

**ORDINANCE NO. \_\_\_\_\_**

**SEVENTH SUPPLEMENTAL ORDINANCE TO THE  
MASTER ORDINANCE ESTABLISHING THE  
CITY OF PFLUGERVILLE, TEXAS  
UTILITY SYSTEM REVENUE FINANCING PROGRAM  
AUTHORIZING THE ISSUANCE OF THE  
CITY'S UTILITY SYSTEM REVENUE BOND  
(CITY OF PFLUGERVILLE MASTER PROGRAM –  
WATER AND WASTEWATER CIP TRANCHE 2)**

**Adopted September 9, 2025**

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<b>THE STATE OF TEXAS</b>	<b>§</b>
<b>COUNTIES OF TRAVIS AND WILLIAMSON</b>	<b>§</b>
<b>CITY OF PFLUGERVILLE</b>	<b>§</b>

**WHEREAS**, on September 14, 2021, the City Council of the City of Pflugerville, Texas (the “City”), adopted a “Master Ordinance Establishing the City of Pflugerville, Texas Utility System Revenue Financing Program” (referred to herein as the “Master Ordinance”);

**WHEREAS**, in order to enable the City to provide for the financing of the utility system projects authorized by Chapter 1502, Texas Government Code, as amended, and any other applicable provisions of State law, the Master Ordinance establishes a revenue financing program pursuant to which the City can issue and enter into obligations, including bonds and other types of obligations, secured by and payable from a pledge of and lien on all or part of the Security (as defined herein);

**WHEREAS**, for such purposes, the City deems it necessary to issue Parity Debt (as defined herein) pursuant to this “Seventh Supplemental Ordinance to the Master Ordinance establishing the City of Pflugerville, Texas Utility System Revenue Financing Program” (this “Seventh Supplement”);

**WHEREAS**, the City has requested that the United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “WIFIA Lender”), make the WIFIA Loan (as defined herein) in a principal amount not to exceed \$176,302,949 (the “WIFIA Loan”) to be used to pay a portion of the Eligible Project Costs (as defined herein) related to the Project (as defined in the WIFIA Loan Agreement);

**WHEREAS**, the WIFIA Lender proposes to approve WIFIA financial assistance for the Project in the form of a direct loan in an aggregate principal amount not to exceed \$176,302,949;

**WHEREAS**, the WIFIA Lender proposes to extend credit upon the terms and conditions contained in the WIFIA Loan Agreement (as defined herein) and the WIFIA Master Agreement (as defined herein);

**WHEREAS**, the City agrees to repay any amount due pursuant to the WIFIA Loan Agreement and the WIFIA Bond (as defined herein) in accordance with the terms and provisions of the WIFIA Loan Agreement and the WIFIA Bond;

**WHEREAS**, the City desires to adopt this Seventh Supplement to set forth the terms of the City's obligations to the WIFIA Lender relating to the issuance by the City of the WIFIA Bond authorized herein which is being issued to evidence any advances to be made by the WIFIA Lender under the WIFIA Loan Agreement, a contract allowing for the construction of Utility System facilities pursuant to Section 1502.002(b) of the Texas Government Code, as amended, and a contract in connection with providing funds for the construction of Utility System facilities pursuant to Section 1502.051(c) of the Texas Government Code, as amended;

**WHEREAS**, as contemplated by the Master Ordinance, including Section 7 thereof, this Seventh Supplement relates to the execution, issuance and delivery of the WIFIA Bond as Parity Debt as provided herein;

**WHEREAS**, the City further finds and determines that all terms and conditions for the issuance of the obligations herein authorized as Parity Debt have been or can be met and satisfied;

**WHEREAS**, the City held a public hearing on September 9, 2025, prior to the adoption of this Seventh Supplement in accordance with the City Charter; and

**WHEREAS**, the obligations authorized by this Seventh Supplement are to be issued and delivered pursuant to the Enabling Act (as defined herein) and other applicable State laws, including Chapter 1371, Texas Government Code, as amended (collectively, the "Acts").

**NOW THEREFORE, BE IT ORDAINED BY THE CITY OF PFLUGERVILLE, TEXAS THAT:**

## **ARTICLE I BONDS ISSUED UNDER UTILITY SYSTEM REVENUE FINANCING PROGRAM**

**Section 1.01. DEFINITIONS.** (a) Definitions. The capitalized terms used herein and not otherwise defined shall have the meanings given in the Master Ordinance or in Exhibit "A" to this Seventh Supplement. The recitals to this Seventh Supplement and the exhibits hereto are incorporated herein and made a part hereof for all purposes.

(b) Construction of Terms. If appropriate in the context of this Seventh Supplement, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, words of the masculine, feminine, or neuter gender shall be considered to include the other genders, and words importing persons shall include firms, associations, and corporations.

**Section 1.02. ESTABLISHMENT OF FINANCING PROGRAM AND ISSUANCE OF PARITY DEBT.** (a) Seventh Supplement. By adoption of the Master Ordinance, the City has established the City of Pflugerville, Texas Utility System Revenue Financing Program for the

purpose of enabling the City to provide for the financing of utility system projects authorized by the Enabling Act and any other applicable provisions of State law pursuant to which the City may issue and enter into obligations, including bonds and other types of obligations, secured by and payable from a pledge of and lien on all or part of the Security. This Seventh Supplement provides for the authorization, form, characteristics, provisions of payment and redemption, and security of the WIFIA Loan Agreement and the WIFIA Bond. This Seventh Supplement is subject to the terms of the Master Ordinance and the terms of the Master Ordinance are incorporated herein by reference and as such are made a part hereof for all purposes.

(b) Parity Debt. As required by Section 7 of the Master Ordinance governing the issuance of Parity Debt such as the WIFIA Bond, the City hereby finds that, upon the issuance of the WIFIA Bond, the Security will be sufficient to meet the financial obligations relating to the Financing Program, including Security in amounts sufficient to satisfy the Annual Debt Service Requirements of the Financing Program. The WIFIA Bond is hereby declared to be Parity Debt under the Master Ordinance.

(c) Security. In order to ensure that the Administrator is and shall be in compliance with the provisions of 40 C.F.R. § 35.10045, the City shall not pledge any grants, donations or income received or to be received from the United States Government as security for the WIFIA Loan Agreement and the WIFIA Bond. Any attempted or purported pledge of any such amounts which results in a pledge of any such amounts as security for the WIFIA Loan Agreement and the WIFIA Bond in violation of the provisions of 40 C.F.R. § 35.10045 shall be null and void and otherwise ineffective.

**Section 1.03. SEVENTH SUPPLEMENT TO CONSTITUTE A CONTRACT; EQUAL SECURITY.** In consideration of the execution of the WIFIA Loan Agreement by the WIFIA Lender and the acceptance of the WIFIA Bond by the WIFIA Lender and by those who shall hold the same from time to time in the future, this Seventh Supplement shall be deemed to be and shall constitute a contract between the City and the WIFIA Lender, as well as with any future Owner, and the pledge made in this Seventh Supplement by the City and the covenants and agreements set forth in this Seventh Supplement to be performed by the City shall be for the equal and proportionate benefit, security, and protection of all Owners from time to time, without preference, priority, or distinction as to security or otherwise by reason of time of issuance, sale, or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Seventh Supplement and the Master Ordinance.

**Section 1.04. LIMITATION OF BENEFITS WITH RESPECT TO THIS SEVENTH SUPPLEMENT.** With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Seventh Supplement, the WIFIA Loan Agreement, the WIFIA Master Agreement or the WIFIA Bond is intended or should be construed to confer upon or give to any person other than the City, the Owner, and the Paying Agent/Registrar, any legal or equitable right, remedy, or claim under or by reason of or in respect to this Seventh Supplement or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Seventh Supplement and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall

be for and inure to the sole and exclusive benefit of the City, the Owner, and the Paying Agent/Registrar as herein and therein provided.

## **ARTICLE II**

### **WIFIA LOAN AGREEMENT AND WIFIA BOND AUTHORIZATION**

**Section 2.01. AUTHORIZATION.** (a) The WIFIA Loan Agreement, a substantially final draft of which is attached hereto as Exhibit “B”, together with the WIFIA Master Agreement, constitute a contract allowing for the construction of Utility System facilities pursuant to Section 1502.002(b) of the Texas Government Code, as amended, and contracts in connection with providing funds for the construction of Utility System facilities pursuant to Section 1502.051(c) of the Texas Government Code, as amended. The WIFIA Loan Agreement and the WIFIA Bond evidencing amounts due under the WIFIA Loan Agreement are hereby authorized in the maximum aggregate principal amount not to exceed \$176,302,949 to be used to provide funds for paying a portion of the Eligible Project Costs related to the Project.

(b) The authority for an Authorized Representative to execute the Award Certificate for the WIFIA Bond and the WIFIA Loan Agreement shall expire at 5:00 p.m. Central Time on September 9, 2026. So long as the Award Certificate is executed on or before such date and time, the WIFIA Bond and the WIFIA Loan Agreement may be executed and delivered to the WIFIA Lender after such date. The WIFIA Loan Agreement, together with the WIFIA Bond, are authorized pursuant to authority conferred by and in conformity with State law, particularly the provisions of the Acts, as applicable.

(c) In order to satisfy the requirements of the WIFIA Lender in connection with the delivery of the WIFIA Bond and WIFIA Loan Agreement, the term sheet in connection therewith is hereby authorized to be executed and delivered by an Authorized Representative in substantially the form attached here to as attached here as Exhibit “C”.

(d) The City has previously approved, executed and delivered the WIFIA Master Agreement which sets forth certain common terms and conditions applicable to the WIFIA Loan Agreement as further set forth in the WIFIA Loan Agreement. The City hereby confirms the effectiveness and applicability of the WIFIA Master Agreement in conjunction with the delivery of the WIFIA Loan Agreement.

### **Section 2.02. TERMS OF WIFIA BOND AND WIFIA LOAN AGREEMENT AND AWARD CERTIFICATE.**

(a) Initially there shall be issued and delivered hereunder one bond, payable to the WIFIA Lender, in the principal amount not to exceed \$176,302,949. The WIFIA Bond shall be designated the “City of Pflugerville, Texas Utility System Revenue Bond (City of Pflugerville Master Program – Water and Wastewater CIP Tranche 2), Series 2025” and shall be numbered consecutively from R-1 upward. Advances made pursuant to the WIFIA Loan Agreement, which shall be evidenced by the WIFIA Bond, shall mature not later than 50 years from the date of the initial delivery of the WIFIA Bond, all as further set forth in the WIFIA Bond and the WIFIA Loan Agreement. All principal of the WIFIA Bond shall be payable as provided, and in the manner required or indicated, in the WIFIA Loan Agreement.

(b) As authorized by the Acts, each Authorized Representative is hereby authorized, appointed, and designated to act on behalf of the City delivering the WIFIA Loan Agreement and the WIFIA Bond and carrying out the other procedures specified in this Seventh Supplement, including determining and fixing the WIFIA Loan Agreement Effective Date, which shall be the delivery date of the WIFIA Bond, any additional or different designation or title by which the WIFIA Bond shall be known, the years in which the WIFIA Bond will mature, the principal amount to mature or otherwise be payable in each of such years, the aggregate principal amount of WIFIA Bond, the rate or rates of interest to be borne by any maturity, the interest payment periods, and all other matters relating to the issuance, sale, and delivery of the WIFIA Bond and the WIFIA Loan Agreement, all of which shall be specified in the Award Certificate; provided that the WIFIA Bond shall not bear interest at a rate greater than the Highest Lawful Rate. The Award Certificate, when executed and delivered, is hereby incorporated into and made a part of this Seventh Supplement.

It is further provided, however, that notwithstanding the foregoing provisions, the WIFIA Bond shall not be delivered unless, prior to delivery, the WIFIA Bond has been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations, as required by Section 1371.001(5), Texas Government Code.

