

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Cleveland, Texas (the “City”), will meet at City Hall Council Chambers, 907 E. Houston St., Cleveland, Texas 77327, at 6:00 p.m. on the 20th day of January, 2026, 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 (the “Certificates”), in the maximum aggregate principal amount not to exceed \$1,605,000 payable from ad valorem taxes and from a pledge of the surplus revenues of the City’s water and sewer system, 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 forty (40) years from the date of issuance, for the purposes of evidencing the indebtedness of the City for all or any part of the (i) eligible costs for the design and construction of water system improvements, including a water line improvement project consisting primarily of water main replacements and the installation of new water mains, and (ii) costs of professional services incurred in connection therewith. The resolution of the Texas Water Development Board approving financial assistance for the City includes a loan to be evidenced by the proposed Certificates in the amount of \$1,605,000 and a grant in the amount of \$14,442,840. As a result, the estimated combined principal and interest required to pay the Certificates on time and in full is expected to be approximately \$2,305,120. Such estimate is provided for illustrative purposes only and is based on an assumed interest rate of 3.72% under the applicable financial assistance program of the Texas Water Development Board. As of the date of this notice, the aggregate principal amount outstanding of tax-supported debt obligations of the City is \$11,630,000, 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 on time and in full is \$13,526,964.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CITY, this 18th day of November, 2025.

Juanita Limon
City Secretary
City of Cleveland, Texas