

This Agenda is posted pursuant to Chapter 551, Texas Government Code

**Matters to Come Before a Meeting of the Board of Directors
of Tarrant Regional Water District**

To Be Held the 15th Day of October 2024 at 9:00 a.m.

**Front Doors to the Main Admin Building at 800 East Northside Drive Will Open to the
Public at 8:30 a.m. and Close Fifteen (15) Minutes After the Meeting Adjourns**

**TRWD Board Room
800 East Northside Drive
Fort Worth, Texas 76102**

**PLEASE BE ADVISED THAT A QUORUM OF THE BOARD OF DIRECTORS OF TRWD
WILL CONVENE ON THE ABOVE DATE AND TIME FOR THE PURPOSE OF
CONSIDERING AND ACTING UPON THE MATTERS SET FORTH IN THIS AGENDA. THE
LINK TO VIEW AND LISTEN TO THE MEETING VIA INTERNET IS
<HTTPS://WWW.TRWD.COM/BOARDVIDEOS>. A RECORDING OF THE MEETING WILL
ALSO BE AVAILABLE AT <HTTPS://WWW.TRWD.COM/BOARDVIDEOS>.**

1. Pledges of Allegiance

2. Public Comment

Citizens may present public comment at this time, limited to a total time of three (3) minutes per speaker, unless the speaker addresses the Board through a translator, in which case the limit is a total time of six (6) minutes. Each proposed speaker must have completed and submitted a speaker card prior to the commencement of the meeting, identifying any agenda item number(s) and topic(s) the speaker wishes to address with the Board. By law, the Board may not deliberate, debate, or take action on public comment but may place the item on a future agenda.

3. Consider Approval of the Minutes from the Meetings Held on September 12, 2024, and September 17, 2024

4. Update on Panther Island Form-Based Code - Dana Burghdoff, Assistant City Manager, City of Fort Worth

5. Presentations

- TRWD General Ordinance - Stephen Tatum, General Counsel**
- Litter Program - Darrell Beason, Chief Operations Officer**
- Trail Lighting - Darrell Beason, Chief Operations Officer**

6. Executive Session under Texas Government Code:

Section 551.071 of the Texas Government Code, for Private Consultation with its Attorney about Pending or Contemplated Litigation or 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 this Chapter; and

Section 551.072 of the Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property on Panther Island; and

Section 551.074 of the Texas Government Code, Regarding Personnel Matters Related to the Annual General Manager Performance Review

- 7. Consider Approval of Memorandum of Understanding Agreement with North Texas Municipal Water District for Water Conservation Strategic Services - Linda Christie, Government Affairs Director**
- 8. Consider Approval of Contract with Accurate Inspections, LLC for Manufacturing Inspection and Testing Services of Cedar Creek Section 2 Pipeline Replacement Phase 1A and 1B Projects - Jason Gehrig, Infrastructure Engineering Director**
- 9. Consider Approval of Contract with FCS Construction for Silt Removal from George W. Shannon Wetlands Sedimentation Pond - Phase I - Darrell Beason, Chief Operations Officer**
- 10. Consider Approval of Contract with Lloyd D. Nabors Demolition for Demolition of LaGrave Field - Darrell Beason, Chief Operations Officer**
- 11. Consider Approval of Change Order to Contract with Huitt-Zollars, Inc. for Design and Construction Documentation Professional Services - Mick Maguire, Chief Administrative Officer**
- 12. Consider Approval of Resolution Authorizing the Issuance, Sale, and Delivery of Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue ECP Series A Refunding Bonds, Pledging Revenues for the Payment of the Bonds, Approving an Official Statement, and Authorizing Other Instruments and Procedures Relating Thereto - Sandy Newby, Chief Financial Officer**
- 13. Consider Approval of Order Authorizing the Issuance of Tarrant Regional Water District, a Water Control and Improvement District, Unlimited Tax Refunding Bonds; Levying an Ad Valorem Tax in Support of the Bonds; Establishing the Procedures of Selling and Delivering the Bonds; and Authorizing Other Matters Related to the Issuance of the Bonds - Sandy Newby, Chief Financial Officer**
- 14. Consider Approval of Contract with Martindale Consultants, Inc. for Oil and Gas Audit - Carol Tackel, Risk and Internal Audit Director**
- 15. Future Agenda Items**
- 16. Schedule Next Board Meeting**
- 17. Adjourn**

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 12th DAY OF SEPTEMBER 2024 AT 11:00 A.M.

The call of the roll disclosed the presence of the Directors as follows:

Present
Leah King
Mary Kelleher
C.B. Team
Paxton Motheral

Absent
James Hill

Also present were Dan Buhman, Alan Thomas, Chris Akers, Darrell Beason, Lisa Cabrera, Ellie Garcia, Kelly Halcom, Zach Hatton, Wendy Lockhart, Chad Lorance, Jennifer Mitchell, Sandy Newby, Rick Odom, Lupita Ornelas and Stephen Tatum, of the Tarrant Regional Water District (District or TRWD).

1.

All present were given the opportunity to join in reciting the Pledges of Allegiance to the U.S. and Texas flags.

2.

Dan Buhman and Sandy Newby discussed the proposed tax year 2024 tax rate of \$.0267/\$100 valuation.

3.

There were no persons from the general public who requested to address the Board of Directors in advance of the meeting. President King kept the public comment item open from 3:34 p.m. to 3:44 p.m. to allow for any persons from the general public to request to speak. No requests were received.

4.

The Board of Directors did not meet in Executive Session.

5.

There were no future agenda items approved.

6.

The next board meeting was scheduled for September 17, 2024 at 9:00 a.m.

7.

There being no further business before the Board of Directors, the meeting was adjourned.

Vice President

Secretary

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT REGIONAL WATER DISTRICT
HELD ON THE 17th DAY OF SEPTEMBER 2024 AT 9:00 A.M.

The call of the roll disclosed the presence of the Directors as follows:

Present
Leah King
James Hill
C.B. Team
Paxton Motheral

Absent
Mary Kelleher

Also present were Dan Buhman, Alan Thomas, Airin Barnett, Lisa Cabrera, Rick Carroll, Steve Christian, Darren Henken, Rachel Ickert, Bob Magness, Jennifer Mitchell, Sandy Newby, Rick Odom, Anne Sanchez, Stephen Tatum, and Ed Weaver of the Tarrant Regional Water District (District or TRWD).

1.

All present were given the opportunity to join in reciting the Pledges of Allegiance to the U.S. and Texas flags.

2.

There were no requests from the public to address the Board of Directors during the Public Comment portion of the agenda.

3.

Director Hill moved to approve the minutes from the meetings held on August 19, 2024, and August 20, 2024. Director Team seconded the motion, and the votes were 4 in favor, 0 against. It was accordingly ordered that these minutes be placed in the permanent files of the District.

4.

With the recommendation of management, Director Hill moved to approve the Fiscal Year 2025 General Fund of \$29,119,555. Funding for this item is included in the Fiscal Year 2025 General Fund Budget. Director Motheral seconded the motion, and the votes were 4 in favor, 0 against.

5.

With the recommendation of management, Director Hill moved to adopt the ad valorem tax rate of \$.0267/\$100 valuation, for tax year 2024. Director Motheral seconded the motion, and the votes were 4 in favor, 0 against.

6.

With the recommendation of management, Director Motheral moved to approve the Fiscal Year 2025 Special Projects/Contingency Fund of \$54,446,348. This budget consists of special projects expenditures of \$45,650,000 and expenditures for the Central City Flood Control project of \$8,796,348. These expenditures are offset by expected revenues of \$18,903,969 resulting in an expected decrease to equity of \$35,542,379. Funding for this item is included in the Fiscal Year 2025 Special Projects/Contingency Fund Budget. Director Hill seconded the motion, and the votes were 4 in favor, 0 against.

7.

With the recommendation of management, Director Motheral moved to approve the Fiscal Year 2025 Revenue Fund of \$186,585,960. This budget consists of water supply expenditures of \$186,585,960 offset by projected non-contract revenues of \$10,095,000 for a proposed net revenue requirement from contract customers of \$176,490,960. Funding for this item is included in the Fiscal Year 2025 Revenue Fund

Budget. Director Hill seconded the motion, and the votes were 4 in favor, 0 against.

8.

With the recommendation of management, Director Hill moved to approve the consent agenda. Consent agenda items include:

1) Joint-Funding agreement with U.S. Geological Survey (USGS) for Gage Network support services. This agreement, in an amount not-to-exceed \$460,790, will fund stream gaging services provided by the USGS. The agreement has a total cost of \$494,540. The USGS contribution is \$33,750 (7%) and the District is responsible for the remaining \$460,790 for services provided during the October 1, 2024 through September 30, 2025 period. Funding for this item is included in the Fiscal Year 2025 General Fund and Fiscal Year 2025 Revenue Fund.

2) Capital expenditures in the amount of \$1,594,377.28 for vehicle and machinery purchases from Caldwell Chevrolet, Silsbee Ford, Corsicana Welding, Kirby-Smith Machinery, Holt Caterpillar, Bane Machinery. Funding for this item is included in the Fiscal Year 2025 General Fund and Fiscal Year 2025 Revenue Fund.

3) Contract in the amount of \$81,327 with kW Power Services, LLC for annual stand-by generator maintenance. This contract is for a one-year period with the option to renew for up to four additional one-year periods for a total potential spend of \$406,635. Funding for this item is included in the Fiscal Year 2025 General Fund and Fiscal Year 2025 Revenue Fund.

4) Contract in the amount of \$559,000 with Presbyterian Night Shelter/UpSpire for labor services on an as-needed basis to perform general labor duties in support of Fort Worth and Eagle Mountain Operations Departments. This contract commenced upon

issuance of the notice to proceed and terminated on September 30, 2023, with an option to renew for four additional one-year periods with acceptable performance. This is the second renewal. Funding for this item is included in the Fiscal Year 2025 General Fund and Fiscal Year 2025 Revenue Fund.

5) Contract for grounds maintenance in the amount of \$155,012 with Whitmore and Sons for service to District facilities at various locations. The contract commenced upon issuance of notice to proceed and terminated on September 30, 2023, with an option to renew for four additional one-year periods with acceptable performance. This will be the second renewal. Funding for this item is included in the Fiscal Year 2025 General Fund and Fiscal Year 2025 Revenue Fund.

6) Contract for dumpster services in an amount not-to-exceed \$185,500 with Republic, 3-P Trash Services, Frontier, and Waste Connections for service at various District locations. The contract(s) commenced upon issuance of Notice to Proceed and terminates on September 30, 2024, with an option to renew for four additional one-year periods with acceptable performance. This is the first renewal. Funding for this item is included in the Fiscal Year 2025 General Fund and Fiscal Year 2025 Revenue Fund.

Director Motheral seconded the motion, and the votes were 4 in favor, 0 against.

9.

With the recommendation of management, Director Motheral moved to approve a contract in an amount not-to-exceed \$5,239,279 with Freese and Nichols, Inc. for engineering design services for the Section 1D & 1E Pipelines and Arlington Outlet Improvements. Funding for this item is included in the Bond Fund. Director Hill seconded the motion, and the votes were 4 in favor, 0 against.

10.

With the recommendation of management, Director Team moved to approve a contract in an amount not-to-exceed \$272,725 with V&A Consulting Engineers, Inc. for corrosion control engineering design services for approximately 3 miles of the proposed Section 1D pipeline and adjacent existing Richland-Chambers and Cedar Creek pipelines, approximately 3,000 feet of the proposed Section 1E pipeline and adjacent Benbrook pipeline, and improvements at Arlington Outlet. Funding for this item is included in the Bond Fund. Director Motheral seconded the motion, and the votes were 4 in favor, 0 against.

11.

With the recommendation of management, Director Motheral moved to approve a pre-purchase of HVAC equipment in an amount not-to-exceed \$215,572 from Texas Air Systems for Benbrook Lake Pump Station Electrical Room Cooling Improvements. Funding for this item is included in the Bond Fund. Director Hill seconded the motion, and the votes were 4 in favor, 0 against.

12.

Staff Updates

- Water Resources and Planning Update presented by Rachel Ickert, Chief Water Resources Officer
- Grants and Other Cost Savings Initiatives Update presented by Jennifer Mitchell, Finance Director

The Board of Directors recessed for a break from 9:38 a.m. to 10:00 a.m.

13.

The Board next held an Executive Session commencing at 10:00 a.m. under

Section 551.071 of the Texas Government Code to Consult with Legal Counsel on a Matter in Which the Duty of Counsel Under the Texas Disciplinary Rules of Professional Conduct Clearly Conflicts with Chapter 551, Texas Government Code; Section 551.072 of the Texas Government Code to Deliberate the Purchase, Exchange, Lease or Value of Real Property; and Section 551.074 Regarding Personnel Matters Related to the Annual General Manager Performance Review.

Upon completion of the executive session at 11:02 a.m., the President reopened the meeting.

14.

With the recommendation of management, Director Hill moved to approve authorization to acquire interests in the following described land, which are necessary for the public use and purpose of construction and operation of the Cedar Creek Pipeline Rehab Project.

In addition, the General Manager of the District or his designee be authorized to take all steps which may be reasonably necessary to complete the acquisition of the real property interests described below, including, but not limited to, the authority to pay all customary, reasonable and necessary closing and related costs.

Temporary easement interests across a 0.939-acre tract of land situated in the Allen Reeves Survey, Abstract No. 939 and the Ben F. Berry Survey, Abstract No. 157, City of Midlothian, Ellis County, Texas, and being a portion of a tract of land conveyed to Cann Real Estate Ltd. as recorded in Volume 1659, Page 719 of the Deed Records of Ellis County, Texas (Parcel 24); across a 3.461-acre tract of land situated in the Allen Reeves Survey, Abstract No. 939 and the J. Morgan Survey, Abstract No. 1224, City of Midlothian, Ellis County, Texas, and being a portion of a called 206.363 acre tract of land conveyed to JAS Holding L.P. as recorded in Volume 2578, Page 161 of the Deed Records of Ellis County, Texas (Parcel 25); across a 0.414-acre tract of land situated in the Allen Reeves Survey, Abstract No. 939, City of Midlothian, Ellis County, Texas, and being a portion of a called 206.363 acre tract of land conveyed to JAS Holding L.P. as recorded in Volume 2578, Page

161 of the Deed Records of Ellis County, Texas (Parcel 26); across a 0.622-acre tract of land situated in the Allen Reeves Survey, Abstract No. 939, City of Midlothian, Ellis County, Texas, and being a portion of a called 206.363 acre tract of land conveyed to JAS Holding L.P. as recorded in Volume 2578, Page 161 of the Deed Records of Ellis County, Texas (Parcel 27); across a 0.571-acre tract of land situated in the Allen Reeves Survey, Abstract No. 939 and the Ben F. Berry Survey, Abstract No. 157, City of Midlothian, Ellis County, Texas, and being a portion of a called 206.363 acre tract of land conveyed to JAS Holding LP as recorded in Volume 2578, Page 161 of the Deed Records of Ellis County, Texas (Parcel 28); and across a 3.144-acre tract of land situated in the Allen Reeves Survey, Abstract No. 939, City of Midlothian, Ellis County, Texas, and being a portion of a tract of land described as Tract Three conveyed to Boeckman Kellogg No. 1 L.C. as recorded in Volume 1424, Page 576 of the Deed Records of Ellis County, Texas (Parcel 29), and being further described in the accompanying resolution and in the survey plat attached thereto for the negotiated purchase price of \$326,000.

EXHIBIT "A"
TARRANT REGIONAL WATER DISTRICT
CEDAR CREEK SECTION 2 REPLACEMENT
PARCEL NO. 24-TCE

TEMPORARY CONSTRUCTION EASEMENT
ALLEN REEVES SURVEY, ABSTRACT NO. 939
BEN F. BERRY SURVEY, ABSTRACT NO. 157
CITY OF MIDLOTHIAN
ELLIS COUNTY, TEXAS

Being a temporary construction easement situated in the Allen Reeves Survey, Abstract No. 939 and the Ben F. Berry Survey, Abstract No. 157, City of Midlothian, Ellis County, Texas, and being a portion of a tract of land conveyed to Cann Real Estate Ltd. as recorded in Volume 1659, Page 719 of the Deed Records of Ellis County, Texas, said temporary construction easement being more particularly described by metes and bounds as follows:

COMMENCING at a calculated point for the most southerly southwest corner of a called 206.363 acre tract of land conveyed to JAS Holding LP as recorded in Volume 2578, Page 161 of said Deed Records of Ellis County, Texas, said calculated point being the northwest corner of a called 228.984 acre tract of land described as Tract Three conveyed to Boeckman Kellogg No. 1 L.C. as recorded in in Volume 1424, Page 576 of said Deed Records of Ellis County, Texas, said calculated point being an angle point in the east line of said tract of land conveyed to Cann Real Estate Ltd., from which a 2-3/4 inch aluminum cap in concrete stamped "T.C.W." found for reference bears South 00 degrees 59 minutes 52 seconds East, a distance of 13.68 feet, and from which a 5/8 inch iron rod found for an angle point in the north line of said Tract Three and a south line of said 206.363 acre tract of land bears North 87 degrees 28 minutes 31 seconds East, a distance of 761.12 feet; THENCE North 01 degrees 46 minutes 05 seconds West, with a west line of said called 206.363 acre tract of land and with an east line of said tract of land conveyed to Cann Real Estate Ltd., a distance of 144.90 feet to a calculated point for the **POINT OF BEGINNING**, said calculated point being the most southerly west corner of a 130' Pipeline Right-of-Way described as Third Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 500, Page 147 and Volume 500, Page 321 of said Deed Records of Ellis County, Texas, said calculated point also being the most southerly east corner of a 130' Pipeline Right-of-Way described as First Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 490, Page 399 of said Deed Records of Ellis County, Texas, said calculated point also being in the southwest line of a 40' Sanitary Sewer Easement granted to the City of Grand Prairie as recorded in Volume 2580, Page 1855 of said Deed Records of Ellis County, Texas, said calculated point having grid coordinates of N=6,873,362.24 and E=2,421,747.79;

THENCE North 57 degrees 32 minutes 06 seconds West, with a northeast line of said 130' Pipeline Right-of-Way and with a southwest line of said 40' Sanitary Sewer Easement, a distance of 627.86 feet to a calculated point for the northeast corner of said 130' Pipeline Right-of-Way, said calculated point being in the north line of said tract of land conveyed to Cann Real Estate Ltd. and a south line of said 206.363 acre tract of land, said calculated point also being the southeast corner of a 130' Pipeline Right-of-Way described as Third Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 500, Page 147 and Volume 500, Page 321 of said Deed Records of Ellis County, Texas;

(Exhibit "A")

THENCE North 89 degrees 11 minutes 31 seconds East, with the north line of said tract of land conveyed to Cann Real Estate Ltd. and with a south line of said 206.363 acre tract of land, a distance of 136.70 feet to a calculated point for corner;

THENCE South 57 degrees 32 minutes 06 seconds East, a distance of 462.53 feet to a calculated point for corner in the west line of said tract of land conveyed to Cann Real Estate Ltd. and in an east line of said 206.363 acre tract of land;

THENCE South 01 degrees 46 minutes 05 seconds East, with the west line of said tract of land conveyed to Cann Real Estate Ltd. and with an east line of said 206.363 acre tract of land, a distance of 90.72 feet to the **POINT OF BEGINNING**, and containing 40,890 square feet or 0.939 acres of land, more or less.

Notes:

- (1) A plat of same date herewith accompanies this legal description.
- (2) All bearings and coordinates are referenced to the Texas State Plane Coordinate System, NAD-83(2011), North Central Zone (4202). All distances and areas shown are surface utilizing a surface adjustment factor of 1.000072449.

*** SURVEYOR'S CERTIFICATE ***

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FORM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUNDS AND THAT SAME IS TRUE AND CORRECT.

May 26, 2023



Richard Kennedy
Registered Professional Land Surveyor
Texas No. 5527
Gorrondona & Associates, Inc.
Texas Firm No. 10106900

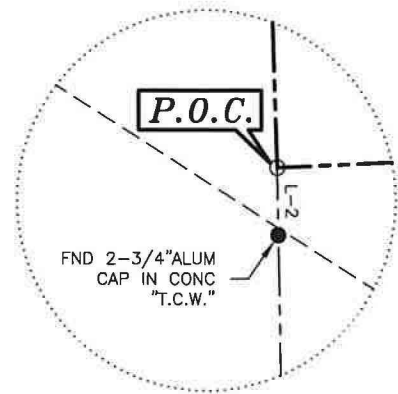
(Exhibit "A")

EXHIBIT "A"

PARCEL No. 24-TCE

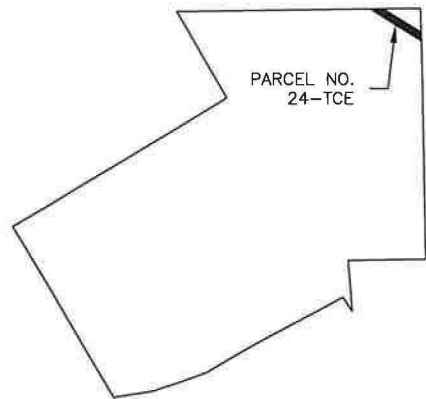
LEGEND

- ⊗ SET MONUMENTATION (SIZE AND TYPE NOTED)
- FND MONUMENTATION (SIZE AND TYPE NOTED)
- CALCULATED POINT
- PROPERTY/RIGHT-OF-WAY LINE
- - - - - EXISTING EASEMENT LINE
- · - · - PROPOSED EASEMENT LINE
- § — SURVEY/ABSTRACT LINE



DETAIL "A"
NOT TO SCALE

LINE TABLE		
LINE	BEARING	DISTANCE
L-1	N 01°46'05"W	144.90'
L-2	S 00°59'52"E	13.68'
L-3	N 89°11'31"E	136.70'
L-4	S 01°46'05"E	90.72'



SUBJECT TRACT &
LOCATION OF EASEMENT

NOTES:

1. A LEGAL DESCRIPTION OF SAME DATE HEREWITH ACCOMPANIES THIS PLAT.
2. ALL BEARINGS AND COORDINATES ARE REFERENCED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83(2011), NORTH CENTRAL ZONE (4202). ALL DISTANCES AND AREAS SHOWN ARE SURFACE UTILIZING A SURFACE ADJUSTMENT FACTOR OF 1.000072449.

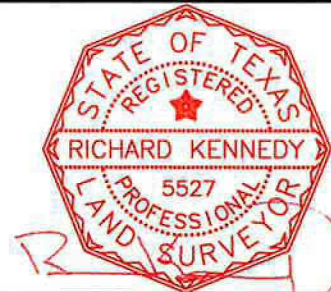


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 24-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: CANN REAL ESTATE LTD.		
SURVEY: A. REEVES SURVEY, ABS. NO. 939 & B.F. BERRY SURVEY ABS. NO. 157		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 40,890 SQUARE FEET OR 0.939 ACRES		
WHOLE PROPERTY ACREAGE: 253.83 ACRES (BY DEED)		
G&A JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P24_TEMP_R00.DWG
MAY 26, 2023	EXHIBIT A	SCALE: 1" = 200'



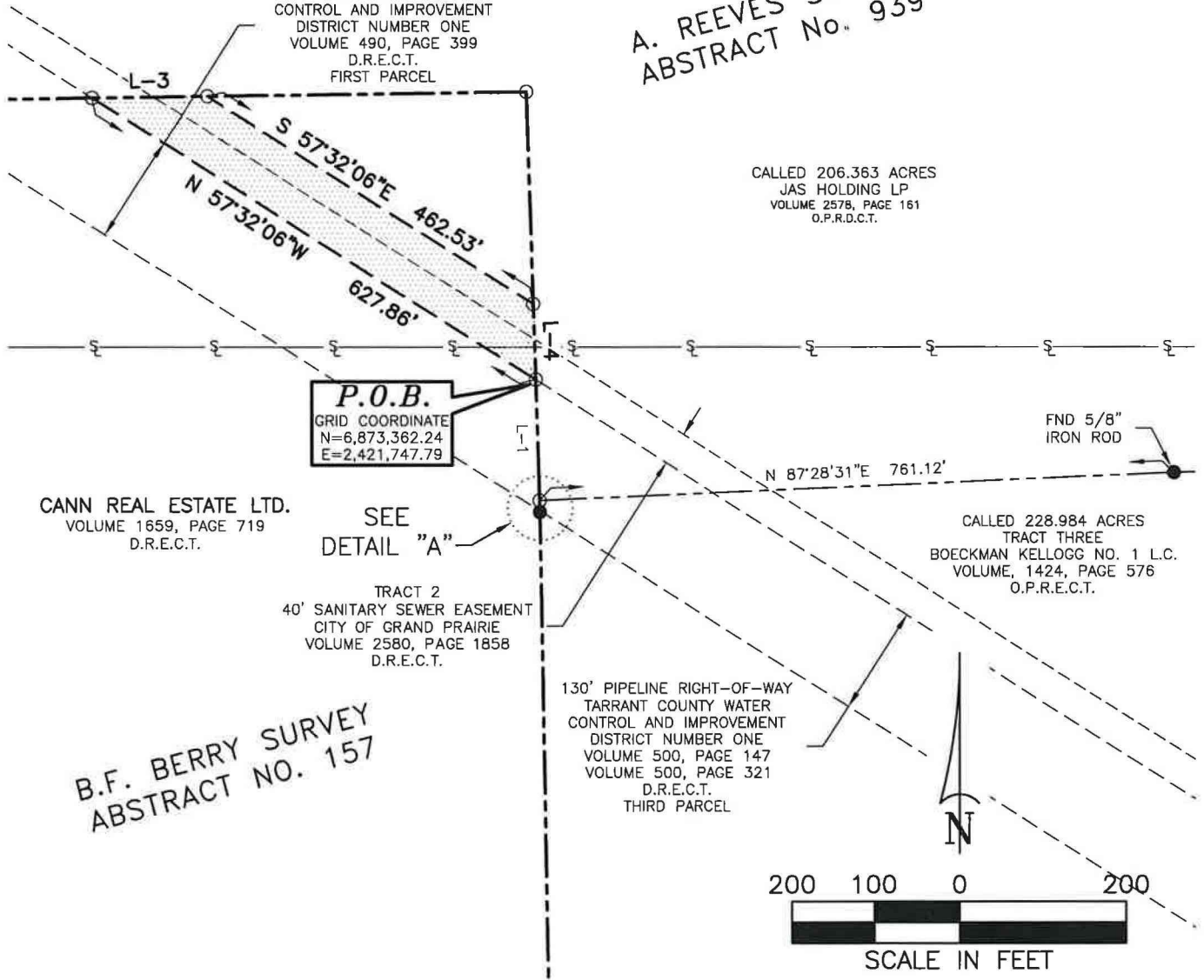
RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"
PARCEL No. 24-TCE

A. REEVES SURVEY
ABSTRACT No. 939

130' PIPELINE RIGHT-OF-WAY
TARRANT COUNTY WATER
CONTROL AND IMPROVEMENT
DISTRICT NUMBER ONE
VOLUME 490, PAGE 399
D.R.E.C.T.
FIRST PARCEL

CALLED 206.363 ACRES
JAS HOLDING LP
VOLUME 2578, PAGE 161
O.P.R.D.C.T.



P.O.B.
GRID COORDINATE
N=6,873,362.24
E=2,421,747.79

CANN REAL ESTATE LTD.
VOLUME 1659, PAGE 719
D.R.E.C.T.

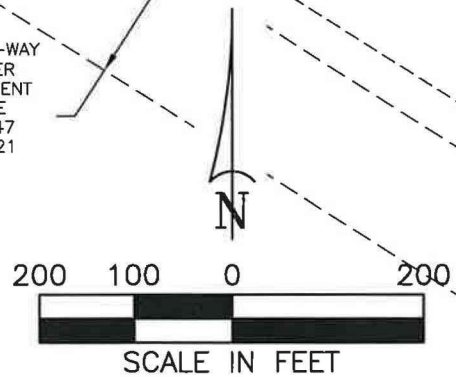
SEE
DETAIL "A"

TRACT 2
40' SANITARY SEWER EASEMENT
CITY OF GRAND PRAIRIE
VOLUME 2580, PAGE 1858
D.R.E.C.T.

B.F. BERRY SURVEY
ABSTRACT NO. 157

130' PIPELINE RIGHT-OF-WAY
TARRANT COUNTY WATER
CONTROL AND IMPROVEMENT
DISTRICT NUMBER ONE
VOLUME 500, PAGE 147
VOLUME 500, PAGE 321
D.R.E.C.T.
THIRD PARCEL

CALLED 228.984 ACRES
TRACT THREE
BOECKMAN KELLOGG NO. 1 L.C.
VOLUME, 1424, PAGE 576
O.P.R.E.C.T.

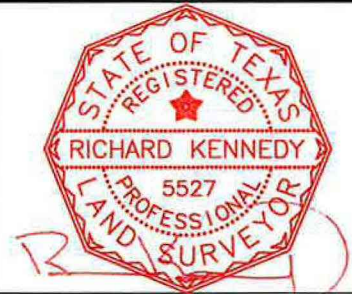


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK
SECTION 2 REPLACEMENT

PARCEL NO. 24-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: CANN REAL ESTATE LTD.		
SURVEY: A. REEVES SURVEY, ABS. NO. 939 & B.F. BERRY SURVEY ABS. NO. 157		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 40,890 SQUARE FEET OR 0.939 ACRES		
WHOLE PROPERTY ACREAGE: 253.83 ACRES (BY DEED)		
G&A JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P24_TEMP_R00.DWG
MAY 26, 2023	EXHIBIT A PAGE	SCALE: 1" = 200'



RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"
TARRANT REGIONAL WATER DISTRICT
CEDAR CREEK SECTION 2 REPLACEMENT
PARCEL NO. 25-TCE

TEMPORARY CONSTRUCTION EASEMENT
ALLEN REEVES SURVEY, ABSTRACT NO. 939
J. MORGAN SURVEY, ABSTRACT NO. 1224
CITY OF MIDLOTHIAN
ELLIS COUNTY, TEXAS

Being a temporary construction easement situated in the Allen Reeves Survey, Abstract No. 939 and the J. Morgan Survey, Abstract No.1224, City of Midlothian, Ellis County, Texas, and being a portion of a called 206.363 acre tract of land conveyed to JAS Holding L.P. as recorded in Volume 2578, Page 161 of the Deed Records of Ellis County, Texas, said temporary construction easement being more particularly described by metes and bounds as follows:

COMMENCING at a calculated point for the northwest corner of said called 206.363 acre tract of land and being the northeast corner of a called 575.371 acre tract of land conveyed to One Windsor Hills L.P. as recorded in Volume 2181, Page 1640 of said Deed Records of Ellis County, Texas, said calculated point also being an angle point in the south line of a tract of land conveyed to One Windsor Hills L.P. as recorded in Volume 2198, Page 252 of said Deed Records of Ellis County, Texas, from which a 5/8" iron rod with cap stamped "Cotton" found for an angle point in the south line of said One Windsor Hill L.P. tract and in the north line of said called 206.363 acre tract of land bears South 83 degrees 26 minutes 18 seconds East, a distance of 1,053.74 feet; **THENCE** South 00 degrees 17 minutes 14 seconds East, with the west line of said 206.363 acre tract of land and with the east line of said 575.371 acre tract of land, a distance of 163.50 feet to a calculated point for the **POINT OF BEGINNING**, said calculated point having grid coordinates of N=6,875,349.53 and E=2,418,504.92;

THENCE South 61 degrees 27 minutes 28 seconds East, a distance of 2,032.03 feet to a calculated point for corner;

THENCE South 30 degrees 30 minutes 13 seconds West, a distance of 75.04 feet to a calculated point for corner in the northeast line of a 130' Pipeline Right-of-Way described as Third Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 500, Page 147 and Volume 500, Page 321 of said Deed Records of Ellis County, Texas, said calculated point being in the southwest line of a 40' Sanitary Sewer Easement granted to the City of Grand Prairie as recorded in Volume 2580, Page 1855 of said Deed Records of Ellis County, Texas;

(Exhibit "A")

THENCE North 61 degrees 27 minutes 28 seconds West, with the northeast line of said Third Parcel and with the southwest line of said 40' Sanitary Sewer Easement, a distance of 1,988.18 feet to a calculated point for corner in the west line of said called 206.363 acre tract of land and in the east line of said called 575.371 acre tract of land, from which a 5/8" iron rod found for an angle point in the west line of said called 206.363 acre tract of land and in the east line of said called 575.371 acre tract of land bears South 00 degrees 17 minutes 14 seconds East, a distance of 465.52 feet;

THENCE North 00 degrees 17 minutes 14 seconds West, with the west line of said called 206.363 acre tract of land and with the east line of said called 575.371 acre tract of land, a distance of 85.61 feet to the **POINT OF BEGINNING**, and containing 150,758 square feet or 3.461 acres of land, more or less.

Notes:

- (1) A plat of same date herewith accompanies this legal description.
- (2) All bearings and coordinates are referenced to the Texas State Plane Coordinate System, NAD-83(2011), North Central Zone (4202). All distances and areas shown are surface utilizing a surface adjustment factor of 1.000072449.

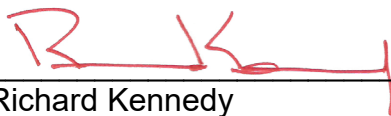
* SURVEYOR'S CERTIFICATE *

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FORM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUNDS AND THAT SAME IS TRUE AND CORRECT.

