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AGENDA ITEM MEMO

BOARD MEETING DATE: December 16, 2025

TO: Board Members

THROUGH: Bryan McMath, Executive Administrator
Ashley Harden, General Counsel
Jessica Peña, Deputy Executive Administrator, Water Supply and Infrastructure

FROM: T. Clay Schultz, Ph.D., Director, Regional Water Project Development
David Firgens, Manager, Regional Water Project Development

SUBJECT: Request by the City of Pleasanton to Change the Type of Debt Instrument and Pledge for its Commitment

ACTION REQUESTED

Consider amending by resolution the previously adopted Texas Water Development Board Resolution No. 25-106 to change the City of Pleasanton’s type of debt instrument and pledge for the approved Clean Water State Revolving Fund commitment.

BACKGROUND

In July 2025, the Texas Water Development Board (TWDB) approved an \$11,045,000 commitment to the City of Pleasanton (City) from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system project that will include rehabilitation and improvements at the City’s Atascosa River Wastewater Treatment Facility (WWTF).

The City’s project will include the replacement of surface aerators, ultraviolet disinfection system, and dewatering system at the WWTF. In addition, the rehabilitation of the existing influent pump station, sludge pump station, headworks facility, oxidation ditch, and secondary clarifier will be completed.

KEY ISSUES

The City originally pledged combination tax and surplus system revenues for repayment of the proposed loan. However, the City has outstanding Limited Pledge Obligations, which have defined lien levels on what type of certificates of obligation can be issued from Utility System Revenues. To comply with the ordinances of the outstanding obligations and not violate the outstanding bondholder covenants, the City needs to change their pledge to “tax and subordinate lien revenue.” This will allow for second lien on all Utility System Revenues

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in ensuring a secure :
water future for Texas : Bryan McMath, Executive Administrator

after maintenance and operations and provides a stronger position on revenues than surplus system revenues.

RECOMMENDATION

The Executive Administrator recommends that the TWDB Resolution No. 25-106 be amended to change the City's existing commitment to tax and subordinate lien revenue certificates of obligation.

Attachments:

1. Proposed Resolution (25-)
2. Resolution (25-106)
3. Amendment Request Memo from Cantu Harden Montoya LLP
4. Debt Service Schedule

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
AMENDING TWDB RESOLUTION NO. 25-106
TO CHANGE THE DEBT OBLIGATION TITLE AND PLEDGE OF THE
\$11,045,000 CITY OF PLEASANTON, TEXAS
COMBINATION TAX AND SURPLUS SYSTEM REVENUE CERTIFICATES OF
OBLIGATION,
PROPOSED SERIES 2025 TO BE ISSUED BY
THE CITY OF PLEASANTON, TEXAS

(25 -)

Recitals:

At its July 24, 2025 meeting, the Texas Water Development Board (TWDB), by TWDB Resolution No. 25-106, made a commitment to provide financial assistance in the amount of \$11,045,000 to the City of Pleasanton, Texas (City) from the Drinking Water State Revolving Fund, to finance improvements to its water system, to be secured by the TWDB's purchase of \$11,045,000 City of Pleasanton, Texas Combination Tax and Surplus System Revenue Certificates of Obligation, Proposed Series 2025, for Project No. 73988, all as is more specifically set forth in the TWDB's Resolution and accompanying documentation, to which documents express reference is made.

The City has submitted a request to amend the title and the pledge associated with the City's proposed debt obligations to comply with the conditions of the City's outstanding obligations and not violate the outstanding bondholder covenants, all as is more specifically set forth in the recommendations of the TWDB's staff, to which documents express reference is made.

In accordance with the Texas Water Code, the TWDB has carefully considered all matters required by law.

Findings:

1. The TWDB finds that the amendment to the title and pledge associated with the City's proposed debt obligations is reasonable and that the request is in the public interest and will serve a public purpose.
2. The proposed tax and subordinate lien revenue pledged by the City will be sufficient to meet all the Obligations assumed by the City, in accordance with Texas Water Code § 15.607.
3. The term of the Obligations does not exceed the expected useful life of the project proposed by the City.

