

## **WOLFFORTH CITY COUNCIL AGENDA**

**August 14, 2023 – 6:00 P.M.**

**WOLFFORTH CITY HALL**

**COUNCIL CHAMBERS**

**302 MAIN STREET**

**WOLFFORTH, TEXAS**

The order of these agenda items may be changed. The City Council may discuss and/or take action on each of the following items:

### **Call Meeting to Order**

### **Invocation – Council Member Cooper**

### **Pledge of Allegiance – Council Member Stout**

### **Roll Call and Establish a Quorum**

### **Safety Review**

### **Public Comment**

This is an opportunity for the public to address the City Council regarding an item on the agenda, except public hearings that are included on the agenda. Comments related to public hearings will be heard when the specific hearing begins. Public comments are limited to three (3) minutes per speaker, unless the speaker requires the assistance of a translator, in which case the speaker is limited to six (6) minutes, in accordance with applicable law. Each speaker shall approach the designated speaker location, complete the public comment sign in sheet and state his/her name and city of residence before speaking. Speakers shall address the City Council with civility that is conducive to appropriate public discussion. Speakers can address only the City Council and not individual city officials or employees. The public cannot speak from the gallery but only from the designated speaker location.

### **Consent Agenda**

Items considered to be routine are enacted by one motion without separate discussion. If the City Council desires to discuss an item, the item is removed from the Consent Agenda and considered separately.

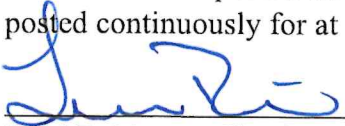
- 1. Consider and take appropriate action on minutes from August 7, 2023**
- 2. Consider and take appropriate action on adoption of Ordinance 2023-017 authorizing the issuance and sale of the City of Wolfforth, Texas Tax and Revenue Anticipation Note, Taxable Series 2023A, and enacting other provisions related thereto**

## Items for Individual Consideration

3. Consider and take appropriate action on budget workshop for Fiscal Year 2023-2024
4. **Executive Session: In accordance with Texas Government Code, Section 551-001, et seq., the City Council will recess into Executive Session (closed meeting) to discuss the following:**
  - a. **551.071 Consultation with Attorney: To consult with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 – Open Meetings (i) Pending or Contemplated Litigation**
5. **Reconvene into Open Session:** In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matters discussed in Executive Session.
6. **Council Requests for Future Agenda Items**
7. **Adjourn**

**The City Council of the City of Wolfforth reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any matters listed on this agenda, as authorized by the Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development). Executive sessions are closed to the public as provided in the Chapter 551 of the Texas Government Code. Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.**

“I, the undersigned authority do hereby certify that the Notice of Meeting was posted at City Hall of the City of Wolfforth, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: August 11, 2023 at 5:00 p.m. and remained so posted continuously for at least 72 hours prior to the scheduled time of said meeting.”

  
\_\_\_\_\_  
Terri Robinette, City Secretary

\_\_\_\_\_  
Date Notice Removed

Agenda Item #1

**MINUTES OF A REGULAR MEETING  
CITY COUNCIL OF WOLFFORTH, TEXAS  
302 Main Street, WOLFFORTH, TX  
Monday, August 7, 2023, 6:00 p.m.**

**MEMBERS PRESENT:** Mayor Addington; Mayor Pro Tem Hutcheson; Council members Brashier and Stout

**MEMBERS ABSENT:** Council members Cooper and McDonald

**OTHERS PRESENT:** City Manager Randy Criswell; Assistant City Manager Rick Scott; City Secretary Terri Robinette; Fire Chief Lance Barrett, EDC Director Danielle Sweat, Development Director Tara Tomlinson; Public Works Randy Hall, Public Works Henry High, Compliance Candace Layman

**OTHERS PRESENT BY TEAMS:**

Mayor Addington opened the meeting at 6:00 p.m.

