

STATE OF TEXAS
COUNTY OF FAYETTE

CERTIFICATE FOR ORDER

We, the undersigned officers of the Board of Directors of FAYETTE COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - MONUMENT HILL , hereby certify as follows:

1. The Board of Directors of FAYETTE COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - MONUMENT HILL convened in Regular session on the 11th day of August, 2016, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board, to wit:

Dixon McNair	President
Seth Gunn	Vice-President
Margaret Burton	Secretary
James Benes	Treasurer
Chester Johnson	Director

and all of said persons were present except _____, thus constituting a quorum. Whereupon among other business, the following was transacted at the meeting; a

ORDER CALLING A BOND ELECTION FOR
FAYETTE COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - MONUMENT HILL
AND MAKING PROVISIONS FOR CONDUCTING SUCH ELECTION AND OTHER PROVISIONS
INCIDENTAL AND RELATED THERETO

was introduced for the consideration of the Board. It was then duly moved and seconded that the ORDER be adopted; and, after due discussion, the motion, carrying with it the adoption of the ORDER, prevailed and carried unanimously.

2. That 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; and that the ORDER has been duly recorded in the Board's minutes of the meeting; that 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; that each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code and the Texas Water Code.

SIGNED AND SEALED the 11th day of August, 2016.



Margaret Burton
SECRETARY OF THE BOARD

Dixon McNair
PRESIDENT OF THE BOARD

ORDER CALLING A BOND ELECTION FOR
FAYETTE COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - MONUMENT HILL AND
MAKING PROVISIONS FOR CONDUCTING SUCH ELECTION AND OTHER PROVISIONS INCIDENTAL
AND RELATED THERETO

WHEREAS, FAYETTE COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - MONUMENT HILL (the "District") is a conservation and reclamation district created under and essential to accomplish the purposes of Section 59, Article XVI of the Texas Constitution and currently operates pursuant to Chapters 49 and 51, Texas Water Code, as amended; and

WHEREAS, Section 51.402 of the Texas Water Code authorizes a water control and improvement district operating under Article XVI, Section 59, of the Texas Constitution to incur debt evidenced by the issuance of bonds for any purpose authorized by Chapters 49 or 51 of the Texas Water Code, or other applicable laws, including debt necessary to provide improvements to achieve the purposes for which a district is created;

WHEREAS, Section 51.414(b) of the Texas Water Code provides that a water control and improvement district organized under the provisions of Article XVI, Section 59 of the Texas Constitution may issue bonds only with the approval of a majority of the electors of the district participating in the election;

WHEREAS, the Board of Directors of the District has determined that it is in the best interest of the District to call a bond election for financing water system improvements for and of benefit to the District and its residents;

WHEREAS, Section 51.410, Texas Water Code, provides that before an election is held to authorize the issuance of bonds, there shall be filed in the office of the District and open to inspection by the public an engineer's report covering the water system improvements to be constructed, together with maps, plats, profiles, and data showing and explaining the report;

WHEREAS, there has been filed in the office of the District, open to inspection by the public, an engineer's report covering the water system improvements to be constructed, together with maps, plats, profiles and data showing and explaining the report, and the reports have been carefully considered by the Board of Directors of the District and has been fully approved by the Board; however, the engineer's report is not part of the proposition to be voted on and is not a contract with the voters; and

WHEREAS, the engineer's report heretofore filed and approved contains an estimate of the costs of the proposed improvements and interests in property, and expenses incident thereto, as generally follows:

Drinking Water	
Water Well—16 X 10 Stainless with pump/motor	\$470,000
Piping, etc.	15,000
Electrical	10,000
Fencing	10,000
Chlorinator Modifications	5,000
Aerator Rework	15,000
New Aerator (2025)	75,000
Motor Soft Starts	15,000
Tank Mixers (2)	50,000
SCADA System – 6 locations	100,000
Generator	175,000
	<i>SUBTOTAL</i> \$940,000

Wastewater	
Sanitary Sewer Evaluation Study	\$ 30,000
Sanitary Sewer Repairs	\$150,000
	<i>SUBTOTAL</i> \$180,000

Surveying	\$ 5,000
Engineering	\$151,500
Additional PER and Environmental	\$ 35,000
Contingencies (10%)	\$124,650
	<i>SUBTOTAL</i> \$316,150

Non Construction Costs	
Bond Application Report	\$ 50,000
Bond Counsel (2.00%)	\$ 34,400
Financial Advisor (1.50%)	\$ 25,800
Discount (3.00%)	\$ 51,600
TCEQ Fee (0.25%)	\$ 4,300
Attorney General (0.10%)	\$ 1,720
Capitalized Interest (One Year)	\$ 55,872
Other Issuance Costs	\$ 60,158
	<i>SUBTOTAL</i> \$283,850

TOTAL BOND ISSUANCE \$1,720,000

WHEREAS, the above costs are estimates only and the actual improvements and the costs thereof may change, and the Board reserves the right to authorize amendments to the engineer's report and to reallocate costs and make such other changes as necessary to meet the requirements of the District;

WHEREAS, the Board finds that the amount of the above estimates is reasonable

and proper and will be sufficient for the costs of the improvements and approves the same; and

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

BE IT ORDERED BY THE BOARD OF DIRECTORS OF FAYETTE COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - MONUMENT HILL 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 estimates of costs hereinabove mentioned are hereby approved; provided, however, the District reserves the right to authorize amendments to the engineer's report and to reallocate costs and make such other changes as necessary to meet the changing requirements of the District.

