

NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF ATASCOSA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2, AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that an election will be held on the 7th day of November, 2023, between the hours of 7:00 a.m. and 7:00 p.m., at the locations listed in Exhibit B, for the purpose of voting upon the following propositions:

PROPOSITION A

SHALL THE CREATION OF ATASCOSA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2 BE CONFIRMED?

PROPOSITION B

SHALL THE BOARD OF DIRECTORS OF ATASCOSA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2 BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AMOUNT OF \$569,970,639 MATURING SERIALLY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING THE MAXIMUM NUMBER OF YEARS AUTHORIZED BY LAW FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES, AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE, AS DEFINED BY CHAPTER 1204, TEXAS GOVERNMENT CODE, AS AMENDED, ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH SUCH ISSUE OR SERIES, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, LEASING, OR OPERATING A WATERWORKS SYSTEM, A SURFACE WATER SYSTEM, A SANITARY SEWER SYSTEM, AND A DRAINAGE AND STORM SEWER SYSTEM FOR SAID DISTRICT AND ADDITIONS, EXTENSIONS, AND IMPROVEMENTS THERETO AND PURCHASING OR OTHERWISE ACQUIRING ANY AND ALL PROPERTY, CONTRACT RIGHTS, RIGHTS OF USE, AND INTERESTS IN PROPERTY NECESSARY, APPROPRIATE, OR INCIDENT TO THE PURCHASE, CONSTRUCTION, ACQUISITION, OWNERSHIP, LEASING, OR OPERATION OF SUCH WATERWORKS SYSTEM, SURFACE WATER SYSTEM, SANITARY SEWER SYSTEM, AND DRAINAGE AND STORM SEWER SYSTEM, AND ADDITIONS, EXTENSIONS, AND IMPROVEMENTS THERETO, AND FOR THE ADDITIONAL PURPOSE OF PAYING ALL EXPENSES IN ANY MANNER INCIDENTAL THERETO AND SUCH EXPENSES AS ARE INCIDENTAL TO THE ORGANIZATION, ADMINISTRATION, AND FINANCING OF THE DISTRICT WHICH UNDER APPLICABLE LAW MAY PROPERLY BE PAID FROM THE PROCEEDS OF SUCH BONDS AND IN AN AMOUNT NOT IN EXCESS OF \$854,955,958.50 FOR THE PURPOSE OF REFUNDING ANY BONDS OR OTHER EVIDENCES OF INDEBTEDNESS ISSUED BY THE DISTRICT FOR ANY OF THE FORGOING PURPOSES, AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX UPON ALL TAXABLE PROPERTY WITHIN SAID DISTRICT ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY (BUT NOT BY WAY OF LIMITATION) CHAPTERS 49, AND 54, TEXAS WATER CODE, TO THE EXTENT APPLICABLE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO?

PROPOSITION C

SHALL THE BOARD OF DIRECTORS OF ATASCOSA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2 BE AUTHORIZED TO ISSUE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AMOUNT OF \$245,630,261 MATURING SERIALY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING THE MAXIMUM NUMBER OF YEARS AUTHORIZED BY LAW FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES, AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE, AS DEFINED BY CHAPTER 1204, TEXAS GOVERNMENT CODE, AS AMENDED, ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH SUCH ISSUE OR SERIES, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, OPERATING, OR MAINTAINING PAVED ROADS AND TURNPIKES FOR SAID DISTRICT AND ADDITIONS, EXTENSIONS, AND IMPROVEMENTS THERETO AND PURCHASING OR OTHERWISE ACQUIRING ANY AND ALL PROPERTY, CONTRACT RIGHTS, RIGHTS OF USE, AND INTERESTS IN PROPERTY NECESSARY, APPROPRIATE, OR INCIDENT TO THE PURCHASE, CONSTRUCTION, ACQUISITION, OWNERSHIP, OPERATION, OR MAINTENANCE OF SUCH PAVED ROADS AND TURNPIKES AND ADDITIONS, EXTENSIONS, AND IMPROVEMENTS THERETO, AND FOR THE ADDITIONAL PURPOSE OF PAYING ALL EXPENSES IN ANY MANNER INCIDENTAL THERETO WHICH UNDER APPLICABLE LAW MAY PROPERLY BE PAID FROM THE PROCEEDS OF SUCH BONDS AND IN AN AMOUNT NOT IN EXCESS OF \$368,445,391.50 FOR THE PURPOSE OF REFUNDING ANY BONDS OR OTHER EVIDENCES OF INDEBTEDNESS ISSUED BY THE DISTRICT FOR ANY OF THE FORGOING PURPOSES, AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX UPON ALL TAXABLE PROPERTY WITHIN SAID DISTRICT, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY (BUT NOT BY WAY OF LIMITATION) ARTICLE III, SECTION 52(b)(3) OF THE TEXAS CONSTITUTION, AND CHAPTERS 49, AND 54, TEXAS WATER CODE, TO THE EXTENT APPLICABLE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO?