In satisfaction of Sections 1201.022(a)(3) and Section 1371.056(c), Texas Government Code, as applicable, the City hereby determines that the delegation of the authority to each Authorized Representative to approve the final terms and conditions of the WIFIA Loan Agreement and the WIFIA Bond as set forth in this Seventh Supplement and the decisions made by each Authorized Representative pursuant to such delegated authority and incorporated in the Award Certificate will be, in the best interests and shall have the same force and effect, as if such determination were made by the City Council, and each Authorized Representative is hereby authorized to make and include in each Award Certificate an appropriate finding to that effect.

(c) The WIFIA Bond (i) may and shall be prepaid prior to the respective scheduled payment dates pursuant to the respective optional and mandatory prepayment requirements in the WIFIA Loan Agreement, (ii) may not be assigned or transferred except as provided in the WIFIA Bond and the WIFIA Loan Agreement, (iii) shall have the characteristics, (iv) shall be signed and sealed, and (v) shall be payable, as to the principal thereof and interest thereon, all as provided, and in the manner required or indicated, in the Master Ordinance, this Seventh Supplement, the WIFIA Bond and the WIFIA Loan Agreement.

### **Section 2.03. PAYMENT OF WIFIA BOND; PAYING AGENT/REGISTRAR.**

(a) The City appoints UMB Bank, N.A. (the “Paying Agent/Registrar”) to act as the paying agent/registrar for the WIFIA Bond. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar acknowledges receipt of copies of the Master Ordinance and this Seventh Supplement and is deemed to have agreed to the provisions thereof and hereof. The principal of, premium, if any, and the interest on the WIFIA Bond shall be payable, without exchange or collection charges to the Owner thereof, in any coin or currency of the United

States of America that at the time of payment is legal tender for the payment of public and private debts.

(b) The Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar in substantially the form set forth in Exhibit "D" hereto is hereby approved, and the Mayor is hereby authorized to complete, amend, modify, execute and deliver such Paying Agent/Registrar Agreement.

(c) The City agrees and covenants to cause to be kept and maintained at the designated office of the Paying Agent/Registrar a Security Register, all as provided herein, in accordance with the terms and provisions of the Paying Agent/Registrar Agreement and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. In addition, to the extent required by law, the City covenants to cause to be kept and maintained the Security Register or a copy thereof in the State.

(d) The City expressly reserves the right to appoint one or more successor Paying Agent/Registrars, by filing with the Paying Agent/Registrar a certified copy of a resolution or ordinance of the City making such appointment. The City further expressly reserves the right to terminate the appointment of the Paying Agent/Registrar by filing a certified copy of a resolution of the City giving notice of the City's termination of the City's agreement with such Paying Agent/Registrar and appointing a successor. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the WIFIA Bond is paid and discharged, and any successor Paying Agent/Registrar shall be a bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the WIFIA Bond. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Security Register (or a copy thereof) and all other pertinent books and records relating to the WIFIA Bond to the successor Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar, the City agrees promptly to cause a written notice thereof to be sent to the Owner of the WIFIA Bond by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

(e) The principal of, premium, if any, and interest on the WIFIA Bond due and payable by reason of maturity, redemption, or otherwise, shall be payable only to the Owner thereof appearing on the Security Register, and, to the extent permitted by law, neither the City nor the Paying Agent/Registrar, nor any agent of either, shall be affected by notice to the contrary.

(f) The WIFIA Bond and the WIFIA Loan Agreement shall not be issued in book-entry-only form.

(g) An authorized representative of the Paying Agent/Registrar shall, before the delivery of any WIFIA Bond issued in exchange for any WIFIA Bond Number R-1 or any other WIFIA Bond issued under this Seventh Supplement, date and manually sign the Paying Agent/Registrar's Authentication Certificate attached to such WIFIA Bond, and no such WIFIA Bond shall be deemed to be issued or outstanding under this Seventh Supplement unless such certificate is so authenticated. The Paying Agent/Registrar's Authentication Certificate shall be in

the form set forth in the WIFIA Master Agreement. Notwithstanding the first sentence of this paragraph, WIFIA Bond Number R-1 shall not need an executed Trustee's Authentication Certificate but shall be outstanding, when delivered, if an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas is attached thereto.

**Section 2.04. FORM OF WIFIA BOND.** The form of the WIFIA Bond shall be substantially as set forth in the WIFIA Master Agreement (including the form of the Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the WIFIA Bond Number R-1) with such appropriate variations, omissions, or insertions as are permitted or required by the WIFIA Loan Agreement and the Award Certificate. It is specifically provided that the provisions of the WIFIA Bond to be provided in the Award Certificate shall be incorporated into the form of the executed WIFIA Bond.

### **ARTICLE III PAYMENTS AND NO RESERVE ACCOUNT**

**Section 3.01. PAYMENTS.** Semiannually on or before each principal or interest payment date while any of the WIFIA Bond is outstanding and unpaid, commencing on the first interest payment date for the WIFIA Bond, the City shall make available from the Interest and Sinking Account to the Paying Agent/Registrar, money sufficient to pay such interest on and such principal of the WIFIA Bond as will accrue or mature, or be subject to mandatory redemption prior to maturity, on such principal, redemption, or interest payment date. The Paying Agent/Registrar shall cancel all paid WIFIA Bonds and shall furnish the City with an appropriate certificate of cancellation.

**Section 3.02. NO RESERVE ACCOUNT.** In accordance with Section 3(e) of the Master Ordinance, no reserve account or subaccount is created for the purpose of paying or securing the Parity Debt authorized under this Seventh Supplement.

### **ARTICLE IV TAXABLE BOND**

**Section 4.01. TAXABLE BOND.** It is the intention of the City that the WIFIA Bond and the WIFIA Loan Agreement not be obligations described in section 103 of the Internal Revenue Code of 1986 interest on which is excludable from the gross income of the holders and, in that regard, the City is not required to file a form 8038-G, or any comparable information return relating to tax-exempt obligations, with the Internal Revenue Service and hereby agrees not to make any such filing.

### **ARTICLE V MISCELLANEOUS**

**Section 5.01. CONSTRUCTION FUND.** (a) There is hereby created, established and maintained on the books of the City, a separate fund to be entitled the "City of Pflugerville, Texas



Series 2025 WIFIA Bond Construction Fund” (hereinafter called the “Construction Fund”). The Construction Fund shall constitute a sub-account of the Bond Proceeds Account.

(b) Proceeds of the WIFIA Bond deposited for credit to the Construction Fund shall be used by the City to reimburse a portion of the Eligible Project Costs related to the Project in accordance with the WIFIA Loan Agreement.

**Section 5.02. MAILED NOTICES.** Except as otherwise required herein, all notices required or authorized to be given to the City or the Paying Agent/Registrar pursuant to this Seventh Supplement shall be in writing and shall be sent by registered or certified mail, postage prepaid, to the following addresses or otherwise given in a manner deemed, in writing, acceptable to the party to receive the notice:

1. to the City:  
City of Pflugerville, Texas  
100 East Main Street, Suite 300  
Pflugerville, Texas 78691-0589  
Attn: City Manager  
Telephone: (512) 990-6101  
Facsimile: (512) 990-4364
2. to the Paying Agent/Registrar:  
UMB Bank, N.A.  
Corporate Trust and Escrow Group  
6034 West Courtyard Drive, Suite 370  
Austin, Texas 78730  
Attn: Corporate Trust and Escrow Group  
Telephone: (512) 582-5851  
Facsimile: (512) 582-5855

**Section 5.03. FURTHER PROCEDURES.** Each Authorized Representative is 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 City 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 Seventh Supplement, the WIFIA Loan Agreement, the WIFIA Master Agreement and the WIFIA Bond, the sale and delivery of the WIFIA Bond, and attending to all details in connection therewith, and the Paying Agent/Registrar Agreement, and the City Secretary is hereby authorized to provide any necessary attestation for any of the foregoing. In connection with the issuance and delivery of each the Bonds, the above-stated officers, with the advice of the City Attorney and Bond Counsel to the City, are hereby authorized to approve, subsequent to the date of the adoption of this Seventh Supplement, any amendments to the above named documents, and any technical amendments to this Seventh Supplement required by the State Attorney General's Office or any rating agency, and each Authorized Representative is hereby authorized to execute this Seventh Supplement to evidence approval of such changes.

**Section 5.04. EFFECT OF SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS.**

Whenever this Seventh Supplement requires any action to be taken on a Saturday, Sunday, or legal holiday, such action shall be taken on the first business day occurring thereafter. Whenever in this Seventh Supplement the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday, or legal holiday, such time shall continue to run until midnight on the next succeeding business day.

**Section 5.05. PARTIAL INVALIDITY.** If any one or more of the covenants or agreements or portions thereof provided in this Seventh Supplement on the part of the City should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements or portions thereof provided in this Seventh Supplement and the invalidity thereof shall in no way affect the validity of the other provisions of this Seventh Supplement or of the Bonds, but the Owner of the WIFIA Bonds shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

**Section 5.06. NO RULE 15C2-12 CONTINUING DISCLOSURE UNDERTAKING.**

The sale of the WIFIA Bond is exempt from Rule 15c2-12. Consequently, the City makes no undertaking with respect to Rule 15c2-12 or with respect to the provision of on-going financial and operating data under Rule 15c2-12.

**Section 5.07. SOVEREIGN IMMUNITY WAIVER.** To the fullest extent permitted by applicable law and pursuant to Section 1371.059(c) of the Texas Government Code, as amended, with respect to its obligations arising under the WIFIA Bond which evidences amounts due under the WIFIA Loan Agreement, the City hereby waives sovereign immunity from suit and liability for the purpose of adjudicating a claim to enforce its duties and obligations under the WIFIA Bond or for damages for breach of the WIFIA Bond.

**Section 5.08. DEFAULT AND REMEDIES.** Each Master Program Event of Default and each Project Event of Default with respect to the Project is hereby declared to be an Event of Default under this Seventh Supplement and the Master Ordinance. Upon the occurrence of a Master Program Event of Default or a Project Event of Default with respect to the Project, the Owner may exercise any and all remedies set forth in and in accordance with the Master Ordinance and the WIFIA Loan Agreement.

**Section 5.09. DISCLOSURE OF FINANCIAL OBLIGATIONS.** The execution and delivery of the WIFIA Loan Agreement and the issuance and delivery of the WIFIA Bond will constitute the incurrence of a “financial obligation” by the City pursuant to existing continuing disclosure undertakings of the City under Rule 15c2-12. Accordingly, the City's Finance Director as the City's appointed disclosure officer is hereby authorized and directed to file or cause to be filed the executed WIFIA Loan Agreement, WIFIA Master Agreement and any other appropriate notice or description of the financial obligation thereunder on the Electronic Municipal Market Access system, which is the prescribed electronic format for disclosures established and maintained by the Municipal Securities Rulemaking Board and can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org), no more than ten business days after the WIFIA Loan Agreement Effective Date.

**Section 5.10. RULES OF INTERPRETATION.** For purposes of this Seventh Supplement, except as otherwise expressly provided or the context otherwise requires:

(a) The words “herein,” “hereof” and “hereunder” and other similar words refer to this Seventh Supplement as a whole and not to any particular Article, Section, or other subsection.

(b) The definitions in an Article are applicable whether the terms defined are used in the singular or the plural.

(c) All accounting terms that are not defined in this Seventh Supplement have the meanings assigned to them in accordance with then applicable accounting principles.

(d) Any pronouns used in this Seventh Supplement include both the singular and the plural and cover both genders.

(e) Any terms defined elsewhere in this Seventh Supplement have the meanings attributed to them where defined.

(f) The captions or headings are for convenience only and in no way define, limit or describe the scope or intent, or control or affect the meaning or construction, of any provisions or sections hereof.

(g) Any references to Section numbers are to Sections of this Seventh Supplement unless stated otherwise.

