

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Huntington, Texas (the "City"), will meet at City of Huntington City Hall, 802, U.S. Highway 69 South, Huntington, Texas 75949, at 6:00 p.m. on the 23rd day of June, 2020 (unless alternative meeting arrangements are required to address public health concerns, which meeting arrangements will be specified in the notice of such meeting posted in accordance with applicable law), which is the time and place tentatively set for the passage an ordinance and such other action as may be deemed necessary to authorize the issuance of the City's certificates of obligation (the "Certificates"), in the maximum aggregate principal amount not to exceed \$4,035,000 payable from ad valorem taxes and from a pledge of the surplus revenues of the City's combined utility system, bearing interest at any rate or rates not to exceed the maximum interest rate authorized by law, as shall be determined within the discretion of the City Council of the City at the time of issuance of the Certificates, and maturing over a period not to exceed forty (40) years from the date of issuance, for the purposes of evidencing the indebtedness of the City for all or any part of the costs associated with the (i) construction, rehabilitation, replacement and equipment of the City's sanitary sewer system, including the City's wastewater treatment plant, lift stations and sanitary sewer lines, and (ii) cost of professional services incurred in connection therewith. The estimated combined principal and interest required to pay the Certificates on time and in full is approximately \$4,035,000. Such estimate is provided for illustrative purposes only and is based on an assumed interest rate of 0.00% under the applicable financial assistance program of the Texas Water Development Board. Approximately \$2,000,000 the project cost may ultimately be funded under a principal forgiveness agreement with the Texas Water Development Board rather than through the issuance of Certificates, which would reduce the estimated combined principal and interest required to pay the Certificates on time and in full to approximately \$2,035,000. As of the date of this notice, the aggregate principal amount outstanding of tax-supported debt obligations of the City (excluding public securities secured by an ad valorem tax but designated by the City as self-supporting in Resolution No. R-2020-0504, dated May 4, 2020, which resolution is available from the City upon request) is \$1,049,341, and based on the City's expectations, as of the date of this notice the combined principal and interest required to pay all of the outstanding tax-supported debt obligations of the City (excluding public securities secured by an ad valorem tax but designated by the City as self-supporting) on time and in full is \$1,217,232.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CITY, this 4th day of May, 2020.

Julie Davis
City Secretary
City of Huntington, Texas