

NOTICE OF SPECIAL MEETING
MISSION ECONOMIC DEVELOPMENT CORPORATION
AUGUST 11, 2025 12:00 PM
CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT

PRESENT:

Richard Hernandez, President
Deborah L. Cordova, Vice President
Estella Saenz Secretary
Julian Alvarez, Treasurer
Jose G. Vargas
Carl Davis
Mayor Norie Gonzalez Garza

ABSENT:

ALSO PRESENT:

Greg Kerr, JGKL LLP
Ricardo Perez, Perez Law Firm
Mark Hanna, Hanna Solutions

STAFF PRESENT:

Teclo J. Garcia, CEO
Belen Guerrero, COO
Joe Salazar, Financial Officer
Stephanie Mendiola, Director of Business
Development
Mike Perez, City Manager
Brianna Casares, Marketing Manager
Candace Rodriguez, Communications & Public
Relations Manager
Manuel Rodriguez, Receptionist/Marketing Asst.

1. Call to Order and Establish Quorum

After establishing a quorum of the President Richard Hernandez called the meeting to order at 12:04 PM.

2. Invocation: Vice President Deborah Cordova.

3. Pledge of Allegiance: Treasurer Julian Alvarez.

4. Citizens' Participation: None.

5. Deliberation and possible action regarding Resolution No. 2025-08, concerning the proposed Resolution of Mission Economic Development Corporation authorizing the issuance of one or more series of revenue bonds and the loan of the proceeds thereof to Permian Basin Water Resources LLC, approving documents relating thereto, and approving other matters in connection therewith.

CEO Tecló J. Garcia welcomed Lee McCormick, President, Community Development Associates, to present this item. Mr. McCormick stated that Midland is in the Permian Basin region of West Texas and Eastern New Mexico. Recognizing the importance of water in the region, the Company is expanding its current operating areas to meet increasing demand for water, wastewater and reclaimed water service. The company's current infrastructure provides 325 gallons per minute of well capacity and 30,000 gallons per day (GPD) of wastewater capacity. An additional 60,000 gallon per day tertiary wastewater treatment system is currently under construction which will have the capacity to serve approximately 642 homes (at the anticipated flow of 140 gallons per home per day of wastewater). This project involves wastewater treatment capacity and is designed to easily add 60,000 GPD incremental treatment modules to the TPDES permitted capacity of 360,000 GPD, or 2,500 homes. At full buildout, it is expected that the Park Water System will include 4,500 water connections and 2,500 sewer connections. In addition, the project also includes the refunding of \$15,500 of existing debt.

Jose G. Vargas joined the meeting at 12:10 PM.

This is a conduit transaction for the MEDC. The borrower is responsible for repayment of the debt. Approval of this resolution does not impose any payment or obligation on MEDC or the City of Mission in connection with the financing. There is potential "reputational risk" if the borrower defaults since the MEDC'S name is included on the bonds.

Carl Davis moved for approval of Resolution No. 2025-08. Motion was seconded by Mayor Norie Gonzalez Garza and approved 7-0.

6. Deliberation and possible action related to First Amendment to an "Agreement regarding the construction and repayment of costs for the City of Mission Event Center", dated November 27, 2017 between the Mission Economic Development Corporation and the City of Mission, Texas.

CEO Tecló J. Garcia introduced this agenda item as a request to amend the current agreement between MEDC and the City of Mission regarding the use of excess proceeds from the sale of MEDC-owned land adjacent to the Mission Event Center. The proposed amendment would permit the MEDC to retain and use proceeds for any lawful purpose. Mr. Garcia then invited Legal Counsel Ricardo Perez, the bond counsel, to provide further clarification. Mr. Perez explained that under the amendment, the MEDC will continue to allocate proceeds to the city, but these funds will now be directed towards bonds with the City of Mission. Proceeds from land sales by the MEDC will be used to pay bondholders, with any surplus applied to other city debts related to these bonds. Additionally, the city has agreed to remove the requirement that any land sold by the MEDC must be returned to the city, allowing the MEDC to retain ownership of any sold land.

Jose G. Vargas moved for approval of the First Amendment. Motion was seconded by Vice President Deborah L. Cordova and approved 6-0 with one abstention from Mayor Norie Gonzalez Garza.

7. Closed Session Pursuant to V.T.C.A. Gov. Code Sec. 551.001

Deliberation and possible action regarding real property (as permitted under Tex. Gov't Code Sec. 551.072), including, but not limited to the following:

M.E.D.C. Land

Consultation with Attorney and possible action (as permitted under Texas Government Code Section 551.071).