JUNE 20, 2022

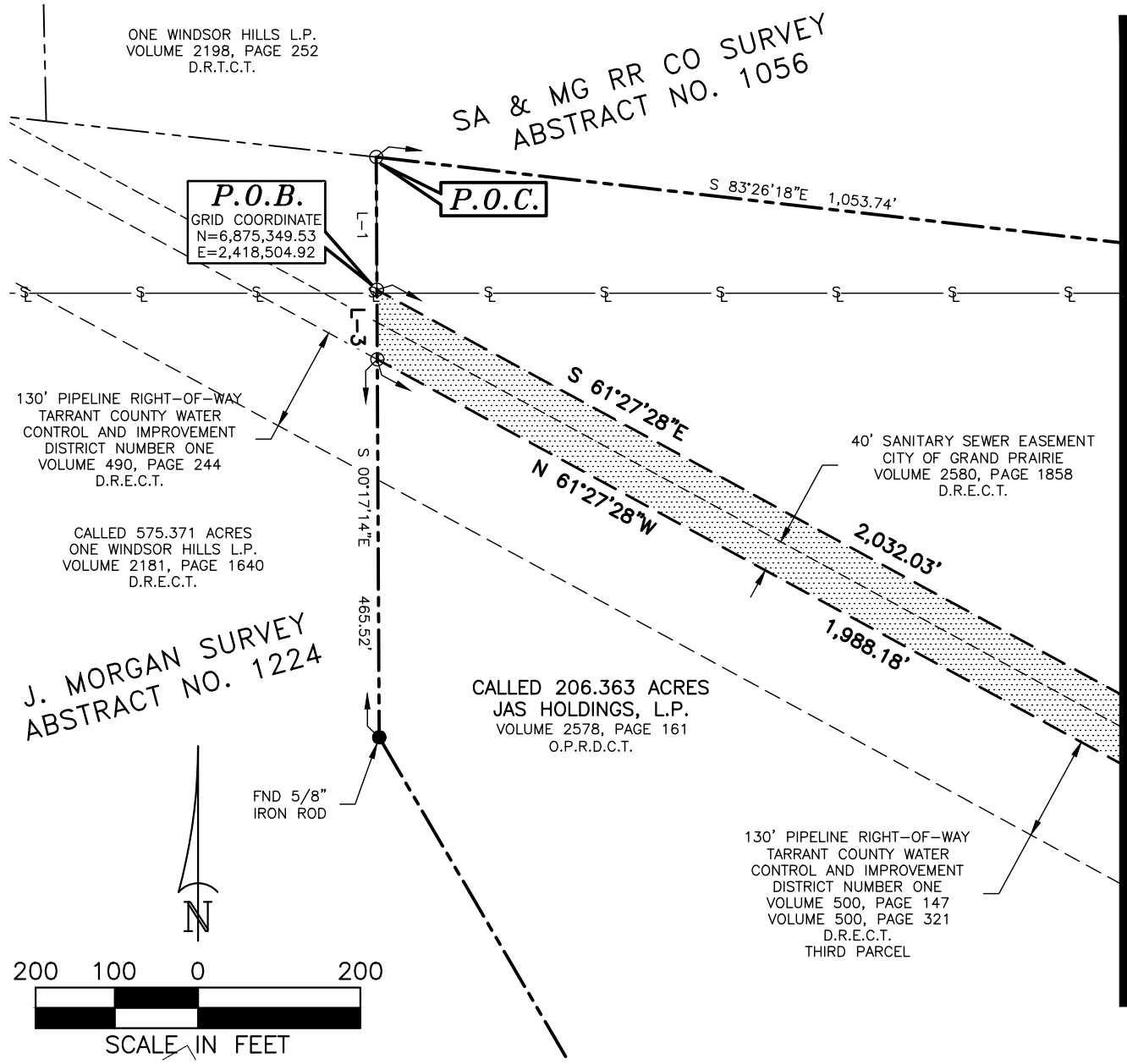
Revised: August 26, 2022




Richard Kennedy
Registered Professional Land Surveyor
Texas No. 5527
Gorronдона & Associates, Inc.
Texas Firm No. 10106900

(Exhibit "A")

EXHIBIT "A"
PARCEL No. 25-TCE



MATCHLINE PAGE 2



REVISED: AUGUST 26, 2022

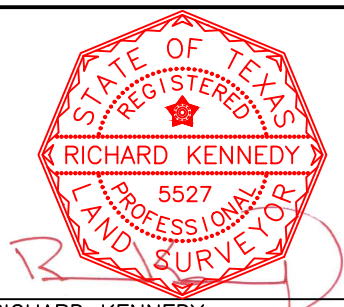


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

**CEDAR CREEK
 SECTION 2 REPLACEMENT**

PARCEL NO. 25-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDING L.P.		
SURVEY: A. REEVES SURVEY, ABS. NO. 939, J. MORGAN SURVEY, ABS. NO.1224		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 150,798 SQUARE FEET OR 3.461 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172 SQUARE FT. OR 206.363 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P25_TEMP_R01.DWG
JUNE 20, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5527 TEXAS FIRM No. 10106900

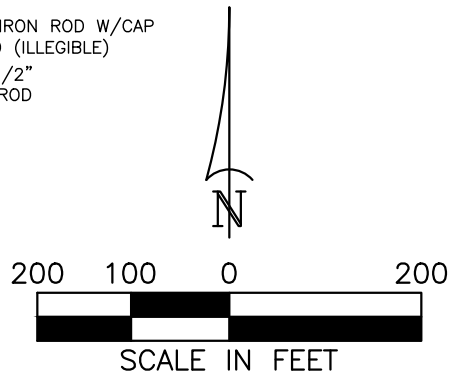
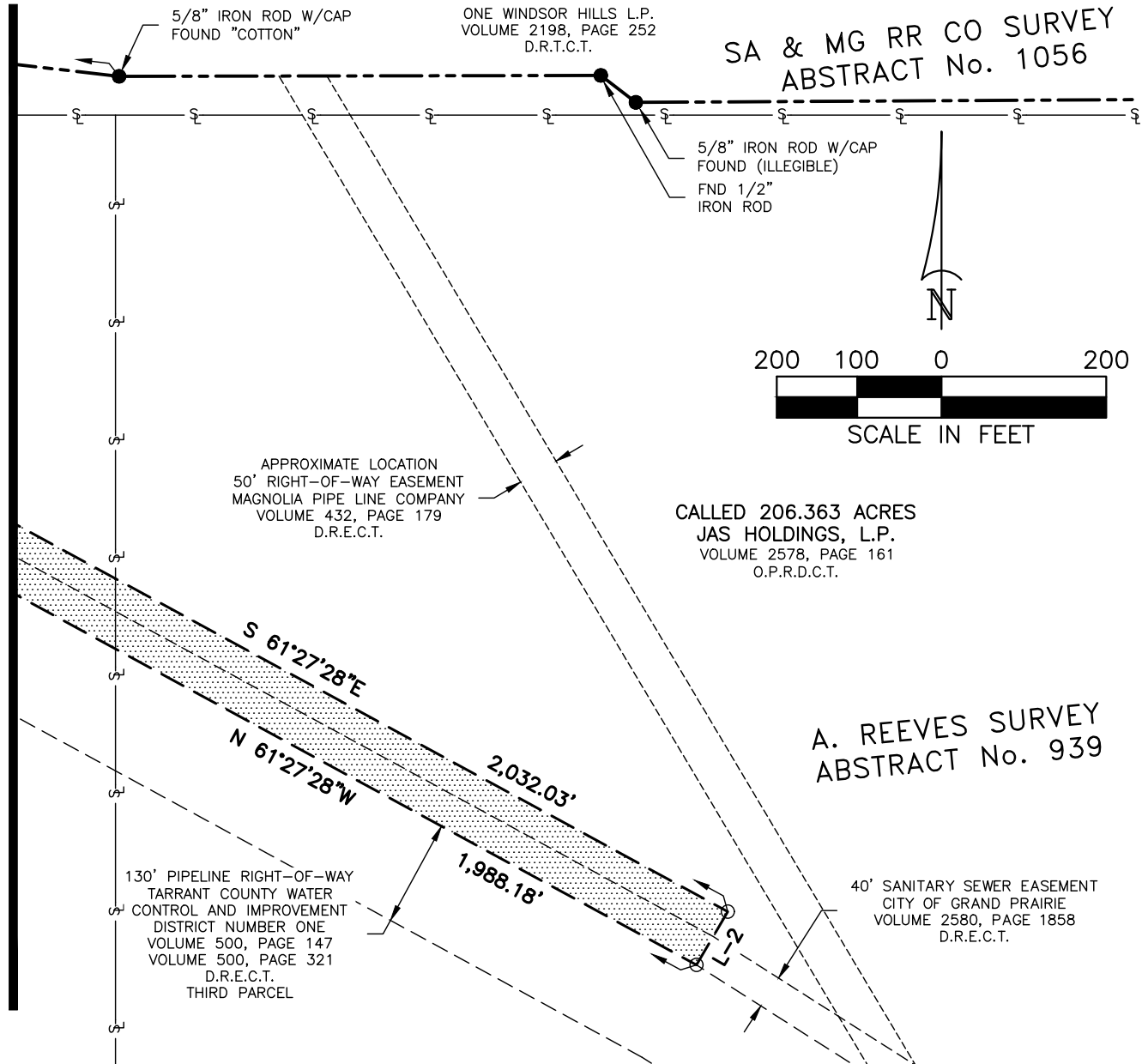
EXHIBIT "A"

PARCEL No. 25-TCE

ONE WINDSOR HILLS L.P.
VOLUME 2198, PAGE 252
D.R.E.C.T.

SA & MG RR CO SURVEY
ABSTRACT No. 1056

MATCHLINE PAGE 1



REVISED: AUGUST 26, 2022

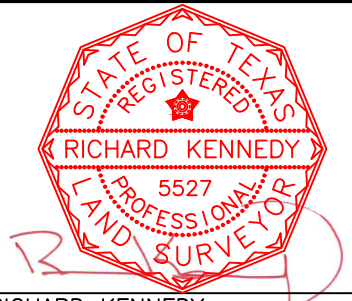


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 25-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDING L.P.		
SURVEY: A. REEVES SURVEY, ABS. NO. 939, J. MORGAN SURVEY, ABS. NO.1224		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 150,798 SQUARE FEET OR 3.461 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172 SQUARE FT. OR 206.363 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P25_TEMP_R01.DWG
JUNE 20, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

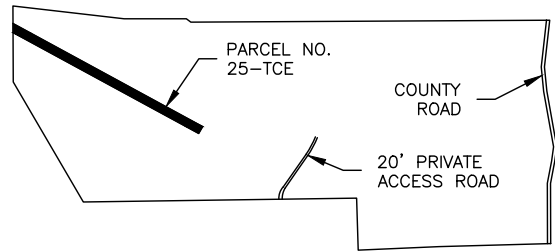
EXHIBIT "A"

PARCEL No. 25-TCE

LEGEND

- ⊗ SET MONUMENTATION (SIZE AND TYPE NOTED)
- FND MONUMENTATION (SIZE AND TYPE NOTED)
- CALCULATED POINT
- — — — — PROPERTY/RIGHT-OF-WAY LINE
- EXISTING EASEMENT LINE
- - - - - PROPOSED EASEMENT LINE
- § —— SURVEY/ABSTRACT LINE

LINE TABLE		
LINE	BEARING	DISTANCE
L-1	S 00°17'14"E	163.50'
L-2	S 30°30'13"W	75.04'
L-3	N 00°17'14"W	85.61'



SUBJECT TRACT &
LOCATION OF EASEMENT

NOTES:
 1. A LEGAL DESCRIPTION OF SAME DATE HERewith ACCOMPANIES THIS PLAT.
 2. ALL BEARINGS AND COORDINATES ARE REFERENCED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83(2011), NORTH CENTRAL ZONE (4202). ALL DISTANCES AND AREAS SHOWN ARE SURFACE UTILIZING A SURFACE ADJUSTMENT FACTOR OF 1.000072449.

REVISED: AUGUST 26, 2022



Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 25-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDING L.P.		
SURVEY: A. REEVES SURVEY, ABS. NO. 939, J. MORGAN SURVEY, ABS. NO.1224		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 150,798 SQUARE FEET OR 3.461 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172 SQUARE FT. OR 206.363 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P25_TEMP_R01.DWG
JUNE 20, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"
TARRANT REGIONAL WATER DISTRICT
CEDAR CREEK SECTION 2 REPLACEMENT
PARCEL NO. 26-TCE

TEMPORARY CONSTRUCTION EASEMENT
ALLEN REEVES SURVEY, ABSTRACT NO. 939
CITY OF MIDLOTHIAN
ELLIS COUNTY, TEXAS

Being a temporary construction easement situated in the Allen Reeves Survey, Abstract No. 939, City of Midlothian, Ellis County, Texas, and being a portion of a called 206.363 acre tract of land conveyed to JAS Holding L.P. as recorded in Volume 2578, Page 161 of the Deed Records of Ellis County, Texas, said temporary construction easement being more particularly described by metes and bounds as follows:

COMMENCING at a calculated point for the most southerly southwest corner of said called 206.363 acre tract of land and the northwest corner of a called 228.984 acre tract of land described as Tract Three conveyed to Boeckman Kellogg No. 1 L.C. as recorded in Volume 1424, Page 576 of said Deed Records of Ellis County, Texas, said calculated point being an angle point in the east line of a tract of land conveyed to Cann Real Estate LTD. as recorded in Volume 1659, Page 719 of said Deed Records of Ellis County, Texas, from which a 2-3/4" aluminum cap in concrete stamped "T.C.W." found for corner in the east line of said tract of land conveyed to Cann Real Estate LTD. and in the west line of said called 228.984 acre tract of land bears South 00 degrees 59 minutes 52 seconds East, a distance of 13.68 feet, and from which a 5/8" iron rod found for an angle point in the north line of said Tract Three and in the south line of said called 206.363 acre tract of land bears North 87 degrees 28 minutes 31 seconds East, a distance of 761.12 feet; **THENCE** North 01 degrees 46 minutes 05 seconds West, with a west line of said called 206.363 acre tract of land and with an east line of said tract of land conveyed to Cann Real Estate LTD., a distance of 489.41 feet to a calculated point for an interior ell corner in the south line of said called 206.363 acre tract of land and in the being the northeast corner of said tract of land conveyed to Cann Real Estate LTD.; **THENCE** South 89 degrees 11 minutes 31 seconds West, with the south line of said called 206.363 acre tract of land and with the north line of said tract of land conveyed to Cann Real Estate LTD., a distance of 382.46 feet to a calculated point for the **POINT OF BEGINNING**, said calculated point having grid coordinates of N=6,873,701.17 and E=2,421,354.77;

THENCE South 89 degrees 11 minutes 31 seconds West, with the south line of said called 206.363 acre tract of land and with the north line of said tract of land conveyed to Cann Real Estate LTD., a distance of 136.70 feet to a calculated point for the east corner of a 130' Pipeline Right-of-Way described as Third Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 500, Page 147 and Volume 500, Page 321 of said Deed Records of Ellis County, Texas, said calculated point being

(Exhibit "A")

the northeast corner of a 130' Pipeline Right-of-Way described as First Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 490, Page 399 of said Deed Records of Ellis County, Texas said calculated point being in the southwest line of a 40' Sanitary Sewer Easement described as Tract 1 granted to the City of Grand Prairie as recorded in Volume 2580, Page 1855 of said Deed Records of Ellis County, Texas;

THENCE North 57 degrees 32 minutes 06 seconds West, with the northeast line of said Third Parcel and with the southwest line of said Tract 1, a distance of 184.73 feet to a calculated point in the approximate southeast line of a 20' Private Access Road;

THENCE North 34 degrees 54 minutes 36 seconds East, with the approximate southeast line of said 20' Private Access Road, a distance of 75.07 feet to a calculated point for corner;

THENCE South 57 degrees 32 minutes 06 seconds East, a distance of 295.82 feet to the **POINT OF BEGINNING**, and containing 18,020 square feet or 0.414 acres of land, more or less.

(Exhibit "A")

Notes:


- (1) A plat of same date herewith accompanies this legal description.
- (2) All bearings and coordinates are referenced to the Texas State Plane Coordinate System, NAD-83(2011), North Central Zone (4202). All distances and areas shown are surface utilizing a surface adjustment factor of 1.000072449.

*** SURVEYOR'S CERTIFICATE ***

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FORM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUNDS AND THAT SAME IS TRUE AND CORRECT.

JUNE 20, 2022

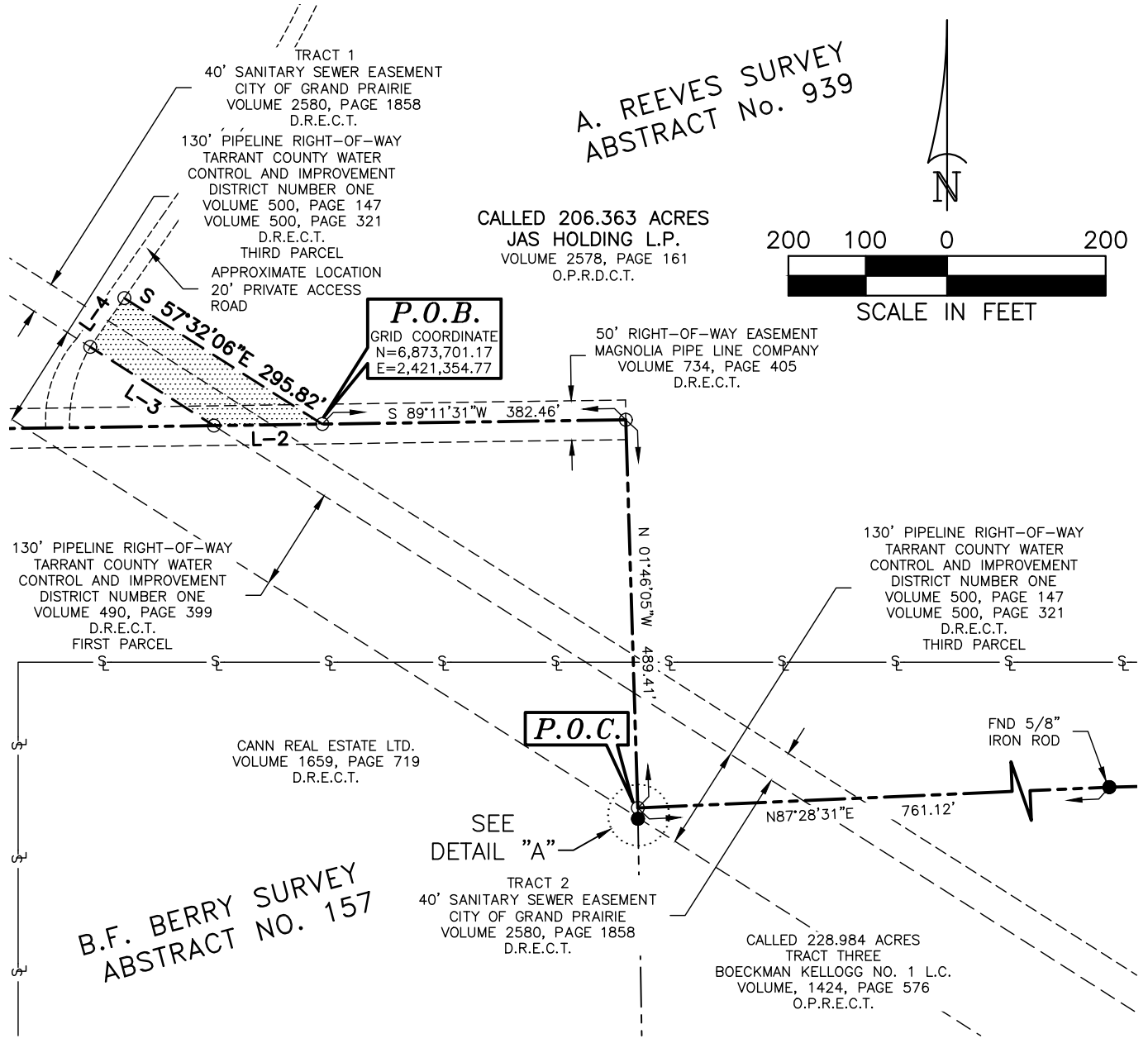



Richard Kennedy
Registered Professional Land Surveyor
Texas No. 5527
Gorrondona & Associates, Inc.
Texas Firm No. 10106900

(Exhibit "A")

EXHIBIT "A"

PARCEL No. 26-TCE



A. REEVES SURVEY
ABSTRACT No. 939



B.F. BERRY SURVEY
ABSTRACT NO. 157

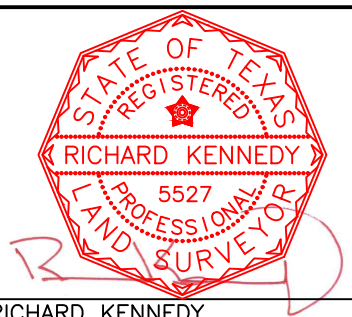


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 26-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDING L.P.		
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 18,020 SQUARE FEET OR 0.414 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172,280 SQUARE FT. OR 206,363 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P26_TEMP.DWG
JUNE 20, 2022	EXHIBIT A	SCALE: 1" = 200'



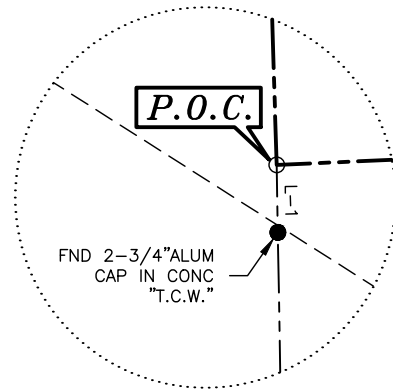
RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"

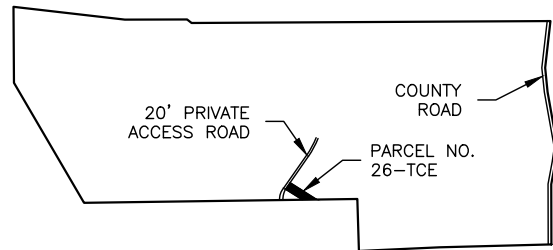
PARCEL No. 26-TCE

LEGEND

- ⊗ SET MONUMENTATION (SIZE AND TYPE NOTED)
- FND MONUMENTATION (SIZE AND TYPE NOTED)
- CALCULATED POINT
- PROPERTY/RIGHT-OF-WAY LINE
- EXISTING EASEMENT LINE
- PROPOSED EASEMENT LINE
- § — SURVEY/ABSTRACT LINE



LINE TABLE		
LINE	BEARING	DISTANCE
L-1	S 00°59'52"E	13.68'
L-2	S 89°11'31"W	136.70'
L-3	N 57°32'06"W	184.73'
L-4	N 34°54'36"E	75.07'



NOTES:

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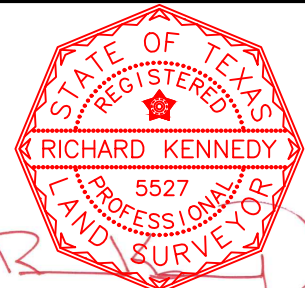


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 26-TCE		TEMPORARY CONSTRUCTION EASEMENT
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ACQUISITION AREA: 18,020 SQUARE FEET OR 0.414 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172,280 SQUARE FT. OR 206,363 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P26_TEMP.DWG
JUNE 20, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"
TARRANT REGIONAL WATER DISTRICT
CEDAR CREEK SECTION 2 REPLACEMENT
PARCEL NO. 27-TCE

TEMPORARY CONSTRUCTION EASEMENT
ALLEN REEVES SURVEY, ABSTRACT NO. 939
CITY OF MIDLOTHIAN
ELLIS COUNTY, TEXAS

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COMMENCING at a calculated point for the most southerly southwest corner of said called 206.363 acre tract of land and the northwest corner of a called 228.984 acre tract of land described as Tract Three conveyed to Boeckman Kellogg No. 1 L.C. as recorded in Volume 1424, Page 576 of said Deed Records of Ellis County, Texas, said calculated point being an angle point in the east line of a tract of land conveyed to Cann Real Estate LTD. as recorded in Volume 1659, Page 719 of said Deed Records of Ellis County, Texas, from which a 2-3/4" aluminum cap in concrete stamped "T.C.W." found for corner in the east line of said tract of land conveyed to Cann Real Estate LTD. and in the west line of said called 228.984 acre tract of land bears South 00 degrees 59 minutes 52 seconds East, a distance of 13.68 feet, and from which a 5/8" iron rod found for an angle point in the north line of said Tract Three and in the south line of said called 206.363 acre tract of land bears North 87 degrees 28 minutes 31 seconds East, a distance of 761.12 feet; THENCE North 01 degrees 46 minutes 05 seconds West, with a west line of said called 206.363 acre tract of land and with an east line of said tract of land conveyed to Cann Real Estate LTD., a distance of 489.41 feet to a calculated point for an interior ell corner in the south line of said called 206.363 acre tract of land and the northeast corner of said tract of land conveyed to Cann Real Estate LTD.; THENCE South 89 degrees 11 minutes 31 seconds West, with the south line of said called 206.363 acre tract of land and with the north line of said tract of land conveyed to Cann Real Estate LTD., a distance of 519.16 feet to a calculated point for the east corner of a 130' Pipeline Right-of-Way described as Third Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 500, Page 147 and Volume 500, Page 321 of said Deed Records of Ellis County, Texas, said calculated point being the northeast corner of a 130' Pipeline Right-of-Way described as First Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 490, Page 399 of said Deed Records of Ellis County, Texas, said calculated point also being in the southwest corner of a 40' Sanitary Sewer Easement described as Tract 1 granted to the City of Grand Prairie as recorded in Volume 2580, Page 1858 of said Deed Records of Ellis County, Texas; THENCE North 57 degrees 32 minutes 06 seconds West, with the northeast line of said Third Parcel,

(Exhibit "A")

and with the southwest line of said Tract 1, a distance of 204.75 feet to a calculated point for the **POINT OF BEGINNING**, said calculated point being in the approximate northwest line of a 20' Private Access Road, said calculated point having grid coordinates of N=6,873,809.13 and E=2,421,045.36;

THENCE North 57 degrees 32 minutes 06 seconds West, with the northeast line of said Third Parcel and with the southwest line of said Tract 1, a distance of 390.00 feet to a calculated point for corner;

THENCE North 71 degrees 37 minutes 07 seconds East, a distance of 96.72 feet to a calculated point for corner;

THENCE South 57 degrees 32 minutes 06 seconds East, a distance of 332.13 feet to a calculated point for corner in the approximate northwest line of said 20' Private Access Road;

THENCE South 34 degrees 54 minutes 36 seconds West, with the approximate northwest line of said 20' Private Access Road, a distance of 75.07 feet to the **POINT OF BEGINNING**, and containing 27,080 square feet or 0.622 acres of land, more or less.

(Exhibit "A")

EXHIBIT "A"

PARCEL No. 27-TCE

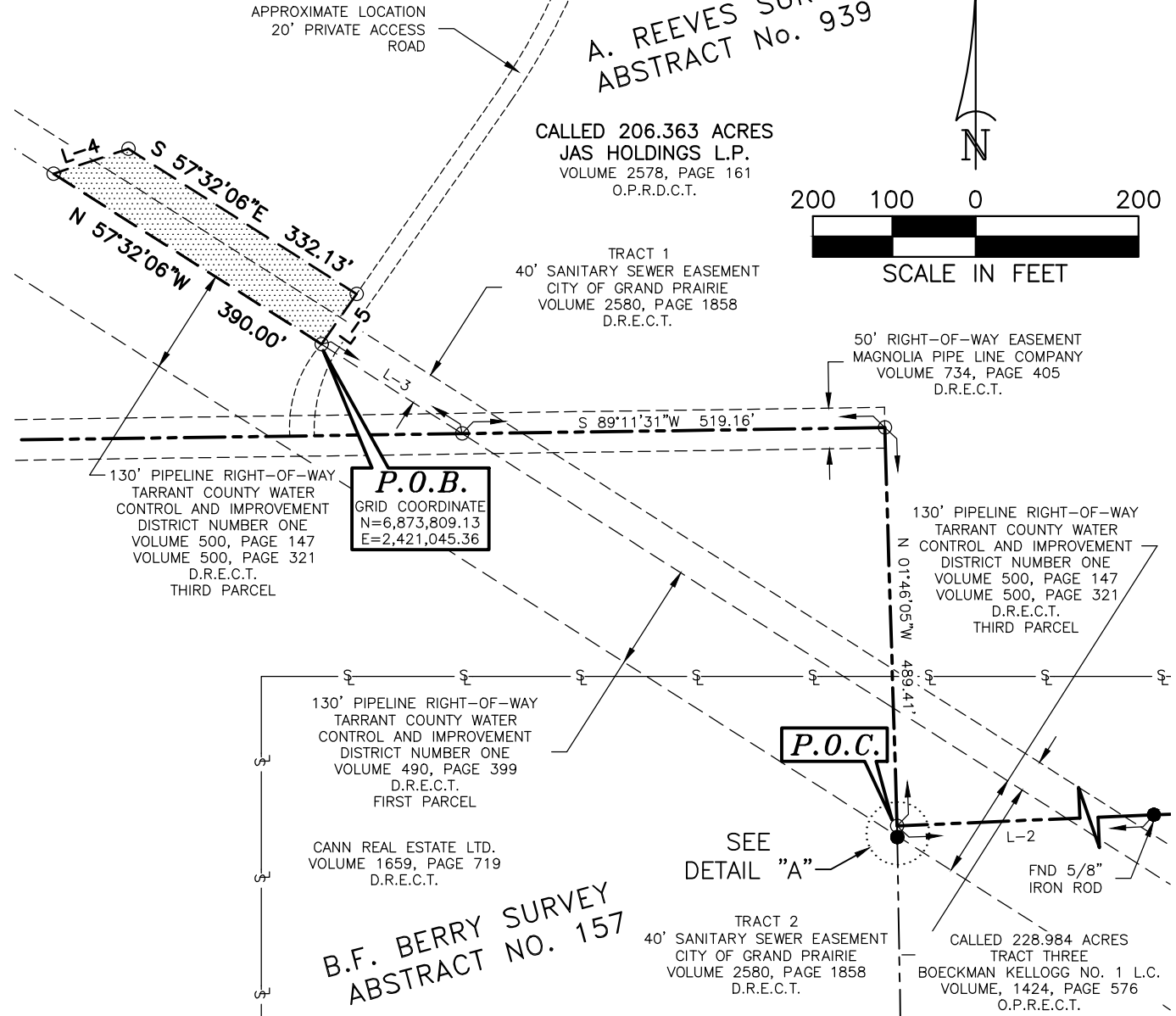
A. REEVES SURVEY
ABSTRACT No. 939

CALLED 206.363 ACRES
JAS HOLDINGS L.P.
VOLUME 2578, PAGE 161
O.P.R.D.C.T.

TRACT 1
40' SANITARY SEWER EASEMENT
CITY OF GRAND PRAIRIE
VOLUME 2580, PAGE 1858
D.R.E.C.T.



50' RIGHT-OF-WAY EASEMENT
MAGNOLIA PIPE LINE COMPANY
VOLUME 734, PAGE 405
D.R.E.C.T.



130' PIPELINE RIGHT-OF-WAY
TARRANT COUNTY WATER
CONTROL AND IMPROVEMENT
DISTRICT NUMBER ONE
VOLUME 500, PAGE 147
VOLUME 500, PAGE 321
D.R.E.C.T.
THIRD PARCEL

P.O.B.
GRID COORDINATE
N=6,873,809.13
E=2,421,045.36

130' PIPELINE RIGHT-OF-WAY
TARRANT COUNTY WATER
CONTROL AND IMPROVEMENT
DISTRICT NUMBER ONE
VOLUME 500, PAGE 147
VOLUME 500, PAGE 321
D.R.E.C.T.
THIRD PARCEL

130' PIPELINE RIGHT-OF-WAY
TARRANT COUNTY WATER
CONTROL AND IMPROVEMENT
DISTRICT NUMBER ONE
VOLUME 490, PAGE 399
D.R.E.C.T.
FIRST PARCEL

CANN REAL ESTATE LTD.
VOLUME 1659, PAGE 719
D.R.E.C.T.

P.O.C.

SEE
DETAIL "A"

B.F. BERRY SURVEY
ABSTRACT NO. 157

TRACT 2
40' SANITARY SEWER EASEMENT
CITY OF GRAND PRAIRIE
VOLUME 2580, PAGE 1858
D.R.E.C.T.

CALLED 228.984 ACRES
TRACT THREE
BOECKMAN KELLOGG NO. 1 L.C.
VOLUME 1424, PAGE 576
O.P.R.E.C.T.

REVISED: JUNE 13, 2024

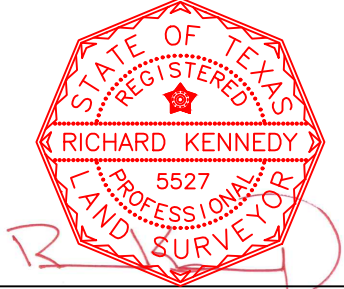


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 27-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDINGS L.P.		
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 27,080 SQUARE FEET OR 0.622 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172,280 SQUARE FT. OR 206,363 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P27_TCE_R01.DWG
SEPTEMBER 16, 2022	EXHIBIT A	SCALE: 1" = 200'



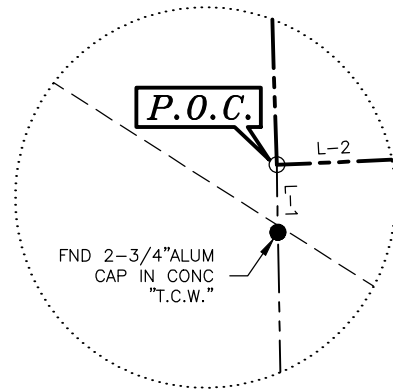
RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"

PARCEL No. 27-TCE

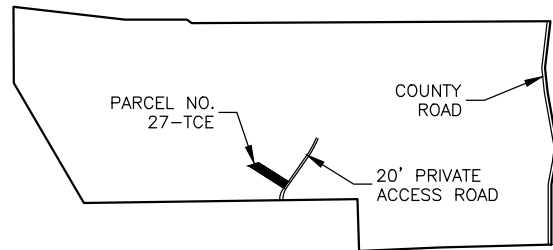
LEGEND

- ⊗ SET MONUMENTATION (SIZE AND TYPE NOTED)
- FND MONUMENTATION (SIZE AND TYPE NOTED)
- CALCULATED POINT
- PROPERTY/RIGHT-OF-WAY LINE
- EXISTING EASEMENT LINE
- PROPOSED EASEMENT LINE
- § — SURVEY/ABSTRACT LINE



DETAIL "A"
NOT TO SCALE

LINE TABLE		
LINE	BEARING	DISTANCE
L-1	S 00°59'52"E	13.68'
L-2	S 87°28'31"W	761.12'
L-3	N 57°32'06"W	204.75'
L-4	N 71°37'07"E	96.72'
L-5	S 34°54'36"W	75.07'



SUBJECT TRACT &
LOCATION OF EASEMENT

NOTES:

1. A LEGAL DESCRIPTION OF SAME DATE HEREWITH ACCOMPANIES THIS PLAT.
2. ALL BEARINGS AND COORDINATES ARE REFERENCED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83(2011), NORTH CENTRAL ZONE (4202). ALL DISTANCES AND AREAS SHOWN ARE SURFACE UTILIZING A SURFACE ADJUSTMENT FACTOR OF 1.000072449.

REVISED: JUNE 13, 2024

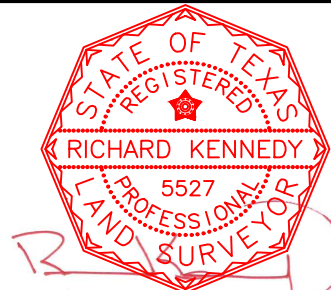


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 27-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDINGS L.P.		
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 27,080 SQUARE FEET OR 0.622 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172,280 SQUARE FT. OR 206,363 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P27_TCE_R01.DWG
SEPTEMBER 16, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

Notes:


- (1) A plat of same date herewith accompanies this legal description.
- (2) All bearings and coordinates are referenced to the Texas State Plane Coordinate System, NAD-83(2011), North Central Zone (4202). All distances and areas shown are surface utilizing a surface adjustment factor of 1.000072449.

*** SURVEYOR'S CERTIFICATE ***

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FORM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUNDS AND THAT SAME IS TRUE AND CORRECT.

September 16, 2022
Revised: June 13, 2022




Richard Kennedy
Registered Professional Land Surveyor
Texas No. 5527
Gorrondona & Associates, Inc.
Texas Firm No. 10106900

(Exhibit "A")

EXHIBIT "A"
TARRANT REGIONAL WATER DISTRICT
CEDAR CREEK SECTION 2 REPLACEMENT
PARCEL NO. 28-TCE

TEMPORARY CONSTRUCTION EASEMENT
ALLEN REEVES SURVEY, ABSTRACT NO. 939
BEN F. BERRY SURVEY, ABSTRACT NO. 157
CITY OF MIDLOTHIAN
ELLIS COUNTY, TEXAS

Being a temporary construction easement situated in the Allen Reeves Survey, Abstract No. 939 and the Ben F. Berry Survey, Abstract No. 157, City of Midlothian, Ellis County, Texas, and being a portion of a called 206.363 acre tract of land conveyed to JAS Holding LP as recorded in Volume 2578, Page 161 of the Deed Records of Ellis County, Texas, said temporary construction easement being more particularly described by metes and bounds as follows:

COMMENCING at a calculated point for the most southerly southwest corner of said called 206.363 acre tract of land and being the northwest corner of a called 228.984 acre tract of land described as Tract Three conveyed to Boeckman Kellogg No. 1 L.C. as recorded in, said calculated point being an angle point in the east line of a tract of land conveyed to Cann Real Estate LTD. as recorded in Volume 1659, Page 719 of said Deed Records of Ellis County, Texas, from which a 2-3/4" aluminum cap in concrete stamped "T.C.W." bears South 00 degrees 59 minutes 52 seconds East, a distance of 13.68 feet; **THENCE** North 01 degrees 46 minutes 05 seconds West, with a west line of said called 206.363 acre tract of land and with an east line of said tract of land conveyed to Cann Real Estate LTD., a distance of 144.90' to a calculated point for the **POINT OF BEGINNING**, said calculated point being the most southerly west corner of a 130' Pipeline Right-of-Way described as Third Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 500, Page 147 and Volume 500, Page 321 of said Deed Records of Ellis County, Texas, said calculated point also being in the southwest line of a 40' Sanitary Sewer Easement granted to the City of Grand Prairie as recorded in Volume 2580, Page 1855 of said Deed Records of Ellis County, Texas, said calculated point having grid coordinates of N=6,873,362.24 and E=2,421,747.79;

THENCE North 01 degrees 46 minutes 05 seconds West, with an east line of said tract of land conveyed to Cann Real Estate LTD. and with a west line of said 206.363 acre tract of land, a distance of 90.72 feet to a calculated point for corner;

THENCE South 57 degrees 32 minutes 06 seconds East, a distance of 410.85 feet to a calculated point in the north line of said Tract Three and in the south line of said 206.363 acre tract of land, from which a 5/8" iron rod found for an angle point in the north line of said Tract Three and the south line of said 206.363

(Exhibit "A")

acre tract of land bears North 87 degrees 28 minutes 31 seconds East, a distance of 761.12 feet;

THENCE South 87 degrees 28 minutes 31 seconds West, with the north line of said Tract Three and the south line of said 206.363 acre tract of land, a distance of 130.79 feet to a calculated point for in the northeast line corner of said Third Parcel;

THENCE North 57 degrees 32 minutes 06 seconds West, with the northeast line of said Third Parcel, a distance of 252.66 feet to the **POINT OF BEGINNING**, and containing 24,882 square feet or 0.571 acres of land, more or less.

Notes:

- (1) A plat of same date herewith accompanies this legal description.
- (2) All bearings and coordinates are referenced to the Texas State Plane Coordinate System, NAD-83(2011), North Central Zone (4202). All distances and areas shown are surface utilizing a surface adjustment factor of 1.000072449.

* SURVEYOR'S CERTIFICATE *

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FORM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUNDS AND THAT SAME IS TRUE AND CORRECT.

