

City of Port Lavaca, Texas

\$14,000,000 Project Deposit

\$13,040,000 Combination Tax and Revenue Certificates of Obligation, Series 2024

Pricing Date:
March 11, 2024



CITY OF PORT LAVACA
TEXAS



Capital
Markets

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Transaction Overview

Combination Tax and Revenue Certificates of Obligation, Series 2024

Financing Overview

Issuer	City of Port Lavaca, Texas
Par Amount	\$13,040,000.00
Project Deposit	\$14,000,000.00
Issue	Combination Tax and Revenue COs, Series 2024
Pricing Date	March 11, 2024
Delivery Date	March 28, 2024
First Coupon	February 15, 2025
Type of Sale	Negotiated
Tax Status	Tax-Exempt
Optional Redemption	February 15, 2033
Ratings	S&P: "AA-"
Arbitrage Yield	3.50%
All-In-TIC:	3.88%
Financial Advisor	RBC Capital Markets
Bond Counsel	Bickerstaff Heath Delgado Acosta LLP
Underwriters' Counsel	McCall, Parkhurst & Horton L.L.P.
Underwriter	SAMCO Capital Markets
Paying Agent	UMB Bank, N.A.

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**NEW ISSUE
BOOK-ENTRY-ONLY**

PRELIMINARY OFFICIAL STATEMENT
Dated: March 4, 2024

**Ratings:
S&P: "AA-"**
(See "RATINGS" herein.)

In the opinion of Bickerstaff, Heath, Delgado, Acosta LLP, Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Certificates (defined below) is excluded from gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended. For purposes of the 15% federal minimum tax that is imposed on certain corporations, interest on the Certificates will be taken into account in determining adjusted financial statement income.

\$14,000,000*
CITY OF PORT LAVACA, TEXAS
(A political subdivision of the State of Texas located in Calhoun County, Texas)
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024

Dated: March 1, 2024 (interest to accrue from the Delivery Date) **Due:** February 15, as show on page ii

The \$14,000,000* Combination Tax and Revenue Certificates of Obligation, Series 2024 (the "Certificates") are being issued by the City of Port Lavaca, Texas (the "City") pursuant to the Constitution and the general laws of the State of Texas, the Certificate of Obligation Act of 1971, Subchapter C, Chapter 271, Texas Local Government Code, as amended, an ordinance (the "Ordinance") to be adopted by the City Council of the City on March 11, 2024, and the City's Home Rule Charter. (See "THE CERTIFICATES – Authority for Issuance".)

The Certificates constitute direct and general obligations of the City payable primarily from the proceeds of an annual ad valorem tax levied upon all taxable property within the City, within the limitations prescribed by law, and are further payable from and secured by a limited pledge (not to exceed \$1,000) of the surplus revenues of the City's waterworks and sewer system, as described in the Ordinance. (See "THE CERTIFICATES - Security and Source of Payment" and "AD VALOREM PROPERTY TAXATION" herein.)

Interest on the Certificates will accrue from the Delivery Date (defined below), and will be payable on February 15 and August 15 of each year, commencing February 15, 2025, until stated maturity or prior redemption, and will be calculated on the basis of a 360-day year of twelve 30-day months. The definitive Certificates will be issued as fully registered obligations in book-entry form only and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository. Book-entry interests in the Certificates will be made available for purchase in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of the Certificates ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Certificates purchased. So long as DTC or its nominee is the registered owner of the Certificates, the principal of and interest on the Certificates will be payable by UMB Bank, N.A., Austin, Texas, as Paying Agent/Registrar, to Cede & Co., which will in turn remit such principal and interest to its participants, which will in turn remit such principal and interest to the Beneficial Owners of the Certificates. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Proceeds from the sale of the Certificates will be used for the purpose of paying contractual obligations to be incurred for (i) various capital improvement projects; (ii) construction of streets and drainage, including utility relocation and sidewalks and shared use paths and lighting; (iii) water and sewer system improvements; and (iv) payment of professional services and costs of issuance related thereto.

The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, _____, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on February 15, _____ or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. (See "THE CERTIFICATES – Redemption Provisions" herein.)

SEE MATURITY SCHEDULE ON PAGE ii

The Certificates are offered for delivery when, as and if issued, and received by the underwriter named below (the "Underwriter"), and subject to the approving opinion of the Attorney General of the State of Texas and the approval of certain legal matters by Bickerstaff Heath Delgado Acosta LLP, Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, McCall, Parkhurst & Horton L.L.P., San Antonio, Texas. It is expected the Certificates will be available for delivery through the services of DTC, New York, New York, on or about March 28, 2024 (the "Delivery Date").

SAMCO CAPITAL MARKETS

*Preliminary, subject to change.



Sources and Uses of Funds

Combination Tax and Revenue Certificates of Obligation, Series 2024

Sources and Uses of Funds - Series 2024	
Sources	
Principal	\$ 13,040,000.00
Net Premium	1,178,170.90
Total Sources	\$ 14,218,170.90
Uses	
Project Fund Deposit	\$ 14,000,000.00
Underwriters' Discount	87,190.07
Costs of Issuance & excess proceeds	130,980.83
Total Uses	\$ 14,218,170.90



Total City of Port Lavaca Debt Service

Combination Tax and Revenue Certificates of Obligation, Series 2024

Fiscal Year Ending	Existing Debt Service	Series 2024 COs		Total Debt Service	Total Debt Service
		Principal	Interest		
09/30/2024	\$ 968,468				\$ 968,468
09/30/2025	807,110	\$ 165,000	\$ 856,168	\$ 1,021,168	1,828,278
09/30/2026	806,013	420,000	604,400	1,024,400	1,830,413
09/30/2027	808,396	440,000	582,900	1,022,900	1,831,296
09/30/2028	804,706	460,000	560,400	1,020,400	1,825,106
09/30/2029	677,894	485,000	536,775	1,021,775	1,699,669
09/30/2030	677,950	510,000	511,900	1,021,900	1,699,850
09/30/2031	677,044	535,000	485,775	1,020,775	1,697,819
09/30/2032	675,625	565,000	458,275	1,023,275	1,698,900
09/30/2033	678,588	595,000	429,275	1,024,275	1,702,863
09/30/2034	675,463	625,000	398,775	1,023,775	1,699,238
09/30/2035	548,525	655,000	366,775	1,021,775	1,570,300
09/30/2036	545,000	690,000	333,150	1,023,150	1,568,150
09/30/2037	547,800	725,000	297,775	1,022,775	1,570,575
09/30/2038	544,900	760,000	260,650	1,020,650	1,565,550
09/30/2039	546,300	800,000	221,650	1,021,650	1,567,950
09/30/2040	546,900	840,000	180,650	1,020,650	1,567,550
09/30/2041	546,700	885,000	137,525	1,022,525	1,569,225
09/30/2042	545,700	925,000	96,900	1,021,900	1,567,600
09/30/2043	-	960,000	59,200	1,019,200	1,019,200
09/30/2044	-	1,000,000	20,000	1,020,000	1,020,000
Total	\$ 12,629,080	\$ 13,040,000	\$ 7,398,918	\$ 20,438,918	\$ 33,067,998