1. Public Comments:

a) Rhett Butler – inquiring on the possibility of closing Tiger Street for Halloween

2. Motion by Council member Hutcheson, second by Council member Brashier to approve the Consent Agenda. Motion carried unanimously.

a) Consider and take appropriate action on minutes from July 31, 2023

b) Consider and take appropriate action on Ordinance 2023-016

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WOLFFORTH, TEXAS, ORDERING A SPECIAL ELECTION ON NOVEMBER 7, 2023, FOR THE PURPOSE OF DETERMINING IF HOME RULE STATUS SHOULD BE GRANTED TO THE CITY OF WOLFFORTH; MAKING PROVISIONS FOR THE CONDUCT OF SUCH ELECTION; AND RESOLVING OTHER MATTERS RELATED TO THE CONDUCT OF SUCH ELECTION.

c) Consider and take appropriate action Resolution 2023-011 – First Reading

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOLFFORTH, TEXAS AUTHORIZING THE USE OF WOLFFORTH ECONOMIC DEVELOPMENT CORPORATION FUNDS FOR THE CONSTRUCTION OF A CITY OF WOLFFORTH WELCOME SIGN.

3. Motion by Council member Hutcheson, second by Council member Stout to approve the proposal from Kimley Horn for engineering services for 12' water distribution lines associated with new elevated storage tank. Motion carried unanimously.
4. City Manager led the Council in a Budget Workshop for FY 24 including discussion of tax rate calculations provided by LCAD. No action was taken.
5. Motion by Council member Hutcheson, second by Council member Brashier to propose a tax rate not to exceed 0.731784 for Fiscal Year 2024.

Roll Call Vote

Cooper	Absent
Stout	Aye
Hutcheson	Aye
McDonald	Absent
Brashier	Aye

Motion passed unanimously.

6. The Wolfforth City Council convened into Executive Session at 8:07 pm on August 7, 2023 to discuss matters pertaining to:
  - a. 551.071 Consultation with Attorney: To consult with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 – Open Meetings
7. The Wolfforth City Council reconvened into Regular Session at 8:18 pm on August 7, 2023. There was no action resulting from Executive Session.
8. With no other business to come before the Council, motion was made to adjourn the meeting.

**PASSED AND APPROVED THIS THE 14th DAY OF AUGUST, 2023.**

\_\_\_\_\_  
**Charles Addington, II, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Terri Robinette, City Secretary**

## **AGENDA ITEM COMMENTARY - ITEM #2**

### **ITEM TITLE**

Consider and take appropriate action on adoption of an ordinance authorizing the issuance and sale of the City of Wolfforth Tax Anticipation Note 2023A

### **INITIATOR/STAFF INFORMATION SOURCE**

Randy Criswell, City Manager

### **BACKGROUND**

An Ordinance has been prepared to authorize the issuance of a \$1 million Tax Anticipation Note that will re-finance the balance of a note issued earlier this year. The balance of the first tax note will be paid with current and existing revenues and excess fund balances.

### **EXHIBITS**

Ordinance 2023-07

### **COUNCIL ACTION/STAFF RECOMMENDATION**

Staff recommends adoption of the Ordinance as presented.

**ORDINANCE 2023-017**

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF WOLFFORTH, TEXAS TAX AND REVENUE ANTICIPATION NOTE, TAXABLE SERIES 2023A, AND ENACTING OTHER PROVISIONS RELATED THERETO.**

THE STATE OF TEXAS	§
COUNTY OF LUBBOCK	§
CITY OF WOLFFORTH	§

**WHEREAS**, pursuant to Chapter 1431, Texas Government Code (hereinafter called the “Act”), the City Council of the City of Wolfforth, Texas (the “City”) is authorized and empowered to issue tax notes to pay contractual obligations incurred or to be incurred (i) for the construction of any public work, (ii) for the purchase of materials, supplies, equipment, machinery, buildings, lands and rights-of-way for the City’s authorized needs and purposes, (iii) to pay costs of professional services, including a service by a tax appraisal engineer, engineer, architect, attorney, mapmaker, auditor, financial advisor, or fiscal agent, (iv) operating or current expenses, or (v) the City’s cumulative cash flow deficit; and

**WHEREAS**, in accordance with the provisions of the Act, the City Council hereby finds and determines that tax notes should be issued and sold at this time to finance the costs incurred by the City in order to pay operating or current expenses, and to pay professional services and costs of issuance related to the Note (collectively, the “Project”); and

**WHEREAS**, the governing body of the City deems it appropriate to adopt this Ordinance and issue the City of Wolfforth, Texas Tax and Revenue Anticipation Note, Taxable Series 2023A herein authorized as permitted by the Act.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WOLFFORTH, TEXAS THAT:**

**SECTION 1. DEFINITIONS.** Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this Ordinance, or any Ordinance amendatory or supplemental hereto, shall be construed, are used, and are intended to have meanings as follows:

“Act” - Chapter 1431, Texas Government Code, as amended.

