

CITY OF HEATH, TEXAS

RESOLUTION NO. 260204A

BY THE CITY COUNCIL OF THE CITY OF HEATH, TEXAS, DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; RESOLVING OTHER MATTERS RELATING TO THE SUBJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Heath, Texas (the “City”), deems it advisable to give notice of intention to issue certificates of obligation of the City as hereinafter provided.

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was considered was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HEATH, TEXAS:

1. That attached hereto and marked as Exhibit A is a form of “Notice of Intention to Issue Certificates of Obligation” (the “*Notice*”) the form and substance of which are hereby adopted and approved, and made a part of this Resolution for all purposes.

2. That the City Secretary shall cause the Notice to be published, in substantially the form attached hereto, in a newspaper of general circulation in the City of Heath, once a week for two consecutive weeks, the date of the first publication to be at least 46 days prior to the date tentatively set for the adoption of the ordinance authorizing the issuance of the Certificates of Obligation as shown in the Notice.

3. That the City Secretary shall also cause the Notice, in substantially the form attached hereto, to be posted continuously on the City’s Internet website for at least 45 days before the date tentatively set for the adoption of the ordinance authorizing the issuance of the Certificates of Obligation as shown in the Notice.

4. That this Resolution shall become effective immediately upon its adoption.

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ADOPTED, APPROVED AND EFFECTIVE this January 27, 2026.

Mayor, City of Heath, Texas

ATTEST:

City Secretary, City of Heath, Texas

[CITY SEAL]

Exhibit A

CITY OF HEATH, TEXAS
NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Heath, Texas, at its meeting to commence at 6:30 p.m. on March 24, 2026, at its regular meeting place at City Hall, 200 Laurence Drive, Heath, Texas, tentatively proposes to authorize the issuance of interest bearing certificates of obligation of the City, in one or more series, in an aggregate principal amount not to exceed \$41,500,000, for the purpose of paying all or a portion of the City's contractual obligations incurred in connection with (i) designing, planning, acquiring, constructing, installing and equipping additions, extensions and improvements to the City's waterworks system, including water supply facilities, water wells, ground and elevated storage tanks, water transmission and distribution lines, pressure management control facilities (including restrictor valves), associated appurtenances, and related infrastructure; and (ii) legal, fiscal, design and engineering fees in connection with these projects. The City proposes to provide for the payment of said series (one or more) of such certificates of obligation from a pledge of ad valorem taxes levied and collected in the City as provided by law, and from a limited 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. In the event that the City Council will be unable to meet at City Hall on March 24, 2026, the City will post on its website, **www.heathtx.com**, information for persons to attend the meeting by telephone, teleconference or other electronic means.

The maximum interest rate for the certificates will not exceed the maximum legal interest rate, the maximum maturity date for the certificates is February 15, 2051, and the estimated combined principal and interest required to pay the certificates of obligation to be authorized on time and in full is \$64,649,038. The City currently has outstanding debt obligations secured by and payable from ad valorem taxes equal to \$57,937,000 in principal amount and \$83,477,048 in combined principal and interest required to pay such outstanding debt obligations on time and in full.

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.

CITY OF HEATH, TEXAS