

CERTIFICATE FOR ORDER

THE STATE OF TEXAS §
COUNTY OF HARDIN §
LUMBERTON MUNICIPAL UTILITY DISTRICT §

We, the undersigned officers of the Board of Directors (the "Board") of Lumberton Municipal Utility District (the "District"), hereby certify as follows:

1. The Board convened in regular session, open to the public, on the 19th day of August, 2024, at a designated location inside the boundaries of the District, and the roll was called of the members of the Board to-wit:

Nick Carter President
Roger Smith Vice President
David Pitchford Secretary
James Burk Assistant Secretary
David L. Desormeaux Assistant Secretary

All members of the Board were present except: _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting:

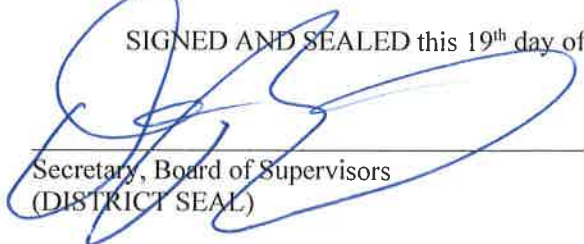
ORDER CALLING ROAD BOND ELECTION FOR DEFINED AREA

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and, after due discussion, such motion, carrying with it the adoption of said Order, prevailed and carried by the following vote:

AYES: All Present NOES: None

2. A true, full, and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in said Board's minutes of such meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Order would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by V.T.C.A. Government Code, Chapter 551, as amended.

SIGNED AND SEALED this 19th day of August, 2024.


Secretary, Board of Supervisors
(DISTRICT SEAL)


President, Board of Supervisors

ORDER CALLING ROAD BOND ELECTION FOR DEFINED AREA

THE STATE OF TEXAS §

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LUMBERTON MUNICIPAL UTILITY DISTRICT §

WHEREAS, Lumberton Municipal Utility District (the “District”) was created and organized under the terms and provisions of Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54 of the Texas Water Code, together with all amendments and additions thereto. The District has the authority to levy ad valorem taxes pursuant to the terms and provisions of Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54 of the Texas Water Code; and

WHEREAS, on July 15, 2019 the District adopted an order, subject to electoral confirmation, under the terms and provisions of Subchapter J of Chapter 54 of the Texas Water Code, designating a defined area, encompassing approximately 3,200 acres of developable land within the District (the “Defined Area”); and

WHEREAS on November 5, 2019, qualified resident electors of the Defined Area voted to designate a defined area Pursuant to Chapter 54 of the Texas Water Code and authorized the issuance of bonds in the amount of \$453,320,000, to develop and finance water, sewer, and drainage facilities to serve the Defined Area, payable from a sufficient ad valorem tax upon property located within the Defined Area; and

WHEREAS, pursuant to Article III, Section 52, Texas Constitution, and by Order of the Texas Commission on the Environment, anticipated to be issued prior to October 18, 2024, the District will be authorized to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads, serving the Defined Area (“Road Facilities”); and

WHEREAS, it is now timely to call an election to authorize the Board of Directors to issue bonds of the District to provide the Road Facilities for the District; and

WHEREAS, there has been filed with the District, open to inspection by the public, an engineering report for the Road Facilities from Elevation Land Solutions, LLC covering the works, improvements, facilities, equipment and appliances to be purchased, constructed or otherwise acquired to serve the Defined Area and the property, contract rights, rights of use and interests in property to be purchased or otherwise acquired, as well as the estimated cost of all the foregoing, together with maps, plats, profiles and data showing and explaining the report (the “Engineering Report”), and the Engineering Report has been carefully considered by the Board and has been fully approved by the Board; and

WHEREAS, the Engineering Report heretofore filed and approved contains an estimate of the cost of the purchase, construction or other acquisition of the proposed works, improvements, facilities, equipment and appliances, an estimate of the cost of purchase or other acquisition of

property, contract rights, rights of use and interests in property, and an estimate of expenses incident thereto; and

WHEREAS, the Board finds that the estimates of (i) \$472,000,000 in bonds for road purposes, and (ii) \$472,000,000 in bonds for road refunding purposes are reasonable and proper and hereby approve the same and all items thereof; but reserves the right to authorize amendment to the engineering report and to reallocate costs and make such other changes as necessary to meet the changing requirements of the Road Facilities; and

WHEREAS, all of the bonds which may be issued from each proposition will be secured by the levy of an ad valorem tax on property in the Defined Area, unlimited as to rate or amount, sufficient to pay the principal of and interest on such bonds; and

WHEREAS, under current law and the bond propositions the maximum rate of interest any issue of the proposed bonds may bear is fifteen per cent (15%) per annum; and

WHEREAS, under current law and the bond propositions the maximum term of any series of bonds shall not exceed forty (40) years; and

WHEREAS, under current law the District cannot issue general obligation bonds with a weighted average maturity of the issue of bonds exceeding 120 percent of the reasonable expected weighted average economic life of the improvements with the issue of such bonds; and

WHEREAS, as of the date of this order the District wide aggregate bonded debt outstanding is \$73,775,000 and the aggregate outstanding amount of interest on District wide debt obligations is \$38,143,867; and

WHEREAS, at the commencement of the District's current fiscal year, the District has not authorized the sale of bonds to develop and finance water, sewer, and drainage facilities to serve the Defined Area, therefore the District's aggregate bonded debt outstanding serving the Defined Area is \$-0- and the aggregate outstanding amount of interest on debt obligations of the District secured solely by an ad valorem tax levied within the Defined Area is \$-0-.