**Section 5.11. INDIVIDUALS NOT LIABLE.** All covenants, stipulations, obligations, and agreements of the City contained in this Seventh Supplement shall be deemed to be covenants, stipulations, obligations, and agreements of the Financing Program, the Utility System and the City to the full extent authorized or permitted by State law. No covenant, stipulation, obligation, or agreement herein contained shall be deemed to be a covenant, stipulation, obligation, or agreement of any member of the City Council or agent or employee of the City in his or her individual capacity and neither the members of the City Council, nor any officer, employee, or agent of the City shall be liable personally on the WIFIA Bond, the WIFIA Loan Agreement or the WIFIA Master Agreement when issued and/or delivered, or be subject to any personal liability or accountability by reason of the issuance thereof.

**Section 5.12. PAYMENT OF ATTORNEY GENERAL FEE.** The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the WIFIA Bond or (ii) \$9,500, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The Authorized Representative is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the WIFIA Bond as a cost of issuance thereof.

**FINALLY PASSED, APPROVED AND EFFECTIVE** on first and final reading in accordance with Section 1201.028, Texas Government Code, on this September 9, 2025.

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Mayor,  
City of Pflugerville, Texas

**ATTEST:**

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City Secretary,  
City of Pflugerville, Texas

**APPROVED AS TO FORM:**

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City Attorney

[Signature Page]

The City has caused this Seventh Supplement to be executed by an Authorized Representative.

**CITY OF PFLUGERVILLE, TEXAS**

By: \_\_\_\_\_  
Authorized Representative

[Signature Page]

## **EXHIBIT A**

### **DEFINITIONS**

As used in this Seventh Supplement, the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

“Acts” – As defined in the recitals hereto.

“Administrator” – As defined in the recitals hereto.

“Authorized Representative” - Means the Mayor, City Manager, any Assistant City Manager, Chief Financial Officer or such other individuals so designated by the City to perform the duties of an Authorized Representative under this Seventh Supplement.

“Award Certificate” – The certificate to be executed and delivered by an Authorize Representative pursuant to Sections 2.01 and 2.02 of this Seventh Supplement in connection with the WIFIA Bond and the WIFIA Loan Agreement.

“Chief Financial Officer” - Means the Finance Director or such other officer or employee of the City or such other individual so designated by the City to perform the duties of Chief Financial Officer under this Seventh Supplement.

“Construction Fund” – The sub-account of the Bond Proceeds Account created pursuant to Section 5.01(a) hereof.

“Eligible Project Costs” - As defined in the WIFIA Loan Agreement.

“Highest Lawful Rate” – The maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the City in the exercise of its borrowing powers (prescribed by Chapter 1204, Texas Government Code, or any successor provisions).

“Master Ordinance” - The “Master Ordinance Establishing the Utility System Revenue Financing Program,” adopted by the City on September 14, 2021, as may be amended or supplemented from time to time.

“Master Program Event of Default” - as defined and as set forth in the WIFIA Master Agreement.

“Owner” – As applicable, the registered owner of the WIFIA Bond as shown on the Security Register and the WIFIA Lender acting under the WIFIA Loan Agreement or any successor thereto as permitted under such agreement.

“Paying Agent” - The agent selected and appointed by the City for purposes of paying the principal of, premium, if any, and interest on the WIFIA Bond to the Owner thereof, as identified in Section 2.03 hereof and any successor to such agent.

“Paying Agent/Registrar” - Collectively, the Paying Agent and the Registrar designated in Section 2.03 hereof or any successor to such agent.

“Paying Agent/Registrar Agreement” - The agreement having such name executed by and between the City and the Paying Agent/Registrar.

“Project” – As defined in the WIFIA Loan Agreement.

“Project Event of Default” - as defined and as set forth in the WIFIA Master Agreement.

“Registrar” - The agent selected and appointed by the City for purposes of keeping and maintaining books and records relating to the registration, transfer, exchange, and payment of the WIFIA Bond and interest thereon, as identified in Section 2.03 hereof and any successor to such agent.

“Rule 15c2-12” - Securities and Exchange Commission Rule 15c2-12.

“Section” - Unless the context clearly requires otherwise, refers to a Section of this Seventh Supplement.

“Security” – As defined in the Master Ordinance, subject to the provisions of Section 1.02(c) of this Seventh Supplement.

“Security Register” - The books and records kept and maintained by the Registrar relating to the registration, transfer, exchange, and payment of the Bonds and the interest thereon.

“Seventh Supplement” - This Seventh Supplemental Ordinance, which was adopted pursuant to authority reserved by the City under the Master Ordinance.

“WIFIA Bond” - The bond authorized by this Seventh Supplement relating to the WIFIA Loan Agreement.

“WIFIA Lender” - As defined in the recitals hereto.

“WIFIA Loan” - As defined in the recitals hereto.

“WIFIA Loan Agreement” – The WIFIA Loan Agreement between the WIFIA Lender and the City executed and delivered in connection with the WIFIA Bond.

“WIFIA Loan Agreement Effective Date” – The date on which the WIFIA Bond is first delivered to the WIFIA Lender.

“WIFIA Master Agreement” – The WIFIA Master Agreement between the WIFIA Lender and the City pursuant to which the parties thereto have set forth certain common terms and conditions applicable to the WIFIA Loan and the Project.



**EXHIBIT B**

**WIFIA LOAN AGREEMENT**

**UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY**

**WIFIA LOAN AGREEMENT**

**for up to \$176,302,949**

**With**

**CITY OF PFLUGERVILLE, TEXAS**

**For the**

**CITY OF PFLUGERVILLE MASTER PROGRAM –  
WATER AND WASTEWATER CIP**

**TRANCHE 2  
(WIFIA Project No. – 22164TX)**

**Dated as of [\_\_\_\_], 2025**

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## WIFIA LOAN AGREEMENT

**THIS WIFIA LOAN AGREEMENT** (this “**Agreement**”), dated as of [\_\_\_\_], 2025, is by and between the **CITY OF PFLUGERVILLE, TEXAS**, a municipal body politic and corporate created under the laws of the State of Texas (the “**State**”), with an address at 100 E. Main Street, Pflugerville, TX 78660 (the “**Borrower**”), and the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “**Administrator**”), with an address at 1200 Pennsylvania Avenue NW, Washington, DC 20460 (the “**WIFIA Lender**”).

### RECITALS:

WHEREAS, the Congress of the United States of America enacted the Water Infrastructure Finance and Innovation Act, as amended by Section 1445 of the Fixing America’s Surface Transportation Act of 2015, as further amended by Section 5008 of the Water Infrastructure Improvements For the Nation Act of 2016 and by Section 4201 of America’s Water Infrastructure Act of 2018, (collectively, as the same may be amended from time to time, the “**Act**” or “**WIFIA**”), which is codified as 33 U.S.C. §§ 3901-3915;

WHEREAS, the Act authorizes the WIFIA Lender to enter into agreements to provide financial assistance with one or more eligible entities to make secured loans with appropriate security features to finance a portion of the eligible costs of projects eligible for assistance;

WHEREAS, the Borrower and the WIFIA Lender entered into that certain WIFIA Master Agreement, dated as of October 15, 2024 (the “**WIFIA Master Agreement**”), pursuant to which the parties thereto have set forth certain common terms and conditions applicable to each WIFIA Loan and Project under the Master Program, as such terms are defined in the WIFIA Master Agreement;

WHEREAS, the Borrower has submitted a WIFIA Loan Request, dated December 19, 2024 (the “**Project WIFIA Loan Request**”), to the WIFIA Lender pursuant to the WIFIA Master Agreement, and thereby requested that the WIFIA Lender make the WIFIA Loan (as defined below) in a principal amount not to exceed \$176,302,949 to be used to pay a portion of the Eligible Project Costs related to the Project (as defined below);

WHEREAS, as of the date hereof, the Administrator has approved WIFIA financial assistance for the Project to be provided in the form of the WIFIA Loan, subject to the terms and conditions contained herein and in the WIFIA Master Agreement;

WHEREAS, based on the Project WIFIA Loan Request, the Application, the WIFIA Master Agreement and the representations, warranties and covenants set forth herein and therein, the WIFIA Lender proposes to make funding available to the Borrower through the purchase of the WIFIA Bond (as defined below) to be issued by the Borrower, upon the terms and conditions set forth herein and in the WIFIA Master Agreement;

WHEREAS, the Borrower agrees to repay any amount due pursuant to this Agreement and the WIFIA Bond in accordance with the terms and provisions of this Agreement, the WIFIA Master Agreement and the WIFIA Bond; and

WHEREAS, the WIFIA Lender has entered into this Agreement in reliance upon, among other things, the information and representations of the Borrower set forth in the Project WIFIA Loan Request, the Application, the WIFIA Master Agreement, and the supporting information provided by the Borrower.

NOW, THEREFORE, the premises being as stated above, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged to be adequate, and intending to be legally bound hereby, it is hereby mutually agreed by and between the Borrower and the WIFIA Lender as follows:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

Section 1. Definitions. Each capitalized term used in this Agreement (including in the recitals hereto) and not otherwise defined herein shall have the meaning assigned to such term in the WIFIA Master Agreement. Any term used in this Agreement (including in the recitals hereto) that is defined by reference to any other agreement shall continue to have the meaning specified in such agreement, whether or not such agreement remains in effect. In addition, as used in this Agreement (including in the recitals hereto), the following terms have the following meanings:

“**Act**” means the Act as defined in the recitals hereto.

“**Agreement**” has the meaning provided in the preamble hereto.

“**Anticipated WIFIA Loan Disbursement Schedule**” means the schedule set forth in Exhibit A (*WIFIA Debt Service*), reflecting the anticipated disbursement of proceeds of the WIFIA Loan, as such schedule may be amended from time to time pursuant to Section 4 (*Disbursement Conditions*).

“**Construction Schedule**” means (a) the initial schedule or schedules on which the construction timetables for the Project are set forth, attached as Schedule II (*Construction Schedule*), and (b) any updates thereto included in the periodic reports submitted to the WIFIA Lender pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*) of the WIFIA Master Agreement most recently approved by the WIFIA Lender.

“**Debt Service Payment Commencement Date**” means the Interest Payment Date immediately following the date of receipt by the Borrower of the initial requisition of funds pursuant to this Agreement.

“**Development Default Date**” means December 31, 2030.

“**Final Maturity Date**” means the earlier of (a) August 1, 2056 (or such earlier date as is set forth in an updated Loan Amortization Schedule pursuant to Section 8(e) (*Payment of Principal*

and Interest – Adjustments to Loan Amortization Schedule) of the WIFIA Master Agreement); and (b) the Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.

**“Interest Payment Date”** means each February 1 and August 1, commencing on the Debt Service Payment Commencement Date.

**“Loan Amortization Schedule”** means the Loan Amortization Schedule reflected in the applicable column of Exhibit A (*WIFIA Debt Service*), as amended from time to time in accordance with Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*) of the WIFIA Master Agreement.

**“Maximum Principal Amount”** has the meaning provided in Section 3 (*WIFIA Loan Amount*).

**“NEPA Determination”** means the Finding of No Significant Impact for the Project issued by the EPA on August 14, 2025, in accordance with NEPA.

**“Principal Payment Date”** means each August 1, commencing on August 1, 2029.

**“Project”** means planning, design, and construction of (1) a new Wilbarger wastewater treatment facility to serve the Wilbarger Basin service area and two new interceptors (Wilbarger Creek and Sorento) to divert flows to the new facility, (2) expansion and consolidation of the wastewater collection system, (3) rehabilitation/replacement and new installation of water mains within the service area, and (4) updates to the systemwide Master Plan for the City's water and wastewater systems, as described in further detail in Schedule III (*Project*). All components of the Project are located in the cities of Pflugerville and Austin in Travis County, Texas.

**“Project Budget”** means the budget for the Project attached to this Agreement as Schedule I (*Project Budget*) showing a summary of Total Project Costs with a breakdown of all Eligible Project Costs and the estimated sources and uses of funds for the Project.

