

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE is hereby given that it is the intention of the City Council of Crystal City, Texas (the "City") to adopt one or more ordinances providing for the issuance of one or more series of interest-bearing Certificates of Obligation of the City to be designated and known as the "CITY OF CRYSTAL CITY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025" (the "Certificates") for the purpose of providing for the payment of contractual obligations to be incurred for the design, planning, acquisition, equipping, construction, and renovation of public property, and designated infrastructure and for other public purposes specifically being (i) wastewater system improvements including treatment plant repairs, sewer lines, pumping facilities, equipment, basins, and other improvements for expansion of the System; and (ii) the payment of contractual obligations for professional services in connection with such projects (including, but not limited to, financial advisory, legal, architectural, and engineering). The City Council tentatively proposes to authorize the issuance of the Certificates at its regular meeting place at the Crystal City Memorial Library, 101 East Dimmit Street, Crystal City, Texas, at a Regular Meeting of the City Council to be commenced at 6:00 p.m., on the 21st day of January, 2025, in an amount not to exceed \$8,200,000. The City Council proposes to provide for payment of the Certificates of Obligation from a pledge of an annual ad valorem tax, as well as a senior lien pledge of the net revenues of the City's Waterworks and Sewer System. The Certificates are to be issued, and this notice is given, pursuant to Section 271.041, *et seq.*, Texas Local Government Code.

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 \$3,232,000 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 \$4,467,000, the combined principal and interest required to pay all currently outstanding debt obligations of the City on time and in full is \$6,787,960, the estimated combined principal and interest required to pay the Certificates of Obligation on time and in full is \$14,263,951, the estimated interest rate for the Certificates of Obligation is 3.15% 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 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/ Frank Moreno, Jr.
Mayor, City of Crystal City, Texas