

RICELAND MANAGEMENT DISTRICT

Order Calling Bond Elections

The Board of Directors of Riceland Management District (the "District") met at its regular meeting place on July 11, 2023, with a quorum of directors present, as follows:

Jim Ferris, President
John Jennings, Vice President
Jared Fulleylove, Secretary
Edward Heap, Assistant Secretary

and the following was absent:

Jacob Grossman, 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 shown present.

Noes: None.

The order thus adopted is as follows:

WHEREAS, there has been filed in the office of the District, open to inspection by the public, a park plan and an engineer's report covering the works, land, improvements, facilities, plants, equipment and appliances to be purchased, constructed, acquired, owned, operated, repaired, or extended by the District, and the property, administrative facilities, contract rights, rights of use and interests in property, and regional, regulatory or joint use participation rights to be purchased or acquired, as well as the estimated probable costs of all of the foregoing, together with maps, plats, profiles and/or data showing and explaining the park plan and the report; and

WHEREAS, said land, improvements, facilities, plants, equipment and appliances to be purchased, constructed, acquired, owned, operated, repaired, or extended by the District, and the property, contract rights, rights of use and interests in property, and regional, regulatory or joint use participation rights to be purchased or acquired, are intended to provide a waterworks system,



a sanitary sewer system and a drainage and storm sewer system, recreational facilities, road facilities, public transit facilities, parking facilities, and pedestrian facilities (collectively, the “Improvements”) for the District; and

WHEREAS, such park plan and engineer’s report include estimates of the probable costs of the design, construction, purchase, and acquisition of the Improvements and additions thereto, and incidental expenses connected with the Improvements and the issuance of bonds by the District, as follows:

Estimated construction costs:

Recreational Facilities

ESTIMATE OF PROBABLE COSTS

I. Estimated Design, Construction, Purchase, and Acquisition Costs	
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Recreation Centers	\$24,000,000
Entries and Park Amenities	\$60,000,000
Landscaping	\$36,000,000
Walks and Trails	\$9,900,000
Contingencies	\$19,485,000
Escalation	\$22,408,000
Architectural Services	\$25,769,000
Inflation @ 40%	\$79,024,400
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Total Estimated Design, Construction, Purchase and Acquisition Costs	\$275,586,400
II. Estimated Incidental Expenses	
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Legal Fees	\$11,220,000
Fiscal Agent Fees	\$7,480,000
Developer Interest	\$27,658,640
Capitalized Interest	\$37,400,000
Bond Discount	\$11,220,000
Initial Organization and Operation	\$150,000
Issuance Costs	\$224,575
Creation Engineering Costs	\$38,090
Bond Application Report Costs	\$697,395
Creation Legal Costs	\$15,900
TCEQ Bond Issue Fee	\$935,000
Attorney General Review Fees	\$374,000
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Total Estimated Incidental Expenses	\$97,413,600
Total Estimated Bond Issue Requirement	\$374,000,000

Road facilities

ESTIMATE OF PROBABLE COSTS

I. Estimated Design, Construction, Purchase and Acquisition Costs	
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Paving – Riceland MUD 1	\$26,000,000
Paving – Riceland MUD 2	\$45,100,000
Paving – Riceland MUD 3	\$45,600,000
Clearing and Grubbing	\$6,600,000
Contingencies	\$18,495,000
Engineering	\$24,460,000
Escalation	\$21,269,000
Inflation @ 40%	\$75,009,800
Total Estimated Design, Construction, Purchase and Acquisition Costs	<hr/>
	\$262,533,800
II. Estimated Incidental Expenses	
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Legal Fees	\$10,350,000
Fiscal Agent Fees	\$6,900,000
Developer Interest	\$26,253,380
Capitalized Interest	\$26,253,380
Bond Discount	\$10,350,000
Initial Organization and Operation	\$250,000
Issuance Costs	\$301,940
Bond Application Report Engineering Fees	\$375,000
Creation Engineering Costs	\$100,000
Creation Legal Costs	\$125,000
TCEQ Bond Issue Fee	\$862,500
Attorney General Fees	\$345,000
Total Estimated Incidental Expenses	<hr/>
	\$82,466,200
Total Estimated Bond Issue Requirement	<hr/>
	\$345,000,000

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.

Therefore, be it 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. An election shall be held within legal hours on November 7, 2023. The District shall enter into an Agreement with Chambers County ("County"), Texas ("Agreement") for the purpose of having the County provide certain election services and equipment needed by the District in conjunction with the election on November 7, 2023. The County shall be responsible for furnishing services and equipment and performing duties as described in the Agreement. The District hereby adopts the County voting precincts, and hereby adopts the County early voting and election day polling places as set out in the Agreement, for purposes of said election. Voting shall be held at the applicable County polling places, whether or not such polling locations are within or outside the District's boundaries. Early voting for said election shall be held at the 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 Riceland Management District, be authorized to issue the bonds of said District in one or more issues or series in the maximum aggregate original principal amount of Three Hundred Seventy Four Million (\$374,000,000) dollars maturing serially or otherwise in such installments as are fixed by said board 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 on any issue or issues of said bonds shall not exceed the maximum legal limit in effect at the time of issuance of each issue of said bonds, all as may be determined by the Board of Directors of said District, for the purpose or purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving, or extending recreational facilities, including, but not limited to, all additions to such facilities and all land, improvements, facilities, equipment, appliances, interests in property and contract rights needed therefor, and administrative facilities needed in connection therewith, and to provide for the payment of the principal of and interest on such bonds by the levy and collection annually of taxes, without limit as to rate or amount, upon all taxable property within said district, all as now or hereafter authorized by the constitution and laws of the State of Texas?