**“Project WIFIA Loan Request”** has the meaning provided in the recitals hereto.

**“Projected Substantial Completion Date”** means December 31, 2028, as such date may be adjusted in accordance with Section 16(d) (*Reporting Requirements – Construction Reporting*) of the WIFIA Master Agreement.

**“WIFIA”** has the meaning provided in the recitals hereto.

**“WIFIA Bond”** means the Bond delivered by the Borrower in substantially the form of Exhibit A (*Form of WIFIA Bond*) to the WIFIA Master Agreement.

**“WIFIA Loan”** means the secured loan made by the WIFIA Lender to the Borrower on the terms and conditions set forth herein, in the WIFIA Master Agreement and in the WIFIA Bond, pursuant to the Act, in a principal amount not to exceed \$176,302,949, to be used in respect of Eligible Project Costs paid or incurred by the Borrower.

“**WIFIA Loan Agreement Effective Date**” means the date of this Agreement as provided on the cover page.

“**WIFIA Master Agreement**” has the meaning provided in the recitals hereto.

Section 2. Interpretation.

(a) Except as otherwise expressly provided herein, the rules of interpretation set forth in Section 2 (*Interpretation*) of the WIFIA Master Agreement shall apply herein as if set out in this Agreement in full (making all necessary changes to give such provisions effect hereunder, including as if each reference therein to “this Agreement” were a reference to this Agreement, and each reference to any “WIFIA Loan” or any “WIFIA Bond” were a reference, respectively, to the WIFIA Loan or the WIFIA Bond as such terms are defined in this Agreement).

(b) This Agreement is one of the WIFIA Loan Agreements referenced in the WIFIA Master Agreement.

## ARTICLE II

### THE WIFIA LOAN

Section 3. WIFIA Loan Amount. The principal amount of the WIFIA Loan shall not exceed \$176,302,949 (the “**Maximum Principal Amount**”). WIFIA Loan proceeds available to be drawn shall be disbursed from time to time in accordance with Section 4 (*Disbursement Conditions*) hereof and Section 11(c) (*Conditions Precedent – Conditions Precedent to All Disbursements*) of the WIFIA Master Agreement.

Section 4. Disbursement Conditions. The WIFIA Loan shall be disbursed in accordance with Section 4 (*Disbursement Conditions*) of the WIFIA Master Agreement. The WIFIA Lender will make an initial disbursement of the WIFIA Loan to the Borrower in an amount equal to nine hundred forty-three thousand two hundred sixty-eight dollars and forty-nine cents (\$943,268.49) within five (5) Business Days after the WIFIA Loan Agreement Effective Date (or as soon thereafter as is possible in the event that the WIFIA Lender is prevented from making such disbursement within the time period described above for reasons beyond its control), otherwise subject to the terms and conditions in Section 4 (*Disbursement Conditions*) of the WIFIA Master Agreement.

Section 5. [Reserved]

Section 6. Interest Rate. The interest rate with respect to the Outstanding WIFIA Loan Balance for the WIFIA Loan shall be [ ] and [ ] hundredths percent ([ ]%) per annum. Interest will accrue and be computed on the Outstanding WIFIA Loan Balance from time to time pursuant to, and otherwise in accordance with, with Section 6 (Interest Rate) of the WIFIA Master Agreement.

Section 7. [Reserved]



Section 8. Payment of Principal and Interest.

(a) Payment of WIFIA Debt Service. Payments of WIFIA Debt Service shall be made by the Borrower on each Payment Date occurring on and after the Debt Service Payment Commencement Date as provided in Section 8(a) (*Payment of Principal and Interest – Payment of WIFIA Debt Service*) of the WIFIA Master Agreement.

(b) WIFIA Bond. As evidence of the Borrower's obligation to repay the WIFIA Loan, the Borrower shall issue and deliver to the WIFIA Lender, on or prior to the WIFIA Loan Agreement Effective Date, the WIFIA Bond substantially in the form of Exhibit A (*Form of WIFIA Bond*) to the Master Agreement, having a principal amount equal to the Maximum Principal Amount.

(c) Manner of Payment. Payments to the WIFIA Lender as the owner of the WIFIA Bond shall be made in accordance with Section 8 (*Payment of Principal and Interest*) of the WIFIA Master Agreement in accordance with payment instructions set forth in Schedule IV-A (*WIFIA Loan Payment Instructions*), as may be modified in writing from time to time by the WIFIA Lender. Payments by the Borrower under this Agreement, including but not limited to, payments to be made pursuant to Section 10 (*Fees and Expenses*), other than payments required to be made with respect to principal of and interest on the WIFIA Bond, shall be made in accordance with Section 8 (*Payment of Principal and Interest*) of the WIFIA Master Agreement in accordance with the payment instructions set forth in Schedule IV-B (*WIFIA Fee Payment Instructions*), as may be modified in writing from time to time by the WIFIA Lender.

(d) Adjustments to Loan Amortization Schedule. The Borrower shall have the right to propose modifications to the Loan Amortization Schedule for the WIFIA Loan as provided in Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*) of the WIFIA Master Agreement. For purposes of Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*) of the WIFIA Master Agreement, the Weighted Average Life of the WIFIA Loan shall not exceed forty-two (42) years measured as of the initial disbursement date of the WIFIA Loan.

Section 9. Prepayment. The Borrower may prepay the WIFIA Loan in accordance with Section 9(a) (*Prepayment – Optional Prepayments*) of the WIFIA Master Agreement.

Section 10. Fees and Expenses. To the extent allowed by law and subject to annual appropriation, the Borrower shall pay to the WIFIA Lender, in each case pursuant to and in accordance with Section 10 (*Fees and Expenses*) of the WIFIA Master Agreement:

(a) a one-time Servicing Set-Up Fee equal to \$19,060.00;

(b) an annual Construction Period Servicing Fee equal to \$19,060.00 per annum; provided that the initial Construction Period Servicing Fee shall be in a pro-rated amount equal to \$1,580.00 in accordance with Section 10(a)(ii) (*Fees and Expenses – Fees*) of the WIFIA Master Agreement;

(c) an Operating Period Servicing Fee equal to \$9,530.00 per annum; and

(d) any other applicable fees, costs, charges and expenses pursuant to, and otherwise in accordance with, Section 10 (Fees and Expenses) of the WIFIA Master Agreement.

### ARTICLE III

#### CONDITIONS PRECEDENT

Section 11. Conditions Precedent.

(a) Conditions Precedent to Effectiveness. The effectiveness of this Agreement is subject to the satisfaction, or the WIFIA Lender's written waiver, as determined by the WIFIA Lender in its sole discretion, of each of the conditions precedent to the effectiveness of this Agreement set forth in Section 11(b) (Conditions Precedent – Conditions Precedent to Effectiveness of Each WIFIA Loan Agreement) of the WIFIA Master Agreement, each of which is incorporated by reference herein as if set out in this Agreement in full (making all necessary changes to give such provisions effect hereunder, including as if each reference therein to any "Project," any "WIFIA Loan," any "WIFIA Bond," or any "WIFIA Loan Agreement" were a reference, respectively, to the Project, the WIFIA Loan, the WIFIA Bond, or this Agreement (as such terms are defined in this Agreement)).

(b) Conditions Precedent to Disbursements. Notwithstanding anything in this Agreement to the contrary, the WIFIA Lender's obligation to make any Disbursement of the WIFIA Loan to the Borrower (including the initial Disbursement hereunder) is subject to the satisfaction or the WIFIA Lender's written waiver, as determined by the WIFIA Lender in its sole discretion, of each of the conditions precedent to disbursements set forth in Section 11(c) (Conditions Precedent – Conditions Precedent to Disbursements) of the WIFIA Master Agreement, each of which is incorporated by reference herein as if set out in this Agreement in full (making all necessary changes to give such provisions effect hereunder, including as if each reference therein to any "Project," "Project Budget," "WIFIA Loan" or any "WIFIA Loan Agreement" were a reference, respectively, to the Project, the Project Budget, the WIFIA Loan or this Agreement (as such terms are defined in this Agreement)).

### ARTICLE IV

#### REPRESENTATIONS AND WARRANTIES

Section 12. Representations and Warranties of Borrower. In accordance with Section 12(y) (Representations and Warranties of Borrower – Representations and Warranties of Borrower for each WIFIA Loan Agreement and Disbursements) of the WIFIA Master Agreement, the Borrower hereby affirms or reaffirms, as applicable, all representations and warranties set out in Section 12 (Representations and Warranties of Borrower) of the WIFIA Master Agreement as of the WIFIA Loan Agreement Effective Date and the Borrower shall reaffirm such representations and warranties as of each date on which any Disbursement of the WIFIA Loan is requested or made, in each case, except as otherwise expressly provided in Section 12(y) (Representations and Warranties of Borrower – Representations and Warranties of Borrower for each WIFIA Loan Agreement and Disbursements) of the WIFIA Master Agreement. Each such representation and warranty is incorporated by reference herein for the benefit of the WIFIA Lender as if set out in

this Agreement in full (making all necessary changes to give such provisions effect hereunder, including as if each reference therein to “this Agreement” were a reference to this Agreement and as if each reference therein to (a) any “Project,” (b) any “WIFIA Loan” or (c) any “WIFIA Bond” were a reference, respectively, to (i) the Project, (ii) the WIFIA Loan or (iii) the WIFIA Bond (as such terms are defined in this Agreement)). The Borrower acknowledges that it makes such representations and warranties with the intention of inducing the WIFIA Lender to enter into this Agreement and the other WIFIA Loan Documents and to advance the WIFIA Loan to the Borrower, and that the WIFIA Lender has entered into this Agreement and the other WIFIA Loan Documents on the basis of, and in full reliance on, each such representation and warranty.

Section 13. Representations and Warranties of WIFIA Lender. The representations and warranties set out in Section 13 (*Representations and Warranties of WIFIA Lender*) of the WIFIA Master Agreement shall be made on the WIFIA Loan Agreement Effective Date for the benefit of the Borrower as if set out in this Agreement in full (making all necessary changes to give such provisions effect hereunder, including as if each reference therein to any “WIFIA Loan” were a reference to the WIFIA Loan (as such term is defined in this Agreement)).

## ARTICLE V

### COVENANTS

Section 14. Covenants. The Borrower covenants and agrees, until the date the WIFIA Loan and all of the obligations of the Borrower under the WIFIA Loan Documents with respect to the WIFIA Loan or the Project (other than contingent indemnity obligations) have been irrevocably paid in full in immediately available funds and the WIFIA Lender no longer has any commitment to make Disbursements under this Agreement to the Borrower, unless the WIFIA Lender waives compliance in writing, to comply with each of the covenants set forth in the WIFIA Master Agreement, including Section 14 (*Affirmative Covenants*), Section 15 (*Negative Covenants*), and Section 16 (*Reporting Requirements*) of the WIFIA Master Agreement, which covenants are incorporated by reference herein as if fully set forth herein (making all necessary changes to give such provisions effect hereunder, including as if each reference therein to “this Agreement” were a reference to this Agreement and as if each reference therein to (a) any “Project,” (b) any “WIFIA Loan” or (c) any “WIFIA Bond” were a reference, respectively, to (i) the Project, (ii) the WIFIA Loan or (iii) the WIFIA Bond (as such terms are defined in this Agreement)).

Section 15. [Reserved]

Section 16. [Reserved]

## ARTICLE VI

### EVENTS OF DEFAULT

Section 17. Events of Default and Remedies.

(a) Each Master Program Event of Default set out in Section 17 (*Master Program Events of Default and Remedies*) of the WIFIA Master Agreement and each Project Event of Default with respect to the Project set out in Section 18 (*Project Events of Default and*

*Remedies*) shall constitute a Master Program Event of Default or Project Event of Default, as applicable, under this Agreement, except as otherwise expressly provided in Section 17 (*Master Program Events of Default and Remedies*) or Section 18 (*Project Events of Default and Remedies*) of the WIFIA Master Agreement.