NOW THEREFORE, based on these considerations and findings, the TWDB resolves as follows:

1. the commitment of the TWDB to provide financial assistance in the amount of \$11,045,000, as authorized in TWDB Resolution No. 25-106, is amended to change

the title of the debt obligations to be \$11,045,000 City of Pleasanton, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Proposed Series 2026 and the pledge is to be ad valorem taxes and subordinate revenue of the City's system.

2. all other terms and conditions of TWDB Resolution No. 25-106 shall remain in full force and effect.

APPROVED and ordered of record this the 16th day of December 2025.

TEXAS WATER DEVELOPMENT BOARD

L'Oreal Stepney, P.E., Chairwoman

DATE SIGNED: _____

ATTEST:

Bryan McMath, Executive Administrator

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF
\$11,045,000 TO THE CITY OF PLEASANTON
FROM THE CLEAN WATER STATE REVOLVING FUND
THROUGH THE PROPOSED PURCHASE OF
\$11,045,000 CITY OF PLEASANTON, TEXAS COMBINATION TAX AND SURPLUS
SYSTEM REVENUE CERTIFICATES OF OBLIGATION,
PROPOSED SERIES 2025

(25-106)

Recitals:

The City of Pleasanton (City), located in Atascosa County filed an application for financial assistance in the amount of \$11,045,000 from the Clean Water State Revolving Fund (CWSRF) to finance the planning, design, and construction of wastewater system improvements identified as Project No. 73988.

The City seeks financial assistance from the Texas Water Development Board (TWDB) through the TWDB's proposed purchase of \$11,045,000 City of Pleasanton, Texas Combination Tax and Surplus System Revenue Certificates of Obligation, Proposed Series 2025 (Obligations) (together with all authorizing documents), all as is more specifically set forth in the application and in recommendations of the TWDB's staff.

The City has offered a pledge of ad valorem taxes and surplus revenue of the City's system as sufficient security for the repayment of the Obligations.

The commitment is approved for funding under the TWDB's pre-design funding option, and initial and future releases of funds are subject to 31 TAC § 375.14.

Findings:

1. The revenue or taxes pledged by the City will be sufficient to meet all the Obligations assumed by the City, in accordance with Texas Water Code § 15.607.
2. The application and assistance applied for meet the requirements of the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251—1389, as well as state law, in accordance with Texas Water Code § 15.607.
3. The term of the Obligations does not exceed the expected useful life of the project proposed by the City.
4. The City has submitted a proposed program of water conservation for the more efficient use of water that will meet reasonably anticipated local needs and conditions and that incorporates practices, techniques or technology prescribed by the Texas Water Code and TWDB's rules..
5. The City has considered cost-effective, innovative, and nonconventional methods of treatment, in accordance with Texas Water Code § 15.007.

NOW THEREFORE, based on these findings, the TWDB resolves as follows:

A commitment is made by the TWDB to the City of Pleasanton for financial assistance in the amount of \$11,045,000 from the Clean Water State Revolving Fund through the TWDB's proposed purchase of \$11,045,000 City of Pleasanton, Texas Combination Tax and Surplus System Revenue Certificates of Obligation, Proposed Series 2025. This commitment will expire on July 31, 2026.

The commitment is conditioned as follows.

Standard Conditions:

1. The commitment is contingent on a future sale of bonds by the TWDB or on the availability of funds on hand as determined by the TWDB. If the financial assistance is funded with available cash-on-hand, the TWDB reserves the right to change the designated source of funds to bond proceeds issued for the purpose of reimbursing funds used to provide the financial assistance approved in this Resolution.
2. The commitment is contingent upon the issuance of a written approving opinion of the Attorney General of the State of Texas stating that all the requirements of the laws under which the Obligations are issued have been complied with; that the Obligations were issued in conformity with the Constitution and laws of the State of Texas; and that the Obligations are valid and binding obligations of the City.
3. The commitment is contingent upon the City's compliance with all applicable requirements contained in 31 TAC Chapter 375.
4. The Obligations must provide that the City agrees to comply with all the conditions set forth in the TWDB Resolution.
5. The Obligations must provide that the Obligations can be called for early redemption on any date beginning on or after the first interest payment date which is 10 years from the dated date of the Obligations at a redemption price of par, together with accrued interest to the date fixed for redemption.
6. The City, or an obligated person for whom financial or operating data is presented to the TWDB in the application for financial assistance either individually or in combination with other issuers of the City's Obligations, at a minimum and regardless of the amount of the Obligations, must agree to comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by the Securities and Exchange Commission (SEC) in 17 CFR § 240.15c2-12 (Rule 15c2-12) and determined as if the TWDB were a Participating Underwriter within the meaning of the rule, the continuing disclosure undertaking being for the benefit of the TWDB and the beneficial owners of the City's Obligations, if the TWDB sells or otherwise transfers the Obligations, and the beneficial owners of the TWDB's bonds if the City is an obligated person with respect to the bonds under SEC Rule 15c2-12.

