

RESOLUTION NO. 2023-105R

RESOLUTION AUTHORIZING PROCEEDING WITH ISSUANCE OF CERTIFICATES OF OBLIGATION AND FURTHER DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO ISSUE CITY OF SAN MARCOS, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION FOR CERTAIN PROJECTS FOR THE CITY'S WATER AND WASTE WATER SYSTEM; STREETS AND TRANSPORTATION FACILITIES; AIRPORT; PARKS AND RECREATION FACILITIES AND IMPROVEMENTS; TECHNOLOGY INFRASTRUCTURE AND FACILITIES; PUBLIC SAFETY FACILITIES; STORMWATER MANAGEMENT SYSTEM; AND, ELECTRIC UTILITY SYSTEM IN AN AMOUNT NOT TO EXCEED \$32,700,000.

WHEREAS, this City Council deems it advisable to give notice of intention to issue certificates of obligation of the City of San Marcos, Texas (the "City"), as hereinafter provided; and

WHEREAS, prior to the issuance of the Certificates, the City Council is required under Section 271.041 et seq., Local Government Code to publish notice of its intention to issue the Certificates in a newspaper of general circulation in the City and continuously on the City's website, the notice stating: (i) the time and place tentatively set for the passage of the ordinance authorizing the issuance of the Certificates, (ii) the purpose of the Certificates to be authorized; and (iii) the manner in which the Certificates will be paid; (iv) the then-current principal of all outstanding debt obligations of the issuer; (v) the then-current combined principal and interest required to pay all outstanding debt obligations of the issuer on time and in full; (vi) the maximum principal amount of the certificates to be authorized; (vii) the estimated combined principal and interest required to pay the certificates to be authorized on time and in full; (viii) the estimated interest rate for the certificates to be authorized or that the maximum interest rate for the certificates may not exceed the maximum legal interest rate; and (ix) the maximum maturity date of the certificates to be authorized.

WHEREAS, it is officially found and determined that the meeting at which this resolution has been considered and acted upon was open to the public and public notice of the time, place and subject of said meeting was given, all as required by Tex. Gov't Code Ann. Ch. 551; Now, Therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS:

Section 1. Form of Notice. Attached hereto is a form of "Notice of Intention to Issue Certificates of Obligation" the form and substance of which is hereby adopted and approved.

Section 2. Publication of Notice. Said Notice shall be published, in substantially the form attached hereto, in a newspaper, as defined in Tex. Gov't Code Ann. §2051.044, of general circulation in the area of said City, once a week for two consecutive weeks, the date of the first

publication thereof to be before the 45th day before the date tentatively set for passage of the ordinance authorizing the issuance of the Certificates.

Section 3. City Website Posting of Notice. Further, said notice shall be continuously published in substantially the form attached hereto on the City's website for at least 45 days before the date tentatively set for passage of the ordinance authorizing the issuance of the Certificates.

Section 4. Effective Date. This Resolution shall become effective immediately upon adoption. The Mayor and City Clerk are hereby authorized and directed to execute this Resolution on behalf of the City and to do any and all things proper and necessary to carry out the intent of this Resolution.

Section 5. Attorney General Fee. The City Council hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of each series of obligations being issued or (ii) \$9,500 for each series, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the debt.

[Execution Page Follows]

PASSED, APPROVED AND EFFECTIVE this June 6, 2023.

ATTEST:

Mayor, City of San Marcos, Texas

City Clerk, City of San Marcos, Texas

[CITY SEAL]

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of San Marcos, Texas (the "City"), at its meeting to commence at 6:00 P.M. on August 1, 2023 (the "meeting"), at its regular meeting place in the City Hall, 630 East Hopkins, San Marcos, Texas, tentatively proposes to authorize the issuance of one or more series of interest bearing certificates of obligation of the City, in the total aggregate principal amount not to exceed \$32,700,000 for paying contractual obligations incurred in connection with constructing, improving, designing, acquiring, including acquiring land, easements and right of way, and equipping the City's: (1) water and waste water system; (2) streets and transportation including related drainage, sidewalks, traffic improvements, parking and lighting; (3) airport; (4) City parks, and recreation facilities and improvements; (5) technology infrastructure and facilities; (6) public safety facilities and equipment to include fire station and fire training facility improvements, including land for a new fire station; (7) stormwater management, drainage and flood control facilities; (8) electric utility system the conversion of existing overhead infrastructure to underground; and (9) the payment of professional services in connection therewith including legal, fiscal and engineering fees and the costs of issuing the certificates of obligation and other matters related thereto. The City presently proposes to provide for the payment of the certificates of obligation by the levy of ad valorem taxes, within the limits prescribed by law. The certificates of obligation will be additionally payable from a limited pledge of surplus revenues of the City's water and waste water system not to exceed \$1,000.

The following information is required pursuant to Texas Local Government Code, Section 271.049(b)(4): As of June 6, 2023, principal of all outstanding debt obligations, including debt obligations in the process of issuance, of the City is \$408,620,000. As of June 6, 2023, combined principal and interest required to pay all outstanding debt obligations, including debt obligations in the process of issuance, of the City on time and in full is \$510,900,713.27. The maximum principal amount of the Certificates to be authorized is \$32,700,000. The estimated combined principal and interest required to pay the Certificates to be authorized on time and in full is \$55,077,075.00. The maximum interest rate for the Certificates may not exceed the maximum legal interest rate. The maximum maturity date of the Certificates to be authorized is August 15, 2048.

Jane Hughson
Mayor, City of San Marcos, Texas