

## **NOTICE FOR HIRING BOND COUNSEL**

The City of Troup ("City") will be considering the approval of a contract for legal services ("Legal Services Contract") at the regular meeting of the City Council of the City to be held on April 20, 2020 at 6:30 p.m. via teleconference. The approval of the Legal Services Contract will be considered in connection with the City's proposed issuance of combination tax and surplus water and sewer system revenue certificates of obligation in an amount not to exceed \$840,000 (the "Obligations"). The City intends to select the law firm of Bickerstaff Heath Delgado Acosta LLP ("BHDA") to provide legal services in connection with the issuance of these Obligations (the "Issuance") in the capacity of the City's bond counsel, as well as for future obligations.

BHDA has demonstrated that it has the competence, qualifications, and experience required to serve as bond counsel in connection with the Issuance. BHDA has successfully represented Texas local governments as bond counsel in connection with the issuance of debt such as the Obligations for over 30 years. BHDA has served as bond counsel to the City since 2008.

Attorneys that represent local governments in transactions such as the Issuance typically are recognized for their work in the specialized area of public finance. The successful completion of the Issuance requires the preparation of numerous transactional documents, the compilation of those documents into a transcript, and obtaining the approval of the Attorney General of the State of Texas for the sale of these and other Obligations, as well as other procedural steps. The City does not have any attorneys on staff that have the specialized experience required for a successful sale of the Obligations.

Each sale of local governmental obligations presents a unique set of legal issues and bond counsel traditionally bills for services on a contingent fee basis. Because bond counsel services are based on a fixed contingency rate, the City can know with certainty the precise amount of the fees before the sale of the Obligations, can more readily ascertain its expenses in connection with the Issuance, and therefore, can more easily budget and plan for the use of the proceeds.

For the preceding reasons, entering into a contingent fee contract for bond counsel services is in the best interests of the residents of the City.