“Available Funds” - The revenues received from the levy and receipt of the ad valorem taxes and other income and revenues of the City (to the extent available therefor) during the year in which the Note is issued.

“Bond Counsel” - McCall, Parkhurst & Horton L.L.P., or such other firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the City.

“Business Day” - Any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in the State or in the City are authorized by law or executive order to close.

“Note” or “Notes” - The “City of Wolfforth, Texas Tax and Revenue Anticipation Note, Taxable Series 2023A” shall mean and include collectively the Note initially issued and delivered pursuant to this Ordinance and all substitute Notes exchanged therefor, as well as all other substitute Notes and replacement Notes issued pursuant hereto, and the term “Note” shall mean any of such Notes.

“City Council” - The governing body of the City.

“Code” - The Internal Revenue Code of 1986, and any amendments thereto.

“City” - The City of Wolfforth, Texas, a general law municipality and political subdivision of the State located in Lubbock County, Texas.

“Date of Delivery” - The date the Note is initially delivered to the Lender in exchange for the purchase price therefor.

“Ordinance” - This Ordinance and all amendments hereof and supplements hereto.

“Lender” - The initial purchaser of the Note designated in Section 16.

“Project” - Shall have the meaning set forth in the preambles hereof.

“Holder” - The registered holder of the Note from time to time.

“State” - The State of Texas.

“Stated Maturity Date” – August 30, 2024.

**SECTION 2. RECITALS, AMOUNT AND PURPOSE OF THE NOTE.** The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The Note is hereby authorized to be issued and delivered in the aggregate principal amount of \$1,105,000 for the purpose of paying the costs of the Project.

**SECTION 3. DESIGNATION, DATE, NUMBERS, AND MATURITY OF NOTE.** Each Note issued pursuant to this Ordinance shall be designated: “CITY OF WOLFFORTH, TEXAS TAX AND REVENUE ANTICIPATION NOTE, TAXABLE SERIES 2023A,” and there shall be issued, sold, and delivered hereunder one fully registered Note, without interest coupon dated August 31, 2023, numbered R-1, with any note issued in replacement thereof being in the denominations and principal amounts hereinafter stated and numbered consecutively from R-2 upward, payable to the Holder thereof (with the initial note being made payable to the Lender as described in Section 16 hereof), or to the registered assignee or assignees of said notes or any portion or portions thereof (in each case, the "Holder"), and said note shall finally mature and be payable in full on August 30, 2024 in the principal amount of \$1,105,000 and shall bear

interest at a rate of 6.73% from the dates set forth in the FORM OF NOTE set forth in Section 5 of this Ordinance to the date of maturity or prior redemption.

**SECTION 4. CHARACTERISTICS OF THE NOTE.**

(a) Payment of Principal and Interest. The City hereby agrees to make the payment of principal and interest on the Note directly to the Lender by mailing a check to the address of the Lender set forth in the Note Purchase Agreement, or by wire in accordance with written instructions provided by the Lender to the City at least 10 days prior to the Stated Maturity Date.

(b) In General. The Note (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Note to be payable only to the Lender, (ii) may and shall be redeemed prior to its scheduled maturity (notice of which shall be given to the Lender by the City at least 10 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) the principal of and interest on the Note shall be payable, and (vii) shall be administered and the City shall have certain duties and responsibilities with respect to the Note, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF NOTE set forth in this Ordinance.

(c) Closing. On the closing date, the initial Note, numbered R-1, representing the entire principal amount of the Note, payable in stated installments to the order of the Lender of the Note or its designee, executed by manual or facsimile signature of the Mayor or presiding Mayor and City Secretary of the City, will be electronically delivered to such Lender or its designee.