The Mission Economic Development Corporation Board of Directors will reconvene in open session to take any actions necessary.

The Mission Economic Development Corporation Board of Directors did not convene in closed session.

8. President Comments.

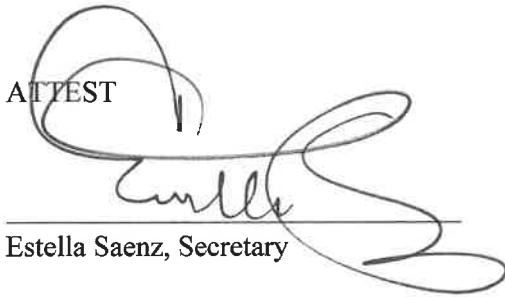
President Richard Hernandez thanked the MEDC Board and staff for participating at this special board meeting.

CEO Teclo Garcia introduced new MEDC team member Candace Rodriguez, MEDC Communications and Public Relations Manager. Ms. Rodriguez expressed her excitement to begin working with the MEDC.


9. Adjournment.

At **12:24 PM**, Carl Davis moved to adjourn the meeting. Motion was seconded by Vice President Deborah L. Cordova and approved 7-0.

ATTEST



Estella Saenz, Secretary



Richard Hernandez, President

RESOLUTION NO. 2025-08

RESOLUTION OF MISSION ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS AND THE LOAN OF THE PROCEEDS THEREOF TO PERMIAN BASIN WATER RESOURCES, LLC; APPROVING DOCUMENTS RELATING THERETO; AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Mission Economic Development Corporation (the “Issuer”) was created by the City Council of the City of Mission, Texas (the “Creating Unit”) pursuant to the provisions of the Development Corporation Act, Texas Local Government Code, Chapter 501 (formerly Article 5190.6, Vernon’s Texas Civil Statutes), as amended (the “Act”); and

WHEREAS, the Act authorizes and empowers the Issuer to issue bonds on behalf of the Creating Unit: (i) to finance a project (including land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements with respect to a project) found by the Board of Directors (the “Board”) of the Mission Economic Development Corporation (the “Issuer”) to be required or suitable for the development, retention or expansion of facilities for the furnishing of water to the public, (ii) to finance expenditures found by the Board of the Issuer to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, including water utilities and related improvements, and (iii) to pay all or part of the costs of a “project” as defined in the Act, and to loan the proceeds of the bonds to others to finance all or part of the costs of a project; and

WHEREAS, the Issuer is a Type B corporation under Chapter 505, Texas Local Government Code, as amended, including for purposes of Section 505.005; and

WHEREAS, Permian Basin Water Resources, LLC, a Delaware limited liability company (the “Borrower”) has requested that the Issuer issue its revenue bonds in one or more series as hereinafter described, and loan the proceeds of the sale thereof to the Borrower (or any affiliates or subsidiaries of the Borrower), to be used to finance all or a portion of the costs of acquisition, construction, improving, and/or equipping of certain facilities for the furnishing of water as further described in the Prior Resolution (defined below) and/or in the hereinafter defined Indentures and/or Loan Agreements relating to the hereinafter defined Bonds (such costs referred to herein as the “Project”), to pay capitalized interest, to pay the costs of issuance of such Bonds and/or to fund any reserve funds with respect to such Bonds; and

WHEREAS, the Issuer previously adopted on October 30, 2024 a resolution with respect to the Project, captioned as a *Resolution Regarding Request Of Permian Basin Water Resources, LLC For The Issuance Of One Or More Series Of Revenue Bonds; Authorizing The Filing Of An Application For Allocation Of Volume Cap for Private Activity Bonds With The Texas Bond Review Board; Authorizing Public Hearings Regarding The Bonds; And Authorizing Other Action Related Thereto* (the “Prior Resolution”); and

WHEREAS, the governing bodies of each of the counties or cities in which any portion of the Project is located (collectively, the “Requesting Units”) have requested or will request, prior to the issuance of the Bonds, the Issuer to exercise its powers to finance the portion of the Project located in such counties or cities, to the extent required by the Act;

WHEREAS, in order to provide funds for the Issuer to make the loan to the Borrower to be used to finance the Project and related costs described above, the Issuer now proposes to issue one or more series of its revenue bonds (collectively, the “Bonds”), in an aggregate principal amount not to exceed \$28,000,000 pursuant to and in accordance with this Resolution; and