(b) Upon the occurrence and during the continuation of any Master Program Event of Default or Project Event of Default hereunder, the WIFIA Lender shall have each of the rights and remedies to which it is entitled as provided in and with the same effect as described in Section 17 (*Master Program Events of Default and Remedies*) and Section 18 (*Project Events of Default and Remedies*) of the WIFIA Master Agreement.

## ARTICLE VII

### MISCELLANEOUS

Section 18. Governing Law. This Agreement shall be governed by the federal laws of the United States of America, if and to the extent such federal laws are applicable, and the internal laws of the State, if and to the extent such federal laws are not applicable.

Section 19. Effectiveness. This Agreement shall be effective on the WIFIA Loan Agreement Effective Date.

Section 20. Termination and Survival. This Agreement shall terminate upon the irrevocable payment in full in immediately available funds by the Borrower of the Outstanding WIFIA Loan Balance, together with all accrued interest, fees and expenses with respect thereto; provided that the indemnification requirements of Section 33 (*Indemnification*) of the Master WIFIA Agreement, as incorporated herein, the reporting and record keeping requirements of Section 14(q) (*Affirmative Covenants – Access; Records*) of the WIFIA Master Agreement, as incorporated herein, and the payment requirements of Section 10 (Fees and Expenses) shall survive the termination of this Agreement as provided in such sections.

Section 21. Miscellaneous. Sections 33 (*Indemnification*), 34 (*Sale of WIFIA Loans*), 19 (*Disclaimer of Warranty*), 20 (*No Personal Recourse*), 21 (*No Third Party Rights*), 22 (*Borrower's Authorized Representative*), 23 (*WIFIA Lender's Authorized Representative*), 24 (*Servicer*), 25 (*Amendments and Waivers*), 27 (*Severability*), 28 (*Successors and Assigns*), 29 (*Remedies Not Exclusive*), 30 (*Delay or Omission Not Waiver*), 31 (*Counterparts and Electronic Signature*), 32 (*Notices*) and 38 (*Integration*) of the WIFIA Master Agreement shall be incorporated in this Agreement as if set out in this Agreement in full (making all necessary changes to give such provisions effect hereunder, including as if each reference therein to “this Agreement” were a reference to this Agreement and as if each reference therein to (a) any “Project,” (b) any “WIFIA Loan” or (c) any “WIFIA Bond” were a reference, respectively, to (i) the Project, (ii) the WIFIA Loan or (iii) the WIFIA Bond (as such terms are defined in this Agreement)).

*[The remainder of this page intentionally left blank; signature pages immediately follow.]*

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

**CITY OF PFLUGERVILLE, TEXAS,**  
by its authorized representative

By: \_\_\_\_\_  
Name: Victor Gonzales  
Title: Mayor

**UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY**, acting by and through  
the Administrator of the Environmental Protection  
Agency

By: \_\_\_\_\_  
Name: Lee M. Zeldin  
Title: Administrator

**SCHEDULE I**  
**PROJECT BUDGET**

<b>SOURCES OF FUNDS</b>	<b>AMOUNT (\$ USD)</b>	<b>PERCENTAGE (%)</b>
WIFIA Loan – Master Agreement -Tranche 2	\$ 176,302,949	49%
State Revolving Fund Loans	\$ 148,873,474	41.4%
Certificates of Obligation	\$ 34,625,515	9.6%
<b>Total Sources of Funds</b>	<b>\$ 359,801,937</b>	<b>100%</b>
<b>USES OF FUNDS</b>	<b>AMOUNT (\$ USD)</b>	<b>PERCENTAGE (%)</b>
Construction	\$ 317,235,051	88.2%
Project Management	\$ 0	0%
Other	\$ 2,960,661	0.8%
Planning	\$ 985,000	0.3%
Design	\$ 31,378,768	9.1%
Contingency	\$ 3,680,062	0.6%
Financing Costs	\$ 3,562,395	1.0%
<b>Total Uses of Funds</b>	<b>\$ 359,801,937</b>	<b>100%</b>
<b>Total Eligible Project Costs</b>	<b>\$ 359,801,937</b>	<b>100%</b>
<b>Total Project Costs</b>	<b>\$ 359,801,937</b>	<b>100%</b>

## SCHEDULE II

### CONSTRUCTION SCHEDULE

Projected Substantial Completion Date: December 31, 2028

PROJECT ELEMENT	DESIGN COMPLETION	CONSTRUCTION START	CONSTRUCTION END
6.0 MGD Wilbarger Creek Regional WWTF and Interceptors	09-2023	01-2024	12-2027
15-inch North Wilbarger Interceptor	03-2025	04-2025	09-2026
WTP 18-inch gravity sewer main for the existing WTP	06-2025	04-2025	12-2026
Cottonwood West Lift Station and Force Main	09-2025	07-2025	06-2027
Rehabilitation/replace ment and new installations of water mains	06-2025	10-2025	12-2028
Water and Wastewater Master Plan Update	N/A	N/A	N/A



## **SCHEDULE III**

### **PROJECT**

The WIFIA Project comprises a combination of water and wastewater projects in Pflugerville, TX. The Project includes planning, design, and construction of (1) a new Wilbarger wastewater treatment facility to serve the Wilbarger Basin service area and two new interceptors (Wilbarger Creek and Sorento) to divert flows to the new facility, (2) expansion and consolidation of the wastewater collection system, (3) rehabilitation/replacement and new installation of water mains within the service area, and (4) updates to the systemwide Master Plan for the City's water and wastewater systems.

## SCHEDULE IV-A

### WIFIA LOAN PAYMENT INSTRUCTIONS

#### HOW TO MAKE A LOAN PAYMENT TO EPA WIFIA PROGRAM

Please select one of the acceptable payment methods and follow the instructions provided below for sending WIFIA payments to EPA.

**For questions about payments to EPA please contact EPA's Office of the Controller:**

Phone: 202-564-7593. Voicemails can be left when calling outside business hours

Email: [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov)

**For questions about the WIFIA program:**

Email: [wifia@epa.gov](mailto:wifia@epa.gov)

#### ACCEPTABLE METHODS FOR WIFIA PAYMENTS TO EPA

##### Option 1 PAY.GOV

Use of Pay.gov to make payments to EPA is the preferred electronic payment method. In Pay.gov, users can track their payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality.

1. Remove Debit Block - Before submitting payments through Pay.gov, users should contact their financial institution to remove any debit blocks and add EPA to the list of payees. In addition, the financial institution will need to add EPA's company ID (6801123303) for WIFIA fees. Once the financial institution removes the debit block and sets up the company ID, users can set up Pay.gov to submit payments.
2. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the [WIFIA Loan Collection & Fees Form](#).
3. Provide the following information on your payment to ensure proper credit:
  - Remitter's contact phone number
  - Company/Organization Name as it appears on EPA document
  - Complete address, including city, state, zip code
  - Project Name
  - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
  - From the "Payment Type" drop down menu select "**Loan Payment**"
4. Follow the remaining on-screen instructions to successfully process the payment to EPA.
5. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.

**Option 2 Fedwire**

Users must work within the processing guidelines established by their bank, which may include processing cutoffs, transaction fees, and other bank requirements. Banks that do not maintain an account at the Federal Reserve Bank (FRB) must use the services of correspondent banks that do have an FRB account.

**FEDWIRE**

To process a payment using FedWire please:

1. Send FedWire deposits as early as possible and no later than 5PM ET on the desired EPA receipt date.
2. Review the FedWire form Instructions provided in Attachment 1 and complete the form. It is very important that all relevant details identified in the instructions are accurate.
3. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.

## Attachment 1 – FedWire Payment Form and Instructions

**Please provide the following instructions to your Financial Institution for the remittance of Fedwire payments to the United States Environmental Protection Agency.**

Fedwire Field Tag	Fedwire Field Name	Required Information
{1510}	Type/Subtype	<b>1000</b>
{2000}	Amount	\$
{3400}	Receiver ABA routing number *	<b>021030004</b>
{3400}	Receiver ABA short name	<b>TREAS NYC</b>
{3600}	Business Function Code	<b>CTR</b> (or CTP)
{4200}	Beneficiary Identifier (account number)	<b>868010099000</b>
{4200}	Beneficiary Name	<b>US EPA</b>
{5000}	Originator	
{6000}	Originator to Beneficiary Information – Line 1	<b>FEE TYPE – WIFIA Application Fee (WIFIA Loan Number)</b>
{6000}	Originator to Beneficiary Information – Line 2	
{6000}	Originator to Beneficiary Information – Line 3	
{6000}	Originator to Beneficiary Information – Line 4	

\* The financial institution address for Treasury’s routing number: 33 Liberty Street, New York, NY 10045

### **Agency Contact:**

Collections Inquiry Mailbox  
US Environmental Protection Agency  
Office of the Controller  
Fees and Collections Branch  
[Collections\\_Inquiry\\_Mailbox@epa.gov](mailto:Collections_Inquiry_Mailbox@epa.gov)

## SCHEDULE IV-B

### WIFIA FEE PAYMENT INSTRUCTIONS

#### HOW TO MAKE A FEE PAYMENT TO EPA WIFIA PROGRAM

Please select one of the acceptable payment methods and follow the instructions provided below for sending WIFIA payments to EPA.

**For questions about payments to EPA please contact EPA's Office of the Controller:**

Phone: 202-564-7593. Voicemails can be left when calling outside business hours

Email: [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov)

**For questions about the WIFIA program:**

Email: [wifia@epa.gov](mailto:wifia@epa.gov)

#### ACCEPTABLE METHODS FOR WIFIA PAYMENTS TO EPA

##### Option 1 PAY.GOV

Use of Pay.gov to make payments to EPA is the preferred electronic payment method. In Pay.gov, users can track their payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality.

1. Remove Debit Block - Before submitting payments through Pay.gov, users should contact their financial institution to remove any debit blocks and add EPA to the list of payees. In addition, the financial institution will need to add EPA's company ID (6801123303) for WIFIA fees. Once the financial institution removes the debit block and sets up the company ID, users can set up Pay.gov to submit payments.
1. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the [WIFIA Loan Collection & Fees Form](#).
2. Provide the following information on your payment to ensure proper credit:
  - Remitter's contact phone number
  - Company/Organization Name as it appears on EPA document
  - Complete address, including city, state, zip code
  - Project Name
  - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
  - From the "Payment Type" drop down menu select the type from the Fee Notice letter
  - Other Description: please note the reference number from the Fee Notice letter
3. Follow the remaining on-screen instructions to successfully process the payment to EPA.

4. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.

### Option 2 Credit Gateway: Fedwire and ACH

Depending on preferences, Credit Gateway allows users to submit payment either via FedWire (electronic interbank transfers) or ACH (direct deposit). The primary differences are:

	FedWire	ACH (Automated Clearing House)
<b>Fees</b>	Charges fees	Less expensive than FedWire
<b>Transaction Speed</b>	Faster transfers	May take up to a few days
<b>Security</b>	Less secure	More secure
<b>International Capabilities</b>	Can be sent internationally	U.S.-only network
<b>Processing time</b>	Within 24 hours	A few hours to several days

Users must work within the processing guidelines established by their bank, which may include processing cutoffs, transaction fees, and other bank requirements. Banks that do not maintain an account at the Federal Reserve Bank (FRB) must use the services of correspondent banks that do have an FRB account.

#### FEDWIRE

To process a payment using FedWire please:

5. Send FedWire deposits as early as possible and no later than 5PM ET on the desired EPA receipt date.
6. Review the FedWire form Instructions provided in Attachment 1 and complete the form. It is very important that all relevant details identified in the instructions are accurate.
7. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.

#### Automated Clearing house (ach)

To process payments using ACH please:

1. Send ACH payments as early as possible and no later than 3 business days before the desired EPA receipt date.
2. Review the ACH form Instructions provided in Attachment 2 and complete the form. It is important that all relevant details identified in the instructions are accurate.
3. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that the payment has been made.