7. The Obligations must require the City to levy a tax or maintain and collect sufficient rates and charges, as applicable, to produce system funds in an amount necessary to meet the debt service requirements of all outstanding obligations and to maintain the funds established and required by the Obligations.
8. The Obligations must require the City to use any proceeds from the Obligations that are determined to be remaining unused funds for enhancements to the original project that are explicitly approved by the Executive Administrator or, if no enhancements are authorized by the Executive Administrator, requiring the City to submit a final accounting and disposition of any unused funds. Remaining unused funds are those funds unspent after the original approved project is completed.
9. The Obligations must require the City to use any proceeds from the Obligations that are determined to be surplus funds in a manner approved by the Executive Administrator. Surplus funds are funds remaining after completion of the project and completion of a final accounting.
10. The Obligations must provide that the TWDB may exercise all remedies available to it in law or equity and any provision of the Obligations that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect.
11. Proceeds of this commitment are public funds. Therefore, the Obligations must require that these proceeds shall be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256, and the Public Funds Collateral Act, Government Code, Chapter 2257.
12. Proceeds of this commitment must not be used by the City when sampling, testing, removing, or disposing of contaminated soils or media at the project site except for an EC project to address PFAs or any contaminant listed on EPA's Contaminant Candidate Lists. The Obligations must provide that the City is solely responsible for liability resulting from acts or omissions of the City, its employees, contractors, or agents arising from the sampling, analysis, transport, storage, treatment, recycling, and disposition of any contaminated sewage sludge, contaminated sediments or contaminated media that may be generated by the City, its contractors, consultants, agents, officials, and employees as a result of activities relating to the Project to the extent permitted by law.
13. Before closing, the City must submit documentation evidencing the adoption and implementation of sufficient system rates and charges or the levy of an interest and sinking tax rate sufficient for the repayment of all system debt service requirements.
14. Before closing, and if not previously provided with the application, the City must submit executed contracts for engineering, and, if applicable, financial advisor and bond counsel contracts, for the project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts must be reasonable in relation to the services performed, reflected in the contract, and acceptable to the Executive Administrator.

15. Before closing, when any portion of the financial assistance is to be held in escrow or in trust, the City must execute an escrow or trust agreement, approved as to form and substance by the Executive Administrator and shall submit that executed agreement to the TWDB.
16. The Executive Administrator may require the City to execute a separate financing agreement in form and substance acceptable to the Executive Administrator.
17. The Obligations must provide that the City must comply with all applicable federal laws and TWDB laws and rules related to the use of the financial assistance.
18. The Obligations must provide that the City must comply with all conditions as specified in the final environmental finding of the Executive Administrator when issued including the standard emergency discovery conditions for threatened and endangered species and cultural resources.
19. The Obligations must require the City to maintain insurance coverage sufficient to protect the TWDB's interest in the project.
20. The City must immediately notify TWDB in writing of any suit against it by the Attorney General of Texas under Texas Government Code § 2.103 and Texas Penal Code § 1.10(f), related to federal laws regulating firearms, firearm accessories, and firearm ammunition.
21. The Obligations must provide that the City must submit annually an audit prepared by a certified public accountant in accordance with generally accepted auditing standards.
22. Before closing, the City shall submit to the escrow agent a closing memo signed by the Executive Administrator.

