

CERTIFICATE FOR ORDER CALLING BOND ELECTION

THE STATE OF TEXAS §

COUNTY OF GALVESTON §

I, the undersigned Secretary of the Board of Directors of Galveston County Municipal Utility District No. 12 of Galveston County, Texas (the "District"), hereby certify as follows:

1. The Board of Directors of the District convened in regular session on the 19th day of January, 2026, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Eric Moeller	President
Robert Atkinson	Vice President
Javier J. Bernal	Secretary/Treasurer/Investment Officer
Brock Crenek	Assistant Secretary/Treasurer
Brian Sharpless	Director

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

ORDER CALLING BOND ELECTION

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 said Order, prevailed and carried by the following vote:

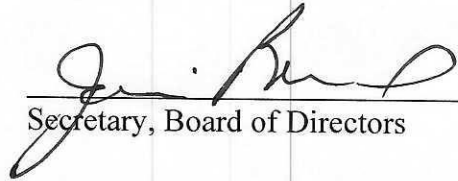
AYES: 5 NOES: 0

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 said Order has been duly recorded in said Board's minutes of said meeting; that the persons named in the above and foregoing paragraph were duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; that public notice of the time, place and subject of said meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, as amended; and that the undersigned are the duly chosen, qualified and acting officers of the current Board of Directors.

SIGNED AND SEALED the 19th day of January, 2026.

(SEAL)




Secretary, Board of Directors

ORDER CALLING BOND ELECTION

WHEREAS, Galveston County Municipal Utility District No. 12 (the "District"), was heretofore duly created by order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality ("Commission" or "TCEQ") dated September 1, 1981 and operates pursuant to the terms and conditions within Chapters 49 and 54, Texas Water Code, as amended

WHEREAS, at elections held on November 3, 1981, and August 12, 1985 the District was authorized to issue the bonds of the District in the maximum amount of \$4,270,000 for the purpose or purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving or extending a waterworks system, sanitary sewer system, and drainage and storm sewer system, including, but not limited to, all additions to such systems and all works, improvements, facilities, plants, equipment, appliances, interests in property, and contract rights needed therefore and administrative facilities needed in connection therewith; 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 and for the purpose of refunding such bonds. In addition, at an election held on May 5, 2018, the District was authorized to issue the bonds of the District in the maximum amount of \$4,400,000 for the purpose of wastewater and water plant system maintenance and improvements, specifically intended to address water and wastewater quality issues, and the \$4,400,000 in bonds authorized at the May 5, 2018 election were also authorized to be used for refunding purposes. Furthermore, at an election held on May 6, 2023, the District was authorized to issue the bonds of the District in the maximum amount of \$9,880,000 for the purpose of wastewater and water plant system maintenance and improvements, specifically intended to address water and wastewater quality issues, and the \$9,880,000 in bonds authorized at the May 6, 2023 election were also authorized to be used for refunding purposes

WHEREAS, the District has sold and delivered its Unlimited Tax Bonds, Series 1983 ("Series 1983 Bonds"); its Unlimited Tax Bonds, Series 1983A ("Series 1983A Bonds"); its Unlimited Tax Bonds, Series 1996 ("Series 1996 Bonds"); its Unlimited Tax Bonds, Series 1996A ("Series 1996A Bonds"); its Unlimited Tax and Refunding Bonds, Series 1998 ("Series 1998 Refunding Bonds"); its Unlimited Tax Bonds, Series 2014 ("Series 2014 Bonds"); its Unlimited Tax Bonds, Series 2019 ("Series 2019 Bonds") and its Unlimited Tax Bonds, Series 2024 ("Series 2024 Bonds") of which in aggregate \$3,970,000 in principal and \$1,795,000 in interest is currently outstanding;

WHEREAS, the District is authorized to collect a debt service tax upon all taxable property within the District, the current rate of said debt service tax is \$0.054419 per \$100 of assessed valuation and the estimated debt service tax rate if the additional bonds contemplated herein are authorized is \$0.054419 per \$100 of assessed valuation;

WHEREAS, the Board of Directors (the "Board") of the District has determined that it is necessary to authorize additional bonds so that the District can purchase, acquire and construct further works, improvements, facilities, equipment and appliances for the District's waterworks system, sanitary sewer system, and storm sewer system, and to make repairs, replacements, and additions to said systems;

WHEREAS, there has been filed in the office of the District, open to inspection by the public, an engineer's report covering the works, improvements, facilities, equipment and appliances

to be purchased, acquired and constructed by the District, as well as the estimated cost of all of the foregoing, together with the maps, plats, profiles and data showing and explaining the report;

