

RIVER PLANTATION MUNICIPAL UTILITY DISTRICT

Order Calling Bond Election

The Board of Directors of River Plantation Municipal Utility District (the “District”) met in special session on August 10, 2021, with a quorum of directors present, as follows:

- Julie Gilmer, President
- Timothy Goodman, Vice President
- Thomas Vandever, Treasurer

and the following was absent:

- Gerard W. Smith, Secretary
- Mark A. Robin, Director

when the following business was transacted:

The order set out below was introduced for consideration of the board. It was duly moved and seconded that said order be adopted; and, after due discussion, said motion was carried by the following vote:

- Ayes: All Directors present
- Noes: None

The order thus adopted is as follows:

Whereas, River Plantation Municipal Utility District has been legally created; the directors of the District have qualified as required by law, met and organized; said board of directors has adopted plans for the purchase and construction of plants and improvements to carry out the purpose of its organization; the District’s engineer has submitted to the board of directors a complete engineer’s report covering the land, improvements, facilities, plants, equipment, and appliances to be purchased or constructed and their estimated cost, together with maps, plats, profiles and data fully showing and explaining same, which report and accompanying items have been approved by the board, filed in the meeting place and office of the District, and open to inspection by the public; and said plants and improvements are designed to furnish a water and sanitary sewer system for service within the District and any land which may hereafter be annexed into the District and a drainage system for the drainage of lands within the District and any land which may hereafter be annexed into the District.

Whereas, a bond election is a special election as defined by Texas Election Code Section 1.005(18); and

Whereas, it is required by statute that a special election be held on a uniform election date; and

Whereas, the District’s engineer and the District’s board of directors make the following estimate of probable costs:

Estimated construction costs:

Water, sewer and drainage improvements

Construction costs:	
Water supply, storage and distribution system, wastewater collection and treatment system, stormwater drainage and detention system, construction contingencies, investigation, plans, design, and engineering	\$12,922,500

Incidentals:	
Administrative expenses of issuing and selling bonds, including financial advisory and legal fees, interest on bonds during estimated construction period, discount on bonds, and operating costs during construction	\$2,077,500
Water, Sewer and Drainage Total:	<u>\$15,000,000</u>

Whereas, the board of directors made no change or modification in the work proposed by or the plans and report of the engineer; all requirements have been met prerequisite to the ordering of a bond election; and the board is of the opinion that the election should be held for the purpose of submitting the propositions set out hereinafter.

Whereas, the board of directors of the District has determined that it is in the public interest to conduct the election on a uniform election date.

Whereas, the Board of Directors of the District intends to contract with Montgomery County to conduct the November Election; and

It is therefore ordered by the board of directors of the District, as follows:

Section 1. The matters and facts set out in the preamble of this order are hereby found and declared to be true, correct and complete.

Section 2. The Board ratifies its prior approval of and adopts in all respects said engineer’s report, including the estimates therein and the data and items submitted and filed therewith, and reference is here made to same for the full contents thereof.

Section 3. A bond election shall be held within legal hours on November 2, 2021 (“November Election”). The District shall enter into a Joint Election Agreement and an Election Services Agreement with Montgomery County, Texas (collectively, the “Agreement”) for the purpose of having the County provide certain election services and equipment needed by the District in conjunction with the November Election. The County shall be responsible for furnishing services and equipment and performing duties as described in the Agreement. The District hereby adopts the Montgomery County voting precincts, and hereby adopts the Montgomery County early voting and election day polling places and hours of election, as set out in the Agreement, for purposes of said election. Voting shall be held at the applicable Montgomery County polling places, whether such polling locations are within or outside the District’s boundaries. Early voting for said election shall be held at the Montgomery County early voting locations described in the Agreement.

Section 4. At the election, the following propositions shall be submitted to the duly qualified resident electors of the District for their action thereon:

PROPOSITION A

Shall the board of directors of River Plantation Municipal Utility District be authorized to issue bonds of said District in one or more issues or series in the maximum aggregate original principal amount of Fifteen Million (\$15,000,000) Dollars, maturing serially or otherwise over a period or periods not to exceed forty (40) years from their date or dates, and to be issued and sold at any price or prices and to bear interest at any rate or rates as shall be determined within the discretion of the board of directors of the District and as authorized by the laws of the State of Texas at the time of such issuance, for the benefit of the District and any land which may be hereafter annexed into the District, for the purposes of purchasing, constructing, acquiring, owning, operating, maintaining, repairing, improving and extending a water and sanitary sewer system, a surface water system, and sewage disposal facilities for the District and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional water authority or similar entity for charges or contributions lawfully levied on the District, and

to provide for the payment of principal of and interest on such bonds by the levy and collection of a sufficient ad valorem tax upon all taxable property within the District, all as authorized by the Constitution and laws of the State of Texas?

Section 5. The election will be conducted in compliance with the provisions of the Texas Election Code and the provisions of the federal Help America Vote Act (HAVA), and each polling place will have at least one voting system accessible to individuals with disabilities.

Section 6. As provided by law for the issuance of bonds payable wholly or in part by ad valorem taxes, an election shall be held and notice shall be given as provided by law.

Section 7. Paper and/or electronic ballots shall be used in the election. Ballots, voting instructions and the proposition shall be made available in English, and in the Spanish language for those requesting same. The ballots for said election shall conform to the requirements of the Texas Water Code and the Texas Election Code, as amended, so far as applicable, and shall have printed thereon, in the English and Spanish languages, the following:

OFFICIAL BALLOT

Instruction Note: Place an "X" in the square beside the statement indicating the way you wish to vote

PROPOSITION A

- FOR – THE ISSUANCE OF BONDS IN THE MAXIMUM AMOUNT OF FIFTEEN MILLION (\$15,000,000) DOLLARS FOR WATER, SEWER AND DRAINAGE SYSTEM IMPROVEMENTS AND THE LEVY OF AD VALOREM TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS
- AGAINST -

Section 8. Only duly qualified residents of the District shall be entitled to vote at the election.