Tax-Exempt Conditions:

23. The City's bond counsel must prepare a written opinion that states that the interest on the Obligations is excludable from gross income or is exempt from federal income taxation. Bond counsel may rely on covenants and representations of the City when rendering this opinion.
24. The City's bond counsel opinion must state that the Obligations are not "private activity bonds." Bond counsel may rely on covenants and representations of the City when rendering this opinion.
25. The Obligations must prohibit the City from using the financial assistance in a manner that would cause the Obligations to become "private activity bonds" within the meaning of section 141 of the Internal Revenue Code of 1986, as amended (Code) and the Treasury Regulations promulgated under section 141 (Regulations).
26. The Obligations must provide that no portion of the proceeds of this financial assistance will be used, directly or indirectly, in a manner that would cause the

Obligations to be "arbitrage bonds" within the meaning of section 148(a) of the Code and Regulations, including to acquire or to replace funds that were used, directly or indirectly, to acquire Nonpurpose Investments (as defined in the Code and Regulations) that produce a yield materially higher than the yield on the TWDB's bonds that are issued to provide the financial assistance (Source Series Bonds), other than Nonpurpose Investments acquired with:

- a. proceeds of the TWDB's Source Series Bonds invested for a reasonable temporary period of up to three (3) years after the issue date of the Source Series Bonds until the proceeds are needed for the facilities to be financed;
 - b. amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Regulations; and
 - c. amounts deposited in any reasonably required reserve or replacement fund to the extent the deposited amounts do not exceed the least of maximum annual debt service on the Obligations, 125% of average annual debt service on the Obligations, or 10 percent of the stated principal amount, or, in the case of a discount, the issue price of the Obligations.
27. The Obligations must require the City to take all necessary steps to comply with the requirement that certain amounts earned on the investment of gross proceeds of the Obligations be rebated to the federal government to satisfy the requirements of section 148 of the Code. The Obligations must provide that the City must:
- a. account for all Gross Proceeds, as defined in the Code and Regulations, (including all receipts, expenditures, and investments) on its books of account separately and apart from all other funds, including receipts, expenditures, and investments, and retain all records of the accounting for at least six years after the final Computation Date. The City may, however, to the extent permitted by law, commingle Gross Proceeds of this financial assistance with other money of the City, provided that the City separately accounts for each receipt and expenditure of the Gross Proceeds and the obligations acquired those proceeds;
 - b. calculate the Rebate Amount, as defined in the Code and Regulations, with respect to this financial assistance, not less frequently than each Computation Date, in accordance with rules set forth in section 148(f) of the Code, section 1.148-3 of the Regulations, and related rulings. The City must maintain a copy of the calculations for at least six years after the final Computation Date;
 - c. as additional consideration for the making of this commitment, and to induce the financial assistance by measures designed to ensure the excludability of the interest on the TWDB's Source Series Bonds from the gross income of the owners for federal income tax purposes, pay to the United States the amount described in paragraph (b) above within 30 days after each Computation Date; and

- d. exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (b) and, if an error is made, to discover and promptly to correct the error within a reasonable amount of time after including payment to the United States of any interest and any penalty required by the Regulations.
28. The Obligations must prohibit the City from taking any action that would cause the interest on the Obligations to be includable in gross income for federal income tax purposes.
29. The Obligations must provide that the City will not cause or permit the Obligations to be treated as “federally guaranteed” obligations within the meaning of section 149(b) of the Code.
30. The transcript must include a No Arbitrage Certificate or similar Federal Tax Certificate setting forth the City’s reasonable expectations regarding the use, expenditure, and investment of the proceeds of the Obligations.
31. The Obligations must provide that the City will refrain from using the proceeds provided by this TWDB commitment or the proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Obligations in contravention of the requirements of section 149(d) of the Code, relating to advance refundings.
32. The transcript must include evidence that the information reporting requirements of section 149(e) of the Code will be satisfied. This requirement may be satisfied by filing an IRS Form 8038 with the Internal Revenue Service. In addition, the applicable completed IRS Form 8038 or other evidence that the information reporting requirements of section 149(e) have been satisfied must be provided to the Executive Administrator within fourteen (14) days of closing. The Executive Administrator may withhold the release of funds for failure to comply.
33. The Obligations must provide that neither the City nor a related party will acquire any of the TWDB’s Source Series Bonds in an amount related to the amount of the Obligations to be acquired from the City by the TWDB.
34. Before closing, the City must provide certification that the average weighted maturity of the Obligations purchased by the TWDB does not exceed 120% of the average reasonably expected economic life of the Project.

