

NOTICE FOR HIRING BOND COUNSEL

The Village of Salado ("Village") will be considering the approval of a contingent fee contract for legal services ("Legal Services Contract") at the regular meeting of the Board of Aldermen of the Village to be held on October 19, 2023 at 6:30 p.m. at Salado Municipal Building, 301 N. Stagecoach Salado, Texas. The Legal Services Contract will be considered in connection with the Village's potential issuance of Public Improvement District bonds and any other issuances of public securities by the Village during the term of the Legal Services Contract.

BHDA has demonstrated that it has the competence, qualifications, and experience required to serve as the Village's bond counsel in connection with the Village's issuance of bonds. BHDA has successfully represented Texas local governments as bond counsel in connection with the issuance of public securities for over 30 years.

Attorneys that represent local governments in public finance transactions typically are bond counsel recognized for their work in the specialized area of public finance. The Village's successful sale and issuance of public securities will require 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 any public securities, as well as other procedural steps. The Village does not have any attorneys on staff that have the specialized experience required for a successful sale of the bonds or other public securities that the Village may issue.

Each sale of public securities by a local government 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 Village can know with certainty the precise amount of the fees before the sale of the public securities, 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 with BHDA is in the best interest of the residents of the Village.