER'S COMMENTS:	
LEGAL COUNSEL COMMENTS:	
ATTACHMENTS: Tabulation	
SUGGESTED MOTION: To award Able City	