

TRINITY RIVER AUTHORITY OF TEXAS
SECOND AMENDMENT TO WASTEWATER TRANSPORTATION CONTRACT
(WALKER-CALLOWAY SYSTEM)

THE STATE OF TEXAS
TRINITY RIVER AUTHORITY OF TEXAS

This Second Amendment to the Wastewater Transportation Contract for the Walker-Calloway System ("*Second Amendment*") is made and entered into as of the ____ day of _____, 2017, by and between the CITY OF NORTH RICHLAND HILLS, TEXAS ("*North Richland Hills*"), the CITY OF HURST, TEXAS ("*Hurst*"), each a municipal corporation acting under the laws of the State of Texas, and their Home Rule Charters, and the TRINITY RIVER AUTHORITY OF TEXAS ("*Authority*"), 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, pursuant to Chapter 518, Acts of the 54th Legislature of the State of Texas, Regular Session, 1955, as amended ("*Authority Act*"). Hurst and North Richland Hills are individually referred to herein as a "*City*" and collectively referred to herein as the "*Cities*."

The Cities and Authority acknowledge that this Second Amendment is made and entered into subject to the terms, covenants and conditions of the Wholesale Wastewater Contract between the Authority, the Cities and the City of Fort Worth ("*Fort Worth*"), dated December 2, 1987 ("*Wholesale Wastewater Contract*"). The Wholesale Wastewater Contract is incorporated into this Second Amendment by reference as if quoted herein and for all purposes and remains in full force and effect.

RECITALS

WHEREAS, the Cities previously entered into separate contracts with the Authority, both dated April 18, 1969 ("*Initial Contracts*"), for the Authority's issuance of revenue bonds and construction of the Walker-Calloway Branch Outfall Trunk Sewer System for the transportation, treatment and disposal of sanitary sewage, industrial waste and other wastes and treatment of Cities wastewater ("*System*");

WHEREAS, the wastewater treatment services are subject to the Wholesale Wastewater Contract;

WHEREAS, the Authority has constructed the necessary infrastructure for the System which connect into a wastewater pipeline owned by Fort Worth and all of the Authority's revenue bonds issued to construct the System have been paid in full and are no longer outstanding and the Initial Contracts expired according to its terms;

WHEREAS, on October 24, 2001, the Cities and the Authority entered into a contract ("*Contract*") whereby the Authority agreed to continue providing, and the Cities agreed to pay for transportation of Cities wastewater, and treatment of Cities wastewater by Fort Worth under

terms of the Wholesale Wastewater Contract and to pay the Authority all operation and maintenance charges for the System;

WHEREAS, as the System has been constructed, improved and expanded to date, the Authority and the Cities anticipate further construction, improvement and expansion projects which will be financed through the issuance of the Bonds by the Authority (as hereinafter defined);

WHEREAS, the Cities and the Authority have previously entered into a First Amendment to Wastewater Transportation Contract (Walker-Calloway System), dated February 20, 2017 (the "*First Amendment*") in order to provide a means for the security and payment of Bonds to be issued in one or more series for improvements, enlargements, modifications and extensions to the System, and which First Amendment remains in full force and effect;

WHEREAS, the Contract expires on December 2, 2017; however the First Amendment provides that upon issuance of Bonds, "the Contract, as amended, shall continue in full force and effect while any Bonds are outstanding";

WHEREAS, the issuance of the first series of Bonds will not be completed prior to the December 2, 2017 expiration date;

WHEREAS, the Cities and the Authority deem it necessary and desirable to enter into this Second Amendment to the Contract to extend the expiration date of the Contract to allow for the issuance of Bonds for System improvements;

WHEREAS, the Cities and the Authority are authorized to make and enter into this Second Amendment under the Authority Act and other applicable laws;

WHEREAS, this preamble is made a part of this Second Amendment for all purposes;

WHEREAS, the Contract and the First Amendment shall remain in full force and effect in accordance with their terms except as amended by this Second Amendment;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Authority agrees to issue Bonds from time to time for improvements, enlargements, modifications and extensions to the System under the Contract, as amended, and the Cities agrees to make payments on the Bonds as provided in the Contract, the First Amendment and the Second Amendment and continue to make payments for Operation and Maintenance Expenses, as defined in the Contract, as provided therein.

Section 1. Section 3 of the First Amendment, which amended Section 2.01 of the Contract in its entirety, is hereby amended in its entirety as follows:

"Section 3. TERM. "2.01. TERM" of the Contract is hereby amended in its entirety as follows:

2.01 Term. This Contract shall continue in full force and effect until December 2, 2018 and thereafter while any Bonds are outstanding. Notwithstanding Section 9.01, no modification of this Contract may be made while Bonds are outstanding unless the Contract, as proposed to be modified, makes provisions for the full and prompt repayment of all Bonds issued for the System.”

Section 2. The effective date of this Second Amendment shall be November 1, 2017. Following its effective date and notwithstanding Section 1 hereof, the Contract, the First Amendment and the Second Amendment shall continue in full force and effect while any Bonds are outstanding. It is understood by the Authority and the Cities that the First Amendment has been entered into, and this Second Amendment is being entered into, to allow for the issuance of Bonds for improvements, enlargements, extensions and modifications to the System and with the knowledge and belief that the Wholesale Wastewater Contract and the Contract, as amended, will be amended, modified or supplemented. Notwithstanding Section 9.01 of the Contract, no modification of the Contract, as amended, may be made while Bonds are outstanding unless the Contract, as amended, as proposed to be modified, makes provisions to allow for the Authority’s full and prompt repayment of all Bonds.

Section 3. If any provision of the Contract, the First Amendment or the Second Amendment shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of the Contract, the First Amendment or Second Amendment invalid, inoperative or unenforceable to any extent whatever.

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IN WITNESS WHEREOF, the Authority and the Cities, acting under authority of their respective governing bodies, have caused this Second Amendment to be duly executed in several counterparts, each of which shall constitute an original.

TRINITY RIVER AUTHORITY OF TEXAS

By _____
J. Kevin Ward; General Manager

ATTEST:

Howard Slobodin; Secretary

CITY OF HURST, TEXAS

By _____
Name _____
Title _____

ATTEST:

City Secretary

CITY OF NORTH RICHLAND HILLS, TEXAS

By _____
Mark Hindman, City Manager

Date: _____

ATTEST:

APPROVED TO FORM AND LEGALITY:

Alicia Richardson, City Secretary

Maleshia B. McGinnis, City Attorney