WHEREAS the District's current District wide debt service tax rate is \$0.206 per \$100 in valuation; and

WHEREAS the District's current debt service tax rate levied within the Defined Area is \$0.000 per \$100 in valuation; and

WHEREAS, the Board of Directors is of the opinion that an election should be held on November 5, 2024 for the purposes of: (i) submitting a proposition on the issuance of the District's bonds in the maximum aggregate original principal amount of \$472,000,000 to develop roads serving the Defined Area; and (ii) submitting a proposition on the issuance of the District's bonds in the maximum aggregate original principal amount of \$472,000,000 for refunding bonds issued to develop roads serving the Defined Area, which bonds would be secured by an ad valorem tax levied solely within the Defined Area; and

WHEREAS, the Board of Directors wishes to proceed with the ordering of said election.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF LUMBERTON MUNICIPAL UTILITY DISTRICT THAT:

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

Section 2: The engineering report and estimate of costs hereinabove mentioned are hereby approved.

Section 3: An election shall be held on Tuesday, November 5, 2024, between the hours of 7:00 a.m. and 7:00 p.m. the polling locations listed in **Exhibit "B"**, a place within the District which the Board of Directors of the District, after duly considering the requirements of Section 43.004 of the Texas Election Code, finds to be proper for conducting said election, at which the following propositions shall be submitted:

PROPOSITION I

SHALL THE BOARD OF DIRECTORS OF LUMBERTON MUNICIPAL UTILITY DISTRICT BE AUTHORIZED TO ISSUE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM PRINCIPAL AMOUNT OF \$472,000,000 MATURING SERIALLY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OF DIRECTORS OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS 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 DESIGNING, PURCHASING, CONSTRUCTING, ACQUIRING, IMPROVING, FINANCING, OWNING, OPERATING OR MAINTAINING MACADAMIZED, GRAVELED, OR PAVED ROADS, OR IMPROVEMENTS, INCLUDING STORM DRAINAGE, IN AID OF THOSE ROADS, FOR SAID DEFINED AREA 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, IMPROVEMENT, OWNERSHIP, OPERATION OR MAINTENANCE OF SUCH MACADAMIZED, GRAVELED, OR PAVED ROADS, OR IMPROVEMENTS, INCLUDING STORM DRAINAGE, IN AID OF THOSE ROADS, FOR SAID DEFINED AREA AND ADDITIONS, AND ADDITIONS, EXTENSIONS AND IMPROVEMENTS THERETO, INCLUDING STORM DRAINAGE, IN AID

OF THOSE ROADS SERVING THE DEFINED AREA, AND FOR THE 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 TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY WITHIN SAID DEFINED AREA OF THE 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 OF THE TEXAS WATER CODE, TO THE EXTENT APPLICABLE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO?

PROPOSITION II

SHALL THE BOARD OF DIRECTORS OF LUMBERTON MUNICIPAL UTILITY DISTRICT BE AUTHORIZED TO ISSUE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM PRINCIPAL AMOUNT OF \$472,000,000 MATURING SERIALLY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OF DIRECTORS OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS 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 REFUNDING BY ANY MEANS NOW OR HEREAFTER AUTHORIZED BY LAW, ALL OR ANY PORTION OF SAID BONDS OR REFUNDING BONDS OF THE DISTRICT ISSUED FOR THE PURPOSE OR PURPOSES OF DESIGNING, PURCHASING, CONSTRUCTING, ACQUIRING, IMPROVING, FINANCING, OWNING, OPERATING OR MAINTAINING MACADAMIZED, GRAVELED, OR PAVED ROADS, OR IMPROVEMENTS, INCLUDING STORM DRAINAGE, IN AID OF THOSE ROADS, FOR SAID DEFINED AREA 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, IMPROVEMENT, OWNERSHIP, OPERATION OR MAINTENANCE OF SUCH MACADAMIZED, GRAVELED, OR PAVED ROADS, OR IMPROVEMENTS, INCLUDING STORM DRAINAGE, IN AID OF THOSE ROADS, FOR SAID DEFINED

AREA AND ADDITIONS, EXTENSIONS AND IMPROVEMENTS THERETO, AND FOR THE PURPOSE OF PAYING ALL EXPENSES IN ANY MANNER INCIDENTAL THERETO WHICH UNDER APPLICABLE LAW MAY PROPERLY BE PAID FROM THE PROCEEDS OF SUCH BONDS, WHETHER HERETOFORE, HEREUNDER OR HEREAFTER AUTHORIZED OR ISSUED BY THE DISTRICT, AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY WITHIN SAID DEFINED AREA OF THE 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 OF THE TEXAS CONSTITUTION, CHAPTER 1207 OF THE TEXAS GOVERNMENT CODE, AND CHAPTERS 49 AND 54 OF THE TEXAS WATER CODE, TO THE EXTENT APPLICABLE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO?

