

RESOLUTION NO. 44-2005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AND APPROVE AN AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR A LOAN FROM THE STATE INFRASTRUCTURE BANK FOR CONSTRUCTION COSTS FOR VARIOUS ROADWAY IMPROVEMENTS FOR THE MESQUITE SECTION OF THE LBJ CORRIDOR, PHASES 2 AND 2B, AND PLEDGING REVENUES FROM THE TOWNE CENTRE TAX INCREMENT FINANCE REINVESTMENT ZONE NUMBER TWO TO GUARANTEE REPAYMENT.

WHEREAS, the City of Mesquite (the "City") wishes to improve traffic flow along Interstate 635, also known as the LBJ Corridor, between U.S. Highway 80 and north of Town East Boulevard; and

WHEREAS, the City has requested that the Texas Department of Transportation ("TxDOT") allow the City to participate in funding the engineering design and construction costs associated with various roadway improvements for the Mesquite Section of the LBJ Corridor, between U.S. Highway 80 and north of Town East Boulevard (the "Project"); and

WHEREAS, the Project includes reconstructing the Town East Boulevard bridge and realigning Town East Boulevard under the bridge; reconstructing the main lanes of Interstate 635 between U.S. Highway 80 and north of Town East Boulevard, including relocating entrance/exit ramps, adding a ramp and relocating existing utilities; and constructing the southbound frontage road of Interstate 635 from Interstate 30 to Town East Boulevard; and

WHEREAS, TxDOT has determined that such participation in the Project is in the best interest of the citizens of the State; and

WHEREAS, on March 4, 2002, with the passage of Resolution No. 10-2002, the City Council approved the Advance Funding Agreement with TxDOT; and

WHEREAS, on May 2, 2005, with the passage of Resolution No. 15-2005, the City Council authorized the City Manager to submit an application to TxDOT for a loan from the State Infrastructure Bank to obtain funding to participate in the construction of Phases 2 and 2B of the Project in an amount of \$5,615,287.00.

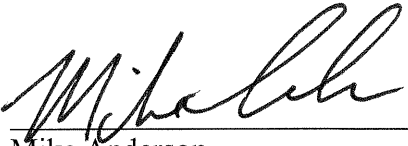
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City Council hereby authorizes the City Manager to execute and approve an agreement with the Texas Department of Transportation ("TxDOT") for a loan from the State Infrastructure Bank in the amount of \$5,615,287.00 (the "SIB Loan Agreement") for the construction of Phases 2 and 2B of the Project.

SECTION 2. That the City hereby covenants and agrees that the loan will be secured by revenues from the Towne Centre Tax Increment Finance Reinvestment Zone Number Two to guarantee repayment to the State Infrastructure Bank.

SECTION 3. That TxDOT has a contractual right to and pledge of such revenues to guarantee repayment of the loan over a period of 12 years as provided in the SIB Loan Agreement.


DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 17th day of October, 2005.



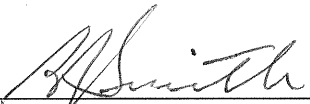
Mike Anderson
Mayor

ATTEST:

APPROVED:



Judy Womack
City Secretary



B. J. Smith
City Attorney