Section 3. A special election shall be held on November 8, 2016, between the hours of 7:00 a.m. and 7:00 p.m. at the places listed on Exhibit "A", being the polling places established by Fayette County to serve the county's regular election precinct within the District. The polling locations designated on Exhibit "A" may be changed from time to time to reflect any changes to the County election precincts and polling locations established by the County. After duly considering the requirements of the Texas Election Code, the Board hereby finds said polling places to be proper places for conducting the election and that said locations can adequately and conveniently serve the affected voters of the District and will facilitate the orderly conduct of the election. The boundaries of the District are hereby established as and shall constitute one election precinct.

Section 4. The Fayette County Election Administrator is hereby appointed as the officer of said election. The Fayette County Election Administrator is conducting the election pursuant to an election agreement (the "Election Agreement") between the District and Fayette County as authorized under Section 31.092 of the Texas Election Code. The election shall be held as a joint election pursuant to Chapter 271 of the Texas Election Code and a joint election agreement to be entered into between the District and the other participating entities located in Fayette County, which are holding an election on November 8, 2016. Fayette County's election equipment shall be used in the election. The election judges and clerks shall be appointed in accordance with the Election Agreement and the Texas Election Code, as amended.

Section 5. The following proposition shall be submitted to the resident qualified electors of the District:

PROPOSITION I

SHALL THE BOARD OF DIRECTORS OF FAYETTE COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT - MONUMENT HILL BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM

AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF \$1,720,000 MATURING SERIALY 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 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, OR PAYING FOR INSIDE AND OUTSIDE THE DISTRICT'S BOUNDARIES, ANY WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT AND APPLIANCES, NEEDED TO PROVIDE A WATERWORKS AND SANITARY SEWER SYSTEM, INCLUDING, BUT NOT LIMITED TO, ALL ADDITIONS TO SUCH SYSTEM AND ALL WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, APPLIANCES, INTERESTS IN PROPERTY, AND CONTRACT RIGHTS, RIGHTS OF USE, AND INTERESTS IN PROPERTY NECESSARY, APPROPRIATE OR INCIDENT THERETO AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH, 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?

Section 6. Voting in the election shall be by use of electronic or paper ballots which shall show the propositions in both English and Spanish and which shall conform to the requirements of federal law, including the Help America Vote Act and the Texas Election Code, as amended. The ballots used in the election shall contain the following:

PROPOSITION

FOR THE ISSUANCE OF \$1,720,000 BONDS FOR WATERWORKS AND SANITARY SEWER SYSTEM CAPITAL IMPROVEMENTS AND THE LEVY OF TAXES IN PAYMENT OF THE BONDS

AGAINST

Each voter shall vote on the proposition by placing an "X" in the square beside the statement indicating the way he or she wishes to vote.

Section 7: Oral assistance in Spanish shall be made available to all persons requiring such assistance. Any person requiring oral assistance in Spanish should contact the presiding judge or the early voting clerk.

Section 8: The early voting ballot board presiding judge and alternate presiding judge shall be appointed in accordance with the Election Agreement and the Texas Election Code.

Section 9: Early voting in the election by personal appearance shall be conducted at the times, dates, polling places used for the Fayette County General Election which will be attached as Exhibit "B" to this Order and the exhibit is incorporated by reference for all purposes. The Fayette County Election Administrator is the Early Voting Clerk. The Early Voting Clerk's mailing address to which ballot applications and ballots to be voted by mail may be sent is: Mrs. Helen Kruppa, P.O. Box 605, La Grange, TX 78945.

Section 10: The Fayette County Clerk may use a central count station as provided by Section 127.000 et. seq., as amended, Texas Election Code. The central counting station presiding judge and the alternate presiding judge shall be appointed in accordance with the Election Agreement and the Texas Election Code.

Section 11: The election shall be held and conducted and returns shall be made to the Board in accordance with State and Federal law including the Help America Vote Act and the Texas Election Code as modified by Chapters 49 and 51, Texas Water Code, and the Election Agreement.

Section 12: All qualified resident electors of the District shall be entitled to vote in the elections.

Section 13: In accordance with Section 4.003(a)(2) of the Texas Election Code, a substantial copy of this Order, appearing in English and Spanish, shall serve as proper notice of said election, and the President of the Board or other representatives of the District shall cause the notice to be posted, not later than the 21st day before election day, at a public place in each election precinct that is in the jurisdiction of the District. In addition, pursuant to Section 4.003(f) of the Texas Election Code, a copy of this Order shall be posted: (i) on election day and during early voting by personal appearance, in a prominent location at each polling place; (ii) not later than the 21st day before the election, in three public places in the boundaries of the District; and (iii) during the 21 days before the election, on the District's internet website, prominently and together with the notice of the election and the contents of the proposition, if the District maintains an internet website.

