

RESOLUTION NO. 2024-01

RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION, SERIES 2024, FOR THE DESIGN, ACQUISITION, CONSTRUCTION AND IMPROVEMENT OF CERTAIN PUBLIC WORKS, AND AUTHORIZING CERTAIN OTHER MATTERS RELATING THERETO

STATE OF TEXAS §
COUNTY OF HARRIS §
CITY OF SEABROOK §

WHEREAS, the City Council (the “City Council”) of the City of Seabrook, Texas (the “City”), is authorized to issue certificates of obligation to pay contractual obligations to be incurred for the construction of public works, for the purchase of materials, supplies, equipment, machinery, buildings, land and rights-of-way for authorized needs and purposes, and for the payment of contractual obligations for professional services pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended;

WHEREAS, the City Council has determined that it is in the best interests of the City and otherwise desirable to issue the City of Seabrook, Texas Certificates of Obligation, Series 2024, in one or more series, in an aggregate principal amount not to exceed \$10,000,000 (the “Certificates”) for the design, engineering, acquisition and construction of certain public works and the purchase of certain equipment for authorized needs and purposes;

WHEREAS, in connection with the Certificates, the City Council intends to publish notice of intent to issue the Certificates (the “Notice”) in a newspaper of general circulation in the City; and

WHEREAS, the City Council has been presented with and has examined the proposed form of Notice and finds that the form and substance thereof is satisfactory, and that the recitals and findings contained therein are true, correct and complete.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS:

Section 1. Preamble. The facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

Section 2. Authorization of Notice. The City Secretary is hereby authorized and directed to execute and deliver the Notice set forth in Exhibit A hereto and to publish such Notice on behalf of the City 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 of the Notice 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 3. Designation of Self-Supporting Securities. For purposes of the Notice and Section 271.049(e), Texas Local Government Code, the City hereby designates the public securities identified in the attached Exhibit B as self-supporting (collectively, the “Self-Supporting Debt”), the debt service on which the City currently pays (and intends to continue paying) from sources other than ad valorem tax receipts. The City expects to continue to pay debt service on the Self-Supporting Debt from sources other than ad valorem tax receipts; however, in the event that such other sources are not budgeted in amounts sufficient to pay debt service in respect to the Self-Supporting Debt, the City may be required to levy and collect ad valorem taxes sufficient to offset any deficiency in the amounts provided by such other sources.

Section 4. Authorization of Preliminary Official Statement. The City hereby authorizes the preparation and distribution of a Preliminary Official Statement relating to the Certificates and authorizes the City Manager and the Director of Finance 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 5. Authorization of Other Matters Relating Thereto. The Mayor, 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. Effective Date. This Resolution shall take effect immediately upon passage.

Section 7. Public Meeting. It is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered at such meeting, including this Resolution, was given all as required by the Texas Government Code, Chapter 551, as amended.

[signature page follows]

PASSED AND APPROVED this 23rd day of January, 2024.

Thom Kolupski, Mayor
City of Seabrook, Texas

ATTEST:

APPROVED AS TO FORM:

Rachel Lewis, City Secretary
City of Seabrook, Texas

(SEAL)

EXHIBIT A

NOTICE OF INTENTION TO ISSUE CERTIFICATES

NOTICE IS HEREBY GIVEN that the City Council of the City of Seabrook, Texas (the “City”) will meet at its regular meeting place at City Hall, 1700 1st Street, Seabrook, Texas 77586 at 6:00 p.m. on the 19th day of March, 2024, 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 in one or more series, payable from an annual ad valorem tax, as well as a limited pledge of \$1,000 of the surplus revenues of the City’s water and sewer system, in the maximum aggregate principal amount not to exceed \$10,000,000, 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 at the time of issuance and maturing over a period of years not to exceed forty (40) years from the date thereof, for the purposes of evidencing the indebtedness of the City for all or any part of the costs associated with (i) the acquisition, construction, improvement, expansion, rehabilitation and repair of City streets, alleys, sidewalks, and drainage systems and (ii) the costs of professional services incurred in connection therewith. The estimated combined principal and interest required to pay the Certificates on time and in full is \$17,544,425. Such estimate is provided for illustrative purposes only and is based on an assumed interest rate of 4.50%. 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 the resolution authorizing this Notice of Intention to Issue Certificates, which resolution is available from the City upon request) is \$14,544,569, 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 \$17,429,829.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CITY, this 23rd day of January, 2024.

City Secretary
City of Seabrook, Texas

EXHIBIT B
SELF SUPPORTING DEBT

Principal Amount Designated as Self Supporting	Series Designation
\$300,000	General Obligation Refunding Bonds, Series 2013
1,430,000	Certificates of Obligation, Series 2016
4,890,000	Certificates of Obligation, Series 202016A
3,248,234	General Obligation Refunding Bonds, Series 2017
6,335,341	Certificates of Obligation, Series 2020
\$16,203,575	Total Principal Amount Designated as Self-Supporting