

IN RE	§	IN THE DISTRICT COURT OF
	§	
THE CITY OF MONT BELVIEU	§	CHAMBERS COUNTY, TEXAS
	§	
AND CERTAIN PUBLIC SECURITIES	§	
	§	344th JUDICIAL DISTRICT

**FINAL JUDGMENT**

On April 20, 2017, came to be heard the City of Mont Belvieu's (the "City") Original Petition for Expedited Declaratory and Injunctive Relief pursuant to Chapter 1205 of the Texas Government Code. The City appeared by and through its counsel of record. The Attorney General of the State of Texas, required by Chapter 1205 to be individually served with process in actions of this nature, also appeared. No other parties appeared. The Court heard and considered arguments of counsel and evidence presented relative to the relief sought in the Original Petition.

The Court, having considered the City's Original Petition, together with the evidence submitted in support thereof, is of the opinion that the Original Petition is meritorious. All questions of fact were submitted to the Court through proffered testimony of fact and expert witnesses and documentary evidence. Such evidence, together with the arguments and authorities cited by counsel, supports and is the basis of the following findings and conclusions by this Court;

1. The Court finds that it has jurisdiction over all persons who reside, own property, pay taxes or have or claim any right, title or interest in any property or money affected by a public security authorization or the issuance of public securities in the City, and over the Attorney General of the State of Texas, pursuant to TEX. GOV'T CODE ANN. § 1205.041. Venue is proper in this Court, pursuant to TEX. GOV'T CODE ANN. § 1205.022.

2. The Court further finds that it has subject matter jurisdiction over this action pursuant to Tex. Gov't Code Ann 1205.021 in that the City, as an issuer of securities as defined in Tex. Gov't Code Ann 1205.001, seeks by its Original Petition to obtain a declaratory judgment as to: (a) the City's authority to issue public securities; (b) the legality and validity of the City's expenditures related to its certificates of obligation; and (c) the legality and validity of the certificates of obligation issued by the City to install fiber optic cables in support of its owning and operating a broadband internet system.

3. The Court finds that proper and timely notice of the filing of this action, and of the April 20, 2017 hearing thereon, was provided. Specifically, the Court finds that notice was provided by this Court's order of March 20, 2017 in accordance with TEX. GOV'T CODE ANN. § 1205.041. Such publication is evidenced by the Affidavits of Publication filed of record in this matter on April 19, 2017.

4. The Court finds that the City is an incorporated, home-rule municipality organized and operating under the Constitution and the laws of the State of Texas, including particularly TEX. CONST. art. XI, § 5.

5. The Court finds that the City is an "issuer" as defined in TEX. GOV'T CODE ANN. § 1205.001.

6. The Court is of the opinion that the legality and validity of the City resolutions and ordinances described in Paragraph 14 of the Original Petition, which memorialize the proposed public securities, have been established by the evidence tendered to the Court, including the proffered testimony of fact witnesses.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the City's proposed certificates of obligation to install fiber optic cables in support of owning and operating a broadband internet system for the City's residents are legal and valid.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the City's expenditures or proposed expenditures of money related to the certificates of obligation are legal and valid.

IT IS FURTHER ORDERED that the City is authorized to enter into contracts as may be necessary and desirable to install fiber optic cables for a broadband internet system for the City's residents, provided such contracts comply with applicable law.

IT IS FURTHER ORDERED that this Final Judgment is a permanent injunction against the filing by any person of any proceeding contesting the validity of the certificates of obligation, an expenditure of money relating to these public securities, or any adjudicated matter and any matter that could have been raised in the action.

IT IS FURTHER ORDERED that [the public securities] may include a certificate that contains the follow statement: "This obligation was validated and confirmed by a judgment entered on March 20, 2017 by the 344th Judicial District Court, Chambers County, Texas, in *In re The City of Mont Belvieu and Certain Public Securities*, Cause No. CV-30781, which perpetually enjoins the commencement of any suit, action, or proceeding involving the validity of this obligation, or the provision made for the payment of the principal and interest of the obligation.

IT IS FURTHER ORDERED that the City is authorized by law to issue the proposed certificates of obligation in substantially the same form of the Ordinance admitted at trial as Exhibit G, in a maximum amount not to exceed \$14,000,000.00, with such changes and

completion of blanks as are reasonably appropriate as the certificates are priced and sold, subject to approval by the Office of the Attorney General of Texas in accordance with its standard review and approval procedures;

This Final Judgment is binding and conclusive against the City, the Attorney General of the State of Texas, and all persons who reside, own property, pay taxes or have or claim any right, title or interest in any property or money affected by a public security authorization or the issuance of public securities in the City. This Final Judgment is final and appealable as an accelerated appeal pursuant to the terms of TEX. GOV'T CODE § 1205.068.

It is SO ORDERED this 20 day of April, 2017.

  
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JUDGE PRESIDING

FILED  
THIS THE 20<sup>th</sup> DAY OF April  
A.D. 2017 AT 4:50 O'CLOCK P M  
BY PAT L. HENRY  
DISTRICT CLERK, CHAMBERS COUNTY, TEXAS  
DEPUTY

FILED CR  
~~THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_~~  
~~A.D. 20\_\_\_\_ AT \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M~~  
~~BY \_\_\_\_\_~~  
DISTRICT CLERK, CHAMBERS COUNTY, TEXAS  
DEPUTY