

RESOLUTION NO. 2019-\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS, AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; APPROVING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

WHEREAS, the City Council of the City of Deer Park, Texas (the "City"), deems it advisable to issue certificates of obligation (the "Certificates") of the City in accordance with the notice hereinafter set forth; and

WHEREAS, the City desires to approve the preparation of a preliminary official statement (the "Preliminary Official Statement") and the preparation of a notice of sale ("Notice of Sale"), in anticipation of its issuance of the Certificates; NOW, THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS:

Section 1. The findings, definitions and recitations set out in the preamble to this resolution are found to be true and correct and are hereby adopted by City Council and made a part hereof for all purposes.

Section 2. The City Secretary is hereby authorized and directed to cause to be published in the manner required by law and in substantially the form attached hereto as Exhibit A, a notice of the City's intention to issue the Certificates (the "Notice").

Section 3. The Notice shall be published once a week for two (2) consecutive weeks in a newspaper which is of general circulation in the City, the date of the first publication to be at least forty-six (46) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the issuance of the Certificates. In addition, the Notice shall be posted continuously on the City's website for at least forty-five (45) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the issuance of the Certificates.

Section 4. For the purposes of the Notice, the City hereby designates as self-supporting those public securities listed in the attached Exhibit B, the debt service on which the City currently pays from sources other than ad valorem tax collections. The City plans to continue to pay these public securities based on this practice; however, there is no guarantee this practice will continue in future years.

Section 5. For purposes of section 1.150-2(d) of the Treasury Regulations, this Notice serves as the City's official declaration of intent to use proceeds of the Certificates to reimburse itself from Certificates issued in the maximum principal amount and for expenditures paid in connection with the projects, each as set forth in Exhibit A hereof. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60 days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date of with the project to which such expenditure relates is placed in service or abandoned, but in to event more than three years after the original expenditure is paid.

Section 6. The Mayor, City Manager, Assistant City Manager, Finance Director and other appropriate officials of the City, the City's financial advisor, BOK Financial Securities, Inc., and bond counsel, Bracewell LLP, are authorized and directed to proceed with the preparation of the Preliminary Official Statement and to make other necessary arrangements for the sale of the Certificates at a future meeting of the City Council of the City.

Section 7. The City hereby authorizes the preparation and distribution of a Preliminary Official Statement relating to the Certificates and authorizes the Finance Director or City Manager to approve the final form of and deem final such Preliminary Official Statement within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 of the United States Securities and Exchange Commission.

Section 8. The Mayor, City Manager, Assistant City Manager, Finance Director, City Secretary and other officers and agents of the City are hereby authorized and directed to do any and all things necessary or desirable to carry out the provisions of this resolution.

Section 9. This resolution shall take effect immediately from and after its passage by the City Council of the City.

*(Signature page follows)*

INTRODUCED, READ AND PASSED by the affirmative vote of the City Council of the City of Deer Park, Texas this 3<sup>rd</sup> day of September, 2019.

CITY OF DEER PARK, TEXAS

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Mayor  
City of Deer Park, Texas

ATTEST:

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City Secretary  
City of Deer Park, Texas

[SEAL]

EXHIBIT A

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Deer Park, Texas (the “City”), will meet at City Hall, 710 East San Augustine Street, Deer Park, Texas, 77536 at 7:30 p.m. on the 3rd of September, 2019, which is the time and place tentatively set for the passage of 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 FIVE MILLION DOLLARS (\$5,000,000), payable from ad valorem taxes and from a limited pledge of a subordinate lien on the net revenues of the City’s waterworks and sanitary sewer 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) repair and renovation of, the construction of improvements to and the equipment of the City’s waterworks and sanitary sewer system, 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 \$6,435,471. Such estimate is provided for illustrative purposes only, and is based on an assumed interest rate of 3.50%. 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. 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. 2019-      , dated September 3, 2019, which resolution is available from the City upon request) is \$31,382,726, 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 \$38,241,999.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CITY, this 3rd day of September, 2019.

Shannon Bennett  
City Secretary  
City of Deer Park, Texas

EXHIBIT B

SELF-SUPPORTING DEBT

<b>Principal Amount Designated as Self Supporting</b>	<b>Series Designation</b>
\$ 236,964	General Obligation Refunding Bonds, Series 2010
1,942,500	Certificates of Obligation, Series 2011
862,500	General Obligation Refunding Bonds, Series 2011
3,097,500	Certificates of Obligation, Series 2012
4,856,250	Certificates of Obligation, Series 2013
4,162,500	Certificates of Obligation, Series 2014
1,036,560	General Obligation and Refunding Bonds, Series 2014
4,758,750	Certificates of Obligation, Series 2015-A
4,985,000	Certificates of Obligation, Series 2016
4,770,000	Certificates of Obligation, Series 2016-A
2,220,000	Certificate of Obligation, Series 2017
3,656,250	Certificates of Obligation, Series 2017-A
4,597,500	Certificates of Obligation, Series 2018
<b>\$41,182,274</b>	<b>Total Principal Amount Designated as Self-Supporting</b>