**SECTION 5. FORM OF NOTE.** The form of the Note, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

(a) FORM OF NOTE

NO. R-1	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF WOLFFORTH, TEXAS TAX AND REVENUE ANTICIPATION NOTE TAXABLE SERIES 2023A	PRINCIPAL AMOUNT \$1,105,000
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DATE OF DELIVERY: August 31, 2023

STATED MATURITY  
DATE: August 30, 2024

HOLDER: REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC

PRINCIPAL AMOUNT: ONE MILLION ONE HUNDRED FIVE THOUSAND AND  
NO/100 DOLLARS



INTEREST RATE: 6.73%

The City of Wolfforth, Texas (the “City”), being a home rule municipality and political subdivision of the State of Texas located in Lubbock County, Texas, for value received, promises to pay, from the sources described herein, to the registered holder specified above, or registered assigns (in each case, the “Holder”), the principal amount specified above, and to pay interest thereon at the rate per annum specified above, on the basis of a 360-day year comprised of twelve 30-day months, from the date of delivery set forth above, on the balance of said principal amount from time to time remaining unpaid. The principal of and interest on this Note is payable in lawful money of the United States of America, without exchange or collection charges. The City shall pay interest on this Note on the final maturity hereof or to the date of redemption prior to maturity. The principal of this Note shall be paid to the Holder hereof at final maturity, or upon the date fixed for its redemption prior to maturity, at the address of the Holder as set forth in the Note Purchase Agreement. The payment of interest on this Note shall be made by the City to the Holder hereof on each interest payment date by check or draft, dated as of such interest payment date, payable solely from, funds of the City required by the Note Ordinance (as defined below) to be on deposit for said purpose; and such check or draft shall be sent by the City by United States mail, first-class postage prepaid, on each such interest payment date, to the Holder hereof, at its address as it appeared on the Note Purchase Agreement. In addition, principal and interest may be paid by such other method, acceptable to the City, requested by, and at the risk and expense of, the Holder.

Any accrued interest due in connection with the payment of the final installment of principal of this Note shall be paid to the Holder of this Note at maturity. The City covenants with the Holder of this Note that on or before each principal payment date, interest payment date, and accrued interest payment date for this Note it will make available from the “Interest and Sinking Fund” created by the ordinance authorizing the issuance of the Note (the “Note Ordinance”), the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Note, when due.

If the date for the payment of this Note shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Note is dated as of August 31, 2023 and is authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$1,105,000 for the purpose of paying all or a portion of the City’s contractual obligations incurred with respect to the costs of the Project (as defined in the Note Ordinance).

On any date, the unpaid principal of this Note is subject to redemption, in whole or in part, and may be redeemed prior to the scheduled maturity date by the City, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date of redemption, without premium. The City shall give written notice of its direction to redeem the principal amount of this Note to the Holder of this Note by United States mail, first class postage prepaid, no later than 30 days prior to the Redemption Date.

This Note is issuable solely as a single fully registered Note, without interest coupons in the denomination of the principal amount set forth above or the remaining principal amount of the this Note if an exchange of a Note is made after a reduction in the principal amount as a result of redemption of part of this Note prior to maturity (the “Authorized Denomination”). As provided in the Note Ordinance, this Note may, at the request of the Holder or the assignee or assignees hereof, be assigned and transferred for a like aggregate principal amount Note, without interest coupons, payable to the appropriate Holder, assignee or assignees, as the case may be, in the Authorized Denomination, upon surrender of this Note to the City for cancellation, all in accordance with the form and procedures set forth in the Note Ordinance. Among other requirements for such assignment and transfer, an electronic copy of this Note must be presented to the City in electronic form, together with the proper instruments of assignment, in form and with guarantee of signatures satisfactory to the City, evidencing assignment of this Note to the assignee this Note is to be registered. The form of Assignment printed or endorsed on this Note may be executed by the Holder to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the City may be used to evidence the assignment of this Note from time to time by the Holder. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment and transfer, as a condition precedent to the exercise of such privilege.

