

JUNE 14, 2021

NOTICE REGARDING MEETING TO CONSIDER ISSUANCE OF THE CITY OF COMBES, TEXAS CERTIFICATES OF OBLIGATION SERIES 2021

A NOTICE WAS PUBLISHED IN THE VALLEY MORNING STAR NEWSPAPER ON APRIL 26, 2021 AND MAY 3, 2021 INDICATING THE CITY COUNCIL WOULD CONSIDER AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CERTIFICATES OF OBLIGATION SERIES 2021 ON JUNE 14, 2021. CONSIDERATION OF SUCH ORDINANCE BY THE CITY COUNCIL IS ANTICIPATED TO OCCUR AT ITS REGULAR MEETING PLACE AT CITY HALL, 106 EAST 6TH STREET ON JULY 26, 2021 AS SHOWN ON THE UPDATED NOTICE BELOW.

THE PUBLIC IS HEREBY NOTIFIED THAT IT HAS UNTIL BEFORE THE JULY 26, 2021 MEETING TO PRESENT A PETITION PROTESTING THE ISSUANCE OF THE CERTIFICATES OF OBLIGATION.

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE is hereby given that it is the intention of the City Council (the "Council") of the City of Combes, Texas (the "City") to adopt an ordinance providing for the issuance of one or more interest-bearing obligations of the City presently contemplated to be designated and known as the "CITY OF COMBES, TEXAS CERTIFICATES OF OBLIGATION" (the "Certificates of Obligation") for the purpose of providing for the payment of contractual obligations to be incurred in connection with the design, planning, purchasing, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain City-owned public property, including (i) water and sewer system improvements including water lines, lift stations, meters and related technology; (ii) City street improvements; (iii) drainage improvements and related infrastructure; (iv) City Hall improvements and signage; (v) land acquisition for parks; (vi) park improvements, including parking, trails and recreational facilities; and (vii) payment of contractual obligations for professional services in connection therewith (to wit: consulting, engineering, financial advisory, and legal).

The Council tentatively proposes to authorize the issuance of the Certificates of Obligation at its regular meeting place at City Hall, Combes, Texas, at a meeting of the Council to be commenced at 7:00 p.m. on June 14, 2021, in a maximum total amount expected not to exceed \$5,000,000. In the event the Council will be unable to meet at this location on July 28, 2021, the City will post information on its website for attending the meeting by telephone, teleconference, or other electronic means. The Council proposes to provide for payment of the Certificates of Obligation from a pledge of an annual ad valorem tax, as well as a limited pledge of \$1,000 of the City's water and wastewater system. The Council reasonably expects to provide for payment of debt service on the Certificates of Obligation from net revenues of the City's water and wastewater system, but in the event such self-supporting source of revenues is inadequate for such purpose, the City will be obligated to levy an annual ad valorem tax to pay debt service due on the Certificates of Obligation.

In accordance with the provisions of Subchapter C of Chapter 271, Texas Local Government Code, as amended ("Chapter 271"), the following information has been provided by the City (excludes \$0.00 principal amount of outstanding debt obligations the City has designated as self-supporting and which the City reasonably expects to pay from revenue sources other than ad valorem taxes; provided, however, that in the event such self-supporting revenues sources are insufficient to pay debt service, the City is obligated to levy ad valorem taxes to pay such debt obligations): The current principal of all outstanding debt obligations of the City is \$1,210,000.00, the combined principal and interest required to pay all currently outstanding debt obligations of the City on time and in full is \$1,359,088.75, the estimated combined principal and interest required to pay the Certificates of Obligation on time and in full is \$7,000,000.00, the estimated interest rate for the Certificates of Obligation is 4.00%, and the maximum maturity date of the Certificates of Obligation will not exceed the maximum allowed by law. Market conditions affecting interest rates vary based on a number of factors beyond the control of the City, and the City cannot and does not guarantee a particular interest rate associated with one or more series of the Certificates of Obligation. The resolution designating certain outstanding debt obligations of the City as self-supporting for purposes of Chapter 271 is available upon request sent to the City at the address noted above.

/s/ Marco Sanchez
Mayor, City of Combes, Texas