JUNE 17, 2022

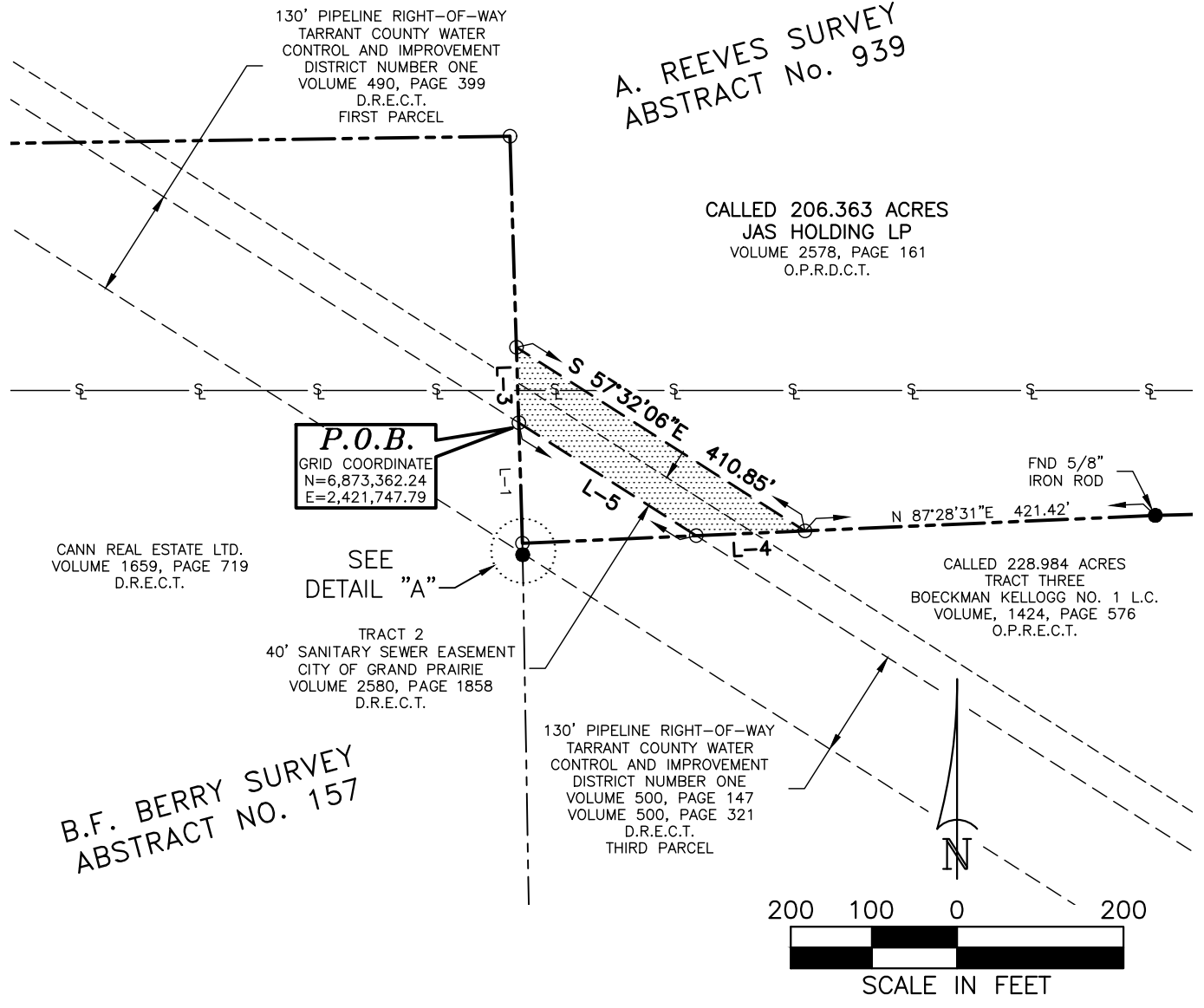


Richard Kennedy
Registered Professional Land Surveyor
Texas No. 5527
Gorrondona & Associates, Inc.
Texas Firm No. 10106900

(Exhibit "A")

EXHIBIT "A"
PARCEL No. 28-TCE

A. REEVES SURVEY
ABSTRACT No. 939



CALLED 206.363 ACRES
 JAS HOLDING LP
 VOLUME 2578, PAGE 161
 O.P.R.D.C.T.

P.O.B.
 GRID COORDINATE
 N=6,873,362.24
 E=2,421,747.79

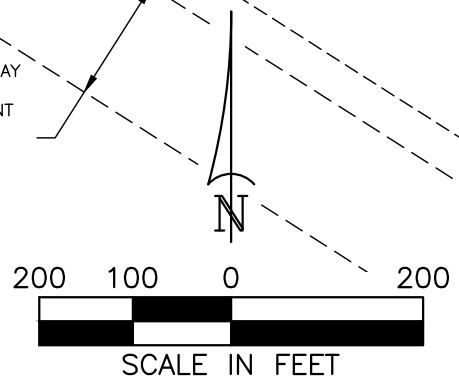
CANN REAL ESTATE LTD.
 VOLUME 1659, PAGE 719
 D.R.E.C.T.

TRACT 2
 40' SANITARY SEWER EASEMENT
 CITY OF GRAND PRAIRIE
 VOLUME 2580, PAGE 1858
 D.R.E.C.T.

CALLLED 228.984 ACRES
 TRACT THREE
 BOECKMAN KELLOGG NO. 1 L.C.
 VOLUME, 1424, PAGE 576
 O.P.R.E.C.T.

B.F. BERRY SURVEY
ABSTRACT NO. 157

130' PIPELINE RIGHT-OF-WAY
 TARRANT COUNTY WATER
 CONTROL AND IMPROVEMENT
 DISTRICT NUMBER ONE
 VOLUME 500, PAGE 147
 VOLUME 500, PAGE 321
 D.R.E.C.T.
 THIRD PARCEL

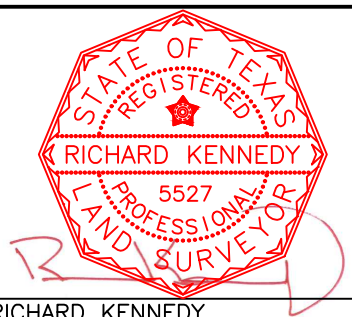


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK
SECTION 2 REPLACEMENT

PARCEL NO. 28-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDING LP		
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 24,882 SQUARE FEET OR 0.571 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172,280 SQUARE FEET OR 206,363 ACRES		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: UNSAVED DRAWING2.DWG
JUNE 17, 2022	EXHIBIT A	SCALE: 1" = 200'



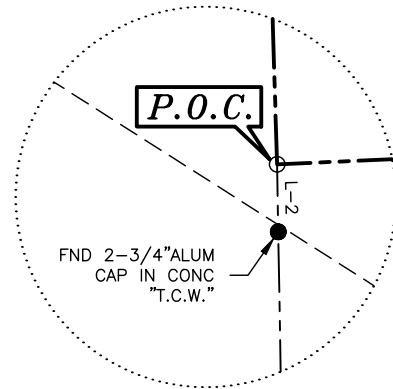
RICHARD KENNEDY
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"

PARCEL No. 28-TCE

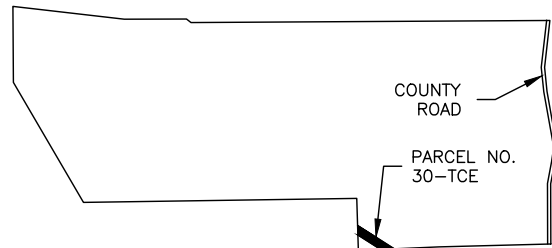
LEGEND

- ⊗ SET MONUMENTATION (SIZE AND TYPE NOTED)
- FND MONUMENTATION (SIZE AND TYPE NOTED)
- CALCULATED POINT
- PROPERTY/RIGHT-OF-WAY LINE
- EXISTING EASEMENT LINE
- PROPOSED EASEMENT LINE
- ξ— SURVEY/ABSTRACT LINE



DETAIL "A"
NOT TO SCALE

LINE TABLE		
LINE	BEARING	DISTANCE
L-1	N 01°46'05"W	144.90'
L-2	S 00°59'52"E	13.68'
L-3	N 01°46'05"W	90.72'
L-4	S 87°28'31"W	130.79'
L-5	N 57°32'06"W	252.66'



SUBJECT TRACT &
LOCATION OF EASEMENT

NOTES:

1. A LEGAL DESCRIPTION OF SAME DATE HERewith ACCOMPANIES THIS PLAT.
2. ALL BEARINGS AND COORDINATES ARE REFERENCED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83(2011), NORTH CENTRAL ZONE (4202). ALL DISTANCES AND AREAS SHOWN ARE SURFACE UTILIZING A SURFACE ADJUSTMENT FACTOR OF 1.000072449.

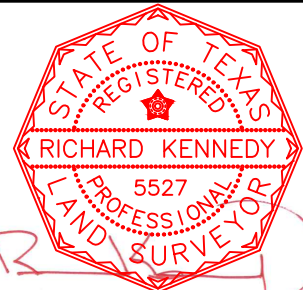


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 29-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: JAS HOLDING LP		
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 24,882 SQUARE FEET OR 0.571 ACRES		
WHOLE PROPERTY ACREAGE: 8,989,172,280 SQUARE FEET OR 206,363 ACRES		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: UNSAVED DRAWING2.DWG
JUNE 17, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"
TARRANT REGIONAL WATER DISTRICT
CEDAR CREEK SECTION 2 REPLACEMENT
PARCEL NO. 29-TCE

TEMPORARY CONSTRUCTION EASEMENT
ALLEN REEVES SURVEY, ABSTRACT NO. 939
CITY OF MIDLOTHIAN
ELLIS COUNTY, TEXAS

Being a temporary construction easement situated in the Allen Reeves Survey, Abstract No. 939, City of Midlothian, Ellis County, Texas, and being a portion of a tract of land described as Tract Three conveyed to Boeckman Kellogg No. 1 L.C. as recorded in Volume 1424, Page 576 of the Deed Records of Ellis County, Texas, said temporary construction easement being more particularly described by metes and bounds as follows:

COMMENCING at a calculated point for the northwest corner of said Tract Three, said calculated point being the most southerly southwest corner of a called 206.363 acre tract of land conveyed to JAS Holding LP as recorded in Volume 2578, Page 161 of said Deed Records of Ellis County, Texas, said calculated point being an angle point in the east line of a tract of land conveyed to Cann Real Estate LTD. as recorded in Volume 1659, Page 719 of said Deed Records of Ellis County, Texas, from which a 1/2" iron rod with cap stamped "Grant Eng." found for an interior ell corner in the west line of said Tract Three and in the east line of said tract of land conveyed to Cann Real Estate LTD. bears South 00 degrees 59 minutes 52 seconds East, a distance of 2,151.54 feet; **THENCE** North 87 degrees 28 minutes 31 seconds East, with the north line of said Tract Three and the south line of said called 206.363 acre tract of land, a distance of 208.91 feet to a calculated point for the **POINT OF BEGINNING**, said calculated point being the northeast corner of a 130' Pipeline Right-of-Way described as Third Parcel granted to Tarrant County Water Control and Improvement District Number One as recorded in Volume 500, Page 147 and Volume 500, Page 321 of said Deed Records of Ellis County, Texas, said calculated point being in the southwest line of a 40' Sanitary Sewer Easement granted to the City of Grand Prairie as recorded in Volume 2458, Page 410 of said Deed Records of Ellis County, Texas, said calculated point having grid coordinates of N=6,873,226.62 and E=2,421,960.95;

THENCE North 87 degrees 28 minutes 31 seconds East, with the north line of said Tract Three and with the south line of said called 206.363 acre tract of land, a distance of 130.79 feet to a calculated point for corner, from which a 5/8" iron rod found for angle point in the north line of said Tract Three and the south line of said called 206.363 acre tract of land bears North 87 degrees 28 minutes 31 seconds East, a distance of 421.42 feet;

(Exhibit "A")

THENCE South 57 degrees 32 minutes 06 seconds East, a distance of 1,747.96 feet to a calculated point for corner in the approximate west line of a County Road (60.0' Undedicated Right-of-Way);

THENCE South 00 degrees 30 minutes 58 seconds East, with the approximate west line of said County Road, a distance of 89.41 feet to a calculated point for corner in the northeast line of said Third Parcel and in the southwest line of said 40' Sanitary Sewer Easement;

THENCE North 57 degrees 32 minutes 06 seconds West, with the northeast line of said Third Parcel and with the southwest line of said 40' Sanitary Sewer Easement, a distance of 1,903.78 feet to the **POINT OF BEGINNING**, and containing 136,940 square feet or 3.144 acres of land, more or less.

Notes:

- (1) A plat of same date herewith accompanies this legal description.
- (2) All bearings and coordinates are referenced to the Texas State Plane Coordinate System, NAD-83(2011), North Central Zone (4202). All distances and areas shown are surface utilizing a surface adjustment factor of 1.000072449.

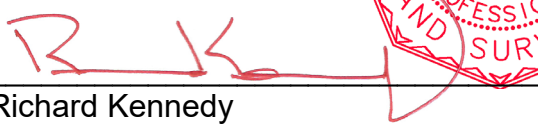
* SURVEYOR'S CERTIFICATE *

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FORM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUNDS AND THAT SAME IS TRUE AND CORRECT.

June 17, 2022

Revised: August 26, 2022




Richard Kennedy
Registered Professional Land Surveyor
Texas No. 5527
Gorrondona & Associates, Inc.
Texas Firm No. 10106900

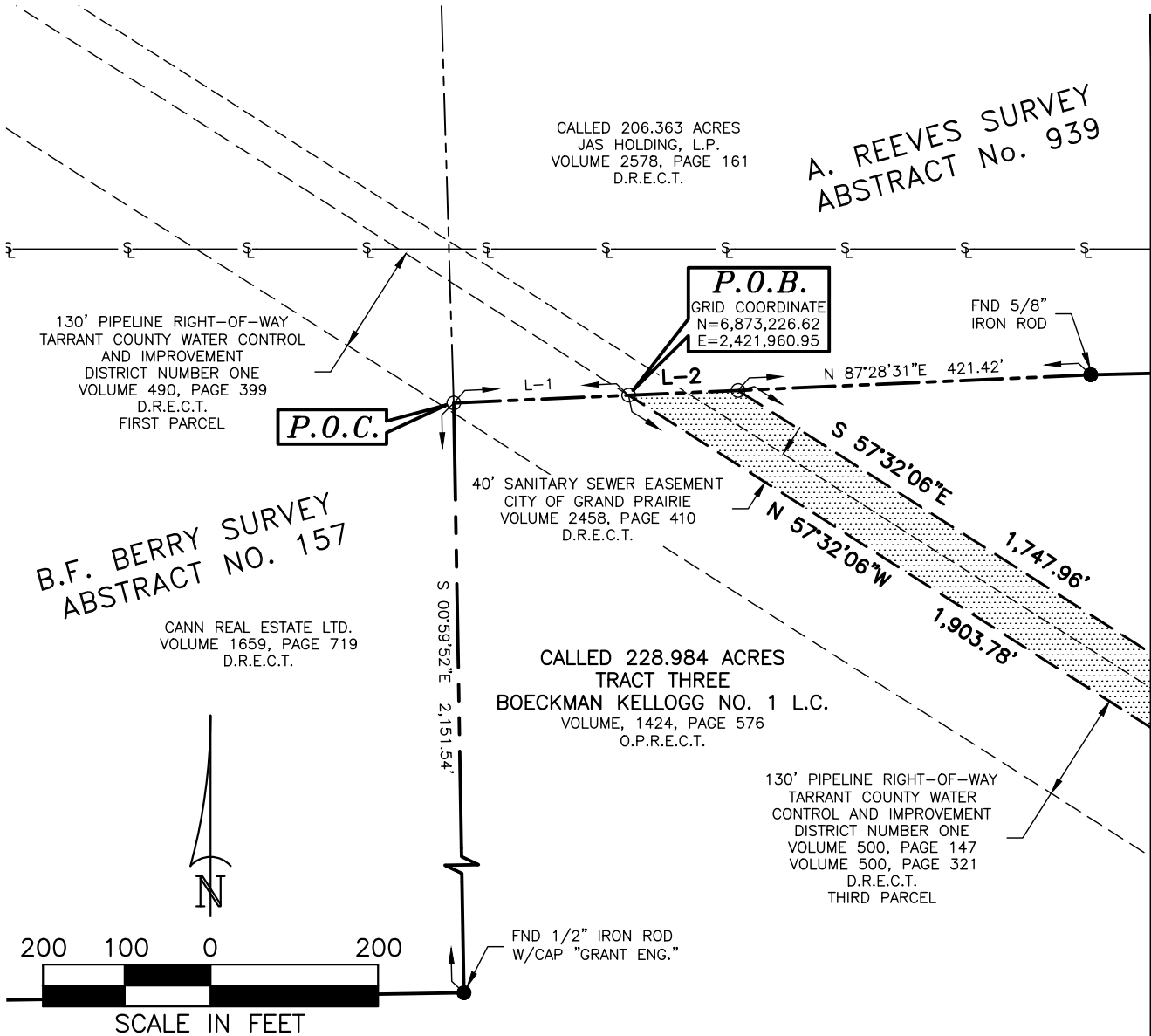
(Exhibit "A")

EXHIBIT "A"

PARCEL No. 29-TCE

CALLED 206.363 ACRES
JAS HOLDING, L.P.
VOLUME 2578, PAGE 161
D.R.E.C.T.

A. REEVES SURVEY
ABSTRACT No. 939



MATCHLINE PAGE 2

REVISED: AUGUST 26, 2022



Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

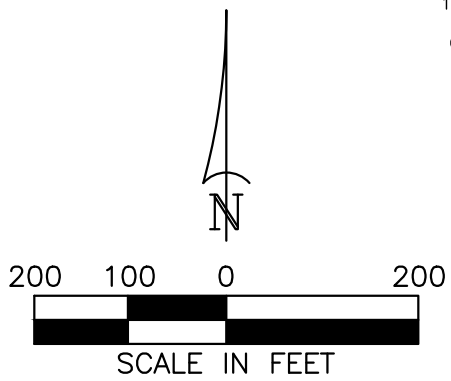
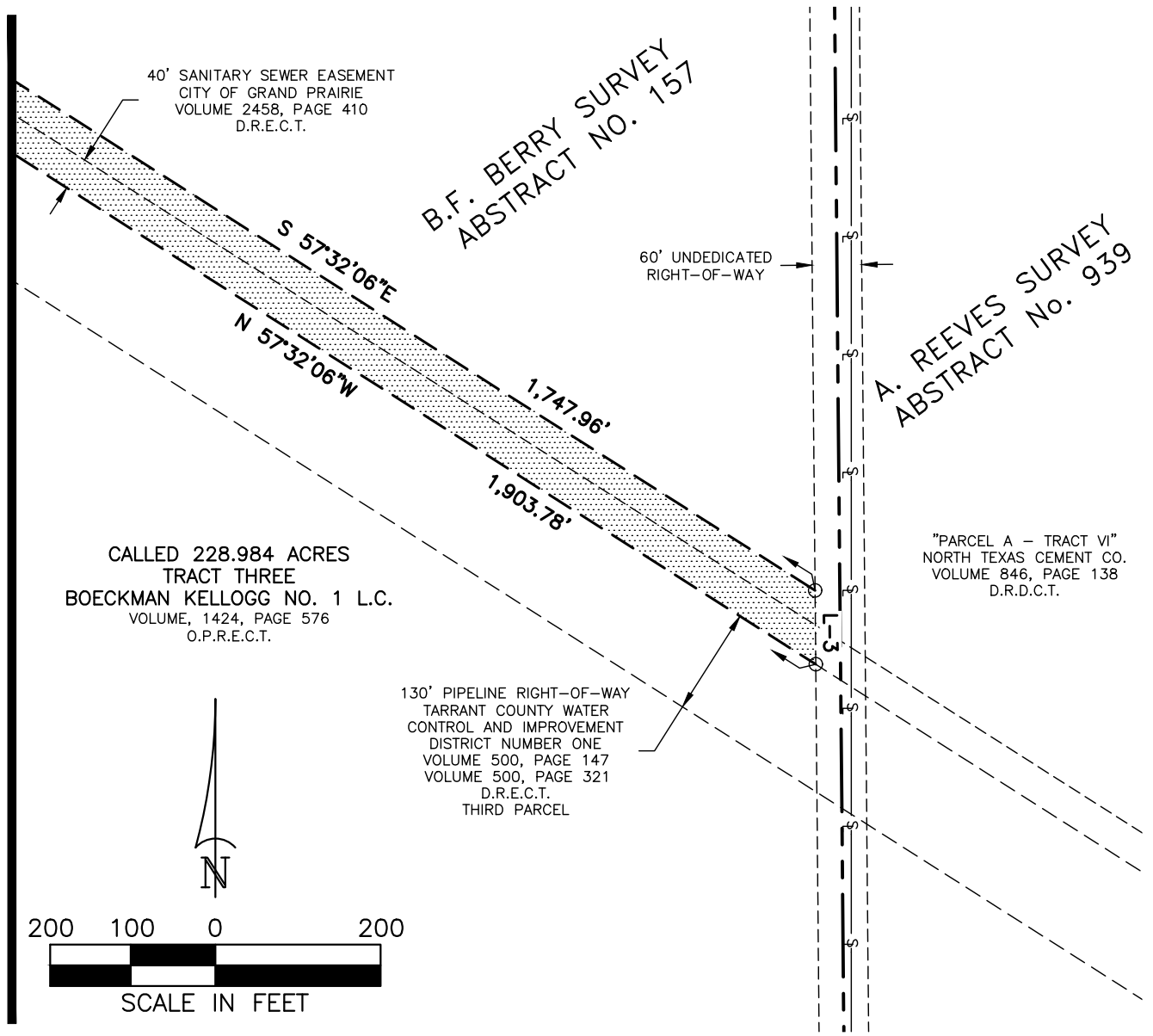
PARCEL NO. 29-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: BOECKMAN KELLOGG NO. 1 L.C.		
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 136,940 SQUARE FEET OR 3.144 ACRES		
WHOLE PROPERTY ACREAGE: 9,974,543 SQUARE FEET OR 228.984 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P29_TEMP_R01.DWG
DATE: JUNE 17, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5527 TEXAS FIRM No. 10106900

EXHIBIT "A"
PARCEL No. 29-TCE

MATCHLINE PAGE 1



REVISED: AUGUST 26, 2022

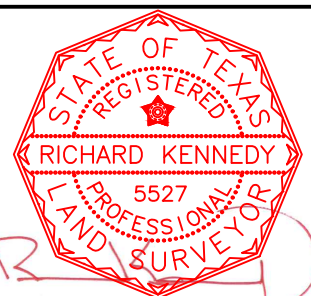


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

**CEDAR CREEK
 SECTION 2 REPLACEMENT**

PARCEL NO. 29-TCE	TEMPORARY CONSTRUCTION EASEMENT
OWNER: BOECKMAN KELLOGG NO. 1 L.C.	
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939	
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS	
ACQUISITION AREA: 136,940 SQUARE FEET OR 3.144 ACRES	
WHOLE PROPERTY ACREAGE: 9,974,543 SQUARE FEET OR 228.984 ACRES (BY DEED)	



G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P29_TEMP_R01.DWG
DATE: JUNE 17, 2022	EXHIBIT A	SCALE: 1" = 200'

RICHARD KENNEDY
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5527 TEXAS FIRM No. 10106900

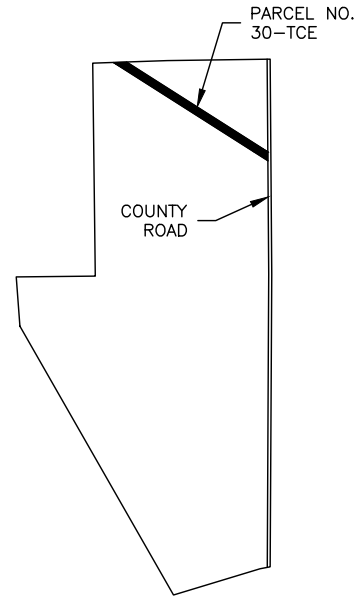
EXHIBIT "A"

PARCEL No. 29-TCE

LEGEND

- ⊗ SET MONUMENTATION (SIZE AND TYPE NOTED)
- FND MONUMENTATION (SIZE AND TYPE NOTED)
- CALCULATED POINT
- — — — — PROPERTY/RIGHT-OF-WAY LINE
- EXISTING EASEMENT LINE
- - - - - PROPOSED EASEMENT LINE
- § — SURVEY/ABSTRACT LINE

LINE TABLE		
LINE	BEARING	DISTANCE
L-1	N 87°28'31"E	208.91'
L-2	N 87°28'31"E	130.79'
L-3	S 00°30'58"E	89.41'



NOTES:
 1. A LEGAL DESCRIPTION OF SAME DATE HERewith ACCOMPANIES THIS PLAT.
 2. ALL BEARINGS AND COORDINATES ARE REFERENCED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD-83(2011), NORTH CENTRAL ZONE (4202). ALL DISTANCES AND AREAS SHOWN ARE SURFACE UTILIZING A SURFACE ADJUSTMENT FACTOR OF 1.000072449.

SUBJECT TRACT &
LOCATION OF EASEMENT

REVISED: AUGUST 26, 2022

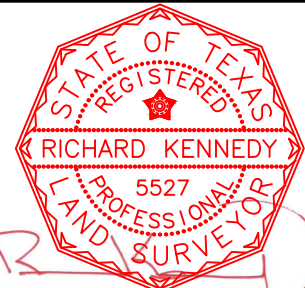


Tarrant Regional Water District

800 E. NORTHSIDE DRIVE • FORT WORTH, TEXAS 76102

CEDAR CREEK SECTION 2 REPLACEMENT

PARCEL NO. 29-TCE		TEMPORARY CONSTRUCTION EASEMENT
OWNER: BOECKMAN KELLOGG NO. 1 L.C.		
SURVEY: A. REEVES SURVEY, ABSTRACT NO. 939		
LOCATION: CITY OF MIDLOTHIAN, ELLIS COUNTY, TEXAS		
ACQUISITION AREA: 136,940 SQUARE FEET OR 3.144 ACRES		
WHOLE PROPERTY ACREAGE: 9,974,543 SQUARE FEET OR 228.984 ACRES (BY DEED)		
G&AI JOB NO. B&V_1901.00	DRAWN BY: BM	CAD FILE: P29_TEMP_R01.DWG
DATE: JUNE 17, 2022	EXHIBIT A	SCALE: 1" = 200'



RICHARD KENNEDY
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5527 TEXAS FIRM No. 10106900

Funding for this item is included in the Bond Fund. Director Team seconded the motion, and the votes were 4 in favor, 0 against.

15.

There were no future agenda items approved.

16.

The next board meeting was scheduled for October 15, 2024, at 9:00 a.m.

17.

There being no further business before the Board of Directors, the meeting was adjourned.

Vice President

Secretary

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 6

DATE: October 15, 2024

SUBJECT: Executive Session

FUNDING: N/A

RECOMMENDATION:

Section 551.071 of the Texas Government Code, for Private Consultation with its Attorney about Pending or Contemplated Litigation or 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 this Chapter; and

Section 551.072 of the Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property on Panther Island; and

Section 551.074 of the Texas Government Code, Regarding Personnel Matters Related to the Annual General Manager Performance Review

DISCUSSION:

- Pending litigation
- Real property issues
- Personnel matters

Submitted By:

Stephen Tatum
General Counsel

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 7

DATE: October 15, 2024

SUBJECT: Consider Approval of Memorandum of Understanding Agreement with North Texas Municipal Water District for Water Conservation Strategic Services

FUNDING: Fiscal Year 2025 Revenue Fund Budget - \$150,000

RECOMMENDATION:

Management recommends approval of a Memorandum of Understanding Agreement between TRWD and the North Texas Municipal Water District for shared water conservation strategic services.

DISCUSSION:

District staff started working closely with the North Texas Municipal Water District (NTMWD) water conservation team in 2019 as shared participants in the regional water conservation public awareness campaign. Through this collaboration, it was determined that both entities would benefit from expanding the cooperation to jointly fund new water conservation strategies, programs and practices for the region. The proposed memorandum of understanding (MOU) agreement includes description of defining a scope of work for consultant services, creating a representative working group, equal costs for shared services, and the ability to enter into additional contracts for related services and programs.

The MOU has a five (5) year term limit for **a total not-to-exceed cost of \$400,000** for TRWD. The District and NTMWD will each provide a contribution of up to \$150,000 in fiscal year 2025. As appropriated, the MOU also provides for additional funding up to \$100,000 each in fiscal year 2026 and up to \$50,000 each in fiscal years 2027 through 2029.

This item was reviewed by the Construction and Operations Committee on October 10, 2024.

Submitted By:

Linda Christie
Government Affairs Director

**MEMORANDUM OF UNDERSTANDING BETWEEN
NORTH TEXAS MUNICIPAL WATER DISTRICT AND
TARRANT REGIONAL WATER DISTRICT FOR
WATER CONSERVATION STRATEGIC SERVICES**

This Memorandum of Understanding (MOU) to collaborate on Water Conservation Strategic Services is entered into this ___ day of _____, 2024, (“Effective Date”) by and between the **NORTH TEXAS MUNICIPAL WATER DISTRICT**, a conservation and reclamation district and political subdivision of the State of Texas, created and functioning under Article 16, Section 59, of the Texas Constitution (hereafter referred to as “NTMWD”) and **TARRANT REGIONAL WATER DISTRICT**, a Water Control and Improvement District, a conservation and reclamation district and political subdivision of the State of Texas, created and functioning under Article 16, Section 59, of the Texas Constitution (hereafter referred to as “TRWD”). NTMWD and TRWD may hereinafter be referred to individually as a “Party” and jointly as the “Parties.”

WITNESSETH:

WHEREAS, water conservation is a critical component of managing regional water supplies; and

WHEREAS, NTMWD and TRWD wish to jointly establish, manage and fund regional water conservation strategies, programs and practices which could be implemented by both parties; and

WHEREAS, the purpose of this agreement is to establish a cooperative agreement between NTMWD and TRWD for the development and funding of a new vision for regional water conservation strategies, programs, and practices through a third-party consultant that will outline a plan to measurably reduce water use demands and water waste in the region; and

WHEREAS, each party to this agreement will pay for the performance of governmental functions or services being provided hereunder from current revenues legally available to that party; and

WHEREAS, each governing body finds that the subject of this agreement is necessary for the benefit of the public and each has the legal authority to perform and provide the governmental function or service which is the subject of this agreement: and

WHEREAS, each governing body finds that the performance of this agreement is in the common interest of all parties and that the division of costs fairly compensates the performing party for the services or functions under this agreement.

NOW THEREFORE, for and in consideration of the mutual benefits and obligations set forth herein in this MOU, the receipt and sufficiency of which is hereby expressly acknowledged, the Parties agree as follows:

AGREEMENT

Scope

A separate Scope of Work will be agreed upon by NTMWD and TRWD outlining the fiscal year consultant services to be provided. This agreement sets forth the roles, responsibilities, and conditions for funding and developing a Water Conservation Strategic Services agreement to take advantage of economies of scale with regards to funding and consistency of water conservation policies, practices, and programs.

Term and Termination

- A. The term of this MOU shall be five (5) years from the effective date of this MOU, commencing on _____ and terminating on September 30, 2029. Notwithstanding any of the foregoing, this MOU may be terminated for convenience by either Party in its sole discretion upon sixty (60) days written notice to the other Party. The Parties shall make payment of any outstanding amounts due up to the date of termination, including budgeted amounts for the Water Conservation Strategic Services previously approved.
- B. If a Party terminates its participation, it agrees to make reasonable efforts to coordinate with the other Party for the purpose of completely withdrawing from the MOU at the end of the fiscal year.

Strategic Working Group

- A. The Parties agree to establish a Water Conservation Strategic Working Group comprised of representatives from both NTMWD and TRWD to guide the consulting engagement, strategies, programs, and practices. Each Party will be represented by a minimum of two (2) group members.
- B. Final approval on all work products shall rest with the Strategic Working Group, subject to sufficient appropriations by each agency. The members of the Strategic Working Group shall each work within their respective organizational structures for appropriate approvals and authorizations to accomplish the policies, programs and practices created through the Water Conservation Strategic Services process.
- C. Joint meetings will be planned and coordinated by the chosen consultant, and NTMWD and TRWD shall have the option to attend all meetings.

Contracting

- A. NTMWD shall coordinate the selection of the consultant through established procurement procedures, and work with TRWD for the review and selection of the consultant. Each Party will share an equal voice in the selection of the contractor and the direction of the work developed.
- B. NTMWD, as the primary managing Party, shall enter into such contracts as are necessary with a consulting agency to develop and support the Water Conservation Strategic Services.
- C. NTMWD shall establish payments to the consultant as invoiced and provide invoicing to TRWD for reimbursement of their portion of services of each invoice paid.
- D. Once selected, the consultant will provide deliverables in a timely manner and in collaboration with NTMWD and TRWD.
- E. Both Parties shall also have the authority to coordinate the review and selection of additional vendors and enter into such contracts that are mutually agreed upon for related services and programs.

Funding

- A. Upon the execution of this MOU, NTMWD and TRWD shall each commit to funding an amount not to exceed \$150,000 for the first fiscal year, \$100,000 for the second fiscal year, and \$50,000 for the following three fiscal years thereafter, as appropriated, for a total not-to-exceed amount of \$800,000 for the full term of this MOU.
- B. TRWD agrees to make payments to NTMWD for expenses under this agreement within thirty (30) days of the receipt of a payable invoice. The invoice from NTMWD will be an equal share of the cost of service and will include a copy of the original invoice from the consultant.

Severability

The Parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses, or words of this agreement or the application of such sections, subsections, provisions, clauses, or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State of Texas or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality, or contravention shall not affect any other sections, subsections, provisions, clauses, or words of this agreement or the application of such sections, subsections, provisions, clauses, or words to any other situation or circumstance, and it is intended that this agreement shall be severable and shall be construed and applied as if any such invalid or unconstitutional section,

subsection, provision, clause, or word had not been included herein, and the rights and obligations of the Parties hereto shall be construed and remain in force accordingly.

Governing Law: Venue

The Parties agree that this MOU shall in all respects be governed by, and construed in accordance with, the laws of the State of Texas (without regard to principles of conflict of laws that would require the application of a law of another jurisdiction). This MOU is performable in Collin County, Texas and Tarrant County, Texas and shall lie in its courts of competent jurisdiction.

Amendment

No amendment, modification, or alteration of the terms of this MOU shall be binding unless it is in writing, dated subsequent to this MOU, and duly executed by the Parties hereto.

Conflict

In the event of any dispute over the meaning or application of any provision of this MOU, this MOU shall be interpreted fairly and reasonably, and neither more strongly for or against any Party, regardless of the actual drafter of this MOU.

Dispute Resolution

- A. If a dispute arises out of or related to the interpretation of this MOU the Parties' performance hereunder, or the breach thereof, the Parties agree to negotiate and to pursue alternative dispute resolution prior to prosecuting a suit for damages or other relief. This section, however, does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either Party may make a written request for a meeting between representatives of both Parties within fourteen (14) calendar days after receipt of the request. Each Party shall include in the requested meeting, at a minimum, one (1) senior level executive with the authority to make recommendations regarding the dispute to its governing body. The purpose of the requested meeting and any subsequent meeting is to attempt, in good faith, to negotiate resolution of the dispute. No statements made by any Party at such a meeting shall be admissible in any legal proceeding between the Parties for any purpose. If, within thirty (30) calendar days after such initial meeting, the Parties have not succeeded in negotiating a resolution of the dispute, the Parties will proceed to mediation as described below. Negotiation may be waived by a written agreement signed by both Parties, in which event the Parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation as described above fail or the Parties waive the negotiation process, the Parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should the Parties choose this option, each Party agrees to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated

to act as mediator. Nothing in this MOU prevents the Parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the Parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Presiding Judge of the Eighth Administrative Judicial Region for the State of Texas.

- C. The Parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The Parties will equally share the costs of the mediator selected to mediate the dispute.

Notices

All written notices required under this MOU must be hand-delivered or sent by certified mail, return receipt requested, addressed to the proper Party at the following addresses:

To TRWD:

Tarrant Regional Water District
Attn: General Manager
800 E. Northside Drive
Fort Worth, Texas 76102

To NTMWD:

North Texas Municipal Water District
Attn: Executive Director
501 East Brown Street
P.O. Box 2408
Wylie, Texas 75098

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this agreement to be duly executed in several counterparts, each of which shall constitute an original.

NORTH TEXAS MUNICIPAL WATER DISTRICT

By: _____
Jennafer P. Covington
Executive Director

Date: _____

TARRANT REGIONAL WATER DISTRICT

By: _____
Dan Buhman
General Manager

Date: _____

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 8

DATE: October 15, 2024

SUBJECT: Consider Approval of Contract with Accurate Inspections, LLC for Manufacturing Inspection and Testing Services of Cedar Creek Section 2 Pipeline Replacement Phase 1A and 1B Projects

FUNDING: Bond Fund

RECOMMENDATION:

Management recommends approval of a contract **in an amount not-to-exceed \$615,740** with Accurate Inspections, LLC for Pipe Manufacturing Inspection and Testing Services for Cedar Creek Section 2 Pipeline Replacement Phase 1A and 1B projects.

DISCUSSION:

The Cedar Creek Section 2 Pipeline was originally constructed nearly 50 years ago. The District's robust pipeline integrity program identified significant portions of the existing 72-inch pre-stressed concrete cylinder pipe as structurally defective in this area, reaching the end of useful life. The Cedar Creek Section 2 Pipeline Replacement is a multi-phase project to address those Section 2 segments and increase the flow capacity to meet future needs. The new pipe will be spiral welded steel.

Phase 1A includes the removal and replacement of approximately 4,600 linear feet of 72-inch Cedar Creek pipeline including the installation of two monolithic isolation joints. The new pipe will be 90-inch diameter. Phase 1A also includes the replacement of both Cedar Creek and Richland-Chambers pipelines under the TXDOT FM 664 expansion schedule. The FM 664 pipelines crossing replacement is accelerated to accommodate the TXDOT FM 664 expansion schedule. Phase 1B includes the removal and replacement of approximately 55,000 linear feet of existing 72-inch Cedar Creek pipeline with new 90-inch and 102-inch spiral welded steel pipe, the installation of six monolithic isolation joints, and the installation of five large diameter owner-furnished valves. Construction of Phase 1A is expected to be concluded in late 2025 and Phase 1B in 2027.

Work includes pipe manufacturer non-destructive factory inspection and testing during the fabrication of the steel pipe and fittings as well as construction site audits/inspection services during pipe installation/assembly.

Request for Statement of Qualifications was solicited per statute (Texas Government Code 2254), with Accurate Inspections being the sole respondent. Due to the unique role and exceptional history of high-quality deliverables, District staff determined Accurate

Inspections, LLC. to be qualified for this work. Accurate Inspections, LLC is a certified diverse business.

Management requests that the Board of Directors grant authority to the General Manager or his designee to execute all documents associated with the contract described herein.