### Option 3 CHECK PAYMENTS

**UNAVAILABLE. EPA CANNOT PROCESS CHECKS AT THIS TIME.**

# Attachment 1 – FedWire Payment Form and Instructions

Please provide the following instructions to your Financial Institution for the remittance of Fedwire payments to the United States Environmental Protection Agency.

Fedwire Field Tag	Fedwire Field Name	Required Information
{1510}	Type/Subtype	<b>1000</b>
{2000}	Amount	
{3400}	Receiver ABA routing number *	<b>021030004</b>
{3400}	Receiver ABA short name	<b>TREAS NYC</b>
{3600}	Business Function Code	<b>CTR</b> (or CTP)
{4200}	Beneficiary Identifier (account number)	<b>868010099000</b>
{4200}	Beneficiary Name	<b>US EPA</b>
{5000}	Originator	
{6000}	Originator to Beneficiary Information – Line 1	<b>FEE TYPE – WIFIA Application Fee (WIFIA Loan Number)</b>
{6000}	Originator to Beneficiary Information – Line 2	
{6000}	Originator to Beneficiary Information – Line 3	
{6000}	Originator to Beneficiary Information – Line 4	

\* The financial institution address for Treasury’s routing number is 33 Liberty Street, New York, NY 10045

## Agency Contact:

Collections Inquiry Mailbox  
 US Environmental Protection Agency  
 Office of the Controller  
 Fees and Collections Branch  
[Collections\\_Inquiry\\_Mailbox@epa.gov](mailto:Collections_Inquiry_Mailbox@epa.gov)

## Attachment 2 - ACH Credit Gateway Form and Instructions

Please provide the following instructions to your Financial Institution for the remittance of Automated Clearing House (ACH) credits to the United States Environmental Protection Agency.

NACHA Record Type Code	NACHA Field	NACHA Data Element Name	Required Information
5	3	Company Name	
5	6	Standard Entry Class Code	<b>CCD</b>
5	9	Effective Entry Date	
6	2	Transaction Code*	<b>22</b>
6	3 & 4	Receiving DFI Identification (ABA routing #) @	<b>051036706</b>
6	5	DFI Account Number	<b>868010099000</b>
6	6	Amount	<i>(enter payment amount)</i>
6	8	Receiving Company Name	<b>US EPA FEE TYPE – WIFIA (Loan Number-Fee Type)</b>

ACH bank information:

Name: Credit Gateway – ACH Receiver

Address: 33 Livingston Ave. St. Paul, MN 55107

Phone number: 1-877-815-1206

### Agency Contact:

Collections Inquiry Mailbox

Fees and Collections Branch

Office of the Controller

US Environmental Protection Agency

Collections\_Inquiry\_Mailbox@epa.gov

[EPA W-9 to be inserted]



**SCHEDULE 12(n)****EXISTING CONSTRUCTION CONTRACTS**

<b>Contract Name</b>	<b>Effective Date</b>	<b>Amount</b>	<b>Parties</b>	<b>Description</b>
City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	November 8, 2022	\$146,256,682.52	PLW Waterworks, LLC and City of Pflugerville	City of Pflugerville Water Treatment Plant Expansion
City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	November 19, 2024	\$12,795,000.00	Thalle and City of Pflugerville	City of Pflugerville Secondary Colorado Raw Water Line - Package 2
City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	November 14, 2024	\$56,665,407.35	S.J. Louis and City of Pflugerville	City of Pflugerville Secondary Colorado Raw Water Line - Package 3

City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	November 14, 2024	\$35,326,497.00	Belt Construction of Texas, LLC and City of Pflugerville	City of Pflugerville Secondary Colorado Raw Water Line - Package 4
City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	CMAR Pre-Construction: May 2, 2023; GMP 1: November 14, 2023; GMP 2: June 11, 2024	\$247,671,315.93	PLW Waterworks, LLC and City of Pflugerville	City of Pflugerville Wilbarger Creek Regional Wastewater Treatment Facility
City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	December 19, 2024	\$21,343,000.00	McKee Utility and City of Pflugerville	City of Pflugerville Wilbarger Wastewater Interceptor
City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	November 26, 2024	\$3,725,605.90	C.C. Carlton Industries, Ltd and City of Pflugerville	City of Pflugerville Cottonwood Lift Station

City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	May 27, 2025	\$1,895,691.00	Patin Construction, LLC and City of Pflugerville	City of Pflugerville North Wilbarger Wastewater Interceptor
City of Pflugerville Standard Capital Improvement Project (CIP) Construction Agreement between City and Contractor	May 27, 2025	\$4,509,345.50	C.C. Carlton Industries, Ltd and City of Pflugerville	City of Pflugerville Cottonwood West Wastewater Force Main & Carmel East Wastewater Interceptor

**EXHIBIT A**  
**WIFIA DEBT SERVICE**

*[See attached]*

**EXHIBIT C**  
**TERM SHEET**

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

[Date], 2025

City of Pflugerville, Texas  
100 E. Main Street  
Pflugerville, TX 78660

RE: WIFIA Term Sheet for the City of Pflugerville Master Program – Water and Wastewater  
CIP – Tranche 2 (WIFIA Project No. 22164TX)

Ladies and Gentlemen:

This WIFIA Term Sheet (this “**Term Sheet**”) constitutes (a) the approval of the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (hereinafter, the “**USEPA**”), of the application for credit assistance of the Borrower (as defined below) received on November 9, 2023 and deemed complete on December 4, 2023 (the “**Application**”) and (b) the agreement of USEPA to provide financing for the above-referenced project (as further described below, the “**Project**”) in the form of a secured loan (the “**WIFIA Loan**”), pursuant to the Water Infrastructure Finance and Innovation Act (“**WIFIA**”), § 5021 *et seq.* of Public Law 113-121 (as amended, and as may be further amended from time to time, the “**Act**”), codified as 33 U.S.C. §§ 3901-3915, subject in all respects to (i) the terms and conditions contained herein; (ii) the terms and conditions contained in that certain WIFIA Master Agreement entered into on October 15, 2024, by and between the WIFIA Lender (as defined below) and the Borrower (the “**WIFIA Master Agreement**”); and (iii) the execution and delivery of the WIFIA loan agreement with respect to the Project to be entered into on the date hereof (the “**WIFIA Loan Agreement**”) on the terms and conditions acceptable to the USEPA contained therein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the WIFIA Loan Agreement, or if not defined therein, the WIFIA Master Agreement (and if not defined therein, shall have the meanings ascribed to such terms in the Master Ordinance).

By executing this Term Sheet, the Borrower confirms its agreement to reimburse USEPA for any and all fees and expenses that USEPA incurs for legal counsel, financial advice, and other consultants in connection with the evaluation of the Project and the negotiation and preparation of the WIFIA Loan Agreement and related documents, whether or not such agreement is ultimately executed.

This Term Sheet shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable, and the internal laws of the State of Texas, if and to the extent such federal laws are not applicable. This Term Sheet, and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Electronic delivery of an executed counterpart of a signature page shall be effective as delivery of an original executed counterpart.

## INDICATIVE TERMS OF THE WIFIA LOAN

WIFIA LENDER	United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “ <b>WIFIA Lender</b> ”).
BORROWER	City of Pflugerville, Texas, a municipal body politic and corporate organized and existing under the laws of the State of Texas (the “ <b>Borrower</b> ”).
PROJECT	The Project is the planning, design, and construction of (1) a new Wilbarger wastewater treatment facility to serve the Wilbarger Basin service area and two new interceptors (Wilbarger Creek and Sorento) to divert flows to the new facility, (2) expansion and consolidation of the wastewater collection system, (3) rehabilitation/replacement and new installation of water mains within the service area, and (4) updates to the systemwide Master Plan for the Borrower’s water and wastewater systems, as described in further detail in the WIFIA Loan Agreement. All components of the Project are located in the cities of Pflugerville and Austin in Travis County, Texas.
WIFIA LOAN AMOUNT	A maximum principal amount (sum of disbursements) not to exceed \$176,302,949; provided that (a) the maximum principal amount of the WIFIA Loan, together with the amount of any other credit assistance provided under the Act, shall not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs, and (b) the total federal assistance for the Project, including but not limited to the maximum principal amount of the WIFIA Loan and all federal direct and indirect grants, shall not exceed eighty percent (80%) of Total Project Costs.
INTEREST RATE	<p>The WIFIA Loan shall bear interest at a fixed rate, calculated by adding one basis point (0.01%) to the rate of securities of a similar maturity (based on the weighted-average life of the WIFIA Loan) as published, on the execution date of the WIFIA Loan Agreement, in the United States Treasury Bureau of Public Debt’s daily rate table for State and Local Government Series (SLGS) securities, currently located on the Internet at <a href="https://www.treasurydirect.gov/GA-SL/SLGS/selectSLGSDate.htm">https://www.treasurydirect.gov/GA-SL/SLGS/selectSLGSDate.htm</a>.</p> <p>Interest shall accrue and be computed on the basis of a 360-day year of twelve (12) thirty (30) day months.</p> <p>The WIFIA Loan shall also bear default interest at a rate of 200 basis points above the otherwise applicable interest rate, at such times and upon such terms as are provided in the WIFIA Loan Agreement.</p>

PAYMENT DATES	<p>Principal of the WIFIA Loan shall be repaid in annual installments on August 1 of each year, beginning on August 1, 2029.</p> <p>Interest shall be paid in arrears on February 1 and August 1 of each year, commencing on the Debt Service Payment Commencement Date.</p> <p>The Debt Service Payment Commencement Date shall in no event be later than five (5) years after the Substantial Completion Date of the Project.</p>
FINAL MATURITY DATE	<p>The earliest of (a) August 1, 2056 (or such earlier date as is set forth in an updated <b>Exhibit A</b> (<i>WIFIA Debt Service</i>) pursuant to Section 8(e) (<i>Payment of Principal and Interest – Adjustments to Loan Amortization Schedule</i>)); and (b) the Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.</p>
PROJECTED SUBSTANTIAL COMPLETION DATE	<p>December 31, 2028.</p>
DEDICATED SOURCE OF REPAYMENT	<p>The dedicated source of repayment for the WIFIA Loan shall be the Gross Revenues. “<b>Gross Revenues</b>” means all revenues, income and receipts of every nature derived or received by the Borrower from the operation and ownership of the Utility System including any lawfully available impact fees and the interest income from investment or deposit of money in any account or subaccount created by the Master Ordinance or maintained by the Borrower in connection with the Utility System (except any account or subaccount not pledged as Security under the Master Ordinance or any Supplement) and any other revenues hereafter pledged to the payment of all Parity Debt. Any interest income related to any reserve account shall operate as provided in the applicable Supplement.</p>
SECURITY AND LIEN PRIORITY	<p>The WIFIA Bond shall be secured by the Liens on the Security on a parity with the Parity Debt and senior to all Subordinated Debt. “<b>Security</b>” means, subject to the provisions of Section 1.02(c) of the WIFIA Supplement, all of the interests of the Borrower in (a) the Pledged Revenues; (b) all amounts in the System Account (subject to the payment of Maintenance and Operating Expenses as provided in Section 4 of the Master Ordinance) and the Interest and Sinking Account; (c) any additional account or subaccount that is subsequently established and so designated as being included within the Security pursuant to Section 3(f) of the Master Ordinance; (d) all of the proceeds of the foregoing, including, without limitation, investments thereof; (e) any applicable Credit Agreement to the extent set</p>