PROPOSITION B

Shall the board of directors of Riceland Management District be authorized to issue the bonds of said district in one or more issues or series in the maximum aggregate original principal amount of Seven Hundred Nineteen Million (\$719,000,000) Dollars maturing serially or otherwise in such installments as are fixed by said board 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 on any issue or series of said bonds shall not exceed the maximum legal limit in effect at the time of issuance of each issue or series of said bonds, all as may be determined by the board of directors of said district, for the purpose of refunding by any means now or hereafter authorized by law, all or any portion of any bonds of the district issued for the purpose or purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving, or extending recreational facilities, and any refunding bonds related thereto, payable in whole or in part from taxes, whether hereunder, on even date herewith, or hereafter authorized or issued by the district, and to provide for the payment of the principal of and the interest on such refunding bonds by the levy and collection of taxes, without limit as to rate or amount, upon all taxable property within said district, all as now or hereafter authorized by the constitution and laws of the State of Texas?

PROPOSITION C

Shall the Board of Directors of Riceland Management District, be authorized to issue the bonds of said District in one or more issues or series in the maximum aggregate original principal amount of Three Hundred Forty Five Million (\$345,000,000) Dollars maturing serially or otherwise in such installments as are fixed by said board 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 on any issue or series of said bonds shall not exceed the maximum legal limit in effect at the time of issuance of each issue or series of said bonds, all as may be determined by the Board of Directors of said District, for the purpose or purposes of designing, acquiring, constructing, financing, improving, operating, and maintaining macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads, including, but not limited to, all additions to such facilities, and all land, improvements, facilities, equipment, appliances, interests in property and contract rights needed therefor, and administrative facilities needed in connection therewith, and to provide for the payment of the principal of and interest on said bonds by the levy and collection annually of taxes, without limit as to rate or amount, upon all taxable property within said district, all as now or hereafter 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, languages 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, 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 PRINCIPAL AMOUNT OF THREE HUNDRED SEVENTY FOUR MILLION (\$374,000,000) DOLLARS FOR RECREATIONAL FACILITIES AND THE LEVY OF AD VALOREM TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS

AGAINST -

PROPOSITION B

FOR -

THE ISSUANCE OF BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF SEVEN HUNDRED NINETEEN MILLION (\$719,000,000) DOLLARS FOR REFUNDING ANY BONDS OR REFUNDING BONDS AND THE LEVY OF AD VALOREM TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS

AGAINST -

PROPOSITION C

FOR

THE ISSUANCE OF BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF THREE HUNDRED FORTY FIVE MILLION (\$345,000,000) DOLLARS FOR ROADS AND THE LEVY OF AD VALOREM TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, 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, languages, 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 Chambers 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 Chambers County. Applications for ballots by mail shall be mailed to Heather H. Hawthorne, Early Voting Clerk, PO Box 728, Anahuac, TX 77514. Applications for ballots by mail must be received no later than the close of business on October 27, 2023.

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 amounts of the bonds to be authorized are 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%. 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 was \$0.00.

(i) The District's ad valorem debt service tax rate for 2022 as of the date of this Order is \$0.00 per \$100 of taxable assessed valuation. The 2023 debt service tax rate has not been established as of the date of this Order.

Section 12. Pursuant to Section 1251.052 of the Texas Government Code, the District is not a political subdivision with at least 250 voters, therefore a voter information document is not required.

The President or Vice President is authorized to execute and the Secretary or Assistant Secretary 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 July 11, 2023.

JIM FERRIS

President

ATTEST:

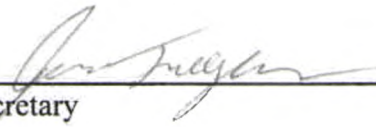
JARED FULLEYLOVE

Secretary

I, the undersigned secretary of the board of directors of Riceland Management District, hereby certify that the foregoing is a true and correct copy of the order made by said board at its regular meeting on July 11, 2023, together with minute entry of that date showing its adoption, calling an election to be held for said District on November 7, 2023. The originals of said order and minutes appear in the official minute book of the board, on file in an office and meeting place of the District.

I further certify that said meeting was open to the public, and that notice thereof was posted in compliance with the provisions of Tex. Gov't. Code Ann. § 551.001 et seq.

Witness my hand and the official seal of said District, on this July 11, 2023.


Secretary



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By: LM



Heather H. Hawthorne, County Clerk

Recorded: 