Section 14: Immediately after the election, the officers holding same shall make and deliver returns of the results thereof to the Secretary of the Board, who shall safely keep them and deliver same to the Board, at which the Board shall canvass the returns and declare the results of the election pursuant to 49.101 of the Texas Water Code and Section 67.003, Texas Election Code, as amended.

Section 15: In accordance with the provisions of Sec. 3.009(b), Texas Election Code, the following information is provided:

A. The proposition language that will appear on the ballot is set forth in Section 5 of this Order.

B. The purposes for which the bonds are to be authorized are set forth in Sections 5 and 6 of this Order.

C. The principal amounts of the bonds to be authorized are set forth in Sections 5 and 6 of this Order.

D. As set forth in Sections 5 and 6 of this Order, if the bonds are approved by the voters, taxes sufficient to pay the annual principal of and interest on the bonds may be levied without limitation as to rate or amount.

E. The maximum estimated tax rate of the debt obligations or any series of debt obligations under the Proposition is \$0.093 per \$100 of assessed valuation in the District based on market conditions at the time of this election and as calculated in accordance with applicable law. Such estimate takes into account a number of factors including issuance schedule, maturity schedule and the estimated projected interest rate on the bonds. The estimated maximum tax rate is provided for informational purposes only in accordance with Section 3.009(b)(5) of the Texas Election Code and could be affected by material changes in the assumptions used, including future economic and legal changes that are beyond the control of the District. The estimated maximum tax rate provided herein is not a limitation on the tax rate which may be levied by the District for purposes of paying the annual principal of or interest on the bonds, or any series thereof. Such estimate does not create a contract with the voters and shall not in any way limit the District from setting a higher tax rate if necessary;

F. The maximum interest rate of the debt obligations or any series of debt obligations under the Proposition is 2.50% based upon the bond market conditions at the date of adoption of this Order and as calculated in accordance with applicable law. Such estimate takes into account a number of factors including issuance schedule, maturity schedule and the estimated projected tax rate. The estimated maximum interest rate is provided for informational purposes only in accordance with Section 3.009(b)(5) of the Texas Election Code and could be affected by material changes in the assumptions used, including future economic and legal changes that are beyond the control of the District. The estimated maximum interest rate provided herein is not a limitation on the interest rate at which the bonds, or any series thereof, may be submitted to the TWDB and/or TCEQ for purposes of approval of issuance of the bonds or the interest rate at which the bonds, or any series thereof, may be sold. Such estimate does not create a contract with the voters and shall not in any way limit the District from setting a higher tax rate if necessary;

G. If approved by the voters, the bonds may be issued in one or more series to mature serially over a period not to exceed forty (40) years;

H. The aggregate amount of the outstanding principal of the District's debt obligations as of the beginning of the District's fiscal year in which this election is ordered is \$0.0. The District has no outstanding debt;

I. The aggregate amount of the outstanding interest of the District's debt obligations as of the beginning of the District's fiscal year in which this election is ordered is \$0.0. The District has no outstanding debt; and

J. The ad valorem tax rate for the District at the time this election is ordered is \$0.125 per \$100 of assessed valuation in the District.

The information provided in this section if provided solely for the purpose of compliance with Sec. 3.009(b), Texas Election Code and is for illustration purposes only. The information is not part of the proposition to be voted on and does not create a contract with the voters.

Section 16: The President and Secretary are authorized and directed to take any action necessary to carry out the provisions of this order.

Section 17: It is hereby found that the meeting at which this Order has been considered and adopted is open to the public, as required by law, and that written notice of the time, place, and subject matter of said meeting, and to the proposed adoption of this Order, was given as required by 49.063, Texas Water Code, as amended. The Board further ratifies and confirms said written notice and the contents and posting thereof.

PASSED AND APPROVED the 11th day of August, 2016.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(SEAL)



Exhibit "A"
Voting Times and Polling Places

The polling places listed below will be open from 7 A.M. TO 7 P.M. on Tuesday, November 8, 2016 for voting on the bond election:

Location of Election Day Polling Place, Including Name of Building & Address	Precinct Number
St. Paul Lutheran Church – Educational Building 427 S. Washington La Grange, TX 78945	1W
Hostyn Catholic Church – Community Hall 914 FM 2436 La Grange, TX 78945	20

Exhibit "B"
Early Voting Times, Dates and Polling Places

Early voting by personal appearance will be conducted at the following places, dates and times:

Location	Date	Hours
Fayette County Courthouse, 151 N. Washington, Room 108, La Grange, Texas	Monday, October 24, 2016 thru Friday, October 28, 2016	8 a.m. to 5 p.m.
Fayette County Courthouse, 151 N. Washington, Room 108, La Grange, Texas	Saturday, October 29, 2016	9 a.m. to 3 p.m.
Fayette County Courthouse, 151 N. Washington, Room 108, La Grange, Texas	Sunday, October 30, 2016	12 Noon to 3 p.m.
Fayette County Courthouse, 151 N. Washington, Room 108, La Grange, Texas	Monday, October 31, 2016 thru Friday, November 4, 2016	7 a.m. to 7 p.m.