Section 9. The District’s attorneys shall be and they are hereby authorized and directed to assist the secretary of the Board in preparing the official ballot, translation of the ballot in the Spanish language, and providing to the County such other information and documents as may be required in the Agreement pertaining to the conduct of the election and post-election day procedures.

Section 10. Early voting and ballots shall conform to the requirements of the said Texas Water Code and Election Code, as amended, so far as applicable. Early voting shall be conducted at locations designated by Montgomery County, which, for purposes of this election are each declared to be a public place for the District. Early voting by personal appearance shall be conducted each day at the early voting polling places during the hours of early voting designated by Montgomery County. Applications for ballots by mail shall be sent by: regular mail to Early Voting Clerk, Suzie Harvey, Elections Administrator, P. O. Box 2646, Conroe, Texas 77305-2646; common or contract carrier to Suzie Harvey, Elections Administrator, 9159 Airport Road, Conroe, Texas 77303; FAX to (936)788-8340; or email to election.ballot@mctx.org. Applications for ballots by mail must be received no later than the close of business on Friday, October 22, 2021. To be effective, an application for ballot by mail submitted by FAX or EMAIL must also be submitted by mail and be received by the Early Voting Clerk not later than the fourth business day after the transmission by fax or email is received.

Section 11. In accordance with the provisions of Section 3.009(b) of the Texas Election Code, it is hereby found and determined that:

- (a) The proposition language that will appear on the ballot is set forth in Section 7 hereof.
- (b) The purposes for which the bonds are to be authorized are set forth in Section 4 hereof.

(c) The principal amount of the bonds to be authorized is set forth in Sections 4 and 7 hereof.

(d) As set forth in Sections 4 and 7 hereof, if the bonds are approved by the voters, the Board of Directors will be authorized to levy annual ad valorem taxes on all taxable property in the District, within the limits prescribed by law, sufficient to pay the annual principal of and interest on the bonds.

(e) Based on the bond market conditions at the date of adoption of this Order, the bonds are to be sold at any price or prices and to bear interest at a rate currently estimated to be 5.0%. This estimate is for informational purposes only and should in no way be perceived as forming an agreement or binding contract between the District and the voters and/or any other entity, group, individual and/or party. Furthermore, the good faith interest rate estimate provided herein in no way limits the District's authority to issue bonds authorized pursuant to the authority granted by the voters at the election held pursuant to this Order.

(f) As set forth in Section 4 hereof, if the bonds are approved, they may be issued in one or more series, to mature serially or otherwise, over a period not to exceed 40 years.

(g) As of the date of this Order, the aggregate principal amount of the outstanding principal of the District's debt obligations which are secured by ad valorem taxes is \$0.00.

(h) As of the date of this Order, the aggregate amount of the outstanding interest of the District's debt obligations which are secured by ad valorem taxes is \$0.00.

(i) The District's ad valorem debt service tax rate for 2020 as of the date of this Order is \$0.00 per \$100 of taxable assessed valuation. The 2021 debt service tax rate has not been established as of the date of this Order.

Section 12. In accordance with the provisions of Section 1251.052 of the Texas Government Code, the voter information document for Proposition A set forth in Sections 4 and 7 hereof is set forth in Exhibit "A" attached hereto.

The President is authorized to execute and the Secretary or Vice President to attest this order on behalf of the board; and any of said officers is authorized to do all things necessary and legal in connection with the holding and consummation of said bond election.

Passed, ordered and adopted, this August 10, 2021.

ATTEST:

JULIE GILMER
President

TIMOTHY GOODMAN
Secretary

EXHIBIT "A"
VOTER INFORMATION DOCUMENT
RIVER PLANTATION MUNICIPAL UTILITY DISTRICT
NOVEMBER 2, 2021 BOND ELECTION

PROPOSITION A

(1) Language on the November 2, 2021 Bond Election ballot:

OFFICIAL BALLOT

Instruction Note: Place an "X" in the square beside the statement indicating the way you wish to vote

PROPOSITION A

<input type="checkbox"/> FOR – <input type="checkbox"/> AGAINST -	THE ISSUANCE OF BONDS IN THE MAXIMUM AMOUNT OF FIFTEEN MILLION (\$15,000,000) DOLLARS FOR WATER, SEWER AND DRAINAGE SYSTEM IMPROVEMENTS AND THE LEVY OF AD VALOREM TAXES SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS
--	--

(2)

Principal of bonds to be authorized	Estimated interest for bonds to be authorized	Estimated combined principal and interest required to pay in full the bonds to be authorized:	Outstanding District bond principal as of August 10, 2021	Outstanding District bond interest as of August 10, 2021	Combined principal and interest of outstanding District bonds as of August 10, 2021
\$15,000,000	\$16,438,583	\$31,438,583	\$0.00	\$0.00	\$0.00

(3) Estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead with \$100,000 appraised value in the District for repayment of bonds proposed to be authorized at this election: \$448.00.

The information in Paragraph (3) is based upon the following assumptions made by the Board of Directors: 1) amortization of the District’s outstanding bonds and proposed bonds over a period of 30 years; 2) assumed growth in assessed valuation of the District of 3.5% per year until 2028; and 3) an assumed interest rate on the proposed bonds of 5.0%.

(4) Additional information explaining information in (1) – (3) above: none