

**RESOLUTION NO. 2022-10-\_\_\_ (R)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A TAKEOVER AGREEMENT WITH LEXON INSURANCE COMPANY TO COMPLETE THE FBO TERMINAL AT THE MCKINNEY NATIONAL AIRPORT; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, the City Council of the City of McKinney, Texas, desires to maximize the Development Potential of McKinney National; and

**WHEREAS**, the City of McKinney contracted with McRight-Smith Construction, LLC (“McRight-Smith”) for the completion of the FBO Terminal; and

**WHEREAS**, the City required McRight-Smith to provide payment and performance bonds to insure the completion of the project; and

**WHEREAS**, McRight-Smith filed for Chapter 7 bankruptcy on June 14, 2022; and

**WHEREAS**, The City obtained relief from the bankruptcy proceeding and proceeded to exercise its rights under the performance bond; and

**WHEREAS**, The surety bond company, Lexon Insurance Company has proposed an acceptable agreement to complete the remaining work on the FBO Terminal.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, THAT:**

Section 1. The City Manager is hereby authorized to execute a Takeover Agreement with Lexon Insurance Company for completion of the FBO Terminal at McKinney National Airport.

Section 2. This Resolution shall be effective upon its passage.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS ON THE 18th DAY OF OCTOBER 2022.**

CITY OF MCKINNEY, TEXAS

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GEORGE C. FULLER  
Mayor

ATTEST:

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EMPRESS DRANE  
City Secretary

APPROVED AS TO FORM:

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MARK S. HOUSER  
City Attorney