

NOTICE OF INTENTION TO ISSUE
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
OF THE CITY OF HUBBARD, TEXAS

NOTICE IS HEREBY GIVEN that the City Council of Hubbard, Texas, at its meeting to commence at 6:00 P.M. on May 13, 2025, at its regular meeting place in the City Hall, 118 North Magnolia, Hubbard, 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 \$7,500,000, 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 water system, including wells, treatment facilities, water storage facilities, pump stations, electrical improvements, and repairing and replacing water lines and related infrastructure, including without limitation valves, fire hydrants, and service connections; (ii) the purchase of materials, supplies, vehicles, equipment, and machinery for authorized needs and purposes relating to the aforementioned capital improvements; and (iii) paying legal, fiscal and engineering fees in connection with these projects. 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 limited pledge of the surplus revenues of the City's waterworks and sewer system (the "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 System. The certificates of obligation are to be issued, and this notice is given, under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271.

The current principal of all outstanding debt obligations of the City is \$4,699,000. The current combined principal and interest on all outstanding debt obligations of the City, paid on time and in full, is \$6,336,212. The maximum principal amount of the certificates to be authorized is \$7,500,000 and the estimated combined principal and interest required to pay the certificates to be authorized on time and in full is \$15,316,085. 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 September 30, 2055.

CITY OF HUBBARD, TEXAS