

AMENDED ORDER AUTHORIZING APPLICATION TO THE  
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
FOR APPROVAL OF PROJECT AND BONDS

WHEREAS, Belmont Fresh Water Supply District No. 1 of Denton County (the "District") is in the process of construction of its waterworks and sanitary sewer system to serve the land within its boundaries; and

WHEREAS, the District now desires to issue bonds in the amount not to exceed \$2,000,000 (the "Bonds") to finance the acquisition and construction of certain water and sanitary sewer facilities (the "Project"), as outlined in the Bond Application Report – Bond Issue No. 4 (the "Engineering Report") prepared by Jones & Carter, Inc.; and

WHEREAS, Section 49.181, Texas Water Code, requires the District, when it desires to issue bonds, to submit in writing to the Texas Commission on Environmental Quality (the "Commission") an application for the investigation of the project proposed to be constructed and of the District's bonds proposed to be issued, together with a copy of the engineer's report and a copy of the data, plats, profiles, maps, plans and specifications prepared in connection with such project; and

WHEREAS, the District Board of Supervisors desires to secure the approval of the Commission of the construction and/or purchase of the Project described in Section 1(a) of this Amended Order and the Engineering Report; the issuance of the Bonds hereinafter described in Section 1(b) of this Amended Order; and the other requests described in Section 1(d) of this Amended Order; now, therefore,

BE IT ORDERED BY THE BOARD OF SUPERVISORS OF BELMONT FRESH WATER SUPPLY DISTRICT NO. 1 OF DENTON COUNTY, THAT:

Section 1: The Officers of the Board of Supervisors are hereby authorized and directed as follows:

(a) To apply to the Commission pursuant to Section 49.181, Texas Water Code, for an investigation and report upon the feasibility of the District's financing the Project costs as described in the Engineering Report filed in connection with this application;

(b) To request the Commission to approve the Bonds of the District in an aggregate amount not to exceed \$2,000,000, bearing interest at a net effective interest rate not exceeding two percentage points above the Daily Bond Buyer's "20-Bond Index," and maturing serially in accordance with a schedule to be furnished in the Engineering Report to the Commission by the District's engineers;

(c) To request the Commission to approve the Project comprising a portion of the District's system described in Section 1(a) and to make a written report thereon, with such report to be filed in the office of the Commission and a copy to be furnished to the Attorney General of Texas and to the Board of Supervisors of the District;

(d) To request that the Commission:

(1) approve conditional waiver of the 30% developer participation requirements of §293.47 pursuant to §293.47(a)(2) of the Rules of the Commission;

(2) approve payment of developer interest for a period of more than two (2) years pursuant to the provisions of §293.50(b)(2) of the Rules of the Commission;

(3) approve providing for capitalized interest on the bonds for a period for less than one year pursuant to the provisions of §293.50(b)(2) of the rules of the Commission;

(4) approve use of surplus bond funds in the amount of \$759,135 for payment of water capital recovery fees pursuant to the provisions of §293.83 of the Rules of the Commission; and

(e) To do any and all things necessary and proper in connection with this application, including the filing of the application.

Section 2: By this Amended Order, the District assures the Commission that it will abide by the terms and conditions prescribed by the Commission, and to the extent applicable, it will retain or cause to be retained the required percentage of all sums due all construction contractors on such portions of the District's system to assure that the system is completed in accordance with the approved plans and specifications.

Section 3: Jones & Carter, Inc., the District's engineer, is hereby authorized and directed to prepare an Engineering Report in such form as may be required by the Commission and to submit the same to the Commission in support of this Amended Order.

Section 4: The President or Vice President and the Secretary or Assistant Secretary of the Board of Supervisors, the District's engineer, the District's financial advisor, Robert W. Baird & Co. Incorporated, and the District's attorneys, Crawford & Jordan LLP, are hereby authorized and directed to do any and all things necessary and proper in connection with this Amended Order.

Section 5: A certified copy of this Amended Order shall constitute an application and request on behalf of the District to the Commission pursuant to Section 49.181, Texas Water Code, and the Rules of the Commission for approval of (i) the Project comprising a portion of

the District's waterworks and sanitary sewer system described in Section 1(a) hereof, (ii) the Bonds described in Section 1(b) hereof, and (iii) the exemptions and other prayers and requests hereinabove described.

PASSED AND APPROVED this 18<sup>th</sup> day of September, 2019.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Board of Supervisors  
Belmont Fresh Water Supply  
District No. 1 of Denton County

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Board of Supervisors  
Belmont Fresh Water Supply  
District No. 1 of Denton County

(SEAL)

CERTIFICATE FOR  
AMENDED ORDER AUTHORIZING APPLICATION TO THE  
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I, the undersigned Secretary of the Board of Supervisors (the "Board") of Belmont Fresh Water Supply District No. 1 of Denton County (the "District"), hereby certify as follows:

1. The Board, composed as follows:

Matthew J. Befort	President
Charles Dwight Beagle	Vice President
Guinn W. Phillips	Secretary
David D. Booth	Assistant Secretary
Matthew J. Brown	Supervisor

convened in regular session, open to the public, on September 18, 2019, at the Board's regular meeting place, and all of the members of the Board were present, except Supervisor(s) Befort, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting: A written

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was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Amended Order be adopted, and, after due discussion, such motion, carrying with it the adoption of such Amended Order, prevailed and carried by the following vote:

AYES: \_\_                      NOES: 0

2. A true, full and correct copy of the aforesaid Amended Order adopted at the meeting described in the above and foregoing paragraph is attached to said minutes and to this certificate; such Amended Order has been duly recorded in the Board's minutes of such meeting; the above and foregoing paragraph is a true, full and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Amended Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and

sufficiently notified officially and personally, in advance, of the time, place and purpose of such meeting, and that such Amended Order would be introduced and considered for adoption at such meeting; and such meeting was open to the public, and public notice of the time, place and purpose of such meeting was given, all as required by Chapter 551, Texas Government Code and Section 49.063, Texas Water Code, as amended.

SIGNED AND SEALED this 18<sup>th</sup> day of September, 2019.

BELMONT FRESH WATER SUPPLY  
DISTRICT NO. 1 OF DENTON COUNTY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Board of Supervisors  
Belmont Fresh Water Supply  
District No. 1 of Denton County

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Board of Supervisors  
Belmont Fresh Water Supply  
District No. 1 of Denton County

(DISTRICT SEAL)