WHEREAS, pursuant to the Act, the Bonds shall never constitute an indebtedness or pledge of the Creating Unit or the State of Texas, within the meaning of any constitutional or statutory provision, and the holders of the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other revenues of the Issuer, the Creating Unit, or the State of Texas except those revenues assigned and pledged by the Issuer in the indenture(s) that will be executed and delivered in connection with the Bonds; and

WHEREAS, the City Council of the Creating Unit proposes to adopt a written resolution for the purpose of approving this Resolution of the Issuer providing for the issuance of the Bonds and approving the Bonds and the Project as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Board desires to approve the forms of one or more trust indentures, one or more loan agreements (which may alternatively be designated as bond financing agreements or similar designation), one or more bond purchase agreements (which may alternatively be designated as bond placement agreements and/or underwriting agreements or similar designation) and one or more letters of representation with respect to the Bonds, and to authorize the officers of the Issuer executing such documents to negotiate the final terms of such documents and to execute and deliver such documents on behalf of and in the name of the Issuer; and

WHEREAS, the Board finds that the form and substance of the aforementioned documents are satisfactory and the recitals and findings contained therein are true, correct and complete, and the Board further finds that it is in the best interest of the public and the Issuer and assists in carrying out the public purpose of the Issuer and of the Act to authorize the execution and delivery of such documents and the issuance of the Bonds; and

WHEREAS, the Board finds that the Project (as defined herein) furthers the public purposes of the Act; and

WHEREAS, the Board further desires to approve the form of one or more official statements (which may alternatively be designated as offering memoranda, limited offering memoranda, private placement memoranda, or similar designation) to be

distributed in connection with the offering and sale of the Bonds (whether one or more, the “Offering Documents”), and desires hereby to authorize the use of certain information to be set forth in such Offering Documents concerning the Issuer under the captions “The Issuer” and “Absence of Material Litigation—The Issuer” (or similar captions relating to the Issuer or litigation involving the Issuer) and to approve and authorize the distribution of such Offering Documents.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MISSION ECONOMIC DEVELOPMENT CORPORATION THAT:

1. The Issuer hereby authorizes and approves the issuance of the Bonds in one or more series, bearing interest at variable rates and/or fixed rates (as selected by the Borrower), in authorized denominations of \$25,000 and any \$1,000 integral multiple thereof, and maturing not later than forty years from their date of issuance, in the aggregate principal amount not to exceed \$28,000,000. The Bonds are hereby authorized and approved to be issued for any or all of the purposes described herein, including the financing of the Project. The Bonds may be issued as tax-exempt bonds and/or taxable bonds, as selected by the Borrower, and may be issued at a price of par or priced with a premium or discount, as selected by the Borrower. The Bonds may be captioned or titled as the “Mission Economic Development Corporation Utility Revenue Bonds (Permian Basin Water Resources Project), Series 2025A and Taxable Series 2025B” or similar designation as approved by the Issuer and provided in the Indentures and with the appropriate series designation as provided in the Indentures. The Bonds will be issued in accordance with one or more indentures, trust indentures, or similarly designated agreements (whether one or more, the “Indentures”) between the Issuer and the trustee named therein (the “Trustee”), the form, terms and provisions of such Indentures and the Bonds being hereby authorized and approved, and the President and/or the Vice President of the Issuer are hereby authorized and directed to execute and deliver such Indentures and the Bonds on behalf of the Issuer, and the Secretary and/or Assistant Secretary of the Issuer is hereby authorized to attest and affix the Issuer’s seal to the Indentures, if required, and to the Bonds, with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced by such execution thereof.

2. The Issuer hereby approves the loan of the proceeds of the sale of the Bonds by the Issuer to the Borrower to provide for the financing of the costs of the Project, which loan will be made pursuant to the terms and provisions of one or more loan agreements, bond financing agreements, or similarly designated agreements (whether one or more, the “Loan Agreements”) between the Issuer and the Borrower, the form, terms and provisions of such Loan Agreements being hereby authorized and approved, and the President and/or the Vice President of the Issuer are hereby authorized and directed to execute and deliver and the Secretary and/or Assistant Secretary of the Issuer is hereby authorized to attest and affix the Issuer seal to such Loan Agreements, if required, on behalf of the Issuer, with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced by such execution thereof. To the extent required or requested, any one or more promissory notes (whether one or more, the “Notes”) issued by the Borrower to the Issuer under any of the Loan Agreements are hereby approved and the aforementioned officers of the Issuer (or any of

them) are hereby authorized to execute and assign any such Notes to the Trustee as security for the Bonds and the repayment by the Borrower of its obligations under the Loan Agreements.

