

**NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION**

NOTICE is hereby given that it is the intention of the City Council (the “City Council”) of the City of Dilley, Texas (the “City”) to adopt one or more Ordinances providing for the issuance of one or more interest-bearing obligations of the City presently contemplated to be designated and known as the “CITY OF DILLEY, TEXAS TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022” (the “Certificates of Obligation”) for the purpose of providing for the payment of contractual obligations to be incurred in connection with the design, planning, purchasing, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain City-owned public property, including (1) improvements to the waterworks and sewer system; and (2) payment of contractual obligations for professional services in connection therewith (to wit: consulting, engineering, financial advisory, and legal). The City Council tentatively proposes to authorize the issuance of the Certificates of Obligation at its regular meeting place at City Hall, 116 East Miller, Dilley, Texas, at a meeting of the City Council to be commenced at 6:30 p.m. on December 27, 2022, in an amount expected not to exceed \$5,500,000. The City Council proposes to provide for payment of the Certificates of Obligation by the pledge of an annual ad valorem tax levied upon all taxable property within the City, within the limits prescribed by law, and by a subordinate pledge of the surplus revenues of the City’s waterworks and sewer system. Copies of the official actions of the City Council making such designation are available upon request from the City Secretary.

In accordance with the provisions of Subchapter C of Chapter 271, Texas Local Government Code, as amended (“Chapter 271”), the following information has been provided by the City. The current principal of all outstanding debt obligations of the City is \$7,210,000.00, the combined principal and interest required to pay all currently outstanding debt obligations of the City on time and in full is \$9,346,840.85, the estimated combined principal and interest required to pay the Certificates of Obligation on time and in full is \$12,502,009.44, the estimated interest rate for the Certificates of Obligation is 6.50% and the maximum maturity date of the Certificates of Obligation will not exceed the maximum allowed by law. 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 of Obligation.

/s/ Gilbert Villanueva Eguia
Mayor, City of Dilley, Texas