

**TOWN OF PROSPER, TEXAS
NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION**

NOTICE IS HEREBY GIVEN that the Town Council of the Town of Prosper, Texas, at its meeting to commence at 5:45 P.M. on August 10, 2021, at the Town Council Chambers of Prosper Town Hall, 250 W. First Street, Prosper, Texas, tentatively proposes to authorize the issuance of interest bearing certificates of obligation, in one or more series, in an amount not to exceed \$7,450,000, for paying all or a portion of the Town's contractual obligations incurred in connection with: (i) constructing, improving, extending, expanding, upgrading and developing streets and roads and intersections, including utility relocation, landscaping, sidewalks, traffic safety and operational improvements and the purchase of any necessary right-of-way and other related costs, specifically including improvements to Frontier Parkway from the Dallas North Tollway to Preston Road and Fishtrap Road from Teel Parkway to Stuber Elementary School; (ii) construction, acquisition and installation of the Westside communications radio tower and (iii) paying legal, fiscal, engineering and architectural fees in connection with such projects. The Town proposes to provide for the payment of such certificates of obligation from the levy and collection of ad valorem taxes in the Town as provided by law and from a pledge of the surplus revenues of the Town's waterworks and sewer system (the "System"); that remain after payment of all operation and maintenance expenses thereof, and after all debt service, reserve and other requirements in connection with all revenue bonds or other obligations (now or hereafter outstanding) of the Town have been met, to the extent that such obligations are payable from all or any part of the net revenues of the System.

In accordance with the provisions of Texas Local Government Code, Subchapter C of Chapter 271, as amended, the following information has been provided by the Town: (i) the principal amount of all outstanding debt obligations of the Town is \$84,844,700; (ii) the current combined principal and interest required to pay all outstanding debt obligations of the Town on time and in full is \$29,465,874 (clauses (i) and (ii) exclude debt service for \$36,290,300 in principal amount of outstanding debt obligations the Town has designated as self-supporting and which the Town reasonably expects to pay from revenue sources other than ad valorem taxes; provided, however, that in the event such self-supporting revenue sources are insufficient to pay debt service, the Town is obligated to levy ad valorem taxes to pay such debt obligations); (iii) the maximum principal amount of the certificates of obligation to be authorized is \$7,450,000; (iv) the estimated combined principal and interest required to pay the certificates of obligation to be authorized on time and in full is \$10,110,000; (v) the maximum interest rate for the certificates may not exceed the maximum legal interest rate; and (vi) the maximum maturity date of the certificates of obligation to be authorized is February 15, 2041.

TOWN OF PROSPER, TEXAS