

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION; AND PROVIDING FOR OTHER MATTERS INCIDENTAL THERETO

WHEREAS, the City of Farmers Branch, Texas (the "City"), pursuant to Chapter 271, Subchapter C, Texas Local Government Code, as amended, is authorized to issue its certificates of obligation (the "Certificates") for the purpose of paying contractual obligations to be incurred for the purposes set forth below;

WHEREAS, the City Council of the City has found and determined that a notice of intention to issue certificates of obligation should be published in accordance with the requirements of applicable law; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

Section 1. The findings, determinations, 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 issues the Certificates (the "Notice").

Section 3. The Notice shall be published once a week for two (2) consecutive weeks in a newspaper that 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 purposes of section 1.150-2(d) of the Treasury Regulations, this Notice serves as the City's official declaration of intent to reimburse itself from proceeds of the Certificates 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 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 5. The Mayor, City Manager, 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 6. That this resolution shall take effect from and after the date of its passage.

FINALLY PASSED, APPROVED AND EFFECTIVE this 28th day of July, 2020.

EXHIBIT A

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Farmers Branch, Texas (the "City"), will meet at the City Council Chambers, at the City Hall, 13000 Wm. Dodson Pkwy, Farmers Branch, Texas, at 6:00 p.m., on the 15th day of September, 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 of an ordinance and such other action as may be deemed necessary to authorize the issuance of the City's Combination Tax and Revenue Certificates of Obligation, Series 2020 (the "Certificates"), in the maximum aggregate principal amount not to exceed \$10,000,000, payable from the levy of a direct and continuing ad valorem tax against all taxable property within the City sufficient to pay the interest on this series of Certificates as due and to provide for the payment of the principal thereof as the same matures, as authorized by Chapter 271, Subchapter C, Texas Local Government Code, as amended, and from all or a part of the surplus revenues of the City's waterworks and sewer system, such pledge of surplus revenues being limited to \$1,000, 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 twenty (20) 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 (i) designing, renovating, improving and equipping the City's existing Manske Library (the "Project"); (ii) professional services incurred in connection with the Project, and (iii) to pay the costs incurred in connection with the issuance of the Certificates. The estimated combined principal and interest required to pay the Certificates on time and in full is \$13,201,533. Such estimate is provided for illustrative purposes only, and is based on an assumed interest rate of approximately 4.00%. 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 is \$57,670,000. 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 on time and in full is \$73,969,248.

THIS NOTICE is given in accordance with law and as directed by the City Council of the City of Farmers Branch, Texas.

GIVEN THIS July 28, 2020.

/s/ Amy Piukana, City Secretary
City of Farmers Branch, Texas