## RESOLUTION 031224-<u>04</u>

RESOLUTION DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION TO PROVIDE FUNDS FOR WATER SYSTEM IMPROVEMENTS; AND RESOLVING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, this City Council of the City of Leonard (the "City") deems it advisable to authorize publication of notice of intent to issue certificates of obligation for the purposes hereinafter set forth;

WHEREAS, the City expects to pay expenditures in connection with the projects described in "Exhibit A" to this Resolution prior to the issuance of the certificates of obligation hereinafter described;

WHEREAS, this City Council hereby finds, considers and declares that the reimbursement of the payment by the City of such expenditures will be appropriate and consistent with the lawful objectives of the City and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the U.S. Treasury Regulations, to reimburse itself for such payments at such time as it issues the hereinafter described certificates of obligation; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was considered was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEONARD, TEXAS:

Section 1. Attached hereto and marked "Exhibit A" is a form of notice, the form and substance of which are hereby passed and approved.

Section 2. The City Secretary shall cause said notice to be published in substantially the form attached hereto, in a newspaper, as defined by Subchapter C, Chapter 2051, Texas Government Code, of general circulation in the area of said City, once a week for two consecutive weeks, with the date of the first publication to be before the 45th day before the date tentatively set for the passage of the ordinance authorizing the issuance of the certificates, and, if the City maintains an Internet website, continuously on the City's website for at least 45 days before the date tentatively set for the passage of the ordinance authorizing the issuance of the certificates.

Section 3. All costs to be reimbursed pursuant hereto will be capital expenditures; the proposed certificates of obligation shall be issued within 18 months of the later of (i) the date the expenditures are paid or (ii) the date on which the property, with respect to which such expenditures were made, is placed in service; and the foregoing notwithstanding, the certificates of obligation will not be issued pursuant to this Resolution on a date that is more than three years after the date any expenditure which is to be reimbursed is paid.

Section 4. This Resolution shall be effective immediately upon adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEONARD, TEXAS, this 12th day of March, 2024.

Mayor

ATTEST:

City/Secretary

City of CCITY SEAL]

## **EXHIBIT A**

## CITY OF LEONARD, TEXAS NOTICE OF INTENTION TO ISSUE COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION TO PROVIDE FUNDS FOR WATER SYSTEM IMPROVEMENT PROJECTS

NOTICE IS HEREBY GIVEN that the City Council of the City of Leonard, Texas, at its meeting to commence at 6:30 P.M. on May 14, 2024, at the City Hall, 111 W. Collins, Leonard, Texas, tentatively proposes to adopt an ordinance authorizing the issuance of interest bearing certificates of obligation, in one or more series, in an amount not to exceed \$4,325,000 for paying all or a portion of the City's contractual obligations incurred in connection with (i) acquiring, constructing, and installing additions, improvements, extensions, and equipment for the City's waterworks system, including water storage facilities, water lines, pumps, valves, fittings, SCADA, electrical system and related infrastructure improvements; and (ii) legal, fiscal and engineering fees in connection with such projects. The maximum interest rate for the certificates may not exceed the maximum legal interest rate. The maximum maturity date for the certificates is September 30, 2054 and the estimated combined principal and interest required to pay the certificates to be authorized on time and in full is \$5,520,584. The current principal of all outstanding debt obligations of the City is \$4,598,000. The current combined principal and interest required to pay all outstanding debt obligations of the City on time and in full is \$6,387,243. The City proposes to provide for the payment of such certificates of obligation from the levy and collection of ad valorem taxes in the City as provided by law and from a pledge of certain surplus revenues of the City's waterworks and sewer system, remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding), which are payable from all or any part of the net revenues of the City's waterworks and sewer system. The certificates of obligation are to be issued, and this notice is given, under and pursuant to the provisions of V.T.C.A., Local Government Code, Subchapter C of Chapter 271.

## CERTIFICATE FOR RESOLUTION

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THE STATE OF TEXAS

COUNTY OF FANNIN

CITY OF LEONARD	§	
We, the undersigned officer	s of the City of Leonard, Texa	as, hereby certify as follows:
		ar meeting on March 12, 2024, at the uly constituted officers and members of
Michael Pye, Mayor Noel Nixon, Mayor Leonard Phillips		Billy Wayne Martin Peyton Webster Al Stephens
and all of said persons were presentus constituting a quorum. When Meeting: a written Resolution entitle	eupon, among other business	s, the following was transacted at said
TO ISSUE COMBINATO OBLIGATION TO	ΓΙΟΝ TAX AND REVE PROVIDE FUNDS F	F NOTICE OF INTENTION ENUE CERTIFICATES OF OR WATER SYSTEM MATTERS RELATING TO
	lue discussion, said motion,	en duly moved and seconded that said carrying with it the passage of said
AYES: <u>4</u>	NOES: <u><b>0</b></u>	ABSTAIN:
above and foregoing paragraph is at recorded in the official minutes of correct excerpt from said minutes persons named in the above and fore	tached to and follows this Ce said City Council; the above of said meeting pertaining t egoing paragraph, at the time	on passed at the meeting described in the ertificate; said Resolution has been duly and foregoing paragraph is a true and to the passage of said Resolution; the of said meeting and the passage of said of said City Council as indicated therein;

3. That the Mayor of said City has approved, and hereby approves, the aforesaid Resolution; that the Mayor and the City Secretary of said City have duly signed said Resolution; and that the Mayor and the City Secretary of said City hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Resolution for all purposes.

each of said officers and member was duly and sufficiently notified officially and personally in advance, of the time, place and purpose of the aforesaid meeting and that said Resolution would be introduced and considered for passage at said meeting; and said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Tex. Gov't Code Ann. ch. 551.

SIGNED AND SEALED this March 12, 2024.

City of Leonard

City Secretar

Mayor

(SEAL)

