

**AN ORDINANCE DECLARING THE CITY'S SUPPORT OF AND CONSENT
TO THE CREATION OF THE NORTH FORT BEND WATER AUTHORITY**

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ORCHARD, TEXAS:

Section 1. The City Council hereby declares its support of the creation of the North Fort Bend Water Authority (the "Authority") by the Legislature of the State of Texas in Senate Bill 1798 of the 79th Regular Session of the Legislature. The City Council hereby consents to the creation of the Authority, subject to the terms and conditions set forth in Exhibit "B" attached hereto.

Section 2. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was given, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been disclosed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.


Section 3. A public emergency exists requiring that this ordinance be passed finally on the date of its introduction; therefore, this ordinance shall take effect immediately upon its passage and approval.

EXHIBIT "B"

(a) The Authority will issue bonds only for the purpose of purchasing and constructing, or otherwise acquiring waterworks systems or parts of such systems or facilities, and to make any and all necessary purchases, construction, improvements, extensions, additions, and repairs thereto, and to purchase or acquire all necessary land, right-of-way, easements, sites, equipment, buildings, plants, structures, and facilities therefor, and to operate and maintain same, and to sell water and other services within or without the boundaries of the Authority. Such bonds will expressly provide that the Authority reserves the right to redeem said bonds on any interest-payment date subsequent to the fifteenth (15th) anniversary of the date of issuance without premium, and none of such bonds, other than refunding bonds, will be sold for less than 95% of par; provided that the net effective interest rate on bonds so sold, taking into account any discount or premium as well as the interest rate borne by such bonds, will not exceed two percent (2%) above the highest average interest rate reported by the Daily Bond Buyer in its weekly "20 Bond Index" during the one-month period next preceding the date of sale of the bonds. No land located within the extraterritorial jurisdiction of the City of Orchard that is located outside the original boundaries of the Authority as provided in the legislation creating the Authority will be added or annexed to the Authority until the City of Orchard has given its written consent by resolution or ordinance of the City Council to such addition or annexation.

PASSED AND ADOPTED this 14th day of June, 2006

CITY OF ORCHARD, TEXAS


Rod Parlock
Mayor, City of Orchard

ATTEST:

Merry Sue Hajdik
City Secretary

APPROVED:

City Attorney