State Revolving Fund Conditions:

35. The City must submit outlay reports on a quarterly or monthly basis with sufficient documentation on costs in accordance with TWDB outlay report guidelines.
36. The Obligations must provide that all laborers and mechanics employed by contractors and subcontractors for projects be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor’s implementing regulations.

The City, all contractors, and all sub-contractors must ensure that all project contracts mandate compliance with Davis-Bacon. All contracts and subcontracts for the construction of the project carried out in whole or in part with financial assistance made available as provided must insert in full in any contract in excess of \$2,000 the contract clauses as provided by the TWDB.

37. The Obligations must provide that the City shall provide the TWDB with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The City shall obtain a Unique Entity Identification Number and shall register with System for Award Management (SAM) and maintain current registration at all times during which the Obligations are outstanding.
38. The Obligations must provide that all proceeds of this financial assistance will be timely and expeditiously used, as required by 40 CFR § 35.3135(d), and must provide that the City will adhere to the approved project schedule.
39. The Obligations must provide that the City will abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC § 375.3, 33 U.S.C. § 1388, and related State Revolving Fund Policy Guidelines.
40. The Obligations must provide that the City will abide by all applicable requirements related to the Build America, Buy America Act, Public Law 117-58.
41. The Obligations must provide that the City must comply with the requirements set forth in 33 U.S.C. § 1382 *et seq.* related to maintaining project accounts containing financial assistance for planning, design, acquisition, or construction in accordance with generally accepted accounting principles (GAAP). These standards and principles also apply to the reporting of underlying infrastructure assets.
42. The Obligations must provide that the City shall abide by the prohibition on certain telecommunications and video surveillance services or equipment as required by 2 CFR § 200.216.

Clean Water State Revolving Fund Conditions:

43. The City must pay at closing an origination fee approved by the Executive Administrator of the TWDB pursuant 31 TAC Chapter 375.
44. Before release of funds for professional consultants including, but not limited to, the engineer, financial advisor, and bond counsel, as appropriate, the City must provide documentation that it has met all applicable state procurement requirements as well as all federal procurement requirements under the Disadvantaged Business Enterprises program.
45. Before release of funds for professional services related to architecture or engineering, including but not limited to contracts for program management, construction management, feasibility studies, preliminary engineering, design,

engineering, surveying, mapping, or other architectural and engineering services as defined in 40 U.S.C. § 1102(2)(A)–(C), the City must provide documentation that it has met all applicable federal procurement requirements as more specifically set forth in 40 U.S.C. § 1101 *et seq* and 33 U.S.C. § 1382(b)(14).

Pledge Conditions:

46. the Obligations must provide as follows:

- a. if system revenues are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes which otherwise would have been required to be levied and collected may be reduced to the extent and by the amount of revenues then on deposit in the Interest and Sinking Fund; or
- b. if surplus revenues are based upon budgeted amounts:
 - i. the Obligations must require that the City transfer and deposit into the Interest and Sinking Fund each month an amount of not less than 1/12th of the annual debt service on the Obligations until the amount on deposit in the Interest and Sinking Fund equals the amount required for annual debt service on the Obligations; further, that the ordinance authorizing the issuance of the Obligations must include a requirement that the City shall not transfer any funds from the City's pledged system revenues to any fund other than the Interest and Sinking Fund until an amount equal to the annual debt service on the Obligations for the then-current fiscal year has been deposited in the Interest and Sinking Fund;
 - ii. the Obligations must require that for each year the Obligations are outstanding, and before the time taxes are to be levied for that year, the City shall establish, adopt, and maintain an annual budget that provides for either the monthly deposit of sufficient surplus pledged revenues or tax revenues or both, the monthly deposit of any other legally available funds on hand at the time of the adoption of the annual budget, or a combination of these, into the Interest and Sinking Fund for the repayment of the Obligations; and
 - iii. the Obligations must require that the City shall at all times maintain and collect sufficient rates and charges in conjunction with any other legally available funds so that after payment of the costs of operating and maintaining the system, it produces revenues in an amount not less than 1.10 times debt service requirements of all outstanding Obligations of the City and other obligations of the City which are secured in whole or in part by the pledged revenues, for which the City is budgeting the repayment of the Obligations, or the City shall provide documentation which evidences the levy and collection of an ad valorem tax rate dedicated to the Interest and Sinking Fund, in

conjunction with any other legally available funds, sufficient for the repayment of debt service requirements.