It is hereby certified, recited, and covenanted that this Note has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance and delivery of this Note has been performed, existed, and been done in accordance with law; that this Note is a general obligation of said City, issued on the full faith and credit thereof; and is payable solely from the receipts of the Available Funds (as defined in the Note Ordinance) sufficient to provide for the payment of the interest on and principal of this Note, as such principal and interest comes due; and that the total indebtedness of the City, including this Note, does not exceed any constitutional or statutory limitation.

The City has reserved the right, subject to the restrictions referred to in the Note Ordinance, to amend the provisions of the Note Ordinance under the conditions provided in the Note Ordinance.

By becoming the Holder of this Note, the Holder thereby acknowledges all of the terms and provisions of the Note Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Note Ordinance is duly recorded and available for inspection in the official minutes and records of the City, and agrees that the terms and provisions of this Note and the Note Ordinance constitute a contract between each Holder hereof and the City.

IN WITNESS WHEREOF, the City has caused this Note to be signed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Note.

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City Secretary

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Mayor

(SEAL)

(b) FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
Please insert Social Security or Taxpayer  
Identification Number of Transferee

\_\_\_\_\_  
(Please print or typewrite name and address,  
including zip code, of Transferee)

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

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed  
by an eligible guarantor institution  
participating in a securities transfer  
association recognized signature guarantee  
program.

\_\_\_\_\_  
NOTICE: The signature above must  
correspond with the name of the holder as it  
appears upon the front of this Note in every  
particular, without alteration or enlargement  
or any change whatsoever.

**SECTION 6. TAX LEVY.** (a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the City at an official depository bank of the City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Note. All amounts received from the sale of the Note as accrued interest and ad valorem taxes levied and collected for and on account of the Note shall be deposited, as collected, to the credit of said Interest and Sinking Fund. The principal amount of the Note and the interest thereon are payable from the Available Funds. To secure full and complete payment of the Note and the interest thereon on the Stated Maturity Date, the City hereby irrevocably pledges for such payment the Available Funds of the City, and grants to, and creates in favor of, the Lender, for the benefit of the Lender and any successor Noteholder, an irrevocable lien on the Available Funds and an irrevocable first priority lien on all money on deposit in the Interest and Sinking Fund.

(b) The City Council hereby declares and covenants that it shall compute and ascertain a rate and amount of ad valorem taxes which will be sufficient, in addition to other Available Funds, to raise and produce the money required to pay all of the City's obligations, including the Note and the interest thereon by a date not later than the Stated Maturity Date; that the taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City; that the tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collections; and that said rate and amount of ad valorem tax is intended by the City to be levied against all taxable property in the City, within the limits prescribed by law.

**SECTION 7. REMEDIES OF HOLDER.** In addition to all rights and remedies of any Holder of the Note provided by the laws of the State, the City and the City Council of the City covenant and agree that in the event the City defaults in the payments of the principal or interest on the Note when due, or fails to make the payments required by this Ordinance, the Holder of the Note shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the City Council and other officers of the City to observe and perform any covenant, obligation or condition prescribed in this Ordinance. No delay or omission by any Holder to exercise any right or power accruing to him upon default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedies mentioned in this Ordinance shall be available to the Holder of the Note and shall be cumulative of all other existing remedies.

**SECTION 8. USE OF NOTE PROCEEDS.** The proceeds of the issuance of the Note shall be deposited in the Construction Fund created by Section 18 of this Ordinance and used for the purposes for which the Note are hereby authorized to be issued.

**SECTION 9. INVESTMENTS.** The City Council may place proceeds of the Note (including investment earnings thereon) and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the City hereby covenants that the proceeds of the sale of the Note will be used as soon as practicable for the purposes for which the Note is issued.

**SECTION 10. SECURITY FOR FUNDS.** All deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

**SECTION 11. CITY OFFICER'S DUTIES.**

(a) The Mayor (or Mayor Pro-Tem), City Secretary, and City Manager of the City are hereby instructed and directed to do any and all things necessary in reference to the issuance of the Note and to make money available for the payment of the Note in the manner provided by law and this Ordinance.

(b) The Mayor (or Mayor Pro-Tem) and the City Secretary are authorized to execute the certificate to which this Ordinance is attached on behalf of the City and to do any and all things proper and necessary to carry out the intent hereof.