This item was reviewed by the Construction and Operations Committee on October 10, 2024.

Submitted By:

Jason Gehrig, P.E.
Infrastructure Engineering Director



Date: September 26, 2024

Donna Stephens

TRWD Water Delivery Infrastructure Engineering
808 E. Northside Dr.
Fort Worth, Texas 76102

Subject: Proposal for Manufacturing Inspection & Testing Services

Project(s): TRWD 24-162 Cedar Creek Section II Pipeline Rehabilitation Phase 1A and 1B

Dear Ms. Stephens:

Enclosed you will find the requested proposal for inspection services associated with the above referenced Task Orders/Projects. Included in this proposal are estimated costs associated with pipe manufacturing audits and inspections services, construction site visits, and ***Monolithic Isolation Joint(s) inspections.

This proposal is based on an estimated manufacturing/installation time period from November 2024 thru December 2027, the estimated completion period of the project. The noted costs include all travel expenses to and from the pipe fabricator and/or pipe installation site near Dallas/Fort Worth, Texas area. These estimated costs are not to exceed without the owner's approval. The services noted below can be increased or decreased by the owner based on project demands at the individual costs noted.

Pricing is based on the year 2025 estimated travel costs and hourly rates as specified in the attached Accurate Inspections 2024-2027 Price List. All labor rates are subject to a rate increase starting on the first day of each new year starting January 1, 2025, through the duration of this project. Travel expenses, where travel is required outside the Dallas/Fort Worth, Texas area, will be billed at cost.

Pricing for inspection services with respect to the Monolithic Isolation Joints are based on the assumption that these items will be manufactured at Radiatym in Poland. The cost amount will be significantly lower if they are manufactured within the United States.

Accurate Inspection, LLC.
Athens, Texas
720.641.3731

1) Task Order “A” - In-Plant Pipe Manufacturing Inspection/Auditing Phase 1A

Scope of Services: Approximately 4,000 lineal feet of 72-inch thru 90-inch pipe and fittings. Services of Accurate Inspections are to perform pipe manufacturing in-plant product compliance audits with respect to fabricated pipe and fittings, linings/coatings application process, and pipe installation and welding oversight services at the installation jobsite. Project Management support, i.e., RFI/Meetings/Conference Calls/Document Review process has been added. Estimated manufacturing & installation period – November 2024 thru November 2025. The following are estimated costs associated with Task Order A.

- 10 Total, 1-Day Manufacturing Site Visits @ \$3,244 per visit - \$32,440
 - 7 Total, 1-Day Installation Site Visits @ \$2,675 per visit - \$18,725
 - Project Management Support, i.e., Meetings, Conference calls, Document Review, etc. Estimated 100 HRs @ \$145/HR - \$14,500
- Task Order “A” Estimated Total - \$65,665

2) Task Order “B” - Monolithic Isolation Joints, Manufacturing In-Plant Inspection/Auditing Phase 1A and 1B (Assuming manufacturing to take place at Radiatym/Poland)

- Phase 1A - (2) @ 72” Diameter – Ref. Sheet R-508**
- Phase 1B - (3) @ 72” Diameter – Ref. Sheet R-514**
- (3) @ 90” Diameter – Ref. Sheet R – 515 & R-516**

Scope of Services: Manufacturing inspections included for each of the 4-total 72-inch MIJ’s and 2-total 90-inch MIJ’s will be fit-up and assembly verification, visual weld inspections, witnessing of Magnetic Particle weld inspection, witnessing of Ultrasonic testing and Radiographic testing of factory welds, witnessing of Pneumatic and hydrostatic testing of MIJ’s, inspection audits of lining/coating application process, final coating inspection, and final electrical resistance testing. The following are our estimated costs associated with Task Order B, which includes project management time and all travel costs.

- **** Phase 1A (4) Total, Manufacturing Site Visits @ \$29,750 per visit - \$119,000
 - **** Phase 1B (4) Total, Manufacturing Site Visits @ \$29,750 per visit - \$119,000
- Task Order “B” Estimated Total - \$238,000

3) Task Order “C” - In-Plant Pipe Manufacturing Inspection/Auditing Phase 1B

Scope of Services: Approximately 54,000 lineal feet of 72-inch thru 102-inch pipe and fittings. Services of Accurate Inspections are to perform pipe manufacturing in-plant product compliance audits with respect to fabricated pipe and fittings, linings/coatings application process, and pipe installation and welding oversight services at the installation jobsite. Project Management support, i.e., RFI/Meetings/Conference Calls/Document Review process has been added. Estimated manufacturing & installation period –March 2025 thru December 2027. The following are estimated costs associated with Task Order C.

○ 50 Total, 1-Day Manufacturing Site Visits @ \$3,244 per visit -	\$162,200
○ 35 Total, 1-Day Installation Site Visits @ \$2,675 per visit -	\$93,625
○ Project Management Support, i.e., Meetings, Conference calls, Document Review, etc. Estimated 250 HRs @ \$145/HR -	\$36,250
Task Order "C" Estimated Total -	\$292,075

4) Optional Owner's Supplemental Services. - (Additional services including Section II Phase 2, Section 1D/1E, and Section IV, may be authorized after negotiation of scope and compensation.)

Owner authorized and directed additional services that are not noted in this proposal based on unforeseen manufacturing and construction issues or any other factors that may change the scope of Accurate Inspections contracted services listed below. Billing rates will be as noted on the Accurate Inspections Price List for the year of service.

Optional Owner's Supplemental Services Total -	\$20,000
--	----------

Estimated Proposal Summary

Task Order A – Pipeline Manufacturing -	\$65,665
Task Order B – Monolithic Isolation Joints	\$238,000
Task Order C – Pipeline Manufacturing -	\$292,075
Optional Owner's Supplemental Services -	<u>\$20,000</u>
Proposal Estimated Total =	\$615,740

*** Due to the unpredictability of Covid-19 conditions abroad outside or inside the United States, all costs (hourly and travel costs) incurred due to quarantine circumstance delays will be billed as noted on the attached Accurate Inspection Rate Sheet.

**** The cost listed for the MIJ's noted above is based on ALL 72-inch and 90-inch MIJ's being manufactured at different times. If ALL MIJ's are manufactured at the same time, then the Estimated Total will be adjusted based on the number of site visits required at the noted cost of \$29,750 for each additional site visit. All international air travel will be booked as Business Class.

If there are any questions or other items you would like me to consider, please do not hesitate to contact me. Thank you for this opportunity to offer you this proposal. I look forward to working with you on this interesting project.

Sincerely,

Accurate Inspections, LLC

A handwritten signature in black ink that reads "Billy J Fields". The signature is written in a cursive style with a large, stylized "B" and "F".

Billy J Fields

AWS Senior Certified Welding Inspector #17100068

AWS Certified Welding Supervisor #09020045

NACE Level III Certified Coating Inspector #7866

SSPC Level II Concrete Coating Inspector #1284088

Attachments: Accurate Inspections, LLC 2024-2027 Hourly Rate Sheet

Cc: None

Accurate Inspection, LLC.
Athens, Texas
720.641.3731

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 9

DATE: October 15, 2024

SUBJECT: Consider Approval of Contract with FCS Construction for Silt Removal from George W. Shannon Wetlands Sedimentation Pond - Phase I

FUNDING: Fiscal Year 2025 Revenue Fund Budget - \$1,400,000

RECOMMENDATION:

Management recommends approval of a contract **in the amount of \$950,000** with FCS Construction to remove, haul and spread 80,000 cubic yards of silt from Sedimentation Pond #3 at the George W. Shannon Wetlands to the District's Trinity River Pump Station (TRPS) compound.

DISCUSSION:

The George W. Shannon Wetlands at Richland-Chambers Reservoir serves as an important component in the District's water supply system. The project was constructed in a phased approach with the final build-out, Phase II Expansion, completed in late 2013, which included the addition of sedimentation pond #3 (SB3).

The intended function of the sedimentation pond is to remove suspended sediment from incoming turbid Trinity River water. A total of five sedimentation ponds removes approximately 80% of sediment from the incoming water, prior to entering the wetland cells.

SB3 includes approximately 43 surface acres. A survey conducted in January 2023 determined areas with up to 7-feet of sediment deposition. Removal of the accumulated sediment will return the pond to the original design volume for optimum functionality.

The Request for Proposals was solicited per statute (Texas Local Government Code Chapter 252) and four (4) proposals were received. The evaluation team determined that FCS Construction submitted the proposal providing the best value to the District.

FCS Construction is not a certified diverse business. FCS has subcontracted portions of this contract and good faith efforts were met, resulting in a diverse business participation commitment of 9.5%.

This item was reviewed by the Construction and Operations Committee on October 10, 2024.

Submitted By:

Darrell Beason
Chief Operations Officer



Final Evaluation Sheet

24-173 SILT REMOVAL FROM SEDIMENTATION POND- PHASE 1

Technical Quality Criteria	Total Points Available	AMS Company	FCS Construction	Lonestar Trucking & Excavation	Renda Environmental
Contract Price	40.00	34.86	40.00	23.71	12.75
	Base Price	\$ 700,000.00	\$ 650,000.00	\$ 912,650.00	\$ 1,900,000.00
	Alternate 1	\$ 195,000.00	\$ 150,000.00	\$ 345,000.00	\$ 540,000.00
	Alternate 2	\$ 195,000.00	\$ 150,000.00	\$ 345,000.00	\$ 540,000.00
	Total Price	\$ 1,090,000.00	\$ 950,000.00	\$ 1,602,650.00	\$ 2,980,000.00
Project Approach	20.00	16.00	20.00	18.00	20.00
Time for Completion/Project Schedule	15.00	13.00	15.00	13.00	5.00
	Days	30	49	45	60
Experience Completing Similar Projects	15.00	8.00	12.00	8.00	8.00
References	10.00	10.00	10.00	10.00	10.00
Total	100.00	81.86	97.00	72.71	55.75

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 10

DATE: October 15, 2024

SUBJECT: Consider Approval of Contract with Lloyd D. Nabors Demolition for Demolition of LaGrave Field

FUNDING: Fiscal Year 2025 General Fund Budget - \$328,000

RECOMMENDATION:

Management recommends approval of a contract **in an amount not-to-exceed \$328,000** for demolition of LaGrave Field.

DISCUSSION:

Lloyd D. Nabors Demolition will perform the following services as part of this contract for demolition: provide all labor, materials, and necessary equipment to dismantle steel structures, demolish concrete elements, relocate broken concrete, and dispose of materials not repurposed by the District.

Competitive Sealed Proposals were solicited per Texas Government Code Chapter 2269) and five proposals were received. The evaluation team determined Lloyd D. Nabors Demolition submitted the proposal providing the best value to the District.

Lloyd D. Nabors Demolition is a not a prime, certified business. Lloyd D. Nabors Demolition has subcontracted portions of this contract and good faith efforts were met, resulting in a diverse business participation commitment of 23%.

This item was reviewed by the Construction and Operations Committee on October 10, 2024.

Submitted By:

Darrell Beason
Chief Operations Officer



Evaluation Sheet

24-179 LaGrave Field Demolition

Technical Quality Criteria	Total Points Available	Garrett Demolition	Lindamood	Lloyd Nabors	Lone Star Trucking	Veit
Contract Price	50.00	31.00	17.00	43.00	36.00	50.00
	Price	\$461,437.00	\$833,229.00	\$328,000.00	\$396,550.88	\$283,059.00
Project Approach	20.00	20.00	20.00	20.00	15.00	5.00
Experience and Qualifications of the Offeror	15.00	15.00	15.00	15.00	10.00	15.00
Proposed Project Schedule	15.00	1.50	6.00	7.50	1.50	7.50
Total	100.00	67.50	58.00	85.50	62.50	77.50

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 11

DATE: October 15, 2024

SUBJECT: Consider Approval of Change Order to Contract with Huitt-Zollars, Inc. for Design and Construction Documentation Professional Services

FUNDING: Bond Fund

RECOMMENDATION:

Management recommends approval of a change order **in the amount of \$634,351** to the contract with Huitt-Zollars, Inc. for additional professional services required to complete final design and construction documents for the TRWD Fort Worth Operations Compound.

DISCUSSION:

Huitt-Zollars is currently under contract to facilitate the needs assessment and development of design and construction documents for the Fort Worth Operations Compound. This project is necessary to clear the way for the future North Bypass Channel and to address the current and future needs of TRWD. The design review process uncovered several considerations that were previously not identified at the time of the initial contract. These considerations required a reset of some components of the effort to allow for additional discussion and consider adjustments to business and organizational needs. Collaborating with the consultant, staff reviewed, reprioritized, and adjusted the overall compound scope of work to meet the required adjustments. This rework effort required Huitt-Zollars to make several changes to the initial schematic design package including architectural, mechanical engineering, and electrical engineering components. These changes reduce the initial design by over 10,000 square feet and provide a planning path forward for future TRWD needs.

The proposed change order adds the projected number of hours necessary to complete final design and construction documents under the new scope. This change order request is for \$634,351 and brings the contract total up from \$2,963,516 to \$3,597,867.

This item was reviewed by the Construction and Operations Committee on October 10, 2024.

Submitted By:

Mick Maguire
Chief Administrative Officer

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 12

DATE: October 15, 2024

SUBJECT: CONSIDER APPROVAL OF RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT, WATER REVENUE ECP SERIES A REFUNDING BONDS, PLEDGING REVENUES FOR THE PAYMENT OF THE BONDS, APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING OTHER INSTRUMENTS AND PROCEDURES RELATING THERETO

FUNDING: N/A

RECOMMENDATION:

Management recommends approval of a resolution authorizing the issuance, sale, and delivery of the Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue ECP Series A Refunding Bonds, pledging revenues for the payment of the bonds, approving an official statement, and authorizing other instruments and procedures relating thereto.

DISCUSSION:

The resolution authorizes the sale of ECP Series A (Enterprise Fund) Refunding Bonds to refund any ECP Bonds outstanding under the District's Extendable Commercial Paper Financing Program. This resolution gives the District the flexibility to refund the Extendable Commercial Paper Bonds ("ECP") to long-term fixed rate bonds at any time over the next 12 months. This Resolution is necessary should the District need quick access to the bond market if the ECP Bonds are no longer marketable at a cost effective interest rate. The decision to refund will depend on the market conditions, costs and/or market accessibility. There are currently no outstanding ECP Bonds issued on this program.

The District's financial advisors and Bond Counsel have advised the District on the need for this resolution. Please see attached the resolution for the sale.

This item was reviewed by the Finance Committee on October 7, 2024.

Submitted By:

Sandy Newby
Chief Financial Officer

RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF
TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND
IMPROVEMENT DISTRICT, WATER REVENUE ECP SERIES A REFUNDING
BONDS, PLEDGING REVENUES FOR THE PAYMENT OF THE BONDS,
APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING OTHER
INSTRUMENTS AND PROCEDURES RELATING THERETO

THE STATE OF TEXAS §
COUNTY OF TARRANT §
TARRANT REGIONAL WATER DISTRICT
A WATER CONTROL AND IMPROVEMENT DISTRICT §

WHEREAS, Tarrant Regional Water District, a Water Control and Improvement District, (formerly known as "Tarrant County Water Control and Improvement District Number One") (the "Issuer" or the "District") is a political subdivision of the State of Texas, being a conservation and reclamation district created and functioning under Article 16, Section 59 of the Texas Constitution, pursuant to the general laws of the State of Texas, including Chapters 49 and 51, Texas Water Code, and pursuant to the provisions of Chapter 268, Acts of 1957, 55th Legislature of Texas, Regular Session, as amended (collectively the "District Act"); and

WHEREAS, among other bonds, pursuant to a Master Resolution Establishing the Tarrant Regional Water District, A Water Control and Improvement District Extendable Commercial Paper Financing Program And Authorizing Water Revenue Bonds - Extendable Commercial Paper Mode, adopted on June 21, 2016 (the "Master Resolution"), the Issuer has previously authorized to be outstanding the following described junior lien bonds:

Tarrant Regional Water District, a Water Control and Improvement District Water Revenue Bonds - Extendable Commercial Paper Mode, Series A (Tax-Exempt) and Tarrant Regional Water District, a Water Control and Improvement District Water Revenue Bonds - Extendable Commercial Paper Mode, Series A (Taxable), in the original principal amount not to exceed \$150,000,000 (collectively, the "ECP Series A Bonds"); and

WHEREAS, the Issuer now desires to authorize refunding bonds to refund all or part of the of the outstanding ECP Series A Bonds (the "Refundable Bonds"), and those Refundable Bonds designated by the Authorized Officer in the Approval Certificate, each as defined herein, the "Refunded Bonds"; and

WHEREAS, the issuance of the Bonds and the application of the proceeds of the Bonds to refund the Refunded Bonds, which consist of bonds in an extendable commercial paper mode, makes it impracticable to determine the maximum amount by which the aggregate amount of payments to be made under the Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Bonds for purposes of Section 1207.008(a)(2), Texas Government Code; and

WHEREAS, the Issuer will authorize the ECP Series A Refunding Bonds (hereinafter defined) pursuant to the District Act and Chapters 1207 and 1371, Texas Government Code, as amended; and

WHEREAS, the meeting was open to the public and public notice of the time, place and purpose of said meeting was given pursuant to Chapter 551, Texas Government Code.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT, THAT:

Section 1. AMOUNT AND PURPOSE OF THE BONDS. Bonds of the Issuer are hereby authorized to be issued for the purpose of obtaining funds (i) to refund a portion of the Issuer's outstanding Refundable Bonds, and (ii) to pay costs of issuance of such bonds.

Section 2. DESIGNATION OF THE BONDS. Each bond issued pursuant to this Resolution shall be designated: "TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT, WATER REVENUE ECP SERIES A REFUNDING BOND." Initially there shall be issued, sold, and delivered hereunder a single fully registered bond, without interest coupons, payable in installments of principal (the "Initial Bond"), but the Initial Bond may be assigned and transferred and/or converted into and exchanged for a like aggregate amount of fully registered bonds, without interest coupons, having serial maturities, and in the denomination or denominations of \$5,000 or any integral multiple of \$5,000, all in the manner hereinafter provided. The term "ECP Series A Refunding Bonds" as used in this Resolution shall mean and include collectively the Initial Bond and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "ECP Series A Refunding Bond" shall mean any of the ECP Series A Refunding Bonds.

Section 3. INITIAL DATE, DENOMINATION, NUMBER, MATURITIES, INITIAL REGISTERED OWNER, AND CHARACTERISTICS OF THE INITIAL BOND. (a) As authorized by Chapters 1207 and 1371, Texas Government Code, as amended, the General Manager, the Deputy General Manager, and the Chief Financial Officer of the Issuer are each hereby designated as an "Authorized Officer" of the Issuer, and each is hereby authorized, appointed, and designated as the officer or employee of the Issuer authorized to act on behalf of the Issuer, which actions shall be evidenced by a certificate executed by such Authorized Officer (the "Approval Certificate") for a period not to extend beyond October 15, 2025, in selling and delivering the ECP Series A Refunding Bonds, determining which of the Refundable Bonds shall be refunded and constitute "Refunded Bonds" in this Resolution and carrying out the other procedures specified in this Resolution, including the use of a book-entry only system with respect to the ECP Series A Refunding Bonds and the execution of an appropriate letter of representations if deemed appropriate, the determining and fixing of the date and the date of delivery of the ECP Series A Refunding Bonds, any additional or different designation or title by which the Bond shall be known (including, if the ECP Series A Bonds are issued on a taxable basis, inclusion of an appropriate designation as such), the price at which the ECP Series A Refunding Bonds will be sold (but in no event less than 95% of the principal amount of the ECP Series A Refunding Bonds), the principal amount (not exceeding \$150,000,000) of the ECP Series A Refunding Bonds, the amount of each maturity of principal thereof, the due date of each such maturity (not exceeding thirty years from the date of the ECP Series A Refunding Bonds), the rate of interest, to be borne by each such maturity (but in no event to result in the net effective interest rate on the ECP Series A Refunding Bonds exceeding 10% per annum), the initial interest payment date, the date or dates of any optional redemption thereof,

any mandatory sinking fund redemption provisions, and approving modifications to this Resolution and executing such instruments, documents and agreements as may be necessary with respect thereto, and all other matters relating to the issuance, sale and delivery of the ECP Series A Refunding Bonds and the refunding of the Refunded Bonds.

(b) The Initial Bond is hereby authorized to be issued, sold, and delivered hereunder as a single fully registered Bond, without interest coupons, in the denomination and aggregate principal amount set forth in the Approval Certificate (not exceeding \$150,000,000), numbered TR-1, payable in annual installments of principal to the initial registered owner thereof or to the registered assignee or assignees of said Bond or any portion or portions thereof (in each case, the "registered owner"), with the annual installments of principal of the Initial Bond to be payable on the dates, respectively, and in the principal amounts, respectively, and may and shall be prepaid or redeemed prior to the respective scheduled due dates of installments of principal thereof, all as set forth in the Approval Certificate.

(c) The Initial Bond (i) may, and if so provided in the Approval Certificate, shall be prepaid or paid on the respective scheduled due dates of installments of principal thereof, (ii) may be assigned and transferred, (iii) may be converted and exchanged for other bonds, (iv) shall have the characteristics, and (v) shall be signed and sealed, and the principal of and interest on the Initial Bond shall be payable, all as provided, and in the manner required or indicated, in the FORM OF INITIAL BOND set forth in this Resolution.

Section 4. INTEREST. The unpaid principal balance of the Initial Bond shall bear interest from the date of delivery (the "Issue Date") of the Initial Bond to the Underwriters (as defined in Section 31 hereof) to the respective scheduled due dates, or to the respective dates of prepayment or redemption, of the installments of principal of the Initial Bond, and such interest shall be payable in the manner, at the rates, and on the dates, respectively, as provided in the Approval Certificate and the FORM OF INITIAL BOND set forth in this Resolution.

Section 5. FORM OF INITIAL BOND. The form of the Initial Bond, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be endorsed on the Initial Bond, shall be substantially as follows, with blank or bracketed information to be completed or deleted based upon the Approval Certificate:

FORM OF INITIAL BOND

NO. TR-1 \$ _____ *

UNITED STATES OF AMERICA
STATE OF TEXAS
TARRANT REGIONAL WATER DISTRICT,
A WATER CONTROL AND IMPROVEMENT DISTRICT,
WATER REVENUE ECP SERIES A REFUNDING BOND

TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT (the "Issuer"), being a political subdivision of the State of Texas,

* From Approval Certificate.

hereby promises to pay to: _____* or to the registered assignee or assignees of this Bond or any portion or portions hereof (in each case, the "registered owner") the aggregate principal amount of _____* in annual installments of principal due and payable on March 1 in each of the years, and in the respective principal amounts, as set forth in the following schedule:

<u>Year*</u>	<u>Principal Amount*</u>	<u>Year*</u>	<u>Principal Amount*</u>
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and to pay interest, calculated on the basis of a 360-day year composed of twelve 30-day months, from the date of initial delivery of this Bond to the Underwriters (as defined in the Bond Resolution (hereinafter defined)), on the balance of each such installment of principal, respectively, from time to time remaining unpaid, at the rates as follows:

<u>Year*</u>	<u>Rate*</u>	<u>Year*</u>	<u>Rate*</u>
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with said interest being payable semiannually on each March 1 and September 1, commencing _____*, while this Bond or any portion hereof is outstanding and unpaid.

THE INSTALLMENTS OF PRINCIPAL OF AND THE INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The installments of principal and the interest on this Bond are payable to the registered owner hereof through the services of BOKF, NA, which is the "Paying Agent/Registrar" for this Bond. Payment of all principal of and interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each principal and/or interest payment date by check, dated as of such date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of this Bond (the "Bond Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such principal and/or interest payment date, to the registered owner hereof, at the address of the registered owner, as it appeared at the close of business on the 15th day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/ Registrar, as hereinafter described. The Issuer covenants with the registered owner of this Bond that on or before

* From Approval Certificate.

each principal and/or interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Redemption Fund" created by the Bond Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on this Bond, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, 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 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 BOND has been authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$ _____*, for the purpose of obtaining funds (i) to refund a portion of the Issuer's outstanding "Tarrant Regional Water District, A Water Control and Improvement District Water Revenue Bonds - Extendable Commercial Paper Mode, Series A (Tax-Exempt)" and "Tarrant Regional Water District, A Water Control and Improvement District Water Revenue Bonds - Extendable Commercial Paper Mode, Series A (Taxable) and (ii) to pay costs of issuance of this Bond.

ON _____ 1, _____*, or any date thereafter, the unpaid installments of principal of this Bond may be prepaid or redeemed prior to their scheduled due dates, at the option of the Issuer, with funds derived from any available source, as a whole, or in part, and, if in part, the Issuer shall select and designate the installment or installments of principal, and the amount that is to be redeemed, and if less than a whole principal installment is to be called, the Issuer shall direct the Paying Agent/Registrar to call by lot or other customary method of random selection the portion of the principal installment to be redeemed (only in an integral multiple of \$5,000), at the redemption price of the principal amount to be prepaid or redeemed, plus accrued interest to the date fixed for prepayment or redemption.

**[THE PRINCIPAL INSTALLMENTS OF THIS BOND maturing on March 1, _____ and March 1, _____ are subject to mandatory prepayment or redemption prior to maturity in part, at a price equal to the principal amount of this Bond or portions hereof to be prepaid or redeemed plus accrued interest to the date of prepayment or redemption, on March 1 in the each of years and in the amounts as follows:

Principal Installment due on March 1, _____

Years

Amounts

* From Approval Certificate.

** From Approval Certificate, if applicable.

Principal Installment due on March 1, _____

Years

Amounts

The amount of any principal installment of this Bond required to be prepaid or redeemed pursuant to the operation of such mandatory prepayment or redemption provisions shall be reduced, at the option of the Issuer, by the principal amount of such principal installment of this Bond which, at least 50 days prior to the mandatory prepayment or redemption date (1) shall have been acquired by the Issuer at a price not exceeding such principal amount plus accrued interest to the date of purchase thereof, (2) shall have been purchased by the Paying Agent/Registrar at the request of the Issuer at a price not exceeding such principal amount plus accrued interest to the date of purchase, or (3) shall have been prepaid or redeemed pursuant to the optional prepayment or redemption provisions and not theretofore credited against a mandatory prepayment or redemption requirement.]

AT LEAST 30 days prior to the date fixed for any such prepayment or redemption a written notice of such prepayment or redemption shall be mailed by the Paying Agent/Registrar to the registered owner hereof. By the date fixed for any such prepayment or redemption due provision shall be made by the Issuer with the Paying Agent/Registrar for the payment of the required prepayment or redemption price for this Bond or the portion hereof which is to be so prepaid or redeemed, plus accrued interest thereon to the date fixed for prepayment or redemption. If such written notice of prepayment or redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion thereof which is to be so prepaid or redeemed, thereby automatically shall be treated as prepaid or redeemed prior to its scheduled due date, and shall not bear interest after the date fixed for its prepayment or redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the prepayment or redemption price plus accrued interest to the date fixed for prepayment or redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such prepayments or redemptions of principal of this Bond or any portion hereof.

THIS BOND, to the extent of the unpaid principal balance hereof, or any unpaid portion hereof in any integral multiple of \$5,000, may be assigned by the initial registered owner hereof and shall be transferred only in the Registration Books of the Issuer kept by the Paying Agent/Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Bond Resolution. Among other requirements for such transfer, this Bond must be presented and surrendered to the Paying Agent/ Registrar for cancellation, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment by the initial registered owner of this Bond, or any portion or portions hereof in any integral multiple of \$5,000, to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. Any instrument or instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any such portion or portions hereof by the initial registered owner hereof. A new bond or bonds payable to such assignee or assignees (which then will be the new registered owner or owners of such new Bond or Bonds) or to the initial registered owner as to any portion of

this Bond which is not being assigned and transferred by the initial registered owner, shall be delivered by the Paying Agent/Registrar in conversion of and exchange for this Bond or any portion or portions hereof, but solely in the form and manner as provided in the next paragraph hereof for the conversion and exchange of this Bond or any portion hereof. The registered owner of this Bond shall be deemed and treated by the Issuer and the Paying Agent/Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

AS PROVIDED above and in the Bond Resolution, this Bond, to the extent of the unpaid principal balance hereof, may be converted into and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the assignee or assignees duly designated in writing by the initial registered owner hereof, or to the initial registered owner as to any portion of this Bond which is not being assigned and transferred by the initial registered owner, in any denomination or denominations in any integral multiple of \$5,000 (subject to the requirement hereinafter stated that each substitute bond issued in exchange for any portion of this Bond shall have a single stated principal maturity date), upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution. If this Bond or any portion hereof is assigned and transferred or converted each bond issued in exchange for any portion hereof shall have a single stated principal maturity date corresponding to the due date of the installment of principal of this Bond or portion hereof for which the substitute bond is being exchanged, and shall bear interest at the rate applicable to and borne by such installment of principal or portion thereof. Such bonds, respectively, shall be subject to redemption prior to maturity on the same dates and for the same prices as the corresponding installment of principal of this Bond or portion hereof for which they are being exchanged. No such bond shall be payable in installments, but shall have only one stated principal maturity date. AS PROVIDED IN THE BOND RESOLUTION, THIS BOND IN ITS PRESENT FORM MAY BE ASSIGNED AND TRANSFERRED OR CONVERTED ONCE ONLY, and to one or more assignees, but the bonds issued and delivered in exchange for this Bond or any portion hereof may be assigned and transferred, and converted, subsequently, as provided in the Bond Resolution. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for transferring, converting, and exchanging this Bond or any portion thereof, but the one requesting such transfer, conversion, and exchange shall pay any taxes or governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make any such assignment, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or portion thereof called for prepayment or redemption prior to maturity, within 45 days prior to its prepayment or redemption date.

IN THE EVENT any Paying Agent/Registrar for this Bond is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owner of this Bond.

IT IS HEREBY certified, recited, and covenanted that this Bond 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

Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer which, together with other outstanding bonds of the Issuer, and the interest thereon, are secured by and payable equally and ratably on a parity from a first lien on and pledge of the "Pledged Revenues," as defined in the Bond Resolution, which include the "Net Revenues of the District's Water System," as defined in the Bond Resolution, which specifically include certain amounts to be received by the Issuer (i) pursuant to the "Tarrant County Regional Water Supply Facilities Contract," dated August 29, 1979, among the Issuer and the Cities of Fort Worth and Mansfield, Texas, the "Tarrant County Regional Water Supply Facilities Supplemental Contract For Trinity River Authority of Texas," dated as of March 12, 1979 between the Issuer and Trinity River Authority of Texas, and the "Tarrant County Regional Water Supply Facilities Amendatory Contract", dated September 1, 1982, among the Issuer, the Cities of Fort Worth, Arlington, and Mansfield, Texas, and Trinity River Authority of Texas, which last named amendatory contract consolidates the previous contracts between such parties with respect to the Issuer's Water System into one instrument and sets forth the entire agreement between such parties with respect to the Issuer's Water System, and (ii) pursuant to contracts with other water customers of the Issuer.

THE ISSUER has reserved the right, subject to the restrictions stated in the Bond Resolution, to issue Additional Bonds payable from and secured by a first lien on and pledge of the "Pledged Revenues" on a parity with this Bond.

THE ISSUER also has reserved the right to amend the Bond Resolution, with the approval of the owners of 51% of the outstanding bonds secured by a first lien on the Pledged Revenues, subject to the restrictions as stated in the Bond Resolution.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation or from any source whatsoever other than specified in the Bond Resolution.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between the registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the President of the Board of Directors of the Issuer and countersigned with the manual or facsimile signature of the Secretary or other authorized officer of the Board of Directors of the Issuer, has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond and has caused this Bond to be dated as of _____*, _____.

XXXXXXXX
Secretary, Board of Directors

XXXXXXXX
President, Board of Directors

(DISTRICT SEAL)

* From Approval Certificate.

FORM OF REGISTRATION CERTIFICATE OF THE
COMPTROLLER OF PUBLIC ACCOUNTS:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

Section 6. CHARACTERISTICS OF THE ECP SERIES A REFUNDING BONDS. (a) Registration, Transfer, Conversion and Exchange; Authentication. (a) The Issuer shall keep or cause to be kept at the principal corporate trust office of BOKF, NA, Dallas, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the ECP Series A Refunding Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each ECP Series A Refunding Bond to which payments with respect to the ECP Series A Refunding Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of ECP Series A Refunding Bonds shall be made within three business days after request and presentation thereof. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute ECP Series A Refunding Bond or ECP Series A Refunding Bonds shall be paid as provided in the FORM OF ECP Series A Refunding Bond set forth in this Resolution. Registration of assignments, transfers, conversions and exchanges of ECP Series A Refunding Bonds shall be made in the manner provided and with the effect stated in the FORM OF ECP Series A Refunding Bond set forth in this Resolution. Each substitute ECP Series A Refunding Bond shall bear a letter and/or number to distinguish it from each other ECP Series A Refunding Bond.

An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such ECP Series A Refunding Bond, date and manually sign the Paying Agent/Registrar's

Authentication Certificate, and no such ECP Series A Refunding Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid ECP Series A Refunding Bonds surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any ECP Series A Refunding Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute ECP Series A Refunding Bonds in the manner prescribed herein, and said ECP Series A Refunding Bonds shall be of type composition printed on paper of customary weight and strength. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of ECP Series A Refunding Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the converted and exchanged ECP Series A Refunding Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the ECP Series A Refunding Bonds which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of ECP Series A Refunding Bonds and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the ECP Series A Refunding Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the ECP Series A Refunding Bonds.

(c) In General. The ECP Series A Refunding Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such ECP Series A Refunding Bonds to be payable only to the registered owners thereof, (ii) may, and if so provided in the Approval Certificate, shall be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other ECP Series A Refunding Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable as to principal and interest, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the ECP Series A Refunding Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF ECP Series A Refunding Bond set forth in this Resolution. The ECP Series A Refunding Bonds initially issued and delivered pursuant to this Resolution are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute ECP Series A Refunding Bond issued in conversion of and exchange for any ECP Series A Refunding Bond or ECP Series A Refunding Bonds issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF ECP Series A Refunding Bond.

(d) Substitute Paying Agent/Registrar. The Issuer covenants with the registered owners of the ECP Series A Refunding Bonds that at all times while the ECP Series A Refunding Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the ECP Series A Refunding Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later

than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the ECP Series A Refunding Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the ECP Series A Refunding Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) Reporting Requirements of Paying Agent/Registrar. To the extent required by the Code and the regulations promulgated and pertaining thereto, it shall be the duty of the Paying Agent/Registrar, on behalf of the Issuer, to report to the owners of the ECP Series A Refunding Bonds and the Internal Revenue Service (i) the amount of "reportable payments," if any, subject to backup withholding during each year and the amount of tax withheld, if any, with respect to payments of the ECP Series A Refunding Bonds and (ii) the amount of interest or amount treated as interest on the ECP Series A Refunding Bonds and required to be included in gross income of the owner thereof.

(f) Book-Entry Only System. The ECP Series A Refunding Bonds issued in exchange for the ECP Series A Refunding Bonds initially issued to the purchaser specified herein shall be initially issued in the form of a separate single fully registered ECP Series A Refunding Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such ECP Series A Refunding Bond shall be registered in the name of Cede & Co., as nominee of Depository Trust Company of New York ("DTC"), and except as provided in subsection (f) hereof, all of the outstanding ECP Series A Refunding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to ECP Series A Refunding Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest on the ECP Series A Refunding Bonds. Without limiting the immediately preceding sentence, the Issuer 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 ECP Series A Refunding Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Registration Books, of any notice with respect to the ECP Series A Refunding Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Bondholder, as shown in the Registration Books of any amount with respect to principal of, premium, if any, or interest on, as the case may be, the ECP Series A Refunding Bonds. Notwithstanding any other provision of this Resolution to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each ECP Series A Refunding Bond is registered in the

Registration Books as the absolute owner of such ECP Series A Refunding Bond for the purpose of payment of principal, premium, if any, and interest, as the case may be, with respect to such ECP Series A Refunding Bond, for the purpose of giving notices of redemption and other matters with respect to such ECP Series A Refunding Bond, for the purpose of registering transfers with respect to such ECP Series A Refunding Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the ECP Series A Refunding Bonds only to or upon the order of the respective owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on, or as the case may be, the ECP Series A Refunding Bonds to the extent of the sum or sums so paid. No person other than an owner, as shown in the Registration Books, shall receive a ECP Series A Refunding Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest, as the case may be, pursuant to this Resolution. 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 Resolution with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the word "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(g) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Issuer or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC and that it is in the best interest of the beneficial owners of the ECP Series A Refunding Bonds that they be able to obtain certificated ECP Series A Refunding Bonds, the Issuer or the Paying Agent/Registrar 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 ECP Series A Refunding Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of ECP Series A Refunding Bonds and transfer one or more separate ECP Series A Refunding Bonds to DTC Participants having ECP Series A Refunding Bonds credited to their DTC accounts. In such event, the ECP Series A Refunding Bonds 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 Bondholders transferring or exchanging ECP Series A Refunding Bonds shall designate, in accordance with the provisions of this Resolution.

(h) Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any ECP Series A Refunding Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on, or as the case may be, such ECP Series A Refunding Bond and all notices with respect to such ECP Series A Refunding Bond shall be made and given, respectively, in the manner provided in the representation letter of the Issuer to DTC.

Section 7. FORM OF ECP SERIES A REFUNDING SUBSTITUTE BONDS. The form of all ECP Series A Refunding Bonds issued in conversion and exchange or replacement of any

other ECP Series A Refunding Bond or portion thereof, including the form of Paying Agent/Registrar's Certificate to be printed on each of such ECP Series A Refunding Bonds, and the Form of Assignment to be printed on each of the ECP Series A Refunding Bonds, shall be, respectively, substantially as follows, with blank or bracketed information to be completed or deleted based upon the Approval Certificate, and with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution.

