

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

1. Attached hereto as Exhibit "A" is a form of the Notice of Intention to issue the Certificates, the form and substance of which is hereby adopted and approved.

2. Bond Counsel to the City or the City Secretary shall cause the notice to be published in substantially the form attached hereto, in a newspaper (as defined by Subchapter C, Chapter 2051, Government Code) that is of general circulation in the City, for two consecutive weeks, the date of the first publication to be at least 46 days before the date tentatively set for passage of the ordinance authorizing the issuance of the Certificates.

3. The City Secretary shall cause the notice to be continuously published in substantially the form attached hereto on the City's website for at least 45 days before the date tentatively set for the passage of the ordinance authorizing the issuance of the Certificates.

4. The City's Finance Director and Assistant Finance Director along with the City's financial advisor, RBC Capital Markets, LLC., and bond counsel are authorized to proceed with preparing the necessary bond and offering documents to effectuate the sale of the Certificates and any other public securities of the City anticipated to be sold at or near the time of the Certificates, including making application to appropriate rating agencies and bond insurers, if applicable.

5. The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of each series of the Certificates being issued or (ii) \$9,500 for each series, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the Certificates.

6. The City Council hereby finds and determines that the Certificates meet the definition of the term "Debt" under Section 26.012(7) of the Texas Tax Code as set forth below:

- (1) The Certificates issued for the purpose of "constructing a City municipal complex as part of the City's Downtown East Project with such facility to include city administrative offices and meeting spaces, public safety facilities, including police and judicial facilities, City utility facilities, City telecommunications and information technology systems and related water and sewer facilities and other related costs including equipping the facility and the acquisition of any necessary right of way or land therefor" are being issued for a project under Chapter 311 of the Texas Tax Code that is located within a reinvestment zone created under such Chapter in accordance with Section 26.012(7)(A)(ii)(i) of the Texas Tax Code. The municipal complex is a project described in the City's Fourth Amended Project Plan and

Financing Plan duly adopted by the City Council on October 25, 2022, in Ordinance No. 1567-22-10-25 for Reinvestment Zone Number 1, City of Pflugerville, Texas and such complex is to be located within such reinvestment zone.

In addition, such project constitutes “designated infrastructure” under Section 26.012(7)(A)(ii)(d) of the Texas Tax Code and under:

- (i) Section 26.012(9)(E) of the Texas Tax Code as a building that constitutes a public safety facility and includes other facilities that are physically attached to such public safety facility;
 - (ii) Section 26.012(9)(D) of the Texas Tax Code as a facility that serves the purposes of the administration of the City’s utility system; and
 - (iii) Section 26.012(9)(B) and (C) of the Texas Tax Code as a facility that serves the purposes the City’s cybersecurity, telecommunications and information technology systems.
- (2) The Certificates issued for the purpose of “constructing, improving, extending, expanding, upgrading and/or developing a multi-generational recreation center as part of the City’s Downtown East Project and related roads, streets and water and sewer facilities” constitute self-supporting debt pursuant to Section 26.012(7)(A)(ii)(b) of the Texas Tax Code. The City will be entering into an agreement with Pflugerville Community Development Corporation (“PCDC”) for PCDC to pay the debt service on the portion of the Certificates issued for such project.

In addition, such project constitutes “designated infrastructure” under Sections 26.012(7)(A)(ii)(d) and 26.012(9)(A) of the Texas Tax Code as a parks facility to be part of the City’s Parks and Recreation system.

- (3) The Certificates issued for the purpose of “constructing a public parking structure to serve the City municipal complex and multi-generational recreation center components of the City’s Downtown East Project” are being issued for a project that constitute “designated infrastructure” under Sections 26.012(7)(A)(ii)(d) and 26.012(9)(A) of the Texas Tax Code as a public parking structure.
- (4) The Certificates issued for the purpose of “constructing, improving, extending, expanding, upgrading and/or developing City streets and roads as part of the City’s Downtown East Project and related costs and acquisition of any necessary right of way or land therefor, including for Main Street” are being issued for a project that constitute “designated

infrastructure” under Sections 26.012(7)(A)(ii)(d) and 26.012(9)(A) of the Texas Tax Code as infrastructure for street and road purposes.