## **SECTION 12. DEFEASANCE OF NOTE.**

(a) Any Note and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a “Defeased Note”) within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Note, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to an eligible commercial bank or trust company in accordance with an escrow agreement or other instrument (the “Future Escrow Agreement”) for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with a bank for the payment of its services until all Defeased Note shall have become due and payable. At such time as the Note shall be deemed to be a Defeased Note hereunder, as aforesaid, such Note and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem tax herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem the Defeased Note that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Note for redemption; (2) gives notice of the reservation of that right to the Holder of the Defeased Note immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with a bank or trust company may at the written direction of the City also be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received said bank or trust company that is not required for the payment of the Note and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Note may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection 13(a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the escrow agent which is not required for the payment of the Defeased Note, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) The term “Defeasance Securities” means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Note.

## **SECTION 13. RESERVED.**

**SECTION 14. ENGAGEMENT OF BOND COUNSEL; ENGAGEMENT OF FINANCIAL ADVISOR.** The obligation of the Lender to accept delivery of the Note is subject to the Lender being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the City, which opinion shall be dated as of and delivered on the date of initial delivery of the Note to the Lender. The engagement of such firm as bond counsel to the City in connection with issuance, sale and delivery of the Note is hereby approved and confirmed. The execution and delivery of an engagement letter between the City and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor or Mayor Pro-Tem, and the Mayor or Mayor Pro-Tem are hereby authorized to execute such engagement letter. The engagement of Specialized Public Finance Inc. as financial advisor to the City in connection with the issuance, sale and delivery of the Note is hereby approved and confirmed. The execution and delivery of an engagement letter between the City and such firm, with respect to such services as financial advisor, is hereby authorized in such form as may be approved by the Mayor or Mayor Pro-Tem, and the Mayor or Mayor Pro-Tem are hereby authorized to execute such engagement letter.

**SECTION 15. FURTHER PROCEDURES.** The Mayor, Mayor Pro-tem, City Manager and City Secretary of the Issuer and all other officers, employees and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer a Paying Agent/Registrar Agreement with the Paying Agent/Registrar, a Signature Identification, No-Litigation and General Certificate of the City in the form attached hereto as Exhibit A, and all other 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 Note and the sale of the Note. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of such Note, 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 16. SALE OF NOTE.** (a) The Note is hereby sold and shall be delivered to Regions Commercial Equipment Finance, LLC (the "Lender"), for cash for the par value thereof, pursuant to the Note Purchase Agreement dated the date of the adoption of this Ordinance. The Note shall initially be registered in the name of the Lender. It is hereby officially found, determined, and declared that the terms of this sale are the most advantageous reasonably obtainable.

**SECTION 17. INVESTMENT EARNINGS ON NOTE PROCEEDS.** Investment earnings derived from the investment of proceeds from the sale of the Note shall be used along with other Note proceeds for the purpose for which the Note is issued set forth in Section 2 hereof; provided that after completion of such purpose, if any of such investment earnings remain on hand, such investment earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any investment earnings on Note proceeds which are required to be rebated to the United States of America pursuant to Section 15 hereof in order to prevent the Note from being arbitrage bonds shall be so rebated and not considered as investment earnings for the purposes of this Section.

**SECTION 18. DEPOSIT OF FUNDS.** All amounts received by the City from the sale of the Note shall be immediately deposited into the City's Water, Sewer and Sanitation Fund (also known as the "Utility Fund") and used to pay operating and current expenses.

**SECTION 19. NO RULE 15c2-12 UNDERTAKING.** The City has not made an undertaking in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") due the offering of the Note not being within the purview of the Rule. The City is not, therefore, obligated pursuant to the Rule to provide any on-going disclosure relating to the City or the Note.

**SECTION 20. METHOD OF AMENDMENT.** The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of the Holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the Holder, (ii) grant additional rights or security for the benefit of the Holder, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the Holder, (v) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (iv) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be materially inconsistent with the provisions of this Ordinance and that shall not, in the opinion of nationally-recognized bond counsel, materially adversely affect the interests of the Holder.