Section 4: Voting in said election shall be by the use of an electronic voting system or paper ballots which shall offer English and Spanish ballots and which shall conform to the requirements of the Texas Election Code. The following propositions shall be submitted to the resident electors of the District at the November 5, 2024 election:

OFFICIAL BALLOT

PROPOSITION I

FOR

THE ISSUANCE OF \$472,000,000 IN BONDS AND THE LEVY OF SUFFICIENT AD VALOREM TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT WITHIN THE DISTRICT'S DEFINED AREA, IN PAYMENT OF PRINCIPAL AND INTEREST ON SAID BONDS (MACADAMIZED, GRAVELED, OR PAVED ROADS, OR IMPROVEMENTS, INCLUDING STORM DRAINAGE, IN AID OF THOSE ROADS SERVING THE DEFINED AREA)

AGAINST

PROPOSITION II

FOR

THE ISSUANCE OF \$472,000,000 IN REFUNDING BONDS TO REFUND BONDS ISSUED FOR MACADAMIZED, GRAVELED, OR PAVED ROADS, OR IMPROVEMENTS, INCLUDING STORM DRAINAGE, IN AID OF THOSE ROADS SERVING THE DEFINED AREA, OR REFUNDING OF SUCH BONDS AND THE LEVY OF SUFFICIENT AD VALOREM TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT WITHIN THE DISTRICT'S DEFINED AREA, IN PAYMENT OF PRINCIPAL AND INTEREST ON SAID REFUNDING BONDS

AGAINST

Section 5: The boundaries of the District are hereby designated as the election precinct and shall constitute one election precinct and the following is hereby appointed an officer of said election:

Presiding Judge: _____

Alternate Presiding Judge: _____

The Presiding Judge may appoint two (2) clerks to assist in the conduct of the election and may appoint such additional clerks as he deems necessary for the proper conduct of the election, not to exceed the maximum number of three (3).

Early voting in the election by personal appearance shall occur on each weekday from October 21, 2024, through November 1, 2024, which is not an official state holiday. The clerk for early voting shall be Hardin County Clerk. Early voting by personal appearance shall be conducted at the polling times and places attached hereto as **Exhibit "A"**. The early voting clerk's official mailing address to which ballot applications and ballots to be voted by mail may be sent is P.O. Box 38, 300 W. Monroe, Kountze, Texas 77625. Additional contact information for the early voting clerk is (409) 246-5185, email at hardincountyclerk@co.hardin.tx.us or website address of www.co.hardin.tx.us/page/hardin.elections. Election Day voting held on November 5, 2024 from 7:00 a.m. to 7:00 p.m. will be conducted at the polling places as set forth in **Exhibit "B"**.

Section 6: The election shall be held and conducted and returns made to this Board of Directors in accordance with the Texas Election Code as modified by Chapter 49, Texas Water Code.

Section 7: The Board of Directors of the District hereby appoints Germer, PLLC., as the District agent for the election.

Section 8: All qualified resident electors of the District shall be entitled to vote in the election.

Section 9: The President and the Secretary of the Board or the District's agent is hereby directed to cause notice of this election to be posted within the District at least twenty-one (21) days before the date of the election, or the next business day after the twenty-first day if the twenty-first day is a Saturday, Sunday, or official State holiday and at such other places as notice of the meetings of the Board of Directors of the District are required to be posted.

Section 10: If applicable, the rate of pay for judges and clerks of the election shall be determined by the Board of Directors of the District, in compliance with the Texas Election Code.

Section 11: The President or Vice President and Secretary or Assistant Secretary are authorized and directed to take any action necessary to carry out the provisions of this order.

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PASSED AND APPROVED this 19th day of August, 2024.

ATTEST:



Secretary, Board of Directors



President, Board of Directors

EXHIBIT "A"
EARLY VOTING

- **The Hardin County Courthouse – 300 Monroe, Kountze, Texas 77625 in the County Courtroom (Main Early Voting Polling Place)**

Early voting shall be held at all of the above location at the following times:

October 21, 2024 - October 25, 2024 8am-5pm
Saturday, October, 26, 2024 7am-7pm
Sunday, October, 27, 2024 12pm-6pm
October 28, 2024 - November 1, 2024 7am-7pm

EXHIBIT "B"
ELECTION DAY VOTING

**Pct. 6 Crestwood Baptist Church - 1150 Hwy 69 S.
Kountze, Texas 77625**

**Pct. 17 Pine Ridge Baptist Church
13430 FM 421(Ariola Rd), Kountze, TX 77625**

**Pct. 19 Rose Hill Acres Town Hall/Lumberton Fire Station #2, 8890 Keith Road,
Lumberton, Texas 77657**