PROPOSITION D

SHALL THE BOARD OF DIRECTORS ATASCOSA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2 BE AUTHORIZED TO ASSESS, LEVY AND COLLECT AN ANNUAL OPERATION AND MAINTENANCE TAX NOT TO EXCEED ONE AND 00/100 DOLLARS (\$1.00) PER ONE HUNDRED DOLLARS (\$100) VALUATION OF TAXABLE PROPERTY WITHIN SAID DISTRICT IN AMOUNTS SUFFICIENT TO SECURE FUNDS FOR OPERATION AND MAINTENANCE PURPOSES, INCLUDING BUT NOT LIMITED TO FUNDS FOR PLANNING, CONSTRUCTING, ACQUIRING, MAINTAINING, REPAIRING AND OPERATING ALL NECESSARY LAND, PLANTS, WORKS, FACILITIES, IMPROVEMENTS, APPLIANCES AND EQUIPMENT OF SUCH DISTRICT AND FOR PAYING COSTS OF PROPER SERVICES, ENGINEERING AND LEGAL FEES, AND ORGANIZATION AND ADMINISTRATIVE EXPENSES, IN ACCORDANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY (BUT NOT BY WAY OF LIMITATION) SECTION 49.107 OF THE TEXAS WATER CODE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO?

DIRECTORS

Each voter shall vote on the proposition by placing an “X” in the square beside the statement indicating the way s/he wishes to vote. There shall also be placed on the ballots used in the election the names of the temporary directors, as follows:

- G. BAILEY WOODS, JR.
- FOARD HOUSTON
- SLOAN THOMAS
- ANDREW B. PRICE
- _____
- _____
- _____
- _____
- _____

The voter may vote for any four (4) persons for director by placing an “X” in the square beside the person’s name or by writing the name or names of a person or persons in the blank space provided.

The election is being held pursuant to an order adopted by the Board of Directors of the District on August 7, 2023, a copy of which is available in the office of the District at 1980 Post Oak Boulevard, Suite 1380, Houston, Texas. The Atascosa County Election Administrator shall appoint the presiding judge and clerks. The early voting ballot board shall be appointed by the Atascosa County Election Administrator.

Early voting in the election by personal appearance shall occur as provided by the County pursuant to the Contract. The clerk for early voting shall be the Administrator, and the place at which such early voting shall be conducted is to be determined by the County pursuant to the Contract. The early voting clerk’s address at which the early voting clerk may receive applications for ballot by mail is:

- (a) by USPS:
Attn: Janice Ruple – Elections Administrator
914 Main Street
Suite 115
Jourdanton, Texas 78026

- (b) by common or contract carrier or in person:
Attn: Janice Ruple – Elections Administrator
914 Main Street
Suite 115
Jourdanton, Texas 78026

An application for ballot by mail may be submitted to the early voting clerk via email or fax. The early voting clerk’s email at which the early voting clerk may receive applications for ballot by mail is elections@co.atascosa.tx.us. The early voting clerk’s fax number at which the early voting clerk may receive applications for ballot by mail is (830)769-1215. 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.

The Administrator is hereby appointed as the agent for the Secretary of the Board of the District for the purpose of being custodian of the election records. The agent shall maintain election records in accordance with the Texas Election Code.

Early voting by personal appearance shall occur on each day beginning Monday, October 23, 2023, through Friday, November 3, 2023, that is not an official State holiday. The early voting schedule shall be between the hours and at the locations listed in Exhibit A.

Oral assistance in Spanish is available by contacting the Atascosa County Election Administrator.

BY ORDER OF THE BOARD OF DIRECTORS
ATASCOSA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2