

CITY OF OLNEY, 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 Olney, Texas, at its meeting to commence at 6:00 P.M. on January 18, 2022, at the City Hall, 201 E. Main Street, Olney, Texas 76374, 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 \$13,500,000 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 waterworks system, including repair, replacement and/or rehabilitation of water treatment plant, water lines, meters and related infrastructure improvements; and (ii) legal, fiscal and engineering fees in connection with such projects. The estimated interest rate for the certificates is 2.99% per annum, the maximum maturity date for the certificates is February 15, 2052 and the estimated combined principal and interest required to pay the certificates to be authorized on time and in full is \$20,875,927. The current principal of all outstanding debt obligations of the City is \$2,398,000. The current combined principal and interest required to pay all outstanding debt obligations of the City on time and in full is \$3,085,681.50. 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 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.