Special Condition:

- 47. Before closing, the City must adopt and implement the water conservation program approved by the TWDB.

APPROVED and ordered of record this 24th day of July 2025.



TEXAS WATER DEVELOPMENT BOARD

L'Oreal Stepney
L'Oreal Stepney, P.E., Chairwoman

DATE SIGNED: 7/24/25

ATTEST:

Bryan McMath

Bryan McMath, Executive Administrator



MEMORANDUM

To: Raul Flores, MBA, Texas Water Development Board

From: Carey R. Troell

Date: November 12, 2025

Subject: City of Pleasanton, Texas Request for Amendment of Application to Issue of Combination Tax and Subordinate Lien Revenue Certificates of Obligation

This memorandum (“Memo”) provides an official request on behalf of the City of Pleasanton, Texas (the “City”) to amend the application for the Clean Water State Revolving Fund to change the type of security from “surplus system revenues” to “subordinate lien revenue”. It is my understanding that the next board meeting of the Texas Water Development Board (the “Board”) is scheduled for December 16, 2025.

Lien Levels of Outstanding Certificates of Obligation of the City of Pleasanton, Texas

The City currently has outstanding certificates of obligation (the “Outstanding Obligations”). Based on these Outstanding Obligations, the ordinances which authorized their issuance have defined lien levels for future issuance of certificates of obligation. Unfortunately, the existing lien levels do not include “surplus system revenue” pledge but does have a “subordinate lien revenue” which I suggest we use and which has been accepted by the Board in prior transactions for other issuers. If the City is required to “Surplus System Revenue” certificates of obligation, it will violate the outstanding bondholder covenants for all of its outstanding certificates of obligation which limits what type of certificates of obligation may be issued by the City.

In regards to issuing Subordinate Lien Obligations, this will allow for lien on all Utility System Revenues after maintenance and operations (which is “surplus revenues”). Based on this, the lien level of “Subordinate Lien Obligations” is a better security than surplus system revenues. I will again note that the Board has approved numerous certificates of obligation (see TWDB debt issuance for the City of Los Fresnos, Texas) which are payable from subordinate lien revenues.

Request for Application Amendment

Based on the below explanation, the City is requesting the Board adopt an amended application to allow the City to issue its “Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2026”. If the application is amended, the next meeting date of the City Council is January 14, 2026.

* * * * *

If you have any questions, please do not hesitate to [contact](#) Carey R. Troell at (713) 319-5954.

Ch
Cantu | Harden | Montoya LLP

ISSUE BEING EVALUATED
FOR ILLUSTRATION PURPOSES ONLY
City of Pleasanton

\$11,045,000 City of Pleasanton, Texas Combination Tax and Subordinate System Revenue, Certificate of Obligation Series 2026

Dated Date: 2/15/2026	Source: CWSRF-EQUIVALENCY
Delivery Date: 2/15/2026	Rate: 2.61%
First Interest: 8/1/2026	IUP Year: 2025
First Principal: 8/1/2026	Case: Tax and Revenue
Last Principal: 8/1/2055	Admin. Fee: \$189,963
Fiscal Year End: 09/30	Admin. Fee Payment Date: 2/15/2026
Required Coverage: 1.0	Total Assessed Valuation: \$996,652,225