FORM OF ECP SERIES A REFUNDING SUBSTITUTE BOND

THE FOLLOWING TWO BRACKETED PARAGRAPHS ARE TO BE DELETED IF BOND IS NOT BOOK ENTRY ONLY:

[Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Indenture referred to herein, until the termination of the system of book-entry-only transfers through DTC, and notwithstanding any other provision of the Indenture to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.]

NO. _____ PRINCIPAL AMOUNT
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
TARRANT REGIONAL WATER DISTRICT,
A WATER CONTROL AND IMPROVEMENT DISTRICT,
WATER REVENUE ECP SERIES A REFUNDING BOND [TAXABLE*]

INTEREST RATE	MATURITY DATE	ISSUE DATE	CUSIP NO.
%		_____, ____	

ON THE MATURITY DATE specified above TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to CEDE & CO. or to the

* Include only if ECP Series A Bonds are issued on a taxable basis.
** Date of initial delivery to the Underwriters (as defined in Section 31 hereof).

registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of _____ DOLLARS and to pay interest thereon, calculated on the basis of a 360-day year composed of twelve 30-day months, from the Issue Date specified above, to the Maturity Date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; with interest being payable semiannually on each March 1 and September 1, commencing _____*, except that if the date of authentication of this Bond is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date (hereinafter defined) but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of BOKF, NA, Dallas, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of the Bonds (the "Bond Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at the address of the registered owner, as it appeared at the close of business on the 15th day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. However, notwithstanding the foregoing provisions, (1) the payment of such interest may be made by any other method acceptable to the Paying Agent/Registrar and requested by, and at the risk and expense of, the registered owner hereof and (2) upon the written request, and at the risk and expense of, the registered owner of any Bond of this Series in the amount of \$1,000,000 or more, delivered to the Paying Agent/Registrar not less than 15 days prior to any interest payment date, payment of the interest due on such Bond on such date shall be paid on such date by wire transfer to any designated account in the United States of America which has available to it the wire service facilities of the Federal Reserve Bank. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner at the principal corporate trust office of the Paying Agent/Registrar upon presentation and surrender of this Bond for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date, interest payment date, and accrued interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Redemption Fund" created by the Bond Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, 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

* From Approval Certificate.

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 BOND is one of an issue of Bonds dated as of _____*, _____, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$ _____* for the purpose of obtaining funds (i) to refund a portion of the Issuer's outstanding "Tarrant Regional Water District, A Water Control and Improvement District Water Revenue Bonds - Extendable Commercial Paper Mode, Series A (Tax-Exempt)" and "Tarrant Regional Water District, A Water Control and Improvement District Water Revenue Bonds - Extendable Commercial Paper Mode, Series A (Taxable)" and (ii) to pay costs of issuance of the Bonds.

ON _____ 1, _____,* or any date thereafter, the outstanding Bonds may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available source, as a whole, or in part, and, if in part, the Issuer shall select and designate the maturity, or maturities, and the amount that is to be redeemed, and if less than a whole maturity is to be redeemed, the Issuer shall direct the Paying Agent/Registrar to call by lot or other customary method of random selection the Bonds or portions thereof to be redeemed (provided that the Bonds to be redeemed only in integral multiples of \$5,000), at the redemption price of the principal amount of the Bonds to be redeemed, plus accrued interest to the date fixed for redemption.

**[THE BONDS maturing on March 1, _____ and March 1, _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity in part, by lot or other customary random method selected by the Paying Agent/Registrar, at a redemption price equal to the principal amount of the Term Bonds or portions thereof to be redeemed plus accrued interest to the redemption date, on June 1 in each of the years and in the principal amounts as follows:

Term Bonds maturing on March 1, _____

<u>Years</u>	<u>Amounts</u>
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Term Bonds maturing on March 1, _____

<u>Years</u>	<u>Amounts</u>
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The principal amount of the Term Bonds of a maturity required to be redeemed pursuant to the operation of such mandatory redemption provisions shall be reduced, at the option of the Issuer, by

* From Approval Certificate.

** From Approval Certificate, if applicable.

the principal amount of the Term Bonds of such maturity which, at least 50 days prior to the mandatory redemption date (1) shall have been acquired by the Issuer at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.]

DURING ANY PERIOD in which ownership of the Bonds is determined by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Issuer and the securities depository.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity at the option of the Issuer, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner appearing on the Registration Books at the close of business on the day next preceding the date of mailing of such notice; provided, however, that any notice so mailed shall be conclusively presumed to have been duly given and the failure to receive such notice, or any defect therein shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond at the option of the Issuer. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such written notice of redemption is mailed and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Resolution.

THIS BOND OR ANY PORTION OR PORTIONS HEREOF IN ANY INTEGRAL MULTIPLE OF \$5,000 may be assigned and shall be transferred only in the Registration Books of the Issuer kept by the Paying Agent/Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The

form of Assignment printed or endorsed on this Bond shall be executed by the registered owner or its duly authorized attorney or representative, to evidence the assignment hereof. A new Bond or Bonds payable to such assignee or assignees (which then will be the new registered owner or owners of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Paying Agent/Registrar in conversion of and exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the conversion and exchange of other Bonds. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make transfers of registration of this Bond or any portion hereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. The registered owner of this Bond shall be deemed and treated by the Issuer and the Paying Agent/Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Resolution, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be converted into and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for transferring, converting, and exchanging any Bond or any portion thereof, but the one requesting such transfer, conversion, and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege of conversion and exchange. The Paying Agent/Registrar shall not be required to make any such conversion and exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond 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 Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer which, together with other outstanding bonds of the Issuer, and the interest thereon, are secured by and payable equally and ratably on a parity from a first lien on and pledge of the "Pledged Revenues," as defined in the Bond Resolution, which include the "Net Revenues of the District's Water System," as defined in the Bond Resolution, which specifically include certain amounts to be received by the Issuer (i) pursuant to the "Tarrant County Regional Water Supply Facilities Contract", dated August 29, 1979, among the Issuer and the Cities of Fort Worth and Mansfield, Texas, the "Tarrant County Regional Water Supply Facilities Supplemental Contract For Trinity River Authority of Texas," dated as of March 12, 1979 between the Issuer and Trinity River Authority of Texas, and the "Tarrant County Regional Water Supply Facilities Amendatory Contract," dated September 1, 1982, among the Issuer, the Cities of Fort Worth, Arlington, and Mansfield, Texas, and Trinity River Authority of Texas, which last named amendatory contract consolidates the previous contracts between such parties with respect to the Issuer's Water System into one instrument and sets forth the entire agreement between such parties with respect to the Issuer's Water System, and (ii) pursuant to contracts with other water customers of the Issuer.

THE ISSUER has reserved the right, subject to the restrictions stated in the Bond Resolution, to issue Additional Bonds payable from and secured by a first lien on and pledge of the "Pledged Revenues" on a parity with this Bond.

THE ISSUER also has reserved the right to amend the Bond Resolution, with the approval of the owners of 51% of the outstanding bonds secured by a first lien on the Pledged Revenues, subject to the restrictions stated in the Bond Resolution.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation or from any source whatsoever other than as specified in the Bond Resolution.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the facsimile signature of the President of the Board of Directors of the Issuer and countersigned with the facsimile signature of the Secretary or other authorized officer of the Board of Directors of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

XXXXXXXX
Secretary, Board of Directors

XXXXXXXX
President, Board of Directors

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

Section 8. ADDITIONAL DEFINITIONS. In addition to the definitions heretofore provided for, the following terms as used in this Resolution shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "Additional Bonds" shall mean the additional parity revenue bonds permitted to be authorized in the future on a parity with the Bonds, as hereinafter provided in Sections 21 and 22 hereof.

The term "Board" shall mean the Board of Directors of the District, being the governing body of the District, and it is further resolved that the declarations and covenants of the District contained in this Resolution are made by, and for and on behalf of the Board and the District, and are binding upon the Board and the District for all purposes.

The terms "Bond Resolution" and "Resolution" shall mean this resolution authorizing the ECP Series A Refunding Bonds; and it is hereby resolved and provided that Sections 8 through 24 of this Bond Resolution are applicable to all of the Bonds, as hereinafter defined, and substantially restate and are supplemental to and cumulative of Sections 8 through 24 of each of the Series 2015 Bond Resolution, the Series 2015A Bond Resolution, the Series 2016 Bond Resolution, the Series 2016A Bond Resolution, the Series 2017 Bond Resolution, the Taxable Series 2020 Bond Resolution, the Taxable Series 2020B Bond Resolution, the Series 2020C Bond Resolution, the Series 2022 Bond Resolution, and the Series 2024 Bond Resolution with the appropriate changes and additions which are required with respect to the issuance of the ECP Series A Refunding Bonds.

The term "Bonds" shall mean collectively (i) the unpaid and unrefunded Series 2015 Bonds, Series 2015A Bonds, Series 2016 Bonds, Series 2016A Bonds, Series 2017 Bonds, Taxable Series 2020 Bonds, Taxable Series 2020B Bonds, Series 2020C Bonds, the Series 2022 Bonds, and the Series 2024 Bonds to be outstanding at any time after the delivery of the Initial Bond, and (ii) the ECP Series A Refunding Bonds.

The term "Contracts" shall mean collectively: (a) the "Tarrant County Regional Water Supply Facilities Contract", dated as of August 29, 1979, among the District and the Cities of Fort Worth and Mansfield, Texas, the "Tarrant County Regional Water Supply Facilities Supplemental Contract For Trinity River Authority of Texas", dated as of March 12, 1979, between the District and Trinity River Authority of Texas, and the "Tarrant County Regional Water Supply Facilities Amendatory Contract", dated September 1, 1982, among the District, the Cities of Fort Worth, Arlington, and Mansfield, Texas, and Trinity River Authority of Texas, which last named amendatory contract consolidates the previous contracts between such parties with respect to the System into one instrument and sets forth the entire agreement between such parties with respect to the System; and

(b) all water supply contracts heretofore or hereafter executed between the District and other cities and customers in connection with the District's Water System.

The terms "District" and "Issuer" shall mean Tarrant Regional Water District, a Water Control and Improvement District.

The term "District's Water System," "Issuer's Water System," or "System" shall mean all of the District's existing water storage, treatment, transportation, distribution, and supply facilities, including all dams, reservoirs, and other properties, wherever located, (a) which are currently being used for water supply purposes and, to the extent financed with the proceeds from the sale of the Bonds or Additional Bonds or moneys from the Contingency Fund (hereinafter created), all facilities acquired or constructed in the future, and all improvements to any of the foregoing, and (b) all other facilities which in the future are deliberately and specifically, at the option of the Board, made a part of the System by resolution of the Board, but such term does not include any oil, gas, and other mineral properties owned by the District or property disposed of from time to time in accordance with the provisions of Section 23(g) hereof, provided that any property acquired in substitution therefor shall be included in the System, along with all repairs to and other replacements of the System. In particular such term includes and shall include (i) all of the District's existing Cedar Creek Project, a dam and reservoir on Cedar Creek in Henderson and Kaufman Counties, Texas, and Eagle Mountain Dam and Reservoir and Bridgeport Dam and Reservoir, which are water supply facilities of the District on the West Fork of the Trinity River, Richland-Chambers Reservoir in Navarro and Freestone Counties, Texas, and all transportation, storage, and other facilities related to all of the foregoing and (ii) the Projects which were financed or refinanced with the proceeds from the sale of bonds originally authorized by the Series 1983 Bond Resolution, the Series 1986 Bond Resolution, Series 1999 Bond Resolution, the Series 2002 Bond Resolution, the Series 2006 Bond Resolution, the Series 2008A Bond Resolution, the Series 2008B Bond Resolution, the Series 2009 Bond Resolution, the Series 2010 Bond Resolution, the Series 2010A Bond Resolution, the Series 2010B Bond Resolution, the Series 2012 Bond Resolution, the Series 2012A Bond Resolution, the Series 2014 Bond Resolution, the Series 2015 Bond Resolution, the Series 2015A Bond Resolution, the Series 2016 Bond Resolution, the Series 2016A Bond Resolution, the Series 2017 Bond Resolution, the Taxable Series 2020 Bond Resolution, the Taxable Series 2020B Bond Resolution, the Series 2020C Bond Resolution, the Series 2022 Bond Resolution, the Series 2024 Bond Resolution, and the Master Resolution and made a part of the System. Unless deliberately added to the System by the Board, at its option, in the manner prescribed above, said term does not include any District flood control facilities or facilities which provide waste treatment or other wastewater services of any kind. Said term does not include any facilities acquired or constructed by the District with the proceeds from the issuance of "Special Facilities Bonds," which are hereby defined as being revenue obligations of the District, which are not issued as Additional Bonds, and which are payable from any source, contract, or revenues whatsoever other than the Pledged Revenues; and Special Facilities Bonds may be issued for any lawful purpose and made payable from any source, contract, or revenues whatsoever other than the Pledged Revenues.

The term "ECP Series A Refunding Bonds" shall mean collectively the Initial Bond as described and defined in Sections 1, 2, and 3 of this Bond Resolution, and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant to this Resolution, all as provided for herein; and the ECP Series A Refunding Bonds are Additional Bonds issued to be payable from and secured by a first lien on and pledge of the Pledged Revenues equally and ratably on a parity with all of the other Bonds, as permitted by Sections 21 and 22 of

the Series 2015 Bond Resolution, the Series 2015A Bond Resolution, the Series 2016 Bond Resolution, the Series 2016A Bond Resolution, the Series 2017 Bond Resolution, the Taxable Series 2020 Bond Resolution, the Taxable Series 2020B Bond Resolution, the Series 2020C Bond Resolution, the Series 2022 Bond Resolution, and the Series 2024 Bond Resolution.

The term "Gross Revenues of the System" shall mean all of the revenues, income, rentals, rates, fees, and charges of every nature derived by the Board or the District from the operation and/or ownership of the System (except as hereinafter provided), including specifically all payments and amounts received by the Board or the District from Contracts, and any interest income from the investment of money in any Funds created or maintained pursuant to any resolution authorizing the issuance of Bonds or Additional Bonds, excepting only any Construction Fund created pursuant to any resolution authorizing any Bonds or Additional Bonds. There is excepted from such term, and such term does not include (i) revenues derived by the District from the production of oil, gas, and other minerals owned by the District, or the revenues derived from the granting, sale, or lease of the right to explore for and produce same, or (ii) the royalties, rentals, license fees, and other income (other than from water sales) derived by the District from (a) lands and assets owned by the District as flood control facilities or (b) property of the District at Eagle Mountain Dam and Reservoir and Bridgeport Dam and Reservoir on the West Fork of the Trinity River.

The term "Master Resolution" shall have meaning given to it in the Preamble hereto.

The term "Operating and Maintenance Expenses of the System" or "Current Expenses" shall mean all reasonable and necessary current costs of operation and maintenance of the System including, but not limited to, repairs and replacements, operating personnel, utilities, supervision, engineering, accounting, auditing, legal services, insurance premiums, paying agents fees, and any other supplies and services, administration of the System, and equipment necessary for proper operation and maintenance of the System, as well as payments made for the use or operation of any property, and payments made by the District in satisfaction of judgments or other liabilities resulting from claims not covered by the District's insurance. Neither depreciation nor any other expense which does not represent a cash expenditure shall be considered an item of Operation and Maintenance Expense.

The terms "Net Revenues of the District's Water System", "Net Revenues of the System", and "Net Revenues" shall mean the Gross Revenues of the System less the Operation and Maintenance Expenses of the System.

The term "Pledged Revenues" shall mean: (a) the Net Revenues of the System and (b) any additional revenues, income, receipts, grants, donations, or other resources, received or to be received from any public or private source, whether pursuant to an agreement or otherwise, which in the future may, at the option of the District, be pledged to the payment of the Bonds or the Additional Bonds.

The term "Refundable Bonds" shall have the meaning give to it in the Preamble hereto.

The term "Refunded Bonds" shall mean those Refundable Bonds to be refunded as designated by the Authorized Officer in the Approval Certificate.

The term "Series 1983 Bond Resolution" shall mean the resolution adopted by the Board of Directors of the District on May 18, 1983, authorizing the Tarrant County Water Control and Improvement District Number One Water Revenue Bonds, Series 1983.

The term "Series 1986 Bond Resolution" shall mean the resolution adopted by the Board of Directors of the District on July 15, 1986, authorizing the Tarrant County Water Control and Improvement District Number One Water Revenue Bonds, Series 1986.

The term "Series 1999 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on May 18, 1999, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 1999.

The term "Series 2002 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on December 17, 2002, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 2002.

The term "Series 2006 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on March 21, 2006, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2006.

The term "Series 2008A Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on June 17, 2008, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2008A.

The term "Series 2008B Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on June 17, 2008, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2008B.

The term "Series 2009 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on January 20, 2009, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 2009.

The term "Series 2010 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on January 19, 2010, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2010.

The term "Series 2010A Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on May 18, 2010, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2010A.

The term "Series 2010B Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on May 18, 2010, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2010B.

The term "Series 2012 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on January 17, 2012, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 2012.

The term "Series 2012A Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on September 18, 2012, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 2012A.

The term "Series 2014 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on January 21, 2014, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 2014.

The term "Series 2015 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on January 20, 2015, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 2015.

The term "Series 2015 Bonds" shall mean all unpaid and unrefunded Series 2015 Bonds authorized by the Series 2015 Bond Resolution.

The term "Series 2015A Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on October 20, 2015, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2015A.

The term "Series 2015A Bonds" shall mean all unpaid and unrefunded Series 2015A Bonds authorized by the Series 2015A Bond Resolution.

The term "Series 2016 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on January 19, 2016, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2016.

The term "Series 2016 Bonds" shall mean all unpaid and unrefunded Series 2016 Bonds authorized by the Series 2016 Bond Resolution.

The term "Series 2016A Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on March 15, 2016, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding Bonds, Series 2016A.

The term "Series 2016A Bonds" shall mean all unpaid and unrefunded Series 2016A Bonds authorized by the Series 2016A Bond Resolution.

The term "Series 2017 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on July 18, 2017, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding Bonds, Series 2017.

The term "Series 2017 Bonds" shall mean all unpaid and unrefunded Series 2017 Bonds authorized by the Series 2017 Bond Resolution.

The term "Series 2020C Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on October 20, 2020, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding Bonds, Series 2020C.

The term "Series 2020C Bonds" shall mean all unpaid and unrefunded Series 2020C Bonds authorized by the Series 2020C Bond Resolution.

The term "Series 2022 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on June 21, 2022, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Bonds, Series 2022.

The term "Series 2022 Bonds" shall mean all unpaid and unrefunded Series 2022 Bonds authorized by the Series 2022 Bond Resolution.

The term "Series 2024 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on April 16, 2024, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding and Improvement Bonds, Series 2024.

The term "Series 2024 Bonds" shall mean all unpaid and unrefunded Series 2024 Bonds authorized by the Series 2024 Bond Resolution.

The term "Taxable Series 2020 Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on January 21, 2020, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding Bonds, Taxable Series 2020.

The term "Taxable Series 2020 Bonds" shall mean all unpaid and unrefunded Taxable Series 2020 Bonds authorized by the Taxable Series 2020 Bond Resolution.

The term "Taxable Series 2020B Bond Resolution" shall mean the Resolution adopted by the Board of Directors of the District on October 20, 2020, authorizing Tarrant Regional Water District, a Water Control and Improvement District, Water Revenue Refunding Bonds, Taxable Series 2020B.

The term "Taxable Series 2020B Bonds" shall mean all unpaid and unrefunded Taxable Series 2020B Bonds authorized by the Taxable Series 2020B Bond Resolution.

The terms "year" and "fiscal year" shall mean the District's fiscal year, which currently ends on September 30, but which subsequently may be any other 12 month period hereafter established

by the District as a fiscal year for the purposes of the System and any resolution authorizing the Bonds or any Additional Bonds.

Section 9. PLEDGE. (a) That the Bonds, as defined above, and any Additional Bonds, and the interest thereon, are and shall be secured equally and ratably on a parity by and payable from a first lien on and pledge of the Pledged Revenues; and the ECP Series A Refunding Bonds are Additional Bonds payable from and secured by a first lien on and pledge of the Pledged Revenues, as permitted by Sections 21 and 22 of the Series 2015 Bond Resolution, the Series 2015A Bond Resolution, the Series 2016 Bond Resolution, the Series 2016A Bond Resolution, the Series 2017 Bond Resolution, the Taxable Series 2020 Bond Resolution, the Taxable Series 2020B Bond Resolution, the Series 2020C Bond Resolution, the Series 2022 Bond Resolution, and the Series 2024 Bond Resolution.

(b) That Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the revenues granted by the Issuer under this Section, and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the revenues granted by the Issuer under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

Section 10. REVENUE FUND. That there has been created and established, and there shall be maintained on the books of the District, and accounted for separate and apart from all other funds of the District, a special fund to be entitled the "Tarrant Regional Water District Water Revenue Bonds Revenue Fund" (hereinafter called the "Revenue Fund"). All Gross Revenues of the System (except investment interest and income from the other Funds hereinafter described and maintained) shall be credited to the Revenue Fund immediately upon receipt. All Operation and Maintenance Expenses of the System shall be paid from such Gross Revenues credited to the Revenue Fund, as a first charge against same.

Section 11. INTEREST AND REDEMPTION FUND. That for the sole purpose of paying the principal of and interest on all Bonds and any Additional Bonds, as the same come due, either upon redemption or at maturity, there has been created and established, and there shall be maintained, at an official depository bank of the District, a separate fund to be entitled the "Tarrant Regional Water District Revenue Bonds Interest and Redemption Fund" (hereinafter called the "Interest and Redemption Fund").

Section 12. THE CONTINGENCY AND IMPROVEMENT FUND AND THE RESERVE FUND. (a) That there has been created and established and there shall be maintained, at an official depository bank of the District, a separate fund to be entitled the "Tarrant Regional Water District Water Revenue Bonds Contingency and Improvement Fund" (hereinafter called the "Contingency Fund"). The Contingency Fund shall be used solely for the purpose of paying the costs of improvements, enlargements, extensions, additions, or other capital expenditures relating to the

System, and unexpected or extraordinary replacements of the System, for which System funds are not otherwise available, or for paying unexpected or extraordinary Operation and Maintenance Expenses of the System for which System Funds are not otherwise available, or for paying principal of and interest on any Bonds or Additional Bonds, when and to the extent the amount in the Interest and Redemption Fund is insufficient for such purpose.

(b) That there has been created and established and there shall be maintained at an official depository bank of the District, a separate fund to be entitled the "Tarrant Regional Water District Water Revenue Bonds Reserve Fund" (hereinafter called the "Reserve Fund"), solely for the further security and benefit of the Bonds and any Additional Bonds. The Reserve Fund shall be used solely for the purpose of (i) finally retiring the last of the Bonds and any Additional Bonds, and (ii) paying principal of and interest on the Bonds or any Additional Bonds when and to the extent the amounts in the Interest and Redemption Fund and Contingency Fund are insufficient for such purpose. There is now on deposit the Reserve Fund an aggregate amount of money and/or investments not less in market value than the principal and interest requirements of the Bonds during the fiscal year in which such requirements are scheduled to be the greatest. When and so long as the money and investments in the Reserve Fund are not less in market value than a "Required Amount" equal to the principal and interest requirements of the Bonds during the fiscal year in which such requirements are scheduled to be the greatest, no deposits shall be made to the credit of the Reserve Fund; but when and if the Reserve Fund at any time thereafter contains less than said "Required Amount" in market value, then, subject and subordinate to making the required deposits to the credit of the Interest and Redemption Fund, the District shall transfer from Pledged Revenues and deposit to the credit of the Reserve Fund, semiannually on or before the 25th days of each February and each August of each year, a sum equal to 1/10th of the "Required Amount" until the Reserve Fund is restored to said "Required Amount." So long as the Reserve Fund contains said "Required Amount" in market value, all amounts in excess of said "Required Amount," if any, shall, at least annually, on or before the 25th day of February of each year, be deposited to the credit of the Interest and Redemption Fund.

Section 13. DEPOSITS OF PLEDGED REVENUES; INVESTMENTS. (a) That the Pledged Revenues shall be deposited into the Interest and Redemption Fund, the Reserve Fund, and the Contingency Fund, when and as required by this Bond Resolution, Sections 8 through 24 of which are cumulative of and supplemental to Sections 8 through 24 of the Series 2015 Bond Resolution, the Series 2015A Bond Resolution, the Series 2016 Bond Resolution, the Series 2016A Bond Resolution, the Series 2017 Bond Resolution, the Taxable Series 2020 Bond Resolution, the Taxable Series 2020B Bond Resolution, the Series 2020C Bond Resolution, the Series 2022 Bond Resolution, and the Series 2024 Bond Resolution, and Sections 8 through 24 of this Bond Resolution shall be applicable to all of the Bonds.

(b) That money in any Fund maintained pursuant to this Bond Resolution may, at the option of the District, be placed in time deposits or certificates of deposit secured by obligations of the type hereinafter described, or be invested in 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, United States Postal Service, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, Federal Housing Association, or Participation Certificates in the Federal Assets Financing Trust; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued by the District in terms of current market value as of the 20th day of February of each year. All interest and income derived from such deposits and investments immediately shall be credited to, and any losses debited to, the Fund from which the deposit or investment was made, and surpluses in any Fund shall be disposed of as herein provided. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 14. FUNDS SECURED. That money in all Funds described in this Bond Resolution shall be secured in the manner prescribed by law for securing funds of the District.

Section 15. DEBT SERVICE REQUIREMENTS. (a) That promptly after the delivery of the Initial Bond the District shall cause to be deposited to the credit of the Interest and Redemption Fund all accrued interest, if any, received from the sale and delivery of the Initial Bond, and any such deposit shall be used to pay part of the interest coming due on the ECP Series A Refunding Bonds.

(b) That the District shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Redemption Fund the amounts, at the times, as follows:

(1) such amounts, deposited semiannually on or before the 25th day of each February and each August of each year, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Redemption Fund and available for such purpose, to pay the interest scheduled to accrue and come due on all Bonds on the next succeeding interest payment date; and

(2) such amounts, deposited annually, on or before the 25th day of each February, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Redemption Fund and available for such purpose, to pay all principal scheduled to mature and come due on all Bonds on the next succeeding March 1, and to pay all principal of all Bonds, if any, scheduled to be redeemed prior to maturity on the next succeeding March 1 in accordance with the mandatory redemption provisions and schedules set forth in any applicable Bond Resolution.

Section 16. CONTINGENCY REQUIREMENTS. That there is now on deposit to the credit of the Contingency Fund an amount equal to at least \$1,100,000. No additional deposits are required to be made to the credit of the Contingency Fund unless and until such amount therein is reduced or depleted. If and when such amount in the Contingency Fund is reduced or depleted then, subject and subordinate to making the required deposits to the credit of the Interest and Redemption

Fund and the Reserve Fund, such reduction or depletion shall be restored from amounts which shall be provided for such purpose in the District's Annual Budget for the next ensuing fiscal year or years; provided that the District is not required to budget more than \$100,000 for such purpose during any one fiscal year; but the District shall have the right to budget additional amounts for such purpose if it is deemed necessary or advisable by the Board. So long as the Contingency Fund contains money and investments not less than the amount of \$1,100,000 in market value, any surplus in the Contingency Fund over said amount shall, semiannually on or before February 15 and August 15 of each year, be withdrawn, deposited to the credit of the Revenue Fund, commingled with other revenues from the operation of the System, and used for any lawful purpose for which Gross Revenues of the System may be used.

Section 17. DEFICIENCIES; EXCESS PLEDGED REVENUES. (a) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Redemption Fund, the Reserve Fund, and the Contingency Fund, then such deficiency

shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) That, subject to making the required deposits to the credit of the Interest and Redemption Fund, the Reserve Fund, and the Contingency Fund, when and as required by this Bond Resolution, or any resolution authorizing the issuance of Additional Bonds, the excess Pledged Revenues may be used for any lawful purpose.

Section 18. BONDS AND ADDITIONAL BONDS NOT PAYABLE FROM TAXES. It is specifically provided that the District is not authorized to, and shall not, levy, collect, or use any tax of any nature to pay the principal of or interest on any of the Bonds or Additional Bonds.

Section 19. PAYMENT OF BONDS AND ADDITIONAL BONDS. Semiannually on or before each March 1 and September 1 while any of the Bonds or Additional Bonds are outstanding and unpaid, the District shall make available to the paying agents therefor, ratably and on a parity out of the Interest and Redemption Fund, and/or the Contingency Fund, or, from the Reserve Fund, money sufficient to pay such interest on and such principal of the Bonds or Additional Bonds as will accrue or mature, or which is scheduled to be redeemed prior to maturity, on each such March 1 and September 1, respectively. The paying agents shall destroy all paid Bonds or Additional Bonds, and the coupons, if any, appertaining thereto, and furnish the District with an appropriate certificate of cancellation or destruction.

Section 20. DEFEASANCE OF BONDS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") within the meaning of this Resolution, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, 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 the Paying Agent/Registrar 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 Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the revenues herein pledged as provided in this Resolution, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Resolution to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection 20(a)(i) or (ii) shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Bonds for redemption; (2) the Issuer gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements, and (3) the Issuer directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer also be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds 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 20(a)(i) or (ii). All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term "Defeasance Securities" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (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 the governing body of the Issuer adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Resolution.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

Section 21. ADDITIONAL BONDS. (a) That the District shall have the right and power at any time and from time to time, and in one or more Series or issues, to authorize, issue, and deliver additional bonds (herein called "Additional Bonds"), which may be payable from and secured by a first lien on and pledge of the Pledged Revenues. No Additional Bonds shall be payable from or secured by ad valorem or other taxes.

(b) Additional Bonds, if and when authorized, issued, and delivered in accordance with the provisions hereof, shall be payable from the Interest and Redemption Fund, and shall be payable from and secured by a first lien on and pledge of the Pledged Revenues, equally and ratably on a parity with the Bonds and all other outstanding Additional Bonds.

(c) That the principal of all Additional Bonds must be scheduled to be paid or mature on March 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on March 1 and September 1.

Section 22. FURTHER REQUIREMENTS FOR ADDITIONAL BONDS. (a) That Additional Bonds shall be issued only in accordance with the provisions hereof, and then applicable laws, and may be issued in any amounts, for any lawful purpose relating to the System, including the refunding of any Bonds or Additional Bonds. No installment, Series, or issue of Additional Bonds shall be issued or delivered unless the President and the Secretary or other authorized officer of the Board sign a written certificate to the effect (i) that the District is not in default as to any covenant, condition, or obligation in connection with all outstanding Bonds and Additional Bonds, and the resolutions authorizing the same, (ii) that the Interest and Redemption Fund and the Reserve Fund contain the amount then required to be therein, and (iii) that either (1) the Pledged Revenues in each fiscal year, commencing (A) with the third complete fiscal year following the execution of such certificate or report, or (B) with the fiscal year following the estimated completion date of any project for which the then proposed Additional Bonds are being issued (whichever of (A) or (B) is later) are estimated, based on a report of an independent engineer or firm of engineers, to be at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds to be outstanding after delivery of the then proposed Additional Bonds, or (2) based upon an opinion of legal counsel to the District, there are Contracts then in effect pursuant to which parties to such Contracts are obligated to make minimum payments to the District on a "take or pay" basis at such times and in such amounts as shall be necessary to provide to the District Pledged Revenues sufficient to pay when due all principal of and interest on all Bonds and Additional Bonds.

(b) That each resolution authorizing the issuance of Additional Bonds shall confirm the Reserve Fund as additional security for all such Additional Bonds, and the Reserve Fund shall be increased to the extent required to cause the Reserve Fund to be maintained in an amount not less than the principal and interest requirements, during the fiscal year in which such requirements are scheduled to be the greatest, of all Bonds and Additional Bonds to be outstanding after the issuance

of such then proposed Additional Bonds (or any greater amount as may, at the option of the District, be provided for in any resolution authorizing the issuance of any Additional Bonds), and shall make provision for funding such Reserve Fund from Pledged Revenues, or, at the option of the District, from bond proceeds or other available sources. Such Reserve Fund may be funded in whole or in part initially, or may be funded in whole or in part from Pledged Revenues by approximately equal periodic payments, not less than annual, and within not more than five years from the date of such then proposed Additional Bonds.

(c) That all calculations of principal and interest requirements of any bonds made in connection with the issuance of any then proposed Additional Bonds shall be made as of the date of such Additional Bonds; and also in making calculations for such purpose, or for any other purpose under any resolution authorizing any Bonds or Additional Bonds, the principal amounts of any Bonds or Additional Bonds which must be redeemed prior to maturity pursuant to any applicable mandatory redemption requirements shall be deemed to be maturing amounts of principal.

Section 23. GENERAL COVENANTS, REPRESENTATIONS, AND WARRANTIES.
That the District further covenants, represents, warrants, and agrees that:

(a) PERFORMANCE. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in each resolution authorizing the issuance of the Bonds and any Additional Bonds, and in each and every Bond and Additional Bond; that it will promptly pay or cause to be paid the principal of and interest on every Bond and Additional Bond, on the dates and in the places and manner prescribed in such resolutions and Bonds or Additional Bonds, and that it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Interest and Redemption Fund; and any holder of the Bonds or Additional Bonds may require the District, its Board, and its officials and employees, to carry out, respect, or enforce the covenants and obligations of each resolution authorizing the issuance of the Bonds and any Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the District, its Board, and its officials and employees.

(b) DISTRICT'S LEGAL AUTHORITY. It is a duly created and existing conservation and reclamation district of the State of Texas pursuant to Article 16, Section 59, of the Texas Constitution, and the laws of the State of Texas, and is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the District in accordance with their terms.

(c) TITLE. It has acquired and constructed, and will operate and maintain the System, and has or will obtain lawful title to, or the lawful right to use and operate, the lands, buildings, and facilities constituting the System, that it warrants that it will defend the title to or lawful right to use and operate, all of the aforesaid lands, buildings, and facilities, and every part thereof, for the benefit of the holders and owners of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, and is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such

rights.

(d) LIENS. It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the System, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's, or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's, or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the District.

(e) OPERATION OF THE SYSTEM. While the Bonds or any Additional Bonds are outstanding and unpaid it will cause the System to be continuously and efficiently operated and maintained in good condition, repair, and working order, and at a reasonable cost.

(f) FURTHER ENCUMBRANCE. While the Bonds or any Additional Bonds are outstanding and unpaid, it will not additionally encumber the Pledged Revenues in any manner, except as permitted hereby in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of each resolution authorizing the issuance of the Bonds and any Additional Bonds; but the right of the District and the Board to issue revenue bonds for any lawful purpose payable from a subordinate lien on the Pledged Revenues is specifically recognized and retained. This Resolution does not and is not intended to affect, limit, or prohibit the issuance of bonds payable solely from ad valorem taxes.

(g) SALE OF PROPERTY. While the Bonds or any Additional Bonds, are outstanding and unpaid, it will maintain its current legal corporate status as a conservation and reclamation district, and it will not sell, convey, mortgage, or in any manner transfer title to, or lease or otherwise dispose of the entire System, or any significant or substantial part thereof; provided that whenever the District deems it necessary to dispose of any real or personal property, machinery, fixtures, or equipment, it may sell or otherwise dispose of such real or personal property, machinery, fixtures, or equipment when it has made arrangements to replace the same or provide substitutes therefor, unless it is determined by resolution of the Board that no such replacement or substitute is necessary; and all proceeds from the sale thereof shall be credited to the Revenue Fund. In all events counsel to the Issuer shall opine as to the validity of the Resolution, as supplemented and amended and counsel to the Contracting Parties shall opine on the validity of the obligation of the Contracting Parties under the Contract.

(h) INSURANCE. (1) It will carry or cause to be carried such insurance as usually would be carried by corporations or other business entities operating like properties and engaged in similar activities, with a responsible insurance company or companies; provided that no insurance shall be required to the extent that the Board determines, based on the advise of legal counsel, that no substantial liability can or will arise under a particular hazard. At any time while any contractor

engaged in construction work shall be fully responsible therefor, the District shall not be required to carry insurance on the works being constructed, if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the owners or holders of the Bonds and Additional Bonds and their representatives at all reasonable times.

(2) Upon the happening of any loss or damage covered by insurance from one or more of said causes, the District shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the District. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the District for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the System shall be used promptly as follows:

(a) for the redemption prior to maturity of the Bonds and Additional Bonds, if any, ratably in the proportion that the outstanding principal of each Series or issue of Bonds or Additional Bonds bears to the total outstanding principal of all Bonds and Additional Bonds; provided that if on any such occasion the principal of any such Series or issue is not subject to redemption, it shall not be regarded as outstanding in making the foregoing computation; or

(b) if none of the outstanding Bonds or Additional Bonds is subject to redemption, then for the purchase on the open market and retirement of said Bonds and Additional Bonds, in the same proportion as prescribed in the foregoing clause (a), to the extent practicable; provided that the purchase price for any such Bond or Additional Bonds shall not exceed the redemption price of such Bond or Additional Bond on the first date upon which it becomes subject to redemption; or

(c) to the extent that the foregoing clauses (a) and (b) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the District, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (a) and/or (b) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(3) The annual audit hereinafter required shall contain a list of all such insurance policies carried, together with a statement as to whether or not all insurance premiums upon such policies have been paid.