(b) Except as provided in paragraph (a) above, the Holder shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of the Holder, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or the Note so as to:

- (1) Make any change in the maturity of the Note;
- (2) Reduce the rates of interest borne by the Note;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any Note;
- (4) Modify the terms of payment of principal or of interest on the Note or impose any condition with respect to such payment; or
- (5) Change the requirement of with respect to Holder consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to the Holder of the Note a copy of the proposed amendment.

(d) Whenever at any time within one year from the date of mailing of such notice the City shall receive an instrument or instruments executed by the Holder, which instrument or instruments shall refer to the proposed amendment and which shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and the Holder of the Note shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the Holder of the Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of such consent and shall be conclusive and binding upon all future Holder of the Note during such period. Such consent may be revoked at any time after six months from the date of said consent by the Holder who gave such consent, or by a successor in title, by filing notice with the City.

For the purposes of establishing ownership of the Note, the City shall rely solely upon the ownership of such Note as set forth in the Note Purchase Agreement or an Assignment of the Note.

#### **SECTION 21. FURTHER PROCEDURES.**

(a) The Mayor, Mayor Pro-Tem, City Secretary, City Attorney and City Manager of the City and all other officers, employees and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City, including without limitation a Paying Agent/Registrar Agreement with a Paying Agent/Registrar, the Note Purchase Agreement with the Lender, a Signature Identification, No-Litigation and General Certificate in the form attached hereto as Exhibit A, and all other 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 Note and the sale of the Note to the Lender. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of such Note, 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 22. GOVERNING LAW.** This Ordinance shall be construed and enforced in accordance with the laws of the State and the United States of America.

**SECTION 23. SEVERABILITY.** If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

**SECTION 24. CONTINUED PERFECTION OF SECURITY INTEREST.** Chapter 1208, Texas Government Code, applies to the issuance of the Note and the pledge of the ad valorem taxes granted by the City under Section 6 of this Ordinance, and such pledge is therefore



valid, effective, and perfected. If State law is amended at any time while the Note remain outstanding and unpaid such that the pledge of the taxes granted by the City under Section 6 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Holder of the Note the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

**SECTION 25. APPROPRIATION.** To pay the debt service coming due on the Note prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

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**EXHIBIT A**

**FORM OF SIGNATURE IDENTIFICATION, NO-LITIGATION AND GENERAL CERTIFICATE**

**SIGNATURE IDENTIFICATION, NO-LITIGATION AND GENERAL CERTIFICATE**

STATE OF TEXAS §  
LUBBOCK COUNTY §  
CITY OF WOLFFORTH §

We, the undersigned, Mayor and City Secretary of the City of Wolfforth, Texas (the “City”), hereby certify the following information with reference to the \$1,105,000 City of Wolfforth, Texas Tax and Revenue Anticipation Note, Taxable Series 2023A (the “Note”). Any capitalized but undefined terms used herein shall have the meanings set forth in the ordinance adopted by the City Council of the City on August 14, 2023 authorizing the issuance and delivery of the Note (the “Ordinance”). The certifications herein are made as of the 31st day of August, 2023.

1. We officially executed and signed the Note with our manual signatures or by causing facsimiles of our manual signatures to be placed on the Note, and we hereby adopt said facsimile signatures as our own, respectively, and declare that said facsimile signatures constitute our signatures the same as if we had manually signed the Note.

2. The Note is substantially in the form, and has been duly executed and signed in the manner, prescribed in the Ordinance.

3. The Ordinance, Note, Note Purchase Agreement, and this Certificate have been duly authorized, executed and delivered in the name of and on behalf of the City, and are valid and binding obligations of the City enforceable in accordance with their respective terms.

4. At the time we so executed and signed the Note we were, and at the time of executing this certificate we are, the duly chosen, qualified and acting officers indicated therein, and authorized to execute the same.

5. No litigation of any nature has been filed or is now pending to restrain or enjoin the issuance or delivery of the Note, or which would affect the provision made for its payment or security, or in any manner questioning the proceedings or authority concerning the issuance of the Note, and that so far as we know and believe no such litigation is threatened.

6. The City is not in default with respect to the Note or the Ordinance, and all conditions precedent to the issuance of the Note have been satisfied as of the date hereof.