7. In order to achieve more advantageous financial terms and lower interest rates on certain debt issued by the City, the City Council has previously issued all or a portion of certain debt issues with a legal pledge of ad valorem taxes that the City intends to pay from other available revenue sources, such as revenues from the City’s combined waterworks and sewer system, funds received from agreements with PCDC and tax increment revenues from tax increment reinvestment zones. The City intends those prior debt issues or portions thereof, as applicable, to be “self-supporting” by making debt service payments on such debt from available revenues in order to minimize the use of ad valorem taxes. The City currently intends to pay such “self-supporting” debt from sources other than ad valorem taxes, but such debt could still legally be paid from ad valorem taxes if such other sources are not available at the time required for payment. Attached hereto as Exhibit "B" is a schedule showing the currently outstanding of the City that the City Council hereby designates as “self-supporting” debt of the City. As set forth in Section 6 above, a portion of the Certificates is also expected to be designated as self-supporting, and the Ordinance authorizing the final pricing terms of the Certificates will establish final self-supporting amount of the Certificates.

8. This Resolution shall become effective immediately upon adoption. The Mayor and City Secretary are hereby authorized and directed to execute the certificate to which this Resolution is attached on behalf of the City, and the Mayor, City Secretary and City's Finance Director are further authorized to do any and all things proper and necessary to carry out the intent of this Resolution. All orders, resolutions and ordinances, or any parts thereof, previously adopted by the City Council that are inconsistent herewith are hereby superseded to the extent of such inconsistency.

RESOLVED this 28th day of March, 2023.

ATTEST:

CITY OF PFLUGERVILLE, TEXAS

City Secretary
City of Pflugerville, Texas

Mayor
City of Pflugerville, Texas

EXHIBIT A

NOTICE OF INTENTION TO ISSUE CITY OF PFLUGERVILLE, TEXAS COMBINATION TAX AND LIMITED REVENUE CERTIFICATES OF OBLIGATION AND NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that it is the intention of the City Council of the City of Pflugerville, Texas, to issue interest bearing Certificates of Obligation of the City in one or more series (the "Certificates") for the purpose of paying contractual obligations incurred or to be incurred by the City for: (1) constructing a City municipal complex as part of the City's Downtown East Project with such facility to include city administrative offices and meeting spaces, public safety facilities, including police and judicial facilities, City utility facilities, City telecommunications and information technology systems and related water and sewer facilities and other related costs including equipping the facility and the acquisition of any necessary right of way or land therefor; (2) constructing, improving, extending, expanding, upgrading and/or developing a multi-generational recreation center as part of the City's Downtown East Project and related roads, streets and water and sewer facilities; (3) constructing a public parking structure to serve the City municipal complex and multi-generational recreation center components of the City's Downtown East Project; (4) constructing, improving, extending, expanding, upgrading and/or developing City streets and roads as part of the City's Downtown East Project and related costs and acquisition of any necessary right of way or land therefor, including for Main Street; and (5) professional services including fiscal, engineering, architectural and legal fees and other such costs incurred in connection therewith including the costs of issuing the Certificates.

As set forth in Resolution No. _____ approving this notice adopted by the City Council on March 28, 2023, the City Council has found that the Certificates meet the definition of the term "Debt" under Section 26.012(7) of the Texas Tax Code. Such resolution is publicly available on the City's website or upon request.

The City Council tentatively proposes to consider for first and final reading at a public meeting to commence at 7:00 p.m., on the 23rd day of May, 2023 at 1611 Pfennig Lane Pflugerville, Texas 78660, the passage of an ordinance authorizing the Certificates. The maximum amount of the Certificates that may be authorized for such purpose is \$153,000,000. The City Council presently proposes to provide for the payment of the Certificates from the levy and collection of ad valorem taxes in the City as provided by law and from a limited pledge of the surplus revenues derived from the operation of the City's combined waterworks and sewer system, after payment of all operation and maintenance expenses 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 revenues of the City's combined waterworks and sewer system, which amount shall not exceed \$5,000.