(i) RATE COVENANT. It will fix, establish, maintain, revise (if and when necessary), and collect such rates, charges, and fees for the sale of water from the System and for the use and availability of the System as are necessary to produce Gross Revenues of the System sufficient, together with any other Pledged Revenues and any taxes as may be levied by the District for such purpose, (1) to pay all Operation and Maintenance Expenses of the System, and (2) to produce Pledged Revenues adequate to provide for all payments and deposits required to be made into the

Interest and Redemption Fund, the Reserve Fund, and the Contingency Fund, when and as required by the resolutions authorizing all Bonds and Additional Bonds.

(j) RECORDS. It will keep proper books of records and accounts in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the System, the Pledged Revenues, and all Funds created pursuant to each resolution authorizing the issuance of the Bonds and Additional Bonds; and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholder.

(k) AUDITS. Each year while any of the Bonds or Additional Bonds are outstanding, an audit will be made of its books and accounts relating to the System and the Pledged Revenues by an independent certified public accountant or an independent firm of certified public accountants. As soon as practicable after the close of each year, and when said audit has been completed and made available to the District, a copy of such audit for the preceding year shall be mailed to the Municipal Advisory Council of Texas and to any bondholders who shall so request in writing. Such annual audit reports shall be open to the inspection of the owners or holders of the Bonds and Additional Bonds and their agents and representatives at all reasonable times.

(l) GOVERNMENTAL AGENCIES. It will comply with all of the terms and conditions of any and all franchises, permits, and agreements applicable to the System and the Bonds or Additional Bonds entered into between the District and any governmental agency, and the District will take all action necessary to enforce said terms and conditions; and the District will obtain and keep in full force and effect all franchises, permits, and other requirements necessary with respect to the acquisition, construction, operation, and maintenance of the System.

(m) CONTRACTS. It will comply with the terms and conditions of the Contracts and will cause the other parties to the Contracts to comply with all of their obligations thereunder by all lawful means; and the Contracts will not be rescinded, modified, or amended in any way which would have a materially adverse effect on the operation of the System or the rights of the owners of the Bonds and Additional Bonds.

(n) ANNUAL BUDGET. On or before August 1 of each calendar year, it will prepare the preliminary Annual Budget of Operation and Maintenance Expenses of the System for the ensuing fiscal year, and such budget shall include a showing as to the proposed expenditures for such ensuing fiscal year, and shall show the estimated amount of Net Revenues of the System for such year. If the owners or holders of 25% in aggregate principal amount of the Bonds and Additional Bonds then outstanding shall so request on or before the 15th day of the aforesaid month, the Board shall hold a public hearing on or before the 15th day of the following month, at which any bondholder may appear in person or by agent or attorney and present any objections he may have to the final adoption of such budget. Notice of the time and place of such hearing shall be published twice, once in each of two successive weeks, in a newspaper of general circulation published in the District, with the date of the first publication to be at least fourteen days before the date fixed for the hearing; and copies of such notice shall be mailed at least ten days before the hearing to each bondholder who shall have filed his name and address with the Secretary of the Board for such purpose. The District further covenants that on or before October 1 of each calendar year it will

finally adopt the Annual Budget of Operation and Maintenance Expenses of the System for such fiscal year (hereinafter sometimes called the "Annual Budget"). If for any reason the Board shall not have adopted the Annual Budget before the first day of any fiscal year, the budget for the preceding fiscal year shall be deemed to be in force until the adoption of the Annual Budget. The Operation and Maintenance Expenses of the System incurred in any fiscal year will not exceed the reasonable and necessary

amount thereof. The District may, at any time deemed necessary by the Board, adopt an Amended or Supplemental Budget for the remainder of the then current fiscal year.

Section 24. AMENDMENT OF RESOLUTION. (a) The holders and registered owners of Bonds and Additional Bonds (hereinafter collectively called "holders") aggregating 51% in principal amount of the aggregate principal amount of then outstanding Bonds and Additional Bonds shall have the right from time to time to approve any amendment to any resolution authorizing the issuance of any Bonds or Additional Bonds, which may be deemed necessary or desirable by the District, provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in said resolutions or in the Bonds or Additional Bonds so as to:

- (1) Make any change in the maturity of the outstanding Bonds or Additional Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Bonds or Additional Bonds;
- (3) Reduce the amount of the principal payable on the outstanding Bonds or Additional Bonds;
- (4) Modify the terms of payment of principal of or interest on the outstanding Bonds or Additional Bonds, or impose any conditions with respect to such payment;
- (5) Effect any change in the rights of the holders of the Bonds and Additional Bonds then outstanding, other than a change which similarly affects all such holders;
- (6) Change the minimum percentage of the principal amount of Bonds and Additional Bonds necessary for consent to such amendment.

(b) If at any time the District shall desire to amend a resolution under this Section, the District shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in The City of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of each Paying Agent/Registrar for the Bonds and Additional Bonds, for inspection by all holders of Bonds and Additional Bonds. Such publication is not required, however, if notice in writing is given to each holder of Bonds and Additional Bonds.

(c) Whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the District shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all Bonds and Additional Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the District may adopt the amendatory resolution in substantially the same form.

(d) Upon the adoption of any amendatory resolution pursuant to the provisions of this Section, the resolution being amended shall be deemed to be amended in accordance with the amendatory resolution, and the respective rights, duties, and obligations of the District and all the holders of then outstanding Bonds and Additional Bonds and all future Additional Bonds shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such amendment.

(e) Any consent given by the holder of a Bond or Additional Bonds pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Bond or Additional Bond during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the holder who gave such consent, or by a successor in title, by filing notice thereof with each Paying Agent/Registrar for the Bonds and Additional Bonds, and the District, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the then outstanding Bonds and Additional Bonds as in this Section defined have, prior to the attempted revocation, consented to and approved the amendment.

(f) For the purpose of this Section, the fact of the holding of Bonds or Additional Bonds by any holder of Bonds or Additional Bonds which are not registered and which are payable to bearer, and the amount and numbers of such registered Bonds and Additional Bonds, and the date of their holding same, may be provided by the affidavit of the person claiming to be such holder, or by a certificate executed by any trust company, bank, banker, or any other depository wherever situated showing that at the date therein mentioned such person had on deposit with such trust company, bank, banker, or other depository, the Bonds or Additional Bonds described in such certificate. The District may conclusively assume that such ownership continues until written notice to the contrary is served upon the District. All matters relating to the ownership of registered Bonds and Additional Bonds shall be determined from the bond registration books kept by the registrar therefor.

Section 25. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED ECP SERIES A REFUNDING BONDS. (a) Replacement Bonds. In the event any outstanding ECP Series A Refunding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such ECP Series A Refunding Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed ECP Series A Refunding Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a ECP Series A Refunding Bond, the registered owner applying for a replacement bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a ECP Series A Refunding Bond, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such ECP Series A Refunding Bond, as the case may be. In every case of damage or mutilation of a ECP Series A Refunding Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the ECP Series A Refunding Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such ECP Series A Refunding Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the ECP Series A Refunding Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated ECP Series A Refunding Bond) instead of issuing a replacement ECP Series A Refunding Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such ECP Series A Refunding Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any ECP Series A Refunding Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen, or destroyed ECP Series A Refunding Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other ECP Series A Refunding Bonds duly issued under this Resolution.

(e) Authority for Issuing Replacement Bonds. In accordance with Chapter 1201, Texas Government Code, this Section of this Resolution shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such ECP Series A Refunding Bonds in the form and manner and with the effect, as provided in this Resolution for ECP Series A Refunding Bonds issued in conversion and exchange for other ECP Series A Refunding Bonds.

Section 26. CUSTODY, APPROVAL, AND REGISTRATION OF ECP Series A Refunding Bonds; BOND COUNSEL'S OPINION, CUSIP NUMBERS, PREAMBLE, AND INSURANCE. The President of the Board of Directors of the Issuer is hereby authorized to have control of the Initial Bond issued hereunder and all necessary records and proceedings pertaining to said Initial Bond pending its delivery and its investigation, examination, and approval by the Attorney General of the State of Texas, and its registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of said Initial Bond said Comptroller of Public Accounts

(or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate on said Initial Bond, and the seal of said Comptroller shall be impressed, or placed in facsimile, on said Initial Bond. The approving legal opinion of the Issuer's Co-Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on said Initial Bond or on any ECP Series A Refunding Bonds issued and delivered in conversion of and exchange or replacement of any ECP Series A Refunding Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the ECP Series A Refunding Bonds. The preamble to this Resolution is hereby adopted and made a part hereof for all purposes. If insurance is obtained by the Underwriter (as defined in Section 31 hereof) on any of the ECP Series A Refunding Bonds, the Initial Bond and all the ECP Series A Refunding Bonds so insured shall bear an appropriate legend concerning insurance as provided by the insurer.

Section 27. COVENANTS REGARDING TAX EXEMPTION. If the ECP Series A Refunding Bonds are to be issued on a tax-exempt basis, the following shall apply:

(a) Covenants. The Issuer covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the ECP Series A Refunding Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the ECP Series A Refunding Bonds holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the ECP Series A Refunding Bonds (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the ECP Series A Refunding Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the ECP Series A Refunding Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" that is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount that is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the ECP Series A Refunding Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action that would otherwise result in the ECP

Series A Refunding Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the ECP Series A Refunding Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the ECP Series A Refunding Bonds, directly or indirectly, to acquire or to replace funds that were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) that produces a materially higher yield over the term of the ECP Series A Refunding Bonds, other than investment property acquired with –

(A) proceeds of the ECP Series A Refunding Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the ECP Series A Refunding Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the ECP Series A Refunding Bonds;

(7) to otherwise restrict the use of the proceeds of the ECP Series A Refunding Bonds or amounts treated as proceeds of the ECP Series A Refunding Bonds, as may be necessary, so that the ECP Series A Refunding Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the ECP Series A Refunding Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the ECP Series A Refunding Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (a)(9), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without

limitation the Bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Compliance with Code. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the refunding bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the ECP Series A Refunding Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the ECP Series A Refunding Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the ECP Series A Refunding Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the ECP Series A Refunding Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the President of the Board of Directors, the General Manager, the Deputy General Manager, or the Chief Financial Officer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, that may be permitted by the Code as are consistent with the purpose for the issuance of the ECP Series A Refunding Bonds.

(d) Written Procedures. Unless superseded by another action of the Issuer to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the Issuer hereby adopts and establishes the instructions attached hereto as Exhibit A as their written procedures applicable to the Bonds and any Additional Bonds.

Section 28. ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR THE PROJECT. If the ECP Series A Refunding Bonds are issued on a tax-exempt basis, the Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Resolution (the "Project") on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Issuer shall not expend sale proceeds or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the ECP Series A Refunding Bonds, or (2) the date the ECP Series A Refunding Bonds are retired, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the tax-exempt status of the ECP Series A Refunding Bonds. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 29. DISPOSITION OF PROJECT. If the ECP Series A Refunding Bonds are

issued on a tax-exempt basis, the Issuer covenants that the property constituting the Project refinanced by the ECP Series A Refunding Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the ECP Series A Refunding Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 30. CONTINUING DISCLOSURE. (a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"*Authority*" means Trinity River Authority.

"*Cities*" means the Cities of Arlington, Fort Worth and Mansfield.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Obligated Person*" means the Issuer, the Authority, and the Cities, or any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities) in the Rule.

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

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

(b) General. Pursuant to a Continuing Disclosure Agreement by and among the Issuer, the Cities, and the Authority, the Issuer, the Cities and the Authority have undertaken for the benefit of the beneficial owners of the ECP Series A Refunding Bonds, to the extent set forth therein, to provide continuing disclosure of financial information and operating data with respect to the Issuer, Cities and Authority in accordance with the Rule as promulgated by the SEC.

(c) Annual Reports. (i) The Issuer shall provide annually to the MSRB, within six months after the end of the most recent fiscal year, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement authorized by Section 32 of this Resolution, being the information described in Exhibit B. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Exhibit B thereto, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and audited, if the Issuer 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 Issuer shall provide audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report

on such statements become available.

(ii) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The 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, if it is available from the MSRB) that theretofore has been provided to the MSRB, or filed with the SEC.

(d) Disclosure Event Notices. The Issuer shall notify the MSRB, in a timely manner, of any of the following events with respect to the ECP Series A Refunding Bonds, not in excess of ten 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 status of the security, or other material events affecting the tax status of the security;
7. Modifications to the rights of security holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer, any of the Cities or the Authority;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, any of the Cities, or the

Authority, other than in the ordinary course of business, the entry into 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;

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 Issuer or an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or an Obligated Person, 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 Issuer or an Obligated Person, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer 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 Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Issuer 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 Issuer, and (b) as used in clauses 15 and 16 above, the term "Financial Obligation" means: (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include Municipal Securities as to which a final official statement has been provided to the MSRB consistent with the Rule; the term "Municipal Securities" means securities which are direct obligations of, or obligations guaranteed as to principal or interest by, a state or any political subdivision thereof, or any agency or instrumentality of a state or any political subdivision thereof, or any municipal corporate instrumentality of one or more states and any other Municipal Securities described by Section 3(a)(29) of the Securities Exchange Act of 1934, as the same may be amended from time to time.

The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with Section 30(c) of this Resolution by the time required by such Section. As used in clause 12 above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the U.S. 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 Issuer, or if jurisdiction has been assumed by leaving the Board

of Directors and official or officers of the Issuer 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 Issuer.

(e) Limitations, Disclaimers, and Amendments. (i) The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the ECP Series A Refunding Bonds within the meaning of the Rule, except that the Issuer in any event will give notice of any deposit made in accordance with this Resolution or applicable law that causes ECP Series A Refunding Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the holders and beneficial owners of the ECP Series A Refunding Bonds, 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 Issuer 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 Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell ECP Series A Refunding Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY ECP Series A Refunding Bond OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT 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.

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under this Resolution for purposes of any other provision of this Resolution. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(v) The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell ECP Series A Refunding Bonds in the primary offering of the ECP Series A Refunding Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering 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

Resolution that authorizes such an amendment) of the Outstanding ECP Series A Refunding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the ECP Series A Refunding Bonds. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling ECP Series A Refunding Bonds in the primary offering of the ECP Series A Refunding Bonds.

Section 31. SALE OF ECP SERIES A REFUNDING BONDS. Pursuant to the authorizations in Section 3 hereof, as approved by the Authorized Officer, the ECP Series A Refunding Bonds may be sold either pursuant to the taking of bids therefor as provided in the Official Notice of Sale or pursuant to a purchase agreement (the "Purchase Agreement") with a purchaser or purchasers (collectively, the "Underwriters") to be approved by the Authorized Officer, and any supplements thereto which may be necessary to accomplish the issuance of Bonds. Such Purchase Agreement is hereby authorized to be dated, executed and delivered on behalf of the Issuer by an Authorized Officer, with such changes therein as shall be approved by the Authorized Officer, the execution thereof by the Authorized Officer to constitute evidence of such approval. The delegation of authority to the Authorized Officer to approve the final terms of the Bonds as set forth in this Resolution is, and the decisions made by the Authorized Officer pursuant to such delegated authority will be, in the best interests of the Issuer, and the Authorized Officer is authorized to make a finding to such effect in the Approval Certificate.

Section 32. APPROVAL OF OFFICIAL STATEMENT. A Preliminary Official Statement relating to the ECP Series A Refunding Bonds, will be approved and authorized to be distributed to prospective investors and other interested parties in connection with the underwriting and sale of the ECP Series A Refunding Bonds, with such changes therein as shall be approved by an Authorized Officer, including such changes as are necessary for distribution as a final Official Statement. The use and distribution by the Underwriters of the Official Statement relating to the ECP Series A Refunding Bonds, is hereby approved. For the purpose of review by the Underwriters prior to purchasing the ECP Series A Refunding Bonds, an Authorized Officer may deem said Preliminary Official Statement to have been "final as of its date" within the meaning of Securities and Exchange Commission Rule 15c2-12.

Section 33. REFUNDING OF REFUNDED BONDS. (a) The Refunded Bonds shall be paid upon the earlier of their stated maturity dates or the earliest redemption dates for which notice of redemption can be given pursuant to the Master Resolution, in each case at a price of par plus accrued interest to the date of payment. As soon as practicable after sale of the ECP Series A Refunding Bonds, appropriate notices of redemption shall be delivered to the paying agent/registrars for the Refunded Bonds to notify, in accordance with the requirements of the Master Resolution, the owners of the Refunded Bonds of the call for redemption thereof.

(b) Concurrently with the delivery of the ECP Series A Refunding Bonds, the Issuer shall cause to be deposited an amount from the proceeds from the sale of the ECP Series A Refunding Bonds, together with, to the extent necessary, available funds of the Issuer, with the paying agent/registrars for the Refunded Bonds, sufficient to provide for the refunding and redemption, on the date or dates fixed for redemption, of all of the Refunded Bonds, in accordance with Subchapter C of Chapter 1207, Texas Government Code, as amended. The President of the Board of Directors of the Issuer and the Secretary or other authorized officer of the Board of Directors of the Issuer are hereby authorized, for and on behalf of the Issuer, to execute a Deposit Agreement in substantially the form set forth in Exhibit C hereto to accomplish such purpose. In addition, the Authorized Officer is authorized to transfer and deposit such cash from available funds (including surplus funds in the Interest and Redemption Fund and/or the Reserve Fund), as may be necessary for the Payment Account described in such Deposit Agreement. It is hereby found and determined that the refunding of the Refunded Bonds, which consist of bonds in an extendable commercial paper mode, makes it impracticable to determine the maximum amount by which the aggregate amount of payments to be made under the Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Bonds for purposes of Section 1207.008(a)(2), Texas Government Code.

Section 34. ATTORNEY GENERAL FEES. The Issuer hereby authorizes and directs payment, from legally available funds of the Issuer, of the nonrefundable examination fee of the Attorney General of the State of Texas required by Section 1202.004, Texas Government Code, as amended.

Section 35. FURTHER PROCEDURES. The President and the Secretary of the Board of Directors, the General Manager, the Deputy General Manager, and the Chief Financial Officer 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 on behalf of the Issuer 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 Resolution, and all details in connection therewith. In case any officer whose signature shall appear on any ECP Series A Refunding Bond shall cease to be such officer before the delivery of such ECP Series A Refunding Bond, 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 36. REPEAL OF CONFLICTING RESOLUTIONS. All resolutions and all parts of any resolutions which are in conflict or inconsistent with this Resolution are hereby repealed and shall be of no further force or effect to the extent of such conflict or inconsistency.

Section 37. PUBLIC NOTICE. It is hereby officially found and determined that public notice of the time, place and purpose of said meeting was given, all as required by the Government Code, Chapter 551.

Section 38. EFFECTIVENESS. This Resolution shall be effective from the date and after the date of adoption by the Issuer; provided, however, if an Approval Certificate for the ECP Series A Refunding Bonds authorized by this Resolution is not executed prior to October 15, 2025, this

Resolution shall be void ab initio and shall be of no force and effect.

EXHIBIT "A"

WRITTEN PROCEDURES RELATING TO CONTINUING
COMPLIANCE WITH FEDERAL TAX COVENANTS

- A. Arbitrage. With respect to the investment and expenditure of the proceeds of the ECP Series A Refunding Bonds and any Additional Bonds (the "Obligations") the Issuer's General Manager, Deputy General Manager, and Chief Financial Officer (the "Responsible Persons") will :

For Obligations issued for newly acquired property or constructed property:

- instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Obligations will be entered into within 6 months of the Issue Date;
- monitor that at least 85% of the proceeds of the Obligations to be used for the construction, renovation or acquisition of any facilities are expended within 3 years of the date of delivery of the Obligations ("Issue Date");
- restrict the yield of the investments (other than those in the Reserve Fund) to the yield on the Obligations after 3 years of the Issue Date;
- monitor all amounts deposited into a sinking fund or funds, e.g., the Interest and Redemption Fund and the Reserve Fund, to assure that the maximum amount invested at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the Obligations in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Obligations for the immediately preceding 12-month period;
- assure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more;
- assure that the maximum amount of the Reserve Fund invested at a yield higher than the yield on the Obligations will not exceed the lesser of (1) 10% of the original principal amount of the Obligations, (2) 125% of the average annual debt service on the Obligations measured as of the Issue Date, or (3) 100% of the maximum annual debt service on the Obligations as of the Issue Date;

For Obligations issued for refunding purposes:

- monitor the actions of the escrow agent (to the extent an escrow is funded with proceeds) to assure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances;

For all Obligations:

- maintain any official action of the Issuer (such as a reimbursement resolution) stating its intent to reimburse itself with the proceeds of the Obligations any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
 - assure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS;
 - assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Obligations are retired.
- B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Obligations the Responsible Persons will:
- monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
 - monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
 - monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
 - monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
 - determine whether, at any time the Obligations are outstanding, any person, other than the Issuer, has a naming right for the facilities or any other contractual right granting an intangible benefit;
 - determine whether, at any time the Obligations are outstanding, the facilities are sold or otherwise disposed of; and
 - take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the resolution authorizing the Obligations.
- C. Record Retention. The Responsible Persons will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Obligations and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Obligations. If any portion of the Obligations is refunded with the proceeds of another series of tax-

exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

- D. Responsible Persons. Each Responsible Person shall receive appropriate training regarding the Issuer's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed with the proceeds of the Obligations. The foregoing notwithstanding, the Responsible Persons are authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT B

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 30 of this Resolution.

I. Annual Financial Statements and Operating Data of the Issuer

The financial information and operating data with respect to the Issuer to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement and Tables referred to) below:

Tables 1 through 9 in the Official Statement and in Appendix B

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

EXHIBIT "C"

FORM OF DEPOSIT AGREEMENT

DEPOSIT AGREEMENT

THIS DEPOSIT AGREEMENT (the "Agreement"), dated as of _____, ____, made by and between Tarrant Regional Water District, a Water Control and Improvement District (the "Issuer"), a political subdivision of the State of Texas acting by and through the President and Secretary or other authorized officer of the Board of Directors of the Issuer (the "Board"), and U.S. Bank National Association (the "Bank"), a banking association organized and existing under the laws of the United States of America,

WITNESSETH:

WHEREAS, the Issuer has heretofore issued and delivered and there is currently outstanding the obligations described on Exhibit "A" hereto (hereinafter called the "Refunded Obligations"); and

WHEREAS, in accordance with the provisions of Chapter 1207, Texas Government Code (the "Act"), the Issuer is authorized to sell refunding bonds in an amount sufficient to provide for the full and complete payment of obligations, deposit the proceeds of such refunding bonds with the place of payment for the obligations being refunded and enter into an escrow or similar agreement with such place of payment for the safekeeping, investment, reinvestment, administration and disposition of such deposit, upon such terms and conditions as the parties may agree; and

WHEREAS, the Issuer on _____, ____, pursuant to a resolution (the "Bond Resolution") passed and adopted by the Board, authorized the issuance of bonds known as "Tarrant Regional Water District, a Water Control and Improvement District Water Revenue ECP Series A Refunding Bonds" (the "Bonds"), and such Bonds are being issued to refund, discharge and make final payment of the principal of and interest on the Refunded Obligations; and

WHEREAS, a portion of the proceeds of sale of the Bonds, together with other available funds of the Issuer, are to be deposited with the Bank under this Agreement, which deposit of funds will be sufficient to pay and redeem in full the Refunded Obligations on _____, (the Redemption Date);

NOW, THEREFORE, in consideration of the mutual agreements herein contained and the payment to the Bank of amounts provided in Section 8 hereof, and to secure the payment of the principal of and the interest on the Refunded Obligations, the Issuer and the Bank hereby agree as follows:

SECTION 1. A trust clearing account (hereinafter called the "Payment Account") shall be maintained at the Bank for the benefit of the holders of the Refunded Obligations, and, immediately following the delivery of the Bonds, the Issuer agrees and covenants to cause to be deposited with the Bank for the credit of the Payment Account the sum of \$ _____.

The Bank agrees to establish such Payment Account and further agrees to receive said moneys, apply the same as set forth herein, and to hold uninvested the cash deposited and credited to the Payment Account for application and disbursement for the payment and redemption of the Refunded Obligations on the Redemption Date.

SECTION 2. In reliance upon the Sufficiency Certificate of Financial Advisor, a copy of which is attached hereto as Exhibit "B", the Issuer represents that the amount deposited to the credit of the Payment Account, as provided in Section 1 hereof, will be sufficient to pay and redeem in full all the Refunded Obligations on the Redemption Date, and the Bank acknowledges the sufficiency of the deposit for said purpose.

The Bank acknowledges receipt of a copy of the Bond Resolution providing for the redemption of the Refunded Obligations on the Redemption Date at the price of par and accrued interest and acknowledges receipt of the form of notice of redemption attached hereto. The Bank will give the notice of redemption as required by the order authorizing the issuance of the Refunded Bonds.

SECTION 3. The Bank agrees that all funds held in the Payment Account shall constitute a dedicated interest and sinking fund for the payment of the principal of and interest on the Refunded Obligations which will mature and become due on and after the date of this Agreement, such funds deposited to the credit of the Payment Account shall be applied solely in accordance with the provisions of this Agreement and the Issuer shall have no right or title with respect thereto, except as otherwise provided herein. Such funds shall not be subject to checks or drafts drawn by the Issuer.

SECTION 4. If, for any reason, the funds on hand in the Payment Account shall be insufficient to pay the redemption price of the Refunded Obligations on the Redemption Date, notice of any such insufficiency shall be immediately given by the Bank to the Issuer by the fastest means possible.

SECTION 5. The Bank represents that the deposit covered by this Agreement shall constitute firm banking arrangements to insure payment of the Refunded Obligations and such deposit is collateralized to insure against any loss or diminution by virtue of any action of the Bank or as a result of its lack of financial integrity by a pledge of direct obligations of the United States of America, in the par or face amount at least equal to the principal amount of said monies to the extent such money is not insured by the Federal Deposit Insurance Corporation.

SECTION 6. The Bank, as paying agent for the Refunded Obligations, shall, without further direction from anyone, including the Issuer, cause to be paid with funds on deposit in the Payment Account the amount required to pay and redeem in full the Refunded Obligations on the Redemption Date when such obligations are presented for payment in accordance with their terms.

SECTION 7. The Bank shall have no lien whatsoever upon any of the moneys deposited to the credit of the Payment Account for payment of services rendered hereunder, services rendered as Paying Agent for the Refunded Obligations, or for any costs or expenses incurred hereunder and reimbursable from the Issuer.

SECTION 8. Moneys on deposit in the Payment Account shall be held uninvested pending the disbursement of moneys. In consideration for the services rendered hereunder, the Issuer shall pay to the Bank the sum of \$_____. No investment of funds deposited to the credit of the Payment Account shall be made on or after the Redemption Date. Neither the Issuer nor the Bank shall invest any moneys deposited in the Payment Account.

SECTION 9. The Bank hereby agrees that the compensation noted in Section 8 is full and complete payment for the administration of this Agreement, and the Bank acknowledges and agrees that such amount is and represents the total amount of compensation due the Bank for services rendered as paying agent for the Refunded Obligations. The Bank hereby agrees to pay, assume and be fully responsible for any additional charges that it may incur in the performance of its duties and responsibilities as paying agent for the Refunded Obligations.

SECTION 10. The Bank shall not be responsible for any recital herein, except with respect to its organization, its powers and authority and to the safety and security of the deposit of funds to be made by the Issuer hereunder. As to the existence or nonexistence of any fact relating to the Issuer or as to the sufficiency or validity of any instrument, paper or proceedings relating to the Issuer, the Bank shall be entitled to rely upon a certificate signed on behalf of the Issuer by its Issuer Secretary or other authorized officer as sufficient evidence of the facts therein contained. The Bank may accept a certificate of the Secretary or other authorized officer of the Board under the Issuer's seal, to the effect that a resolution or other instrument in the form therein set forth has been adopted by the Board, as conclusive evidence that such resolution or other instrument has been duly adopted and is in full force and effect.

The duties and obligations of the Bank shall be determined solely by the express provisions of this Agreement, and the Bank shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Bank.

In the absence of bad faith on the part of the Bank, the Bank may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Bank, conforming to the requirements of this Agreement; but notwithstanding any provision of this Agreement to the contrary, in the case of any such certificate or opinion or any evidence which by any provision hereof is specifically required to be furnished to the Bank, the Bank shall be under a duty to examine the same to determine whether it conforms to the requirements of this Agreement.

The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Bank unless it shall be proved that the Bank was negligent in ascertaining or acting upon the pertinent facts. The Bank shall not be responsible or liable to any person in any manner whatever for the sufficiency, correctness, genuineness, effectiveness, or validity of the deposits made pursuant to this Agreement, or for the form or execution thereof, or for the identity or authority or any person making or executing such deposits.

The term "Responsible Officers" of the Bank, as used in this Agreement, shall mean and include the Chairman of the Board of Directors, the President, any Vice President and any Second

Vice President, the Secretary and any Assistant Secretary, the Treasurer and any Assistant Treasurer, and ever other officer and assistant officer of the Bank customarily performing functions similar to those performed by the persons who at the time shall be officers, respectively, or to whom any corporate trust matter is referred, because of his knowledge of an familiarity with a particular subject; and the term "Responsible Officer" of the Bank, as used in this Agreement, shall mean and include any of said officers or persons.

SECTION 11. This Agreement is between the Issuer and the Bank only, and in connection herewith the Bank is authorized by the Issuer to rely upon the representations of the Issuer with respect to this Agreement and the deposits made pursuant hereto and as to the Issuer's right and power to execute and deliver this Agreement, and the Bank shall not be liable in any manner as a result of such reliance. The duties of the Bank hereunder shall only be to the Issuer and the holders of the Refunded Obligations. In the event conflicting demands or notices are made upon the Bank growing out of or relating to this Agreement or the Bank in good faith is in doubt as to what action should be taken hereunder, the Bank shall have the right at its election to:

(a) Withhold and stop all further proceedings in, and performance of, this Agreement with respect to the issue in question and of all instructions received hereunder in regard to such issue; and

(b) File a suit in interpleader and obtain an order from a court of appropriate jurisdiction requiring all persons involved to interplead and litigate in such court their several claims and rights among themselves.

In the event the Bank becomes involved in litigation in connection with this Section, the Issuer, to the extent permitted by law agrees to indemnify and save the Bank harmless from all loss, cost, damages, expenses and attorney fees suffered or incurred by the Bank as a result thereof. The obligations of the Bank under this Agreement shall be performable at the principal corporate office of the Bank in Dallas, Texas.

The Bank may consult with legal counsel in the event of any dispute or question regarding the construction of any of the provisions hereof or its duties hereunder, and in the absence of negligence or bad faith on the part of the Bank, no liability shall be incurred by the Bank for any action taken pursuant to this Section and the Bank shall be fully protected in acting in accordance with the opinion and instructions of legal counsel that is knowledgeable and has expertise in the field of law addressed in any such legal opinion with respect to the instructions given.

Nothing in this Agreement shall be construed to require the Bank to expend or risk its own funds in the performance of any of its duties or the exercise of any of its rights hereunder.

SECTION 12. Time shall be of the essence in the performance of obligations from time to time imposed upon the Bank by this Agreement.

SECTION 13. Following the final payment and redemption of the Refunded Obligations, the Bank shall forward by letter to the Issuer, to the attention of the President, or other designated

official of the Issuer, a final accounting statement with respect to the payment and discharge of the Refunded Obligations, together with all canceled Refunded Obligations.

SECTION 14. Any notice, authorization, request or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed as follows:

Tarrant Regional Water District, a Water Control and Improvement District
800 East North Side Drive
FortWorth, Texas 76102-1097

Attention: Chief Financial Officer

U.S. Bank National Association
100 Wall Street, Suite 1600
New York, New York 10005

Attention: Corporate Trust Services

The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery.

Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof.

SECTION 15. Whenever under the terms of this Agreement the performance date of any provision hereof, including the date of maturity of interest on or principal of the Refunded Obligations, shall be a Sunday or a legal holiday or a day on which the Bank is authorized by law to close, then the performance thereof, including the payment of principal of and interest on the Refunded Obligations, need not be made on such date but may performed or paid, as the case may be, on the next succeeding business day of the Bank with the same force and effect as if made on the date of performance or payment and with respect to a payment, no interest shall accrue for the period after such date.

SECTION 16. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Agreement, in any and every said Refunded Obligation as executed, authenticated and delivered and in all proceedings pertaining thereto as said Refunded Obligations shall have been modified as provided in this Agreement. The Issuer covenants that it is duly authorized under the Constitution and laws of the State of Texas to execute and deliver this Agreement, that all actions on its part for the payment of said Refunded Obligations as provided herein and the execution and delivery of this Agreement have been duly and effectively taken and that said Refunded Obligations and coupons in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof as provided in this Agreement.

SECTION 17. If any one or more of the covenants or agreements provided in this Agreement on the part of the parties to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 18. This Agreement shall terminate either (i) when the Refunded Obligations and coupons appertaining thereto have been paid and discharged in accordance with the provisions of this Agreement or (ii) at the expiration of four (4) years after the Redemption Date, whichever circumstance shall first occur. Subject to applicable unclaimed property laws of the State, moneys held in the Payment Account at the termination of this Agreement shall be remitted and transferred to the Issuer.

SECTION 19. Neither the Issuer nor the Bank shall assign or attempt to assign or transfer any interest hereunder or any portion of any such interest. Any such assignment or attempted assignment shall be in direct conflict with this Agreement and be without effect.

SECTION 20. This Agreement shall inure to the benefit of and be binding upon the Bank and the Issuer and their respective successors.

SECTION 21. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. This Agreement shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers and attested as of the date first written above.

TARRANT REGIONAL WATER DISTRICT,
A WATER CONTROL AND IMPROVEMENT DISTRICT

President

ATTEST:

Secretary

(Issuer Seal)

U.S. BANK NATIONAL ASSOCIATION

Title: _____

EXHIBIT "A"

Schedule of Refunded Obligations

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 13

DATE: October 15, 2024

SUBJECT: CONSIDER APPROVAL OF ORDER AUTHORIZING THE ISSUANCE OF TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT, UNLIMITED TAX REFUNDING BONDS; LEVYING AN AD VALOREM TAX IN SUPPORT OF THE BONDS; ESTABLISHING THE PROCEDURES OF SELLING AND DELIVERING THE BONDS; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS

FUNDING: N/A

RECOMMENDATION:

Management recommends approval of a resolution authorizing the issuance of Tarrant Regional Water District, a Water Control and Improvement District, Unlimited Tax Refunding Bonds; Levying an Ad Valorem Tax in support of the Bonds; establishing the procedures of selling and delivering the bonds; and authorizing other matters related to the issuance of the bonds.

DISCUSSION:

The resolution authorizes the sale of Unlimited Tax Refunding Bonds to refund any ECP Bonds Series B outstanding under the District's Extendable Commercial Paper Financing Program. This resolution gives the District the flexibility to refund the Extendable Commercial Paper Bonds ("ECP") to long-term fixed rate bonds at any time over the next 12 months. This Resolution is necessary should the District need quick access to the bond market if the ECP Bonds are no longer marketable at a cost effective interest rate. The decision to refund will depend on the market conditions, costs and/or market accessibility. There are currently no outstanding ECP Bonds issued on this program. The Finance Committee has reviewed this resolution.

The District's financial advisors and Bond Counsel have advised the District on the need for this resolution. Please see attached the resolution for the sale.

This item was reviewed by the Finance Committee on October 7, 2024.

Submitted By:

Sandy Newby
Chief Financial Officer

ORDER AUTHORIZING THE ISSUANCE OF TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT, UNLIMITED TAX REFUNDING BONDS; LEVYING AN AD VALOREM TAX IN SUPPORT OF THE BONDS; ESTABLISHING THE PROCEDURES OF SELLING AND DELIVERING THE BONDS; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS

THE STATE OF TEXAS §
COUNTY OF TARRANT §
TARRANT REGIONAL WATER DISTRICT
A WATER CONTROL AND IMPROVEMENT DISTRICT §

WHEREAS, Tarrant Regional Water District, a Water Control and Improvement District, (formerly known as "Tarrant County Water Control and Improvement District Number One") (the "Issuer" or the "District") is a political subdivision of the State of Texas, being a conservation and reclamation district created and functioning under Article 16, Section 59 of the Texas Constitution, pursuant to the general laws of the State of Texas, including Chapters 49 and 51, Texas Water Code, and pursuant to the provisions of Chapter 268, Acts of 1957, 55th Legislature of Texas, Regular Session, as amended (collectively the "District Act"); and

WHEREAS, among other bonds, pursuant to a Master Resolution Establishing the Tarrant Regional Water District, A Water Control and Improvement District Extendable Commercial Paper Financing Program, Series B And Authorizing Extendable Commercial Paper Mode Bonds, Series B, adopted on October 16, 2018 (the "Master Resolution"), the Issuer has previously authorized to be outstanding the following described bonds:

Tarrant Regional Water District, a Water Control and Improvement District Extendable Commercial Paper Mode, Series B (Tax-Exempt) and Tarrant Regional Water District, a Water Control and Improvement District Extendable Commercial Paper Mode Bonds, Series B (Taxable), in the original principal amount not to exceed \$150,000,000 (collectively, the "ECP Series B Bonds"); and

WHEREAS, at an election held on May 5, 2018 (the "Bond Election"), the voters of the District authorized the Board of Directors (the "Board") of the District to issue bonds of the District maturing serially or otherwise over a period or periods not exceeding forty (40) years from their date or dates, bearing interest at a rate not to exceed the maximum authorized by law at the time such bonds are issued (in whole or in part thereof), all as may be determined by the Board, in the maximum amount of two hundred fifty million dollars (\$250,000,000) for the purpose of purchasing, constructing, acquiring, owning, leasing, operating, repairing, improving, or extending land, improvements, facilities, plants, equipment, and appliances for flood control and drainage facilities in order to gather, conduct, divert, and control local harmful excesses of water, as well as all expenses in any manner incidental thereto, all in accordance with the engineer's report filed in the office of the district; making payments under contracts pursuant to section 49.213 of the Texas Water Code; refunding bond anticipation notes; and paying such expenses as are incidental to the administration and financing of the District, which under applicable law may properly be paid from the proceeds of such bonds; and in an amount not in excess of one and one-half times the amount of bonds or other evidences of indebtedness previously issued by the District for the purpose of

refunding any bonds or other evidences of indebtedness issued by the District for any of the foregoing purposes; and shall the Board be authorized to provide for the payment of the principal of and the interest and redemption price on all of such bonds by the levy and collection annually of a sufficient tax upon all taxable property within the District which, together with other funds of the district available therefor, will be sufficient to pay the bonds, as authorized by the Constitution and laws of the State of Texas, including particularly (but not by way of limitation Chapter 268, Acts of the 55th Legislature of the State of Texas, Regular Session, 1957, as amended) Chapters 49 and 51 of the Texas Water Code, to the extent applicable, together with all amendments and additions thereto.