7. The City is not in default in the payment of principal or interest on any of its outstanding obligations; and neither the corporate existence nor boundaries of the City nor the title of its present officers to their respective offices is being contested, and no authority or proceedings for the issuance of the Note have been repealed, revoked, or rescinded.

8. The City is a validly existing political subdivision of the State of Texas, duly incorporated as a Type A general law municipality operating under the Constitution and laws of the State of Texas. The City's 2020 decennial census population is 5,521.

9. The proceeds of the Note will be used for the payment of "operating expenses" within the meaning of Chapter 1431, Texas Government Code, as amended ("Chapter 1431").

10. The principal amount of the Note does not exceed 75 percent (75%) of the revenue or taxes anticipated to be collected by the City in the current year.

11. The assessed value of property for the purpose of taxation in the City as shown by its official tax rolls for tax year 2023, being its latest approved official assessment rolls, is \$\_\_\_\_\_, which does not include the amount of any exemptions to which property otherwise subject to taxation was entitled pursuant to applicable provisions of the Constitution and laws of the State of Texas.

12. Other than the Note, the City's total outstanding indebtedness with respect to obligations that are secured in whole or in part by ad valorem taxes is \$20,325,000.

13. The Note is not subject to mandatory renewal or renewal at the option of any person, including without limitation the City, and is payable only out of current revenues or taxes collected in the year during which the Note is issued.

14. The City has received all required disclosure filings under Section 2252.908 of the Texas Government Code in connection with the authorization and issuance of the Note and has notified the Texas Ethics Commission ("TEC") of its receipt of such filings by acknowledging such filings in accordance with TEC's rules.

15. With respect to the contracts contained within the transcript of proceedings for the Note that are subject to Section 2252.151, Texas Government Code, none of the counter parties to those contracts are listed as a "foreign terrorist organization" or a company (as such term is defined in Section 2271.0001(2) of the Texas Government Code) on the list prepared and maintained by the Texas Comptroller of Public Accounts under Texas Government Code Sections 806.051, 807.051 or 2252.153.

16. The City verifies that, pursuant to Section 2271.002 of the Texas Government Code, that all contracts with a company (as such term is defined in Section 2271.001(2) of the Texas Government Code) within the transcript of proceedings for the Note, includes a written verification that such company (1) does not "Boycott Israel" (as such term is defined in Section 808.001 of the Texas Government Code) and (2) will not Boycott Israel during the term of such respective contract.

17. The City verifies that, pursuant to Chapter 2274 of the Texas Government Code, that all contracts with a company for goods or services within the meaning of Section 2274.002 of the Texas Government Code, within the transcript of proceedings for the Note include a written verification that such company, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the company does not boycott energy companies. Boycott energy companies means refusing to do business with, without an ordinary business purpose, or, terminating business activities with, or otherwise taking any action that is intended to penalize,

inflict economic harm on, or limit commercial relations with a company because the company engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or does business with a company who engages in the foregoing.

18. The City verifies that, pursuant to Chapter 2274 of the Texas Government Code, that all contracts with a company for goods or services within the meaning of Section 2274.002 of the Texas Government Code, within the transcript of proceedings for the Note include a written verification that such company, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the City do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association as those terms are used in Chapter 2274 of the Texas Government Code and will not discriminate during the respective terms of said contracts against a firearm entity or firearm trade association. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law.

[Execution Page Follows]

The persons named below were, on the date of authorization of the Note, the duly elected and qualified incumbents of the offices of the City set opposite their respective names, and the signatures below are the genuine signatures of said officers. By signing below, such officers hereby evidence their lawful signatures, adopt same as facsimiles for the purpose of executing the Note and attest to the truthfulness of the foregoing certifications.

SIGNATURE

TITLE

\_\_\_\_\_

Mayor, City of Wolfforth, Texas

\_\_\_\_\_

City Secretary, City of Wolfforth, Texas

\_\_\_\_\_

City Manager, City of Wolfforth, Texas

Before me, on this day personally appeared the foregoing individuals, known to me to be the officers whose true and genuine signatures were subscribed to the foregoing instrument in my presence.

Given under my hand and seal of office this \_\_\_\_\_ day of August, 2023.

\_\_\_\_\_  
Notary Public

(Notary Seal)