	<p>forth in such Credit Agreement; and (f) with respect to any applicable series of Parity Debt, all amounts in any reserve account or subaccount applicable to such Parity Debt pursuant to Section 3(e) of the Master Ordinance, including any reserve fund surety policy or other Credit Agreement entered into for the benefit of such account or subaccount.</p> <p><b>“Pledged Revenues”</b> means (1) the Net Revenues plus (2) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter are pledged by the Borrower to the payment of the Parity Debt, and excluding those revenues excluded from Gross Revenues.</p> <p>The debt obligation of the Borrower under the WIFIA Loan shall be evidenced through the issuance by the Borrower of the WIFIA Bond.</p> <p>The Borrower has agreed and covenanted in the Master Ordinance that all Gross Revenues shall be deposited into the System Account immediately upon receipt by the Borrower and applied in accordance with the requirements specified in Section 4 of the Master Ordinance. For avoidance of doubt, moneys on deposit in the System Account not required to make any of the payments required above or expended by the Borrower at any time for any lawful purpose authorized pursuant to the Enabling Act and other State law shall remain in the System Account and remain subject to the pledge and lien provided in the WIFIA Loan Agreement.</p>
PREPAYMENT	<p>The Borrower may prepay the WIFIA Loan in whole on any date or in part on any Payment Date (and, if in part, the amounts thereof to be prepaid shall be determined by the Borrower; provided, that such prepayments shall be in principal amounts of \$500,000 or any integral multiple of \$1.00 in excess thereof), from time to time but not more than once annually from the Borrower’s excess revenues (after payment of debt service then due on the Borrower’s Project Obligations, including any reserve fund requirements, if applicable), and otherwise in accordance with the WIFIA Loan Agreement.</p>
RATE COVENANT	<p>As set forth in further detail in the Master Ordinance and WIFIA Loan Agreement, the Borrower has agreed and covenanted with the Owners of the Parity Debt that so long as any Parity Debt, or any interest thereon, remain Outstanding and unpaid, to establish and maintain rates and charges for facilities and services afforded by the Utility System that are reasonably expected, on the basis</p>

	of available information and experience and with due allowance for contingencies, to produce Gross Revenues in each Fiscal Year to satisfy the requirements specified in Section 5 of the Master Ordinance, a copy of which is attached hereto as Attachment A ( <i>Rate Covenant</i> ).
ADDITIONAL INDEBTEDNESS	<p>As set forth in further detail in the Master Ordinance and the WIFIA Loan Agreement, the Borrower shall not issue or incur any Debt unless the conditions described below and in Section 15(a) of the WIFIA Loan Agreement are satisfied:</p> <ul style="list-style-type: none"> <li>(i) Except for Permitted Debt, the Borrower shall not without the prior written consent of the WIFIA Lender issue or incur any Debt.</li> <li>(ii) The Borrower shall not create, incur or suffer to exist (A) any Debt the payments of which are senior or prior in right to the payment by the Borrower of the Parity Debt, or (B) any Additional Parity Debt Project Obligations that are secured by a Lien on any assets or property of the Borrower other than the Security.</li> <li>(iii) The Borrower shall not issue or incur any Parity Debt or Subordinated Debt except in accordance with all requirements and conditions set forth in Section 7 of the Master Ordinance, a copy of which is attached hereto as Attachment B (<i>Additional Debt Test</i>).</li> </ul>
HEDGING	The Borrower shall not enter into any swap or hedging transaction with respect to or payable from all or part of the Security, including inflation indexed swap transactions, “cap” or “collar” transactions, futures, or any other hedging transaction, for any speculative purpose. For the avoidance of doubt, the Borrower is permitted to enter into a swap or hedging transaction with respect to or payable from all or part of the Security, including inflation indexed swap transactions, “cap” or “collar” transactions, futures, or any other hedging transaction with respect to or payable from all or part of the Security with respect to Parity Debt that bears interest at a variable interest rate so long as the Borrower’s obligations to pay any termination payments with respect thereto are made junior and subordinate in all respects to Parity Debt.
WIFIA LOAN DOCUMENTATION	The WIFIA Loan shall be subject to the preparation, execution and delivery of the WIFIA Loan Agreement, the WIFIA Bond and any other loan documentation required by the WIFIA Lender in connection therewith, in each case acceptable to the WIFIA Lender and the Borrower, which will contain certain conditions precedent, representations and warranties, affirmative and

	negative covenants, events of default, and other provisions as agreed between the WIFIA Lender and the Borrower.
GOVERNING LAW	Federal laws of the United States of America, if and to the extent such federal laws are applicable, and the internal laws of the State of Texas, if and to the extent such federal laws are not applicable.
COUNTERPARTS	This Term Sheet, and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Electronic delivery of an executed counterpart of a signature page shall be effective as delivery of an original executed counterpart.

[Signature pages follow]

If the foregoing terms are acceptable, please countersign this letter in the space indicated below.

Sincerely,

**UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY**, acting by and through  
the Administrator of the United States  
Environmental Protection Agency

By: \_\_\_\_\_  
Name: Lee M. Zeldin  
Title: Administrator

ACKNOWLEDGED AND AGREED:

**CITY OF PFLUGERVILLE, TEXAS,**  
by its authorized representative

By: \_\_\_\_\_  
Name: Victor Gonzales  
Title: Mayor

## ATTACHMENT A

### RATE COVENANT

*All terms used in this Attachment A shall have the meaning assigned to such terms as provided in the Master Ordinance. All section references used in this Attachment A shall be references to the appropriate section in the Master Ordinance. All references to "herein" or "hereof" in this Attachment A shall be references to the Master Ordinance. The following is intended to copy (without change) the provisions of Section 5 of the Master Ordinance as of the WIFIA Loan Agreement Effective Date.*

**Section 5. RATE COVENANT.** The City covenants and agrees with the Owners of the Parity Debt that so long as any Parity Debt, or any interest thereon, remain Outstanding and unpaid, to establish and maintain rates and charges for facilities and services afforded by the Utility System that are reasonably expected, on the basis of available information and experience and with due allowance for contingencies, to produce Gross Revenues in each Fiscal Year reasonably anticipated to be sufficient to:

- (a) pay Maintenance and Operating Expenses;
- (b) produce Pledged Revenues at least equal to the greater of 1.25 times the average Annual Debt Service Requirements or 1.10 times the maximum Annual Debt Service Requirements;
- (c) produce Pledged Revenues in amounts sufficient to enable the City to make the deposits and credits, if any, from Pledged Revenues to the accounts and subaccounts required by this Master Ordinance and any Supplement including to fund or restore any reserve account required by a Supplement, including the payment of any Reserve Account Obligation then due;
- (d) produce Pledged Revenues, together with any other lawfully available funds (including the proceeds of Debt which the City expects will be utilized to pay all or part of the principal of and/or interest on any obligations) sufficient to meet all financial obligations for Subordinated Debt issued by the City; and
- (e) pay any other Debt payable from the Pledged Revenues and/or secured by a lien on the Security.

Should the annual audit report reflect that the Security for the Fiscal Year covered thereby is less than necessary to meet the requirements of this Section, the City Council will review the operations of the Utility System and the rates and charges for services provided, and the City Council will make the necessary adjustments or revisions, if any, in order that the Security for the succeeding year will be sufficient to satisfy the foregoing coverage requirements.

## ATTACHMENT B

### ADDITIONAL DEBT TEST

*All terms used in this Attachment B shall have the meaning assigned to such terms as provided in the Master Ordinance. All section references used in this Attachment B shall be references to the appropriate section in the Master Ordinance. All references to "herein" or "hereof" in this Attachment B shall be references to the Master Ordinance. The following is intended to copy (without change) the provisions of Section 7 of the Master Ordinance as of the WIFIA Loan Agreement Effective Date.*

#### **Section 7. ISSUANCE OF PARITY DEBT.**

(a) General. The City reserves and shall have the right and power to issue or incur Parity Debt for any purpose authorized by State law, including the refunding of Parity Debt, Subordinated Debt, or other obligations of the City issued to finance the costs of a project authorized to be financed under the Financing Program, pursuant to the provisions of this Master Ordinance and Supplements to be hereafter authorized. The City hereby covenants and agrees to comply with all constitutional and statutory requirements of State law and, to the extent applicable, federal law governing the issuance of Parity Debt.

(b) Parity Debt. Provided that the City is in compliance with the requirements of any then applicable provisions of State law, the City may from time to time incur, assume, guarantee, or otherwise become liable in respect of Parity Debt if, in the applicable Supplement, the City finds that, upon the issuance of such Parity Debt, the Security will be sufficient to meet the financial obligations relating to the Financing Program, including Security in amounts sufficient to satisfy the Annual Debt Service Requirements of the Financing Program. In addition, the City shall not issue or incur such Parity Debt unless (i) an Authorized Representative shall deliver to the City an Officer's Certificate stating that, to the best of his or her knowledge, the City, has not failed to comply with the covenants contained in this Master Ordinance and any Supplement, to any material extent, and are not in default, to any material extent, in the performance and observance of any of the terms, provisions, and conditions hereof, thereof or under any Credit Agreement that constitutes Parity Debt and (ii) the Chief Financial Officer signs and delivers to the City a written certificate to the effect that, during either the next preceding Fiscal Year, or any twelve consecutive calendar month period ending not more than ninety (90) days prior to the date of the then proposed Parity Debt, the Net Earnings were, in the opinion thereof, at least equal to the sum of 1.25 times the average Annual Debt Service Requirements (computed on a Fiscal Year basis) of the Parity Debt to be outstanding after the issuance of the then proposed Parity Debt and 1.10 times the average Annual Debt Service Requirements (computed in the same manner as for Parity Debt) of the Subordinated Debt to be outstanding after the issuance of the then proposed Parity Debt.

In making a determination of Net Earnings for any of the purposes described in this Section, the Chief Financial Officer may take into consideration a change in the rates and charges for services and facilities afforded by the Utility System that became effective at least sixty (60) days prior to the last day of the period for which Net Earnings are determined and, for purposes of satisfying the Net Earnings tests described above, make a pro forma determination of the Net Earnings of the Utility System for the period of time covered by said Chief Financial Officer's

certification or opinion based on such change in rates and charges being in effect for the entire period covered by the Chief Financial Officer's certificate or opinion.

As used in this Section, the term "**Net Earnings**" shall mean the Gross Revenues of the Utility System after deducting the Maintenance and Operating Expenses of the Utility System but not expenditures which, under standard accounting practice, should be charged to capital expenditures.

(c) Credit Agreements. To the extent permitted by law, the City may execute and deliver one or more Credit Agreements (i) upon the delivery to the City of the Chief Financial Officer's Certificate to the effect that the Credit Agreement is in the best interest of the City and (ii) compliance with the requirements of subsection (b) or (c) of this section, as the case may be, if the Credit Agreement is to constitute Parity Debt. Each Credit Agreement shall be approved by the City, to the extent required by law, either pursuant to a Supplement or by other action. Credit Agreements and the obligations thereunder may, pursuant to their terms, constitute (i) Parity Debt secured by a pledge of the Security on parity with other Parity Debt, (ii) Subordinated Debt secured by a pledge of the Security subordinate to Parity Debt, or (iii) partially Parity Debt and partially Subordinated Debt.

(d) Non-Recourse Debt and Subordinated Debt. Non-Recourse Debt and Subordinated Debt may be incurred by the City in accordance with State law.



**EXHIBIT D**  
**PAYING AGENT/REGISTRAR AGREEMENT**

## **PAYING AGENT/REGISTRAR AGREEMENT**

**THIS AGREEMENT** entered into as of September 17, 2025 (this "Agreement"), by and between the City of Pflugerville, Texas (the "Issuer"), municipal corporation and political subdivision of the State of Texas, and UMB Bank, N.A., a banking corporation duly organized and existing under the laws of the United States of America (the "Bank").

### **RECITALS**

**WHEREAS**, the Issuer has duly authorized and provided for the issuance of its Utility System Revenue Bond (City of Pflugerville Master Program – Water and Wastewater CIP – Tranche 2), Series 2025 in a principal amount of \$176,302,949 (the "Obligations"), such Obligations to be issued in fully registered form only as to the payment of principal and interest thereon; and

**WHEREAS**, the Obligations are scheduled to be delivered to the initial purchaser thereof on or about September 17, 2025; and

**WHEREAS**, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on the Obligations and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

**WHEREAS**, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Obligations;

**NOW, THEREFORE**, it is mutually agreed as follows:

### **ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR**

#### **Section 1.01. Appointment.**

The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Obligations. As Paying Agent for the Obligations, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Obligations as the same become due and payable to the registered owners thereof, all in accordance with this Agreement and the "Ordinance" (hereinafter defined).