WHEREAS, the District now desires to issue refunding bonds to refund all or part of the of the outstanding ECP Series B Bonds (the "Refundable Bonds," and those Refundable Bonds designated by the Authorized Officer in the Approval Certificate, each as defined herein, the "Refunded Bonds"); and

WHEREAS, all the Refunded Bonds mature or are subject to redemption prior to maturity within 20 years of the date of the bonds hereinafter authorized; and

WHEREAS, the refunding bonds hereafter authorized are being issued and delivered pursuant to Chapter 1207, Texas Government Code, as amended ("Chapter 1207"); and

WHEREAS, Chapter 1207 authorizes the District to issue refunding bonds and to deposit the proceeds from the sale thereof together with any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Bonds or eligible trust company or commercial bank, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds; and

WHEREAS, Chapter 1207 further authorizes the District to enter into an escrow or similar agreement with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit; and

WHEREAS, the Deposit Agreement hereinafter authorized, constitutes an agreement of the kind authorized and permitted by Chapter 1207; and

WHEREAS, the Board hereby specifies that to the extent the principal amount of the refunding bonds authorized hereby, together with any net premium thereon, exceeds the principal amount of the Refunded Bonds, such difference shall be counted against the amount authorized by the Bond Election for refunding purposes; and

WHEREAS, the issuance of the Bonds and the application of the proceeds of the Bonds to refund the Refunded Bonds, which consist of bonds in an extendable commercial paper mode, makes it impracticable to determine the maximum amount by which the aggregate amount of payments to be made under the Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Bonds for purposes of Section 1207.008(a)(2), Texas Government Code; and

WHEREAS, the Board of Directors of the District deems it advisable and in the best interest of the District to refund the Refunded Bonds, among other information and terms to be included in a Approval Certificate to be executed by the Authorized Officer, both as hereinafter defined, all in accordance with the provisions of Chapters 1207 including Section 1207.007 thereof, and 1371, Texas Government Code, as amended.

THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT:

ARTICLE ONE

PREAMBLE

SECTION 1.01 **INCORPORATION OF PREAMBLE.** The Board of Directors of the District hereby incorporates the recitals set forth in the preamble hereto as if set forth in full at this place and further finds and determines that the recitals are true and correct.

ARTICLE TWO

DEFINITIONS AND INTERPRETATIONS

SECTION 2.01. **DEFINITIONS.** When used in this Order, except in Article Six, and in any resolution or order amendatory or supplemental hereto, the terms listed below shall have the meanings specified below, unless it is otherwise expressly provided or unless the context otherwise requires:

"Additional Bonds" means the additional bonds payable from ad valorem taxes which the Board of Directors expressly reserves the right to issue in Section 11.01 of this Order.

"Approval Certificate" means the certificate to be executed and delivered pursuant to Section 3.02 hereof in connection with the issuance of the Bonds.

"Authorized Denominations" means the denomination of \$5,000 or any integral multiple thereof with respect to the Bonds.

"Authorized Investments" means authorized obligations as set forth in the Public Funds Investment Act, Chapter 2256, Texas Government Code and the District's Investment Policy.

"Authorized Officer" means the President, Vice President, Secretary or Assistant Secretary of the District.

"Authorized Representative" means the General Manager, the Deputy General Manager, and the Chief Financial Officer of the District authorized, appointed, and designated to act on behalf of the District as provided herein.

"Bank" means U.S. Bank National Association, as paying agent for the Refunded Bonds.

"Board of Directors" or "Board" means the governing body of the District.

"Bond Election" means the election held on May 5, 2018, at which the issuance of a maximum amount of \$250,000,000 in bonds was authorized to be issued by the District for the purpose of providing flood control and drainage facilities and an amount not exceeding one and one-half times the amount of bonds or other evidences of indebtedness previously issued by the District was authorized for the purpose of refunding bonds or other obligations of the District issued for providing flood control and drainage facilities.

"Bond Order" or "Order" means, this Order of the Board of Directors authorizing the issuance of the Bonds.

"Bonds" means the Bonds, as defined in section 3.01 of the Order, issued and delivered pursuant to this Order and all substitute Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

"Business Day" means any day which is not a Saturday, Sunday, or day on which the Paying Agent/Registrar is authorized by law or executive order to remain closed.

"Defeasance Securities" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the Board of Directors adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, and (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 the Board of Directors adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent.

"Deposit Agreement" means the agreement by and between the District and the Bank relating to the defeasance of the Refunded Bonds.

"District" or "Issuer" means Tarrant Regional Water District, A Water control and Improvement District and any other public agency succeeding to the powers, rights, privileges, and functions of the District and, when appropriate, the Board of Directors of the District.

"DTC" means The Depository Trust Company of New York.

"ECP Series B Bonds" means the ECP Series B Bonds as defined in the Preamble hereto.

"Exchange Bonds" means Bonds registered, authenticated, and delivered by the Registrar, as provided in Section 4.01 of this Order.

"Federal Securities" means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America (including Interest Strips of the Resolution Funding Corporation).

"Fiscal Year" means the twelve-month accounting period for the District, which presently is the twelve-month period beginning on October 1 of each year and ending on September 30 of the following year, but which may be changed from time to time by the Board of Directors.

"Initial Bond" means the Bond authorized, issued, and initially delivered as provided in Section 3.02 of this Order.

"Interest Payment Date" means a date on which interest on the Bonds is due and payable. Interest on the Bonds is due and payable semi-annually on each March 15 and September 15, commencing on the Interest Payment Date set forth in the Approval Certificate thereafter until the earlier of maturity or redemption.

"Issuance Date" means the date of initial delivery of the Bonds to the Underwriter.

"Master Resolution" means the Master Resolution as defined in the Preamble hereto.

"MSRB" means the Municipal Securities Rulemaking Board.

"Outstanding" when used with reference to Bonds, means, as of a particular date, all Bonds theretofore and thereupon delivered except; (a) any Bond canceled by or on behalf of the District at or before said date, (b) any Bond defeased or no longer considered Outstanding pursuant to the provisions of this Order or otherwise defeased as permitted by applicable law and (c) any such Bond in lieu of or in substitution for which another Bond shall have been delivered pursuant to this Order.

"Paying Agent/Registrar" or "Registrar" means BOKF, NA, or such other bank, trust company, financial institution, or other entity as may hereafter be designated by the District to act as paying agent and registrar for the Bonds in accordance with the terms of this Order.

"Record Date" means the last calendar day of the month immediately preceding an Interest Payment Date whether or not a business day.

"Redemption Date" means a date fixed for redemption of any Bond pursuant to the terms of this Order.

"Refundable Bonds" means any of the Refundable Bonds as defined in the Preamble hereto.

"Refunded Bonds" means those Refundable Bonds to be refunded as designated by the Authorized Representative in the Approval Certificate.

"Register" means the registry system maintained on behalf of the District by the Registrar in which are listed the names and addresses of the Registered Owners and the principal amount of Bonds registered in the name of each Registered Owner.

"Registered Owner" means any person or entity in whose name a Bond is registered.

"Replacement Bonds" means the Bonds authorized by the District to be issued in substitution for lost, apparently destroyed, or wrongfully taken Bonds as provided in Section 4.02 of this Order.

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

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

"Underwriter" means the initial purchaser or purchasers of the Bonds.

SECTION 2.02. INTERPRETATIONS. The titles and headings of the articles and sections and the page numbers of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the taxes levied in payment thereof.

ARTICLE THREE

AUTHORIZATION, REGISTRATION, EXECUTION, AND AUTHENTICATION OF BONDS

SECTION 3.01. AMOUNT, NAME, PURPOSE, AND AUTHORIZATION. Each Bond issued pursuant to this Order shall be issued under and by virtue of the Constitution and laws of the State of Texas, including particularly Article XVI, Section 59 of the Texas Constitution, the District Act, Chapters 1207 and 1371, Texas Government Code, as amended, and, to the extent applicable, Chapters 49 and 51, Texas Water Code, as amended, and shall be known and designated as "Tarrant Regional Water District, A Water Control and Improvement District Unlimited Tax Refunding Bonds," shall be dated the date and shall be issued in the aggregate principal amount set forth in the Approval Certificate (but in no event to exceed one and one-half times the amount of the Refunded Bonds) for the purpose of refunding the Refunded Bonds and paying certain costs of issuing the Bonds. The authority of the Authorized Representative to execute the Approval Certificate shall expire on October 15, 2025. Bonds priced on or before October 15, 2025, may close after such date.

SECTION 3.02. FORM, DATE, NUMBERS, AND DENOMINATION. (a) There initially shall be issued, sold and delivered fully registered bonds, without interest coupons, numbered consecutively from R-1 upward (except the initial Bonds delivered to the Attorney General of the State of Texas which shall be numbered T-1), payable to the respective initial Registered Owners thereof, or to the registered assignee or assignees of said Bonds or any portion or portions thereof, in Authorized Denominations, maturing not later than forty (40) years from their

date, serially or otherwise on the dates, in the years and in the principal amounts, respectively, all as set forth in the Approval Certificate to be executed and delivered by the Authorized Representative pursuant to subsection (b) of this Section. The Approval Certificate is hereby incorporated in and made a part of this Order and shall be filed in the minutes of the Board as a part of this Order.

(b) As authorized by Chapters 1207 and 1371, Texas Government Code, as amended, the General Manager, the Deputy General Manager, and the Chief Financial Officer of the Issuer are each hereby designated as an "Authorized Representative" of the Issuer, and each is hereby authorized, appointed, and designated as the officer or employee of the Issuer authorized to act on behalf of the Issuer, which actions shall be evidenced by a certificate executed by such Authorized Representative (the "Approval Certificate") for a period not to extend beyond October 15, 2025, in selling and delivering the Bonds, determining which of the Refundable Bonds shall be refunded and constitute "Refunded Bonds" in this Order and carrying out the other procedures specified in this Order, including the use of a book-entry only system with respect to the Bonds and the execution of an appropriate letter of representations if deemed appropriate, the determining and fixing of the date and the date of delivery of the Bonds, any additional or different designation or title by which the Bond shall be known (including, if the Bonds are issued on a taxable basis, inclusion of an appropriate designation as such), the price at which the Bonds will be sold (but in no event less than 95% of the principal amount of the Bonds), the principal amount (but in no event to exceed one and one-half times the amount of the Refunded Bonds) of the Bonds, the amount of each maturity of principal thereof, the due date of each such maturity (not exceeding forty years from the date of the Bonds), the rate of interest, to be borne by each such maturity (but in no event to result in the net effective interest rate on the Bonds exceeding 10% per annum), the initial interest payment date, the date or dates of any optional redemption thereof, any mandatory sinking fund redemption provisions, and approving modifications to this Order and executing such instruments, documents and agreements as may be necessary with respect thereto, and all other matters relating to the issuance, sale and delivery of the Bonds and the refunding of the Refunded Bonds.

(c) The Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BOND set forth in this Order to their respective dates of maturity or redemption at the rates per annum set forth in the Approval Certificate.

SECTION 3.03. PAYMENT OF PRINCIPAL AND INTEREST. The Registrar is hereby appointed as the paying agent for the Bonds. The principal of the Bonds, shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they become due and payable, whether at maturity or by prior redemption in the case of the Bonds, at the designated office for payment of the Registrar. The interest on each Bond shall be payable as provided in the Form of Bond by check payable on the Interest Payment Date, mailed by the Registrar on or before each Interest Payment Date to the Registered Owner as shown on the Register on the Record Date or, at the request of a Registered Owner, and at the Registered Owner's risk and expense, in such other manner as may be acceptable to the Registered Owner and the Registrar. Any accrued interest payable at maturity or

earlier redemption, in the case of the Bonds, shall be paid upon presentation and surrender of the Bond to which such interest appertains.

If the date for payment on any Bond is a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Registrar is located are authorized by law or executive order to close, or the United States Postal Service is not open for business, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions are authorized by law or executive order to close, and payment on such date shall have the same force and effect as if made on the original date payment was due.

SECTION 3.04. SUCCESSOR REGISTRARS. The District covenants that at all times while any Bonds are outstanding it will provide a bank, trust company, financial institution or other entity duly qualified and duly authorized to act as Registrar for the Bonds. The District reserves the right to change the Registrar on not less than 30 days written notice to the Registrar, so long as any such notice is effective at such time as to not disrupt payment on the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Registered Owner, by United States mail, first-class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

SECTION 3.05. SPECIAL RECORD DATE. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for 30 days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the District. Such Special Record Date shall be 15 days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first-class, postage prepaid, not later than 5 days prior to the Special Record Date, to each affected Registered Owner of record as of the close of business on the day prior to the mailing of such notice.

SECTION 3.06. REGISTERED OWNERS. The District, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute Registered Owner of such Bond for the purpose of making payment of principal or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the District, nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Bond in accordance with this Section 3.06 shall be valid and effectual and shall discharge the liability of the District and the Registrar upon such Bond to the extent of the sums paid.

SECTION 3.07. EXECUTION OF BONDS. The Bonds shall be signed on behalf of the District by the President of the Board of Directors and attested by the Secretary or other Authorized Officer of the Board, by their manual, lithographed, or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. The facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually

and in person by each of said officers, and the facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds. If any officer of the District whose manual or facsimile signature appears on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

SECTION 3.09. AUTHENTICATION. The Initial Bond shall bear thereon a certificate of registration of the Comptroller of Public Accounts of the State of Texas, substantially in the form provided in Section 6.02 of this Order, manually executed by the Comptroller or a duly authorized deputy. All other Bonds shall bear a certificate of authentication, substantially in the form provided in Section 6.03 of this Order, manually executed by an authorized officer of the Registrar. No Bond shall be valid or obligatory for any purpose unless either the registration certificate of the Comptroller or the authentication certificate of the Registrar has been signed by a duly authorized officer thereof.

ARTICLE FOUR

REGISTRATION, TRANSFER, AND EXCHANGE

SECTION 4.01. REGISTRATION, TRANSFER, AND EXCHANGE. So long as any Bonds remain outstanding, the Registrar shall keep at its designated office for payment the Register, in which, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Order.

Each Bond shall be transferable only upon the presentation and surrender thereof at the designated office for payment of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or an authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bond for transfer, the Registrar shall authenticate and deliver in exchange therefor, within 72 hours after such presentation, a new Bond or Bonds of the same type, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount, and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the designated office for payment of the Registrar for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section 4.01. Each Bond delivered in accordance with this Section 4.01 shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The District or the Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with

the transfer or exchange of such Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the District.

SECTION 4.02. MUTILATED, LOST, OR STOLEN BONDS. Upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute and the Registrar shall authenticate and deliver a replacement Bond of like amount, bearing a number not contemporaneously outstanding.

The District or the Registrar may require the Registered Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The District or the Registrar may require the Registered Owner of a lost, destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

- (a) furnish to the District and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) furnish such security or indemnity as may be required by the Registrar and the District to save them harmless;
- (c) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (d) meet any other reasonable requirements of the District and the Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond which such replacement Bond was issued presents for payment such original Bond, the District and the Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District or the Registrar in connection therewith.

If any such mutilated, lost, destroyed or wrongfully taken Bond has become or is about to become due and payable, the District in its discretion may, instead of issuing a replacement Bond, authorize the Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section 4.02 shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement is delivered.

SECTION 4.03. BOOK-ENTRY-ONLY SYSTEM. (a) The Bonds issued in exchange for the Initial Bond shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC and except as provided in subsection (b) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the 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 DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC participants (the "DTC Participant") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the 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 Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Register, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any person, other than a Registered Owner, as shown on the Register Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, but to the extent permitted by law, the District and the Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal of and interest, with respect to such Bond, for the purposes of registering transfers with respect to such Bond, and for all other purposes of registering transfers with respect to such Bonds, and for all other purposes whatsoever. The Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the Register as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the District to make payments of principal, and interest pursuant to this Order. 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 Order with respect to interest checks being mailed to the registered owner at the close of business on the Record Date the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

(b) Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the District determines to discontinue the book-entry system through DTC or a successor or DTC determines to discontinue providing its services with respect to the Bonds, the District shall either (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 Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being

registered in the Register 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 the Registered Owner transferring or exchanging Bond shall designate, in accordance with the provisions of this Order.

(c) Payments to Cede & Co. Notwithstanding any other provision of this Order to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations of the District to DTC.

(d) DTC Blanket Letter of Representations. The District authorizes execution of a Blanket Issuer Letter of Representations with DTC establishing the Book-Entry-Only System which will be utilized with respect to the Bonds.

(e) Cancellation of Initial Bond. On the closing date, one Initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the Underwriter of the Bonds or its designee set forth in Section 15.01 of this Order, executed by manual or facsimile signature of the President and Secretary or other Authorized Officer of the Board, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such Underwriter or its designee set forth in Section 15.01 of this Order. Upon payment for the Initial Bond, the Registrar shall cancel the Initial Bond and deliver to DTC on behalf of such Underwriter one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all the Bonds for such maturity.

SECTION 4.04. **CANCELLATION OF BONDS.** All Bonds paid in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated, registered, and delivered in accordance herewith, shall be canceled and disposed of upon the making of proper records regarding such payment, redemption, exchange, or replacement. The Registrar shall furnish the District with appropriate certificates of disposition of such Bonds.

ARTICLE FIVE

REDEMPTION OF BONDS BEFORE MATURITY

SECTION 5.01. **REDEMPTION OF BONDS.** The Bonds shall be subject to redemption, including redemption at the option of the District, as set forth in the FORM OF BOND in Section 6.01.

ARTICLE SIX

FORM OF BOND

SECTION 6.01. **FORM OF BOND.** The Bonds authorized by this Order shall be in substantially the following form, with such omissions, insertions, and variations, including

variations in form, spacing, and style, as may be necessary and desirable and consistent with the terms of this Order and the Approval Certificate. The District shall provide sufficient printed bond forms, duly executed by the District, to the Registrar for registration, authentication, and delivery of the Bonds in accordance with the provisions of this Order.

FORM OF BOND

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the District or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Bond Order referred to herein, until the termination of the system of book-entry-only transfers through DTC, and notwithstanding any other provision of the Bond Order to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

**UNITED STATES OF AMERICA
STATE OF TEXAS**

**TARRANT REGIONAL WATER DISTRICT,
A WATER CONTROL AND IMPROVEMENT DISTRICT
ECP SERIES B UNLIMITED TAX REFUNDING BONDS**

NO. R-

**PRINCIPAL
AMOUNT**

\$ _____

<u>INTEREST RATE</u>	<u>DATE OF BONDS</u>	<u>MATURITY DATE</u>	<u>CUSIP NO.</u>
	____, ____*	September 15, ____	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, **TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT** (the "District"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assign (hereinafter called the "Registered Owner") the principal amount

* From Approval Certificate.

set forth above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from _____, ____*, at the interest rate per annum specified above. Interest is payable semiannually on each March 15 and September 15 (each, an "Interest Payment Date"), commencing on _____ 15, ____*, to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the Interest Payment Date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following Interest Payment Date, in which case such principal amount shall bear interest from such next following Interest Payment Date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the District and the securities depository.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity at BOKF, NA, which is the "Registrar" or "Paying Agent/Registrar" for this Bond at its designated office for payment in Dallas, Texas. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each Interest Payment Date by check or draft, dated as of such Interest Payment Date, drawn by the Registrar on, and payable solely from, funds of the District required by the order authorizing the issuance of the Bonds (the "Bond Order") to be on deposit with the Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Registrar by United States mail, first-class postage prepaid, on or before each such Interest Payment Date, to the Registered Owner hereof, at its address as it appeared on the last calendar day of the month next preceding each such date (the "Record Date") on the Register kept by the Registrar listing the names and addresses of the Registered Owners (the "Register"). In addition, interest may be paid by such other method, acceptable to the Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 calendar 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 District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 calendar days after the Special Record Date) shall be sent at least 5 business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner as it appears on the Register at the close of business on the last business day next preceding the date of mailing of such notice. Notwithstanding the foregoing, during any period in which ownership of the Bond is determined only by a book entry at a securities depository for the Bonds, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the District and the securities depository.

* From Approval Certificate.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Bond for payment at the designated office for payment of the Paying Agent/Registrar. The District covenants with the Registered Owner of this Bond that on or before each principal payment date, interest payment date, and any redemption date for this Bond it will make available to the Registrar, from the "Debt Service Fund" created by the Bond Order, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for any payment due on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the designated office for payment of the Paying Agent/Registrar is located are authorized by law or executive order to close, or the United States Postal Service is not open for business, 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, or the United States Postal Service is not open for business; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of Bonds dated as of _____, ____* and authorized to be issued pursuant to the Bond Order adopted by the Board of Directors of the District in the principal amount of \$_____* **FOR THE PURPOSE OF REFUNDING BONDS OF THAT ISSUE OF TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT EXTENDABLE COMMERCIAL PAPER MODE BONDS, SERIES B AND PAYING CERTAIN COSTS OF ISSUING THE BONDS.**

ON SEPTEMBER 15, ____*, OR ON ANY DATE THEREAFTER, the Bonds maturing on and after September 15, ____*, may be redeemed prior to their scheduled maturities, at the option of the District, with funds derived from any available and lawful source, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the District, and if less than all of a maturity is to be redeemed the Registrar shall determine by lot or other customary method of random selection the Bonds, or portions thereof within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in integral multiples of \$5,000 of principal amount).

****[THE BONDS MATURING ON _____ AND _____** (the "Term Bonds") are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts on the following dates and at a price of par plus accrued interest to the redemption date.

Term Bonds Maturing on

<u>Redemption Date</u>	<u>Principal Amount</u>
------------------------	-------------------------

* From Approval Certificate.
 ** From Approval Certificate, if applicable.

Term Bonds Maturing on _____

Redemption Date

Principal Amount

THE PRINCIPAL AMOUNT of the Term Bonds required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the direction of the District by the principal amount of any Term Bonds of the stated maturity which, at least 50 days prior to a mandatory redemption date, (1) shall have been acquired by the District at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the District with monies in the Debt Service Fund at a price not exceeding the principal amount of the Term Bonds plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.]

AT LEAST 30 calendar days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Registrar by United States mail, first-class postage prepaid, to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Register on the 45th calendar day prior to such redemption date at least 30 days prior to the date fixed for redemption and to major securities depositories and bond information services. By the date fixed for any such redemption due provision shall be made with the Registrar for the payment of the required redemption price for the Bonds or portions for which such payment is made, all as provided above. The Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any authorized denomination or denominations, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the District, all as provided in the Bond Order.

DURING ANY PERIOD in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the District and the securities depository.

WITH RESPECT TO any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Bond Order have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the District, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the District shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the principal denomination of any integral multiple of \$5,000. As provided in the Bond Order, this Bond may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Order. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The Form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Registered Owner. The Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the District. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Registrar shall not be required to make any such transfer, conversion or exchange of any Bond or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or Interest Payment Date or (ii) within 45 calendar days prior to its redemption date; provided, however, such limitation on transferability shall not be applicable to an exchange by the Registered Owner of the unredeemed balance hereof in the event of its redemption in part.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Registrar for the Bonds is changed by the District, resigns, or otherwise ceases to act as such, the District has covenanted in the Bond Order that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Bonds.

THE BONDS are payable from the proceeds of an ad valorem tax, without legal limit as to rate or amount, levied upon all taxable property within the District. The Bond Order further provides that the pledge of taxes to the payment of the Bonds shall terminate at such time, if ever, as (i) money and/or Defeasance Securities (as defined in the Bond Order) are deposited with or made available to the Registrar in accordance with the Bond Order or (ii) the District is abolished and the obligations of the District are assumed pursuant to existing Texas law.

THE BONDS are issued pursuant to the Bond Order, whereunder the District covenants to levy a continuing, direct annual ad valorem tax, without legal limit as to rate or amount, on taxable property within the District, for each year while any part of the Bonds are considered outstanding under the provisions of the Bond Order, in sufficient amount to pay interest on the Bonds as it becomes due, to provide a sinking fund for the payment of the principal of the Bonds when due or the redemption price at any earlier required redemption date with respect to the Bonds, and to pay the expenses of assessing and collecting such tax, all as more specifically provided in the Bond Order. Reference is hereby made to the Bond Order for provisions with respect to the custody and application of funds, remedies in the event of a default hereunder or thereunder, and the other rights of the Registered Owners of the Bonds. By acceptance of this Bond the Registered Owner hereof consents to all of the provisions of the Bond Order, a certified copy of which is on file in the office of the District.

THE OBLIGATION to pay the principal of and the interest on this Bond is solely and exclusively the obligation of the District until such time, if ever, as the District is abolished and this Bond is assumed as described above. No other entity, including the State of Texas, any political subdivision thereof other than the District, or any other public or private body, is obligated, directly, indirectly, contingently, or in any other manner, to pay the principal of or the interest on this Bond from any source whatsoever. No part of the physical properties of the District, including the properties refinanced by the proceeds of the Bonds, is encumbered by any lien for the benefit of the Registered Owner of this Bond.

THE DISTRICT RESERVES THE RIGHT to issue additional bonds heretofore or hereafter duly authorized at elections held in the District payable from a lien on and pledge of taxes; bonds, notes and other obligations of inferior liens, and revenue bonds, notes and other obligations payable solely from revenues of the District or revenues to be received under contracts with other persons, including private corporations, municipalities and political subdivisions or from any other source. The District further reserves the right to issue refunding bonds in any manner permitted by law to refund any bonds (including the Bonds) at or prior to their respective dates of maturity or redemption.

TO THE EXTENT permitted by and in the manner provided in the Bond Order, the terms and provisions of the Bond Order and the rights of the Registered Owners of the Bonds may be modified with, in certain circumstances, the consent of the Registered Owners of a majority in aggregate principal amount of the Bonds affected thereby; provided, however, that, without the consent of the Registered Owners of all of the Bonds affected, no such modification shall (i) extend the time or times of payment of the principal of and interest on the Bonds, 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 Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of the Bonds required for consent to any such modification.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Bond Order unless this Bond either (a) is registered by the Comptroller of Public Accounts of the State of Texas as evidenced by execution of the registration certificate endorsed hereon or (b) is authenticated as evidenced by execution of the authentication certificate endorsed hereon by the Registrar.

IT IS HEREBY CERTIFIED, COVENANTED, AND REPRESENTED that all acts, conditions, and things necessary to be done precedent to the issuance of the Bonds in order to render the same legal, valid, and binding obligations of the District have happened and have been accomplished and performed in regular and due time, form, and manner, as required by law; that provision has been made for the payment of the principal of and interest on the Bonds by the levy of a continuing, direct annual ad valorem tax upon all taxable property within the District and that issuance of the Bonds does not exceed any constitutional or statutory limitation. In the event that any provisions herein contained do or would, presently or prospectively, operate to make any part hereof void or voidable, such provisions shall be without effect or prejudice to the remaining provisions hereof, which shall nevertheless remain operative, and such violative provisions, if any, shall be reformed by a court of competent jurisdiction within the limits of the laws of the State of Texas.

IN WITNESS WHEREOF, the District has caused this Bond to be signed with the manual or facsimile signature of the President of the Board of Directors of the District and countersigned with the manual or facsimile signature of the Secretary or other Authorized Officer of the Board of Directors of the District, and has caused the official seal of the District to be duly impressed, or placed in facsimile, on this Bond.

**TARRANT REGIONAL WATER DISTRICT,
A WATER CONTROL AND IMPROVEMENT
DISTRICT**

XXXXXXXXXXXX

Secretary, Board of Directors

XXXXXXXXXXXX

President, Board of Directors

(SEAL)

SECTION 6.02. REGISTRATION OF INITIAL BOND BY STATE COMPTROLLER AND CERTIFICATE. The Initial Bond shall be registered by the Comptroller of Public Accounts of the State of Texas as provided by law. The registration certificate of the Comptroller of Public Accounts of the State of Texas shall be printed on the face of the Initial Bond and shall be in substantially the following form:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

SECTION 6.03. FORM OF AUTHENTICATION CERTIFICATE. The following form of authentication certificate shall be printed on the face of each of the Bonds other than the Initial Bond:

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an
executed Registration Certificate of the Comptroller
of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Order described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated:

BOKF, NA,
Registrar

By _____
Authorized Representative

SECTION 6.04. FORM OF ASSIGNMENT. A form of assignment shall be printed on the back of each of the Bonds and shall be in substantially the following form:

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 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond 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 a member firm of the New York Stock Exchange or a commercial bank or trust company.

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

SECTION 6.05. CUSIP REGISTRATION. The President of the Board of Directors may secure the printing of identification numbers on the Bonds through the CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association.

SECTION 6.06. LEGAL OPINION AND BOND INSURANCE. (a) The approving opinions of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, and Kintop Smith, PLLC, Dallas, Texas may be printed on the back of the Bonds over the certification of the Secretary of the Board of Directors which may be executed in facsimile.

(b) If bond insurance is obtained for the Bonds, a Statement of Insurance may be placed on the back of, or attached to, the Bonds.

SECTION 6.07. INITIAL BOND. The Initial Bond shall be in the form set forth in this Section, except that:

A. immediately above the name of the Bond, the two paragraphs with respect to DTC shall be removed.

B. immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown in below" and "CUSIP NO." shall be deleted.

C. the principal amount specified in the Approval Certificate shall be entered under the heading "PRINCIPAL AMOUNT."

D. the first paragraph shall be deleted and the following will be inserted:

"TARRANT REGIONAL WATER DISTRICT, A WATER CONTROL AND IMPROVEMENT DISTRICT (the "District"), being a political subdivision, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), the principal amount specified above, payable in annual installments on September 15 in each of the years and in the principal amounts and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-------------------------	----------------------

(Information from Approval Certificate to be inserted)

The District promises to pay interest (calculated on the basis of a 360-day year of twelve 30-day months) on the unpaid principal amount hereof from _____, ____*, at the respective interest rate per annum specified above. Interest is payable semiannually on each March 15 and September 15, commencing _____ 15, ____,* thereafter to the date of payment of the principal installment specified above; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

E. The Initial Bond shall be numbered "T-1."

* From Approval Certificate.

ARTICLE SEVEN

SECURITY OF THE BONDS

SECTION 7.01. SECURITY OF BONDS AND PERFECTION OF LIEN. The Bonds are secured by and payable from the levy of a continuing, direct annual ad valorem tax, without legal limitation as to rate or amount, upon all taxable property within the District.

Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the ad valorem taxes granted by the District under this Article Seven, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the ad valorem taxes granted by the District under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Owners of the Bonds the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

SECTION 7.02. LEVY OF TAX. To pay the interest on the Bonds, and to create a sinking fund for the payment of the principal thereof when due, and to pay the expenses of assessing and collecting such taxes, there is hereby levied, and there shall be assessed and collected in due time, a continuing, direct annual ad valorem tax without legal limit as to rate or amount on all taxable property in the District for each year while any of the Bonds are outstanding. All of the proceeds of such collections, except expenses incurred in that connection, shall be paid into the Debt Service Fund, and the aforementioned tax and such payments into such fund shall continue until the Bonds and the interest thereon have been fully paid and discharged, and such proceeds shall be used for such purposes and no other. While said Bonds, or any of them, are outstanding and unpaid, an ad valorem tax that will be ample and sufficient to provide funds to pay the interest on said Bonds and to provide the necessary sinking fund to pay the principal when due, full allowance being made for delinquencies and costs of collection, together with revenues and receipts from other sources that are legally available for such purpose, shall be levied and collected and applied to the payment of principal and interest on the Bonds, as follows:

- (a) By September 1 in each year, or as soon thereafter as practicable, the Board shall consider the taxable property in the District and determine the actual rate per \$100 valuation of taxable property which is to be levied in that year and levy the tax against all taxable property in the District.
- (b) In determining the actual rate to be levied in each year, the Board shall consider among other things:
 - (i) the amount which should be levied for maintenance and operation purposes;
 - (ii) the amount which should be levied for the payment of principal, interest, and redemption price of each series of bonds or notes payable in whole or in part from taxes;

- (iii) the amount which should be levied for the purpose of paying all other contractual obligations of the District payable in whole or in part from taxes; and
 - (iv) the percentage of anticipated tax collections and the cost of collecting the taxes.
- (c) In determining the amount of taxes which should be levied each year, the Board shall consider whether proceeds from the sale of Bonds have been placed in the Debt Service Fund (as defined in Section 8.01 of this Order) to pay interest on the Bonds and whether the Board reasonably expects to have revenue or receipts available from other sources which are legally available to pay debt service on the Bonds.

SECTION 7.03. PAYMENT OF BONDS AND PERFORMANCE OF OBLIGATIONS. The District covenants to pay promptly the principal of and interest on the Bonds as the same become due and payable, whether at maturity or by prior redemption, in accordance with the terms of the Bonds and this Order, and to keep and perform faithfully all of its covenants, undertakings, and agreements contained in this Order, or in any Bond executed, authenticated, and delivered hereunder.

SECTION 7.04. ABOLITION OF DISTRICT. To the extent provided by law, the pledge of taxes set forth in Section 7.02 will terminate if properties and assets are taken over, all debts, liabilities, and obligations are assumed, and all functions and services of the District are assumed, and the District is abolished pursuant to law.

ARTICLE EIGHT

FLOW OF FUNDS AND INVESTMENTS

SECTION 8.01. FUNDS. The ECP Series B Refunding Debt Service Fund is hereby created or confirmed. The Debt Service Fund shall be kept separate and apart from all other funds of the District. Each fund shall be kept separate and apart from all other funds of the District. The Debt Service Fund shall constitute a trust fund which shall be held in trust for the benefit of the owners of the Bonds. All funds shall be used solely as provided in this Order until all of the Bonds have been retired, both as to principal and interest.

SECTION 8.02. SECURITY OF FUNDS. Any cash balance in any fund, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, shall be continuously secured in the manner provided by law for the security of funds of counties of the State of Texas.

SECTION 8.03. DEPOSIT AND USE OF DEBT SERVICE FUND. The District shall deposit or cause to be deposited into the Debt Service Fund the aggregate of the following at the time specified:

- (a) As soon as practicable after the Bonds are sold, accrued interest on the Bonds from their date to the date of their delivery; and
- (b) The proceeds from collection of the ad valorem taxes levied, assessed and collected for and on account of the Bonds pursuant to Section 7.02 hereof, less costs of collection, as collected.

On or before the date for payment of the principal and/or Interest Payment Date on the Bonds, the Board of Directors shall cause the transfer of moneys out of the Debt Service Fund to the Registrar in an amount not less than that which is sufficient to pay the principal which matures on such date and the interest which accrues on such date. The District shall pay fees and charges of the Registrar for its services as paying agent and registrar for the Bonds from the Debt Service Fund.

SECTION 8.04. INVESTMENTS; EARNINGS. Moneys deposited into the Debt Service Fund and any other fund or funds which the District may lawfully create may be invested or reinvested in Authorized Investments. All investments and any profits realized from and interest accruing on investments made from any fund may be transferred to the Debt Service Fund. If any moneys are so invested, the District shall have the right to have sold in the open market a sufficient amount of such investments to meet its obligations in the event any fund does not have sufficient uninvested funds on hand to meet the obligations payable out of such fund. After such sale the moneys resulting therefrom shall belong to the fund from which the moneys for such investments were initially taken. The District shall not be responsible to the Registered Owners for any loss arising out of the sale of any investments.

ARTICLE NINE

APPLICATION OF BOND PROCEEDS

SECTION 9.01. BOND PROCEEDS. Proceeds from the sale of the Bonds will be disbursed in accordance with this Article.

SECTION 9.02. ACCRUED INTEREST. Moneys received from the Underwriter of the Bonds representing accrued interest on the Bonds from their date to the date of their actual delivery shall be deposited into the Debt Service Fund.

SECTION 9.03. DEPOSIT AGREEMENT. The proceeds from the sale of the Bonds after making the deposit provided in Section 9.02 and paying or making provisions for the payment of the costs in connection with issuing the Bonds, shall be deposited pursuant to the instructions of an Authorized Representative or the District's financial advisor, Hilltop Securities Inc., including deposits required by the Deposit Agreement to be made into the Payment Account created therein. The Deposit Agreement, in substantially the form attached hereto as Exhibit "A", is hereby approved and the President and any Vice President is authorized and directed, for and on behalf of the District, to execute, and the Secretary or any Assistant Secretary or other Authorized Officer of the Board is authorized to attest, the Deposit Agreement with such changes as approved by such Officers.

ARTICLE TEN

PROVISIONS CONCERNING FEDERAL INCOME TAX EXCLUSION

SECTION 10.01. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS. If the Bonds are to be issued on a tax-exempt basis, the following shall apply: (a) Covenants. The District covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the District covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the District, with respect to such private business use, do not, under the terms of this Order or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less, until such proceeds are needed for the purpose for which the Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Compliance with Code. The District understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the District that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the District will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the District agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the District hereby authorizes and directs any Authorized Representative to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the District, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. The District covenants to comply with the covenants contained in this section after defeasance of the Bonds.