3. The issuance, sale and delivery of the Bonds by the Issuer is hereby authorized and approved, and shall be effected in accordance with the terms and provisions of one or more bond purchase agreements, bond placement agreements, underwriting agreements, or similarly designated agreements (whether one or more, the “Bond Purchase Agreements”), substantially in the form of the Bond Purchase Agreement by and among the underwriter(s), placement agent(s), and/or purchaser(s) named therein, the Issuer and the Borrower, the form, terms and provisions of such Bond Purchase Agreements being hereby authorized and approved, and the President and/or the Vice President of the Issuer are hereby authorized and directed to execute and deliver such Bond Purchase Agreements on behalf of the Issuer, with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by such execution thereof. To the extent required or requested, the Issuer further authorizes and approves the acceptance by the Issuer of one or more letters of representation (whether one or more, the “Letters of Representation”) from the Borrower in connection with the Bond Purchase Agreements, the form, terms and provisions of such Letters of Representation being hereby authorized and approved, and the President and/or the Vice President of the Issuer are hereby authorized and directed to execute and deliver such Letters of Representation on behalf of the Issuer, with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced by such execution thereof.

4. The Board hereby authorizes and approves the content and use of the information described in the last recital of this Resolution in the Offering Documents, and authorizes the distribution of such Offering Documents; provided that, in adopting this Resolution, the Issuer hereby disclaims any responsibility for the Offering Documents except for the information described as having been provided by it in the last recital of this Resolution and expressly disclaims any responsibility for any other information included as part of the Offering Documents.

5. The issuance of the Bonds by the Issuer is subject to and conditioned upon the prior receipt by (or on behalf of) the Issuer of (i) the approving opinion of the Attorney General of the State of Texas and evidence of registration of the Bonds by the Comptroller of Public Accounts of the State of Texas; and (ii) the purchase price for the Bonds; and (iii) such opinions, evidences, certificates, instruments or other documents as shall be requested by Issuer’s Counsel and Bond Counsel, in order to enable such counsel to render their legal opinions in connection with the issuance of the Bonds.

6. The Board hereby appoints Jackson Walker LLP as bond counsel (“Bond Counsel”) and Bracewell LLP as Issuer’s counsel (“Issuer’s Counsel”) in connection with the Bonds. The Board hereby authorizes Bond Counsel to submit to the Attorney General of Texas, for approval as required under the Texas Government Code §1202.003, a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds. To the extent required by the Attorney General of Texas, Bond Counsel is authorized to

make such changes to the text of this Resolution as may be required in connection with the issuance of the Bonds.

7. The officers, employees and agents of the Issuer, and each of them, shall be and each is expressly authorized, empowered and directed from time to time and at any time to do and perform all acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer all directions and notices, agreements, documents, certificates, financing statements, instruments and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution and of the Bonds to be issued hereunder, as well as the terms and provisions of the Indentures, the Loan Agreements and the Bond Purchase Agreements hereby authorized and approved, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument or other paper.

8. The Board hereby finds that the expenditures with respect to the Project are required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, including water utilities and related improvements. The Board further hereby finds that the Project (including the land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements with respect to the Project) is (i) for the creation or retention of primary jobs (as defined in the Act) and (ii) required or suitable for the development, retention, or expansion of water utilities and related improvements.

9. The Board hereby finds that the Project will contribute to the economic growth or stability of the Requesting Units by (i) increasing or stabilizing employment opportunity; (ii) significantly increasing or stabilizing the property tax base; and (iii) promoting commerce within the Requesting Units and the State of Texas.

10. To the extent required by the Code, the Board directs that an officer of the Issuer submit to the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, a statement containing the information required by Section 149(e) of the Code.

11. The actions of the Issuer and any hearing officer acting on behalf of the Issuer with regard to the required public hearing(s) relating to the Bonds as required under Section 147(f) of the Code, and the publication of notice of such public hearings are hereby authorized, ratified and approved.

12. The Board hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and the Act.

13. This Resolution is expressly for the purpose of approving the issuance of the Bonds for the purposes described herein and approving the documents and matters relating to the Bonds as provided herein, and does not constitute an approval by the Board or the Issuer of any other matters relating to the Borrower or its business operations.

14. The recitals contained herein are true, correct and complete and are hereby adopted as findings of the Issuer. This Resolution shall take effect and be in full force and effect upon and after its passage.

PASSED AND APPROVED this 11th day of August, 2025.