The Issuer hereby appoints the Bank as Registrar with respect to the Obligations. As Registrar for the Obligations, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of the Obligations and with respect to the transfer and exchange thereof as provided herein and in the "Ordinance."

The Bank hereby accepts its appointment and agrees to serve as the Paying Agent and Registrar for the Obligations.

### **Section 1.02. Compensation.**

As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Schedule A attached hereto for the first year of this Agreement and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for political subdivisions, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

## **ARTICLE TWO DEFINITIONS**

### **Section 2.01. Definitions.**

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Bank Office" means the designated office for payment of the Bank as indicated in Section 6.03 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Fiscal Year" means the fiscal year of the Issuer, ending September 30.

"Holder" means the Person in whose name an Obligation is registered in the Security Register.

"Legal Holiday" means a day on which the Bank is required or authorized to be closed.

"Ordinance" means the orders, ordinances or resolutions of the governing body of the Issuer pursuant to which the Obligations are issued, certified by the City Secretary of the Issuer or any other officer of the Issuer and delivered to the Bank.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Obligations" of any particular Obligation means every previous Obligation evidencing all or a portion of the same obligation as that evidenced by such particular Obligation

(and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Obligation for which a replacement Obligation has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Ordinance).

"Responsible Officer" when used with respect to the Bank means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to any particular matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfer of the Obligations.

"Stated Maturity" means the date specified in the Ordinance on which the principal of an Obligation is scheduled to be due and payable.

## **Section 2.02. Other Definitions.**

The terms "Bank," "Issuer," and "Obligations (Obligation)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

Any other terms not defined herein, shall have the meaning given to them in the Ordinance, unless the context otherwise requires.

## **ARTICLE THREE PAYING AGENT**

### **Section 3.01. Duties of Paying Agent.**

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the principal of each Obligation at its Stated Maturity or Redemption Date to the Holder upon surrender of the Obligation to the Bank at the Bank Office.

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Obligation when due, by computing the amount of interest to be paid each Holder and preparing and sending checks by United States Mail, first-class postage prepaid, on each payment date, to the Holders of the Obligations (or their Predecessor Obligations) on the respective Record Date,

to the address appearing on the Obligation Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

### **Section 3.02. Payment Dates.**

The Issuer hereby instructs the Bank to pay the principal of and interest on the Obligations on the dates specified in the Ordinance.

### **Section 3.03. Reporting Requirements.**

To the extent required by the Internal Revenue Code of 1986, as amended, or the Treasury Regulations, the Bank shall report to or cause to be reported to the Holders and the Internal Revenue Service the amount of interest paid or the amount treated as interest accrued on the Obligations which is required to be reported by the Holders on their returns of federal income tax.

## **ARTICLE FOUR REGISTRAR**

### **Section 4.01. Security Register - Transfers and Exchanges.**

The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register"), and, if the Bank Office is located outside the State of Texas, a copy of such books and records shall be kept in the State of Texas, for recording the names and addresses of the Holders of the Obligations, the transfer, exchange and replacement of the Obligations and the payment of the principal of and interest on the Obligations to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank also agrees to keep a copy of the Security Register within the State of Texas. All transfers, exchanges and replacement of Obligations shall be noted in the Security Register.

Every Obligation surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, in form satisfactory to the Bank, duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Obligations.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Obligations, the exchange or transfer by the Holders thereof will be completed and new Obligations delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Obligations to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

#### **Section 4.02. Form of Security Register.**

The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Obligations in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

#### **Section 4.03. List of Holders.**

The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order or other notice of a legal proceeding and prior to the release or disclosure of any of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the same or such release or disclosure of the contents of the Security Register.

#### **Section 4.04. Return of Cancelled Certificates.**

The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, Obligations in lieu of which or in exchange for which other Obligations have been issued, or which have been paid.

#### **Section 4.05. Mutilated, Destroyed, Lost or Stolen Obligations.**

The Issuer hereby instructs the Bank, subject to the applicable provisions of the Ordinance, to deliver and issue Obligations certificates in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations certificates.

In case any Obligation shall be mutilated, or destroyed, lost or stolen, the Bank, in its discretion, may execute and deliver a replacement Obligation of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Obligation, or in lieu of and in substitution for such destroyed lost or stolen Obligation, only after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Obligation, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with

such indemnity and with the preparation, execution and delivery of a replacement Obligation shall be borne by the Holder of the Obligation mutilated, or destroyed, lost or stolen.

#### **Section 4.06. Transaction Information to Issuer.**

The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Obligations certificates it has paid pursuant to Section 3.01, Obligations certificates it has delivered upon the transfer or exchange of any Obligations certificates pursuant to Section 4.01, and Obligations certificates it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Obligations certificates pursuant to Section 4.06.

### **ARTICLE FIVE THE BANK**

#### **Section 5.01. Duties of Bank.**

The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Obligations in the manner disclosed in the closing memorandum approved by the Issuer as prepared by the Issuer's financial advisor or other agent. The Bank may act on a facsimile transmission of the closing memorandum to be followed by an original of the closing memorandum signed by the financial advisor or the Issuer.

#### **Section 5.02. Reliance on Documents, Etc.**

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank by the Issuer.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proven that the Bank was grossly negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Obligations, but is protected in acting upon receipt of Obligations certificates containing an endorsement or

instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document supplied by the Issuer.

(e) The Bank may consult with legal counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon, provided that any such written advice or opinion is supplied to the Issuer by the Bank.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

### **Section 5.03. Recitals of Issuer.**

The recitals contained herein with respect to the Issuer and in the Obligations shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Obligation, or any other Person for any amount due on any Obligation from its own funds.

### **Section 5.04. May Hold Obligations.**

The Bank, in its individual or any other capacity, may become the owner or pledgee of Obligations and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

### **Section 5.05. Moneys Held by Bank.**

If the Bank is not the sole holder of all of the Obligations, the Bank shall deposit any moneys received from the Issuer into a segregated account to be held by the Bank solely for the benefit of the owners of the Obligations to be used solely for the payment of the Obligations, with such moneys in the account that exceed the deposit insurance available to the Issuer by the Federal Deposit Insurance Corporation, to be fully collateralized with Obligations or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for such accounts until the principal and interest on such Obligations have been presented for payment and paid to the owner thereof. Payments made from such account shall be made by check drawn on such account unless the owner of such Obligations shall, at its own expense and risk, request such other medium of payment.

Subject to the Unclaimed Property Law of the State of Texas, any money deposited with the Bank for the payment of the principal, premium (if any), or interest on any Obligation and remaining unclaimed for three years after the final maturity of the Obligation has become due and payable will be paid by the Bank to the Issuer if the Issuer so elects, and the Holder of such Obligation shall hereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease. If the Issuer does not elect, the Bank is directed



to report and dispose of the funds in compliance with Title Six of the Texas Property Code, as amended.

**Section 5.06. Indemnification.**

To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on the Bank's part, arising out of or in connection with the Bank's acceptance or administration of its duties hereunder, including the cost and expense incurred by the Bank in defending against any claim or from liability imposed on the Bank in connection with the Bank's exercise or performance of any of its powers or duties under this Agreement.

**Section 5.07. Interpleader.**

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the State of Texas and County where either the Bank Office or the administrative offices of the Issuer are located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

**ARTICLE SIX  
MISCELLANEOUS PROVISIONS**

**Section 6.01. Amendment.**

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02. Assignment.**

This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03. Notices.**

Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses set forth below:

**Issuer**

City of Pflugerville, Texas  
100 East Main Street

Pflugerville, Texas 78691  
Attn: Chief Financial Officer

Paying Agent/Registrar

UMB Bank, N.A.  
Corporate Trust and Escrow Group  
6034 West Courtyard Drive, Suite 370  
Austin, Texas 78730  
Attn: Corporate Trust and Escrow Group

**Section 6.04. Effect of Headings.**

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

**Section 6.05. Successors and Assigns.**

All covenants and agreements herein by the Issuer and the Bank shall bind their respective successors and assigns, whether so expressed or not.

**Section 6.06. Severability.**

In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 6.07. Benefits of Agreement.**

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.08. Entire Agreement.**

This Agreement and the Ordinance constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Ordinance, the Ordinance shall govern.

**Section 6.09. Counterparts.**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.10. Termination.**

This Agreement will terminate (i) on the date of final payment of the principal of and

interest on the Obligations to the Holders thereof or (ii) may be earlier terminated by either party upon thirty (30) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Obligations of the appointment of a successor Paying Agent/Registrar. Furthermore, the Bank and Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Obligations.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with other pertinent books and records relating to the Obligations, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02, 5.02, 5.03 and 5.06 of this Agreement shall survive and remain in full force and effect following the termination of this Agreement.

#### **Section 6.11. Governing Law.**

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

#### **Section 6.12. Verifications of Statutory Representations and Covenants.**

The Bank makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(a) Not a Sanctioned Company. 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, Government Code. The foregoing representation 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.

(b) No Boycott of Israel. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

**Section 6.13. Interested Parties Form Exemption.**

The Bank represents and warrants that it is exempt from the requirements of Section 2252.908 of the Texas Government Code, as amended, pursuant to subsection (c)(4) thereof, and, accordingly, the Bank is not required to file a Certificate of Interested Parties Form 1295 otherwise prescribed thereunder.

[The remainder of this page is intentionally left blank]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first above written.

**UMB BANK, N.A.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Mailing Address:

UMB Bank, N.A.  
Corporate Trust and Escrow Group  
6034 West Courtyard Drive, Suite 225  
Austin, Texas 78730

**CITY OF PFLUGERVILLE, TEXAS**

By \_\_\_\_\_  
Mayor

100 East Main Street  
Pflugerville, Texas 78691

## **SCHEDULE A**

### **Paying Agent/Registrar Fee Schedule**



**FEES AND EXPENSES  
FOR:**

**City of Pflugerville, Texas  
Master Program – Water and Wastewater CIP  
Tranche 2 Series 2025**

**Fees for services are as follows:**

<b>Acceptance Fee:</b>	<b>WAIVED</b>
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A one-time fee payable at closing to cover the review of governing documents, communication with financing team, set-up of account records and customary duties and responsibilities relating to the closing.

<b>Annual Paying Agent/Registrar Fee:</b>	<b>\$400.00</b>
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Annual fee to cover the duties and responsibilities of the Paying Agent/Registrar related to the administration of the transaction including the maintenance of account records on various systems, the monitoring of required compliance items, payment of debt services and all routine duties as contemplated by the governing documents.

- First year annual fee is payable in advance on the closing date and annually thereafter until termination.
- A \$300 fee will be billed for Optional Redemptions at the time of service.

<b>Transactional Fees:</b>	<b>\$400 Per Installment Drawdown</b>
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**Extraordinary Services/ Miscellaneous Fees:**

The fees, charges and expenses specified herein are for the typical and customary services as Bond Registrar and Paying Agent. UMB may also charge for typical out-of-pocket expenses and other expenses connected with paying agent and registrar services for bond issues of similar size and type such as: postage, supplies, bond redemptions, courier and wire transfer charges. Fees for additional or extraordinary services not now part of the customary services provided, such as special services during defaults, additional government reporting requirements, or document amendments will be charged at the then current rates for such services. Extraordinary expenses, such as legal fees and travel expenses, shall be invoiced to the client based upon the actual out of pocket cost to the Agent/Trustee. UMB reserves the right to renegotiate its current fee schedule to correspond with changing economic conditions, inflation, and changing requirements relating to the day to day service delivery. Final acceptance of the appointment is subject to approval of authorized officers of UMB Bank, N.A. and full review and execution of all documentation related hereto. Fees paid in advance are not subject to proration. Execution of the governing documents constitutes agreement to the fee schedule noted above.