(c) Disposition of Project. The District covenants that the property refinanced with the proceeds of the Bonds (the "Project") will not be sold or otherwise disposed in a transaction resulting in the receipt by the District of cash or other compensation, unless the District obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the District shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Bonds.

(d) Allocation of, and Limitation on, Expenditures for the Project. The District covenants to account for the expenditure of sale proceeds and investment earnings on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed. The foregoing notwithstanding, the District shall not expend sale proceeds or investment earnings thereon more than 60 days after the later of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired, unless the District obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the District shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Rebate Fund. In order to facilitate compliance with the above covenant (a)(9), a "Rebate Fund" is hereby established by the District for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation, the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(f) Written Procedures. Unless superseded by another action of the District to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the District hereby adopts and establishes the instructions attached hereto as Exhibit "B" as their written procedures applicable to the Bonds and Additional Bonds.

ARTICLE ELEVEN

ADDITIONAL BONDS AND REFUNDING BONDS

SECTION 11.01. ADDITIONAL BONDS. The District expressly reserves the right to issue, in one or more installments, for the purpose of purchasing, constructing, acquiring, owning, operating, maintaining, repairing, improving, or extending the System, or for any other lawful purpose:

- (a) the unissued unlimited tax bonds which were authorized pursuant to the Bond Elections; and

- (b) such other unlimited tax bonds as may hereafter be authorized at subsequent elections.

SECTION 11.02. OTHER BONDS AND OBLIGATIONS. The District further reserves the right to issue unlimited tax bonds and combination unlimited tax and revenue bonds, if authorized by election, and such other bonds or other obligations as may be lawfully issued by the District including any obligations issued for special projects or defined areas.

SECTION 11.03. REFUNDING BONDS. The District further reserves the right to issue refunding bonds in any manner permitted by law to refund the Bonds at or prior to their respective dates of maturity or redemption.

ARTICLE TWELVE

DEFAULT PROVISIONS

SECTION 12.01. REMEDIES IN EVENT OF DEFAULT. In addition to any other rights and remedies provided by the laws of the State of Texas, the District covenants and agrees that in the event of default in payment of principal of or interest on any of the Bonds when due, or, in the event it fails to make the payments required to be made into the Debt Service Fund, or defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Order, the Registered Owners shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations, or conditions prescribed in this Order. Any delay or omission to exercise any right or power or 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.

SECTION 12.02. BOND ORDER IS CONTRACT. In consideration of the purchase and acceptance of the Bonds authorized to be issued hereunder by the Registered Owners, the provisions of this Order shall be deemed to be and shall constitute a contract between the District and the Registered Owners; and the covenants and agreements herein set forth to be performed on behalf of the District shall be for the equal benefit, protection, and security of each of the Registered Owners. The Bonds, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction of any Bond over any other, except as expressly provided herein.

ARTICLE THIRTEEN

DISCHARGE BY DEPOSIT

SECTION 13.01. DEFEASANCE OF BONDS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Order, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been

made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the District with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied as provided in this Order, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given, in accordance with this Order. Any money so deposited with the Paying Agent/Registrar as provided in this Section may at the discretion of the Board of Directors also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be turned over to the Board of Directors.

(c) Notwithstanding any provision of any other Section of this Order which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the District shall make proper arrangements to provide and pay for such services as required by this Order.

(d) Notwithstanding anything elsewhere in this Order, if money or Defeasance Securities have been deposited or set aside or made available to with the Paying Agent/Registrar pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the District retains the right under Texas law to later call that Defeased Bond for redemption in accordance with the provisions of the Order authorizing its issuance, the District may call such Defeased Bond for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is

taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.

ARTICLE FOURTEEN

MISCELLANEOUS PROVISIONS

SECTION 14.01. DISTRICT'S SUCCESSORS AND ASSIGNS. Whenever in this Order the District is named and referred to, it shall be deemed to include its successors and assigns, and all covenants and agreements in this Order by or on behalf of the District, except as otherwise provided herein, shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

SECTION 14.02. NO RECOURSE AGAINST DISTRICT OFFICERS OR DIRECTORS. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Order against any officer or director of the District or any person executing the Bonds.

SECTION 14.03. REGISTRAR. The Registrar shall act as agent for the payment of principal of and interest on the Bonds and shall maintain the Register for the Bonds, all in accordance with the terms of this Order. If the Registrar or its successor becomes unable for any reason to act as Registrar hereunder, or if the Board of Directors of the District determines that a successor Registrar should be appointed, a successor Registrar shall be selected by the District. Any successor Registrar shall be either a bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform the duties as paying agent and registrar for the Bonds.

SECTION 14.04. REGISTRAR MAY OWN BONDS. The Registrar, in its individual or any other capacity, may become the owner or pledgee of the Bonds with the same rights it would have if it were not Registrar.

SECTION 14.05. BENEFITS OF PROVISIONS. Nothing in this Order or in the Bonds, expressed or implied, shall give or be construed to give any person, firm, or corporation, other than the District, the Registrar, and the Registered Owners, any legal or equitable right or claim under or in respect of this Order, or under any covenant, condition, or provision herein contained, all the covenants, conditions, and provisions contained in this Order or in the Bonds being for the sole benefit of the District, the Registrar, and the Registered Owners.

SECTION 14.06. 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 Order shall be given in such other manner and at such time or times as in the judgment of the District shall most effectively approximate such required publication, and the giving of such notice in such manner shall for all purposes of this Order be deemed to be in compliance with the requirements for publication thereof.

SECTION 14.07. SEVERABILITY CLAUSE. If any word, phrase, clause, sentence, paragraph, section, or other part of this Order, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Order and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Order to any other persons or circumstances shall not be affected thereby.

SECTION 14.08. ACCOUNTING. The District will keep proper records and accounts regarding the levy and collection of taxes, which records and accounts will be made available to any Registered Owner on reasonable request. Each year while any of the Bonds are outstanding, the District shall have an audit of its books and accounts by a certified public accountant or firm of certified public accountants, based on its Fiscal Year, and copies of such audits will be made available to any Registered Owner upon request.

SECTION 14.09. FURTHER PROCEEDINGS. The President and Secretary or other Authorized Officer of the Board of Directors and other appropriate officials of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Order.

ARTICLE FIFTEEN

SALE AND DELIVERY OF BONDS AND APPROVAL OF DOCUMENTS

SECTION 15.01. SALE OF BONDS. Pursuant to the authorizations in Article 3 hereof, as approved by the Authorized Representative, the Bonds may be sold either pursuant to the taking of bids therefor as provided in the Official Notice of Sale or by negotiated sale or placement pursuant to a purchase agreement or other agreement (the "Purchase Agreement") with a purchaser or purchasers (collectively, the "Underwriters") to be approved by an Authorized Representative, and any supplements thereto which may be necessary to accomplish the issuance of Bonds. Such Purchase Agreement is hereby authorized to be dated, executed and delivered on behalf of the Issuer by an Authorized Representative, with such changes therein as shall be approved by an Authorized Representative, the execution thereof by an Authorized Representative to constitute evidence of such approval. The delegation of authority to an Authorized Representative to approve the final terms of the Bonds as set forth in this Order is, and the decisions made by an Authorized Representative pursuant to such delegated authority will be, in the best interests of the Issuer, and an Authorized Representative is authorized to make a finding to such effect in the Approval Certificate.

SECTION 15.02. APPROVAL, REGISTRATION, AND DELIVERY. The President of the Board of Directors of the District and representatives of McCall, Parkhurst & Horton L.L.P. and/or Kintop Smith, PLLC are each hereby authorized and directed to submit the Initial Bond and a transcript of the proceedings relating to the issuance of the Bonds to the Attorney General of the State of Texas for approval and, following said approval, to submit the Initial Bonds to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of the Initial Bond, the Comptroller of Public Accounts (or a deputy designated in writing to act for the

Comptroller) shall manually sign the Comptroller's registration certificate prescribed herein to be printed and endorsed on the Initial Bond, and the seal of the Comptroller shall be impressed or placed in facsimile on the Initial Bond. After the Initial Bond has been registered, signed, and sealed by the Comptroller, they shall be delivered to the Underwriter, but only upon receipt of the full purchase price.

SECTION 15.03 APPROVAL OF OFFERING DOCUMENTS AND PAYING AGENT/REGISTRAR AGREEMENT. The Authorized Representative is hereby authorized to approve the Preliminary Official Statement, the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto (collectively, the "Offering Documents"). For the purpose of review by the Underwriter prior to purchasing the Bonds, the District deems said Preliminary Official Statement to have been "final as of its date" within the meaning of the Rule. The District further approves the distribution of such Official Statement in the reoffering of the Bonds by the Underwriter in final form, with such changes therein or additions thereto as an Authorized Representative executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof

The Paying Agent/Registrar Agreement by and between the District and BOFK, NA ("Paying Agent Agreement") in substantially the form and substance attached hereto as Exhibit "C" is hereby approved and the President or Vice President is hereby authorized and directed to complete, amend, modify and execute the Paying Agent Agreement, as necessary and the Secretary or Assistant Secretary or other Authorized Officer of the Board is authorized and directed to attest such agreement.

SECTION 15.04. REFUNDING OF REFUNDED BONDS. (a) The Refunded Bonds shall be paid upon the earlier of their stated maturity dates or the earliest redemption dates for which notice of redemption can be given pursuant to the Master Resolution, in each case at a price of par plus accrued interest to the date of payment. As soon as practicable after sale of the Bonds, appropriate notices of redemption shall be delivered to the paying agent/registrar for the Refunded Bonds to notify, in accordance with the requirements of the Master Resolution, the owners of the Refunded Bonds of the call for redemption thereof.

(b) Concurrently with the delivery of the Bonds, the Issuer shall cause to be deposited an amount from the proceeds from the sale of the Bonds, together with, to the extent necessary, available funds of the Issuer, with the paying agent/registrar for the Refunded Bonds, sufficient to provide for the refunding and redemption, on the date or dates fixed for redemption, of all of the Refunded Bonds, in accordance with Subchapter C of Chapter 1207, Texas Government Code, as amended. In addition, the Authorized Officer is authorized to transfer and deposit such cash from available funds (including surplus funds in the Interest and Redemption Fund) as may be necessary for the Payment Account described in such Deposit Agreement. It is hereby found and determined that the refunding of the Refunded Bonds, which consist of bonds in an extendable commercial paper mode, makes it impracticable to determine the maximum amount by which the aggregate amount of payments to be made under the Bonds exceeds the aggregate amount of payments that would have been made under the terms of the Refunded Bonds for purposes of Section 1207.008(a)(2), Texas Government Code.

ARTICLE SIXTEEN

OPEN MEETING AND EFFECTIVE DATE

SECTION 16.01. OPEN MEETING. The Board of Directors officially finds, determines, and declares that this Order was reviewed, carefully considered, and adopted at a meeting of the Board, and that a sufficient written notice of the date, hour, place, and subject of this meeting was posted as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that the meeting was open to the public as required by law at all times during which this Order and the subject matter hereof has been discussed, considered, and acted upon. The Board of Directors further ratifies, approves and confirms such written notice and the contents and posting thereof.

SECTION 16.02. EFFECTIVE DATE OF BOND ORDER. This Order shall take effect and be in full force and effect upon and after its passage.

ARTICLE SEVENTEEN

AMENDMENTS

SECTION 17.01. AMENDMENTS. (a) Amendment with Consent of Owners of 51% of Bonds. The owners of 51% in aggregate principal amount of then outstanding Bonds shall have the right from time to time to approve any amendment to this Order which may be deemed necessary or desirable by the District; provided however, that, other than as permitted by subsection (f) of this Section 17.01, nothing herein contained shall permit or be construed to permit the amendment, without the consent of the owner of each of the outstanding Bonds affected thereby, of the terms and conditions of this Order or the Bonds so as to:

- (1) change debt service requirements, interest payment dates or the maturity or maturities of the outstanding Bonds;
- (2) reduce the rate of interest borne by any of the outstanding Bonds;
- (3) reduce the amount of the principal of, redemption premium, if any, or interest on the outstanding Bonds or impose any conditions with respect to such payments;
- (4) modify the terms of payment of principal of, redemption premium, if any, or interest on the outstanding Bonds, or impose any conditions with respect to such payments;
- (5) affect the right of the Registered Owners of less than all of the Bonds then outstanding;
or
- (6) decrease the minimum percentage of the principal amount of Bonds necessary for consent to any such amendment.

(b) Notice of Amendment. If at any time the District shall desire to amend this Order it may cause a written notice of the proposed amendment to be published at least once on a business day

in a financial newspaper, journal, or publication of general circulation in the City of New York, New York, or in the State of Texas. If, because of temporary or permanent suspension of the publication or general circulation of all such newspapers, journals, or publications, it is impossible or impractical to publish such notice in the manner provided herein, then such publication in lieu thereof as shall be made by the Registrar shall constitute a sufficient publication of notice. In addition to such publication, the Registrar shall cause a written notice of the proposed amendment to be given by registered or certified mail to Registered Owners of the Bonds as shown on the Registration Books maintained by the Registrar; provided, however, that failure to receive such written notice of the proposed amendment, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding in connection with, or the adoption of, such amendment. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Registrar for inspection by all Registered Owners of Bonds.

(c) Consent to Amendment. Whenever at any time not less than 30 days, and within one year, from the date of the first publication of said notice or other services of written notice the District shall receive an instrument or instruments executed by the Registered Owners of at least 51% in aggregate principal amount of all Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and shall specifically consent to and approve such amendment, the District may adopt the amendatory resolution or order in substantially the same form.

(d) Effect of Amendment. Upon the adoption of any amendatory resolution or order pursuant to the provisions of this Section, this Order shall be deemed to be amended in accordance with such amendatory resolution or order, and the respective rights, duties, and obligations under such amendatory resolution or order of all the Registered Owners shall thereafter be determined and exercised subject in all respects to such amendments.

(e) Consent of Registered Owners. Any consent given by a Registered Owner pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the Bonds during such period. Such consent may be revoked by the Registered Owner who gave such consent at any time after six months from the date of the first giving of such notice, or by a successor in title, by filing notice thereof with the Registrar and the District, but such revocation shall not be effective if the Registered Owners of 51% in aggregate principal amount of the then outstanding Bonds have, prior to the attempted revocation, consented to and approved the amendment.

(f) Amendments Without Consent. Notwithstanding the provisions of (a) through (e) of this Section, and without notice of the proposed amendment and without the consent of the Registered Owners, the District may, at any time, amend this Order to cure any ambiguity or to cure, correct, or supplement any defective or inconsistent provision contained therein, or to make any other change that does not in any respect materially and adversely affect the interest of the Registered Owners, provided that no such amendment shall be made contrary to the provision to Section 17.01 (a), and a duly certified or executed copy of each such amendment shall be filed with the Registrar.

ARTICLE EIGHTEEN

CONTINUING DISCLOSURE UNDERTAKING

SECTION 18.01. CONTINUING DISCLOSURE UNDERTAKING. (a) Definitions.

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

"*Authority*" means Trinity River Authority.

"*Cities*" means the Cities of Arlington, Fort Worth and Mansfield.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Obligated Person*" means the Issuer, the Authority, and the Cities, or any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities) in the Rule.

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

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

(b) General. Pursuant to a Continuing Disclosure Agreement by and among the Issuer, the Cities, and the Authority, the Issuer, the Cities and the Authority have undertaken for the benefit of the beneficial owners of the Bonds, to the extent set forth therein, to provide continuing disclosure of financial information and operating data with respect to the Issuer, Cities and Authority in accordance with the Rule as promulgated by the SEC.

(c) Annual Reports. (i) The Issuer shall provide annually to the MSRB, within six months after the end of the most recent fiscal year, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement authorized by Section 15.03 of this Order, being the information described in Exhibit "D". Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Exhibit "D", or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and audited, if the Issuer 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 Issuer shall provide audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available.

(ii) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The 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, if it is available from the MSRB) that theretofore has been provided to the MSRB, or filed with the SEC.

(d) Disclosure Event Notices. The Issuer shall notify the MSRB, in a timely manner, of any of the following events with respect to the Bonds, not in excess of ten 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 status of the security, or other material events affecting the tax status of the security;
7. Modifications to the rights of security holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer, any of the Cities or the Authority;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, any of the Cities, or the Authority, other than in the ordinary course of business, the entry into 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;
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 Issuer or an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or an Obligated Person, 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 Issuer or an Obligated Person, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer 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 Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Issuer 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 Issuer, and (b) as used in clauses 15 and 16 above, the term "Financial Obligation" means: (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include Municipal Securities as to which a final official statement has been provided to the MSRB consistent with the Rule; the term "Municipal Securities" means securities which are direct obligations of, or obligations guaranteed as to principal or interest by, a state or any political subdivision thereof, or any agency or instrumentality of a state or any political subdivision thereof, or any municipal corporate instrumentality of one or more states and any other Municipal Securities described by Section 3(a)(29) of the Securities Exchange Act of 1934, as the same may be amended from time to time.

The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with this subsection by the time required. As used in clause 12 above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the U.S. 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 Issuer, or if jurisdiction has been assumed by leaving the Board of Directors and official or officers of the Issuer 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 Issuer.

(e) Limitations, Disclaimers, and Amendments. (i) The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the Bonds within the meaning of the Rule,

except that the Issuer in any event will give notice of any deposit made in accordance with this Order or applicable law that causes Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, 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 Issuer 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 Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell ECP Series B Refunding Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT 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.

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under this Order for purposes of any other provision of this Order. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(v) The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering 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 Order that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions

of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

ARTICLE NINETEEN

OTHER ACTIONS

SECTION 19.01. ATTORNEY GENERAL FEES. The District hereby authorizes and directs payment from legally available funds of the District, of the nonrefundable examination fee of the Attorney General of the State of Texas required by Section 1202.004, Texas Government Code, as amended.

SECTION 19.02. OTHER ACTIONS. The President or Vice President and Secretary or other Authorized Officer of the Board of Directors of the District, and all other officers, employees and agents of the District, 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 District all instruments as may be necessary or desirable in order to carry out the terms and provisions of this Order, the Bonds, the sale of the Bonds and the Official Statement. In addition, prior to the initial delivery of the Bonds, President, Vice President or Treasurer and Secretary of the Board of Directors of the District, the District's Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Order or to any of the instruments authorized and approved by this Order necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Order 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 Bonds by the Texas Attorney General's office.

SECTION 19.03. APPROPRIATION. To pay the debt service coming due on the Bonds 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.

EXHIBIT "A"

FORM OF DEPOSIT AGREEMENT

DEPOSIT AGREEMENT

THIS DEPOSIT AGREEMENT (the "Agreement"), dated as of _____, _____, made by and between Tarrant Regional Water District, a Water Control and Improvement District (the "Issuer"), a political subdivision of the State of Texas acting by and through the President and Secretary or other Authorized Officer of the Board of Directors of the Issuer (the "Board"), and U.S. Bank National Association (the "Bank"), a banking association organized and existing under the laws of the United States of America,

WITNESSETH:

WHEREAS, the Issuer has heretofore issued and delivered and there is currently outstanding the obligations described on Exhibit "A" hereto (hereinafter called the "Refunded Obligations"); and

WHEREAS, in accordance with the provisions of Chapter 1207, Texas Government Code (the "Act"), the Issuer is authorized to sell refunding bonds in an amount sufficient to provide for the full and complete payment of obligations, deposit the proceeds of such refunding bonds with the place of payment for the obligations being refunded and enter into an escrow or similar agreement with such place of payment for the safekeeping, investment, reinvestment, administration and disposition of such deposit, upon such terms and conditions as the parties may agree; and

WHEREAS, the Issuer on _____, _____, pursuant to a resolution (the "Bond Resolution") passed and adopted by the Board, authorized the issuance of bonds known as "Tarrant Regional Water District, a Water Control and Improvement District Unlimited Tax Refunding Bonds" (the "Bonds"), and such Bonds are being issued to refund, discharge and make final payment of the principal of and interest on the Refunded Obligations; and

WHEREAS, a portion of the proceeds of sale of the Bonds, together with other available funds of the Issuer, are to be deposited with the Bank under this Agreement, which deposit of funds will be sufficient to pay and redeem in full the Refunded Obligations on _____, (the Redemption Date);

NOW, THEREFORE, in consideration of the mutual agreements herein contained and the payment to the Bank of amounts provided in Section 8 hereof, and to secure the payment of the principal of and the interest on the Refunded Obligations, the Issuer and the Bank hereby agree as follows:

SECTION 1. A trust clearing account (hereinafter called the "Payment Account") shall be maintained at the Bank for the benefit of the holders of the Refunded Obligations, and, immediately following the delivery of the Bonds, the Issuer agrees and covenants to cause to be deposited with the Bank for the credit of the Payment Account the sum of \$_____.

The Bank agrees to establish such Payment Account and further agrees to receive said moneys, apply the same as set forth herein, and to hold uninvested the cash deposited and credited to the Payment Account for application and disbursement for the payment and redemption of the Refunded Obligations on the Redemption Date.

SECTION 2. In reliance upon the Sufficiency Certificate of Financial Advisor, a copy of which is attached hereto as Exhibit "B", the Issuer represents that the amount deposited to the credit of the Payment Account, as provided in Section 1 hereof, will be sufficient to pay and redeem in full all the Refunded Obligations on the Redemption Date, and the Bank acknowledges the sufficiency of the deposit for said purpose.

The Bank acknowledges receipt of a copy of the Bond Resolution providing for the redemption of the Refunded Obligations on the Redemption Date at the price of par and accrued interest and acknowledges receipt of the form of notice of redemption attached hereto. The Bank will give the notice of redemption as required by the order authorizing the issuance of the Refunded Bonds.

SECTION 3. The Bank agrees that all funds held in the Payment Account shall constitute a dedicated interest and sinking fund for the payment of the principal of and interest on the Refunded Obligations which will mature and become due on and after the date of this Agreement, such funds deposited to the credit of the Payment Account shall be applied solely in accordance with the provisions of this Agreement and the Issuer shall have no right or title with respect thereto, except as otherwise provided herein. Such funds shall not be subject to checks or drafts drawn by the Issuer.

SECTION 4. If, for any reason, the funds on hand in the Payment Account shall be insufficient to pay the redemption price of the Refunded Obligations on the Redemption Date, notice of any such insufficiency shall be immediately given by the Bank to the Issuer by the fastest means possible.

SECTION 5. The Bank represents that the deposit covered by this Agreement shall constitute firm banking arrangements to insure payment of the Refunded Obligations and such deposit is collateralized to insure against any loss or diminution by virtue of any action of the Bank or as a result of its lack of financial integrity by a pledge of direct obligations of the United States of America, in the par or face amount at least equal to the principal amount of said monies to the extent such money is not insured by the Federal Deposit Insurance Corporation.

SECTION 6. The Bank, as paying agent for the Refunded Obligations, shall, without further direction from anyone, including the Issuer, cause to be paid with funds on deposit in the Payment Account the amount required to pay and redeem in full the Refunded Obligations on the Redemption Date when such obligations are presented for payment in accordance with their terms.

SECTION 7. The Bank shall have no lien whatsoever upon any of the moneys deposited to the credit of the Payment Account for payment of services rendered hereunder, services rendered

as Paying Agent for the Refunded Obligations, or for any costs or expenses incurred hereunder and reimbursable from the Issuer.

SECTION 8. Moneys on deposit in the Payment Account shall be held uninvested pending the disbursement of moneys. In consideration for the services rendered hereunder, the Issuer shall pay to the Bank the sum of \$_____. No investment of funds deposited to the credit of the Payment Account shall be made on or after the Redemption Date. Neither the Issuer nor the Bank shall invest any moneys deposited in the Payment Account.

SECTION 9. The Bank hereby agrees that the compensation noted in Section 8 is full and complete payment for the administration of this Agreement, and the Bank acknowledges and agrees that such amount is and represents the total amount of compensation due the Bank for services rendered as paying agent for the Refunded Obligations. The Bank hereby agrees to pay, assume and be fully responsible for any additional charges that it may incur in the performance of its duties and responsibilities as paying agent for the Refunded Obligations.

SECTION 10. The Bank shall not be responsible for any recital herein, except with respect to its organization, its powers and authority and to the safety and security of the deposit of funds to be made by the Issuer hereunder. As to the existence or nonexistence of any fact relating to the Issuer or as to the sufficiency or validity of any instrument, paper or proceedings relating to the Issuer, the Bank shall be entitled to rely upon a certificate signed on behalf of the Issuer by its Issuer Secretary or other Authorized Officer as sufficient evidence of the facts therein contained. The Bank may accept a certificate of the Secretary or other Authorized Officer of the Board under the Issuer's seal, to the effect that a resolution or other instrument in the form therein set forth has been adopted by the Board, as conclusive evidence that such resolution or other instrument has been duly adopted and is in full force and effect.

The duties and obligations of the Bank shall be determined solely by the express provisions of this Agreement, and the Bank shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Bank.

In the absence of bad faith on the part of the Bank, the Bank may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Bank, conforming to the requirements of this Agreement; but notwithstanding any provision of this Agreement to the contrary, in the case of any such certificate or opinion or any evidence which by any provision hereof is specifically required to be furnished to the Bank, the Bank shall be under a duty to examine the same to determine whether it conforms to the requirements of this Agreement.

The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Bank unless it shall be proved that the Bank was negligent in ascertaining or acting upon the pertinent facts. The Bank shall not be responsible or liable to any person in any manner whatever for the sufficiency, correctness, genuineness, effectiveness, or validity of the

deposits made pursuant to this Agreement, or for the form or execution thereof, or for the identity or authority or any person making or executing such deposits.

The term "Responsible Officers" of the Bank, as used in this Agreement, shall mean and include the Chairman of the Board of Directors, the President, any Vice President and any Second Vice President, the Secretary and any Assistant Secretary, the Treasurer and any Assistant Treasurer, and ever other officer and assistant officer of the Bank customarily performing functions similar to those performed by the persons who at the time shall be officers, respectively, or to whom any corporate trust matter is referred, because of his knowledge of an familiarity with a particular subject; and the term "Responsible Officer" of the Bank, as used in this Agreement, shall mean and include any of said officers or persons.

SECTION 11. This Agreement is between the Issuer and the Bank only, and in connection herewith the Bank is authorized by the Issuer to rely upon the representations of the Issuer with respect to this Agreement and the deposits made pursuant hereto and as to the Issuer's right and power to execute and deliver this Agreement, and the Bank shall not be liable in any manner as a result of such reliance. The duties of the Bank hereunder shall only be to the Issuer and the holders of the Refunded Obligations. In the event conflicting demands or notices are made upon the Bank growing out of or relating to this Agreement or the Bank in good faith is in doubt as to what action should be taken hereunder, the Bank shall have the right at its election to:

(a) Withhold and stop all further proceedings in, and performance of, this Agreement with respect to the issue in question and of all instructions received hereunder in regard to such issue; and

(b) File a suit in interpleader and obtain an order from a court of appropriate jurisdiction requiring all persons involved to interplead and litigate in such court their several claims and rights among themselves.

In the event the Bank becomes involved in litigation in connection with this Section, the Issuer, to the extent permitted by law agrees to indemnify and save the Bank harmless from all loss, cost, damages, expenses and attorney fees suffered or incurred by the Bank as a result thereof. The obligations of the Bank under this Agreement shall be performable at the principal corporate office of the Bank in _____.

The Bank may consult with legal counsel in the event of any dispute or question regarding the construction of any of the provisions hereof or its duties hereunder, and in the absence of negligence or bad faith on the part of the Bank, no liability shall be incurred by the Bank for any action taken pursuant to this Section and the Bank shall be fully protected in acting in accordance with the opinion and instructions of legal counsel that is knowledgeable and has expertise in the field of law addressed in any such legal opinion with respect to the instructions given.

Nothing in this Agreement shall be construed to require the Bank to expend or risk its own funds in the performance of any of its duties or the exercise of any of its rights hereunder.

SECTION 12. Time shall be of the essence in the performance of obligations from time to time imposed upon the Bank by this Agreement.

SECTION 13. Following the final payment and redemption of the Refunded Obligations, the Bank shall forward by letter to the Issuer, to the attention of the President, or other designated official of the Issuer, a final accounting statement with respect to the payment and discharge of the Refunded Obligations, together with all canceled Refunded Obligations.

SECTION 14. Any notice, authorization, request or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed as follows:

Tarrant Regional Water District, a Water Control and Improvement District
800 East North Side Drive
Fort Worth, Texas 76102-1097

Attention: Chief Financial Officer

U.S. Bank National Association
100 Wall Street, Suite 1600
New York, New York 10005

Attention: Corporate Trust Services

The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery.

Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof.

SECTION 15. Whenever under the terms of this Agreement the performance date of any provision hereof, including the date of maturity of interest on or principal of the Refunded Obligations, shall be a Sunday or a legal holiday or a day on which the Bank is authorized by law to close, then the performance thereof, including the payment of principal of and interest on the Refunded Obligations, need not be made on such date but may be performed or paid, as the case may be, on the next succeeding business day of the Bank with the same force and effect as if made on the date of performance or payment and with respect to a payment, no interest shall accrue for the period after such date.

SECTION 16. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Agreement, in any and every said Refunded Obligation as executed, authenticated and delivered and in all proceedings pertaining thereto as said Refunded Obligations shall have been modified as provided in this Agreement. The Issuer covenants that it is duly authorized under the Constitution and laws of the State of Texas to execute and deliver this Agreement, that all actions on its part for the payment of said Refunded Obligations as provided herein and the execution and delivery of this Agreement have been duly and

effectively taken and that said Refunded Obligations and coupons in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof as provided in this Agreement.

SECTION 17. If any one or more of the covenants or agreements provided in this Agreement on the part of the parties to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 18. This Agreement shall terminate either (i) when the Refunded Obligations and coupons appertaining thereto have been paid and discharged in accordance with the provisions of this Agreement or (ii) at the expiration of four (4) years after the Redemption Date, whichever circumstance shall first occur. Subject to applicable unclaimed property laws of the State, moneys held in the Payment Account at the termination of this Agreement shall be remitted and transferred to the Issuer.

SECTION 19. Neither the Issuer nor the Bank shall assign or attempt to assign or transfer any interest hereunder or any portion of any such interest. Any such assignment or attempted assignment shall be in direct conflict with this Agreement and be without effect.

SECTION 20. This Agreement shall inure to the benefit of and be binding upon the Bank and the Issuer and their respective successors.

SECTION 21. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. This Agreement shall be governed by the laws of the State of Texas.

SECTION 22. Section 2271.002, Texas Government Code. To the extent this Deposit Agreement constitutes a contract for goods or services for which a written verification is required pursuant to Section 2271.002, Texas Government Code, the value of the services provided by the Bank does not exceed \$100,000.

SECTION 23. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank

understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

SECTION 24. Chapter 2274, Texas Government Code (No Discrimination Against Fossil-Fuel Companies). To the extent this Deposit Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the value of the services provided by the Bank does not exceed \$100,000.

SECTION 25. Chapter 2274, Texas Government Code (No Discrimination Against Firearm Entities and Firearm Trade Associations). To the extent this Deposit Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, the value of the services provided by the Bank does not exceed \$100,000.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers and attested as of the date first written above.

TARRANT REGIONAL WATER DISTRICT,
A WATER CONTROL AND IMPROVEMENT DISTRICT

President

ATTEST:

Secretary

(Issuer Seal)

U.S. BANK NATIONAL ASSOCIATION

Title: _____

EXHIBIT "A"
TO DEPOSIT AGREEMENT

Schedule of Refunded Obligations

EXHIBIT "B"
TO DEPOSIT AGREEMENT

Sufficiency Certificate

EXHIBIT "B"

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Bonds and any Additional Bonds (the "Obligations") the District's Bookkeeper and Financial Advisor (the "Responsible Persons") will :

For Obligations issued for newly acquired property or constructed property:

- instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Obligations will be entered into within 6 months of the date of delivery of the Obligations ("Issue Date");
- monitor that at least 85% of the proceeds of the Obligations to be used for the construction, renovation or acquisition of any facilities are expended within 3 years of the Issue Date;
- restrict the yield of the investments (other than those in the Reserve Fund) to the yield on the Obligations after 3 years of the Issue Date;
- monitor all amounts deposited into a sinking fund or funds, e.g., the Debt Service Fund, to assure that the maximum amount invested at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the Obligations in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Obligations for the immediately preceding 12-month period;
- assure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more;

For Obligations issued for refunding purposes:

- monitor the actions of the escrow agent (to the extent an escrow is funded with proceeds) to assure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances;

For all Obligations:

- maintain any official action of the District (such as a reimbursement resolution) stating its intent to reimburse itself with the proceeds of the Obligations any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;

- assure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS;
- assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Obligations are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Obligations the Responsible Persons will:

- monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- monitor whether, at any time the Obligations are outstanding, any person, other than the District, the employees of the District, the agents of the District or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- monitor whether, at any time the Obligations are outstanding, any person, other than the District, the employees of the District, the agents of the District or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- monitor whether, at any time the Obligations are outstanding, any person, other than the District, the employees of the District, the agents of the District or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- determine whether, at any time the Obligations are outstanding, any person, other than the District, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- determine whether, at any time the Obligations are outstanding, the facilities are sold or otherwise disposed of; and
- take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the resolution authorizing the Obligations.

C. Record Retention. The Responsible Persons will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Obligations and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Obligations. If any portion of the Obligations is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Persons. Each Responsible Person shall receive appropriate training regarding the District's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed with the proceeds of the Obligations. The foregoing notwithstanding, the Responsible Persons are authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT "C"

PAYING AGENT/REGISTRAR AGREEMENT

Located elsewhere in transcript

EXHIBIT "D"

CONTINUING DISCLOSURE

1. Annual Financial Statements and Operating Data

The financial information and operating data with respect to the District to be provided annually in accordance with such Section are of the general type included in the Offering Documents under the headings "PLAN OF FINANCING - Debt Service Requirements," "FINANCIAL INFORMATION CONCERNING THE DISTRICT (UNAUDITED)" except for "Estimated Overlapping Debt," "TAX DATA," and in APPENDIX A (Financial Statements of the District including supplemental schedules).

2. Accounting Principles

The accounting principles to be applied to the financial statement of the District are described in the financial statement contained in Appendix A to the Offering Documents .

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 14

DATE: October 15, 2024

SUBJECT: Consider Approval of Contract with Martindale Consultants, Inc. for Oil and Gas Audit

FUNDING: Fiscal Year 2025 General Fund - \$40,000

RECOMMENDATION:

Management recommends approval of a contract **in the amount of \$40,000** with Martindale Consultants, Inc. to provide oil and gas audit services for fiscal years 2025 – 2027 with the option for two (2) one-year extensions.

DISCUSSION:

The District received three responses to the Oil and Gas Auditor Request for Statement of Qualifications. The proposals were ranked by an evaluation team, and Martindale Consulting, LLC was selected. All statutory bidding requirements have been satisfied.

This item was reviewed by the Finance and Audit Committee on October 7, 2024.

Submitted By:

Carol Tackel
Risk and Internal Audit Director

SCOPE OF WORK: Oil and Gas Audit Services

On a rotating basis, as noted in the summary, the scope of work includes but is not limited to the following:

- A. Notifying Operator of Review and Request Revenue Audit Data Exchange (RADE)
- B. Reconciling RADE to TRWD's royalty payments and investigating any discrepancies to ensure audit population has integrity.
- C. Analyzing reconciled RADE and selected sample months and wells for further in-depth review.
- D. Requesting from the Operator the underlying documents (only for the test months) necessary to provide an audited and documented understanding of volumes produced, gathered, treated, transported, and sold; first and third-party sales value and deductions taken. These documents include, but are not limited to:
 - 1. Volume integration statements and/or EFT volume statements for all measurement points: wellhead, gathering system outlets, gas plant inlets/outlets, transportation system inlet/outlet, and sales delivery meters.
 - 2. LACT readings or other oil measurement documentation.
 - 3. Third party invoices or internal journal entries for all costs of gathering and transportation and/or any other deduction taken.
 - 4. Gas plant statements for each well; if plant is owned by the Operator, the gas plant volume balance worksheets for the month.
 - 5. Gas processing contracts in place for each test month; if plant is owned by the Operator, contracts with all producers delivering through the plant.
 - 6. Third party invoices and sales delivery volume statements for all third-party sales sourced in whole or in part from county wells.
 - 7. Schematic showing all wells, gathering systems, and transportation pipelines owned and/or used to deliver sales; all processing plants and/or treating plants through which production was processed during the audit time period.
- E. Reviewing documentation provided and conducting test month analysis to determine if royalty payments are in compliance with TRWD Lease terms.
- F. Requesting from Operator any additional information necessary to verify all potential adjustments to royalty payments. Meeting with the appropriate Operator personnel

to discuss potential underpayments and/or overpayments, resolve questions regarding accounting for volumes and/or values, obtain additional documentation to eliminate or confirm adjustments, and otherwise obtain consensus to any underpayments and/or overpayments identified during the field work.

- G. Quantifying all underpayments and/or overpayments, identified separately by type of exception, for each well for each month. Summarizing total underpayment and/or overpayments by Operator for each type of exception for the audit period.
- H. Assimilating all findings into a report, including all necessary supporting schedules.
- I. Providing copies and/or supporting detail for all adjustments necessary for the Operator to understand and agree with the computation of the underpayment.
- J. Providing support for negotiating and resolving all disputed items.

Next Scheduled Board Meeting

November 19, 2024 at 9:00 AM