In accordance with the City's home rule charter, the City also intends to hold a public hearing prior to adoption of the ordinance authorizing the issuance of the Certificates at a public

meeting to commence at 7:00 p.m. on the 23rd day of May, 2023 at 1611 Pfennig Lane Pflugerville, Texas 78660.

The following information is required pursuant to Texas Local Government Code, Section 271.049: As of March 28, 2023, the aggregate principal amount of all outstanding debt obligations of the City secured by and payable from ad valorem taxes is \$438,410,000 (excluding debt designated by the City as “self-supporting” such amount is \$242,879,754). As of March 28, 2023, the combined principal and interest required to pay all outstanding debt obligations of the City secured by and payable from ad valorem taxes on time and in full is \$637,769,275 (excluding debt designated by the City as “self-supporting” such amount is \$350,769,275). Information on debt the City has designated as “self-supporting” is contained in Resolution No. _____ approving this notice adopted by the City Council on March 28, 2023. Such resolution is publicly available on the City’s website or upon request. The City currently intends to pay such “self-supporting” debt from sources other than ad valorem taxes, but such debt could still legally be paid from ad valorem taxes if such other sources are not available at the time required for payment. The estimated combined principal and interest required to pay the Certificates on time and in full is \$281,802,465 (including the portion of the Certificates expected to be “self-supporting”). The estimated interest rate for the Certificates is 4.45%. Such estimates take into account a number of factors, including the issuance schedule, maturity schedule and the expected ratings of the proposed Certificates. Such estimated interest rate is provided as a matter of information but is not a limitation on the interest rate at which the Certificates may be sold. The maximum maturity date of the Certificates is August 1, 2053.

CITY OF PFLUGERVILLE, TEXAS

EXHIBIT B

SCHEDULE OF SELF-SUPPORTING DEBT

Outstanding Obligations⁽¹⁾

<u>Series Name</u>	<u>Total Outstanding Principal Amount</u>	<u>Self Supporting Principal Amount</u>	<u>Total Amount of Self Supporting Principal Plus Interest to Maturity</u>
Limited Tax Refunding Bonds, Series 2012	\$ 6,240,000	\$ 5,179,200	\$ 5,421,353
Combination Tax and Limited Revenue Certificates of Obligation, Series 2013	100,000	100,000	101,500
Combination Tax and Limited Revenue Certificates of Obligation, Series 2014	1,855,000	1,855,000	2,125,900
Limited Tax and Refunding Bonds, Series 2015	18,425,000	9,581,000	14,809,381
Combination Tax and Limited Revenue Certificates of Obligation, Series 2015	21,705,000	14,325,300	22,558,678
Combination Tax and Limited Revenue Certificates of Obligation, Series 2016B	5,700,000	5,700,000	8,016,900
Combination Tax and Limited Revenue Certificates of Obligation, Taxable Series 2016C	600,000	600,000	629,360
Combination Tax and Limited Revenue Certificates of Obligation, Series 2017A	15,100,000	15,100,000	24,825,150
Combination Tax and Limited Revenue Certificates of Obligation, Series 2017B	1,840,000	1,840,000	2,591,175
Limited Tax Refunding Bonds, Series 2017	12,385,000	6,345,000	8,295,782
Combination Tax and Limited Revenue Certificates of Obligation, Series 2019	18,110,000	11,409,300	19,009,321
Combination Tax and Limited Revenue Certificates of Obligation, Series 2020	44,935,000	34,901,015	54,392,644
Limited Tax Refunding Bonds, Series 2020B	11,860,000	491,604	576,082
Limited Tax Refunding Bonds, Taxable Series 2020C	38,555,000	31,654,654	37,651,979
Combination Tax and Limited Revenue Certificates of Obligation, Series 2022	72,720,000	56,448,173	86,069,259
TOTAL	\$ 270,130,000	\$ 195,530,246	\$ 287,074,463

(1) Excludes the portion of the Certificates in the process of issuance which is expected to also be self-supporting as such amounts are preliminary and subject to change until the final pricing terms of the Certificates are established.