FISCAL YEAR	CURRENT TAX RATE	TAX REVENUES WITH COLL. @ 97%	PROJECTED NET SYSTEM REVENUES	PROJECTED TOTAL REVENUES	CURRENT DEBT SERVICE	\$11,045,000 ISSUE				TOTAL DEBT SERVICE	TOTAL DEBT COVERAGE
						PRINCIPAL PAYMENT	INTEREST RATE	INTEREST PAYMENT	TOTAL PAYMENT		
2026	\$0.2421	\$2,347,747	\$809,324	\$4,418,497	\$4,058,100	\$240,000	1.45%	\$120,397	\$360,397	\$4,418,497	1.00
2027	0.2421	2,347,747	809,324	4,418,497	3,895,400	245,000	1.40%	257,622	502,622	4,398,022	1.00
2028	0.2421	2,347,747	809,324	4,418,497	3,900,600	255,000	1.39%	254,192	509,192	4,409,792	1.00
2029	0.2421	2,347,747	809,324	4,418,497	3,906,213	260,000	1.39%	250,648	510,648	4,416,860	1.00
2030	0.2421	2,347,747	809,324	4,418,497	3,895,900	270,000	1.42%	247,034	517,034	4,412,934	1.00
2031	0.2421	2,347,747	809,324	4,418,497	3,892,406	275,000	1.48%	243,200	518,200	4,410,606	1.00
2032	0.2421	2,347,747	809,324	4,423,530	3,899,400	285,000	1.58%	239,130	524,130	4,423,530	1.00
2033	0.2421	2,347,747	809,324	4,424,327	3,899,700	290,000	1.62%	234,627	524,627	4,424,327	1.00
2034	0.2421	2,347,747	809,324	4,424,327	3,365,863	300,000	1.72%	229,929	529,929	3,895,791	1.14
2035	0.2421	2,347,747	809,324	4,424,327	2,947,656	305,000	1.81%	224,769	529,769	3,477,425	1.27
2036	0.2421	2,347,747	809,324	4,424,327	2,718,200	315,000	1.98%	219,248	534,248	3,252,448	1.36
2037	0.2421	2,347,747	809,324	4,424,327	2,587,150	325,000	2.12%	213,011	538,011	3,125,161	1.42
2038	0.2421	2,347,747	809,324	4,424,327	2,445,600	335,000	2.23%	206,121	541,121	2,986,721	1.48
2039	0.2421	2,347,747	809,324	4,424,327	2,450,150	345,000	2.33%	198,651	543,651	2,993,801	1.48
2040	0.2421	2,347,747	2,076,580	4,424,327	2,081,950	355,000	2.42%	190,612	545,612	2,627,562	1.68
2041	0.2421	2,347,747	2,076,580	4,424,327	2,071,250	360,000	2.50%	182,021	542,021	2,613,271	1.69
2042	0.2421	2,347,747	2,076,580	4,424,327	1,394,500	375,000	2.57%	173,021	548,021	1,942,521	2.28
2043	0.2421	2,347,747	2,076,580	4,424,327	1,391,250	385,000	2.62%	163,384	548,384	1,939,634	2.28
2044	0.2421	2,347,747	2,076,580	4,424,327	-	395,000	2.66%	153,297	548,297	548,297	8.07
2045	0.2421	2,347,747	2,076,580	4,424,327	-	405,000	2.69%	142,790	547,790	547,790	8.08
2046	0.2421	2,347,747	2,076,580	4,424,327	-	415,000	2.72%	131,895	546,895	546,895	8.09
2047	0.2421	2,347,747	2,076,580	4,424,327	-	430,000	2.75%	120,607	550,607	550,607	8.04
2048	0.2421	2,347,747	2,076,580	4,424,327	-	440,000	2.77%	108,782	548,782	548,782	8.06
2049	0.2421	2,347,747	2,076,580	4,424,327	-	450,000	2.78%	96,594	546,594	546,594	8.09
2050	0.2421	2,347,747	2,076,580	4,424,327	-	465,000	2.80%	84,084	549,084	549,084	8.06
2051	0.2421	2,347,747	2,076,580	4,424,327	-	475,000	2.80%	71,064	546,064	546,064	8.10
2052	0.2421	2,347,747	2,076,580	4,424,327	-	490,000	2.81%	57,764	547,764	547,764	8.08
2053	0.2421	2,347,747	2,076,580	4,424,327	-	505,000	2.81%	43,995	548,995	548,995	8.06
2054	0.2421	2,347,747	2,076,580	4,424,327	-	520,000	2.82%	29,805	549,805	549,805	8.05
2055	0.2421	2,347,747	2,076,580	4,424,327	-	535,000	2.83%	15,141	550,141	550,141	8.04
					\$54,801,288	\$11,045,000		\$4,903,429	\$15,948,429	\$70,749,716	

AVERAGE (MATURITY) LIFE	17 YEARS
NET INTEREST RATE	2.611%
COST SAVINGS	\$ 3,385,687
AVERAGE ANNUAL REQUIREMENT	\$531,614

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