WHEREAS, the engineer’s report contains an estimate of the cost of purchase, acquisition and construction of the proposed works, improvements, facilities, equipment, appliances and an estimate of the District’s cost of purchasing and acquiring the extension to the waterworks system, sanitary sewer system, and storm sewer system and an estimate of the expenses incident thereto, as generally follows:

BOND AUTHORIZATION PROJECTS

Construction Costs

Sanitary Sewer Facilities

Building Rehabilitation and Site Renovations	\$1,800,000
Refurbishment of Lift Stations and add generators	\$1,200,000
Blower replacement and upgrade plant generator	\$ 800,000

Potable Water Facilities

Complete plant relocation (second ground storage tank, move second hydro-pneumatic tank, electric, Chemical Feed, Generator	\$ 3,223,000
Concrete bulkheads at existing site and new site	\$ 480,000
Refurbish existing well	\$ 250,000
Completion of water meter replacement	\$ 1,125,500
Meter replacement to date	\$ 500,000

Contingencies, Engineering, Other \$ 3,516,750

Estimated Total Construction Costs \$12,894,750

Non-Construction Bond Costs \$ 2,100,00

TOTAL \$14,994,750

Round up to nearest \$10,000 for Actual Bond Sales

TOTAL BOND AUTHORIZATION REQUEST \$ 15,000,000

WHEREAS, the Board of Directors finds that the above estimate of \$15,000,000 is reasonable and proper and hereby approves the same and all items thereof;

WHEREAS, the Board desires to submit to the electors at an election to be held within the District on May 2, 2026, a proposition to authorize the issuance of unlimited tax bonds of the District in the maximum principal amount of \$15,000,000, for all of the above-described purposes

and to provide for the payment of principal and interest on such bonds by the levy and collection of a sufficient tax upon all taxable property within the District;

WHEREAS, in accordance with Section 41.001 of the Election Code, the Board has determined to hold the election on a uniform election date, being May 2, 2026;

WHEREAS, Galveston County (the "County") has called an election to be held on May 2, 2026;

WHEREAS, the District and the County have determined that it is in the best interests of the voters of both jurisdictions for the District and the County to participate in a joint election as authorized by Chapter 271 of the Texas Election Code; and

WHEREAS, the District and the County have agreed to enter into the Contract for Election Services between Galveston County and Galveston County Municipal Utility District No. 12 to be held May 2, 2026 (the "Agreement.")

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 GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12 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 engineer's report and estimates of costs described above are hereby approved.

Section 3: Pursuant to the requirements of the Texas Election Code as modified by Chapter 49 of the Texas Water Code, as amended, a joint election shall be held for the District between the hours of 7:00 a.m. and 7:00 p.m., on the 2nd day of May, 2026. The election shall be held at polling locations to be determined by the County per the attached Exhibit "A." The election shall be conducted utilizing county-wide polling places pursuant to Section 43.007(a)(5) of the Texas Election Code, as amended; said county-wide polling locations to be selected and noticed to the general public by the County. At said election there shall be submitted to the duly qualified resident electors of the District the following proposition:

PROPOSITION A

THIS IS A TAX INCREASE. SHALL THE BOARD OF DIRECTORS OF GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12 OF GALVESTON COUNTY, TEXAS, BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AMOUNT OF \$15,000,000, 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 SUCH ISSUE OR SERIES, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OR PURPOSES OF REPAIRING, IMPROVING OR EXTENDING A WATERWORKS SYSTEM, SANITARY SEWER SYSTEM, AND STORM SEWER SYSTEM, AND/OR PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, AND OPERATING SUCH SYSTEM, INCLUDING BUT NOT LIMITED TO, ALL ADDITIONS TO SUCH SYSTEM AND ALL WORKS, IMPROVEMENTS, FACILITIES, EQUIPMENT, APPLIANCES, INTEREST IN PROPERTY, AND CONTRACT RIGHTS NEEDED THEREFOR AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH, AND FOR THE REFUNDING 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 UPON ALL TAXABLE PROPERTY WITHIN SAID DISTRICT, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS; SAID BONDS TO BE IN ADDITION TO THOSE BONDS AUTHORIZED AT SAID DISTRICT'S BOND ELECTIONS OF NOVEMBER 3, 1981; AUGUST 12, 1985; MAY 5, 2018; AND MAY 6, 2023?

PROPOSITION B

THIS IS A TAX INCREASE. SHALL THE BOARD OF DIRECTORS OF CLOVERCREEK MUNICIPAL UTILITY DISTRICT OF MONTGOMERY COUNTY, TEXAS BE AUTHORIZED TO ISSUE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM PRINCIPAL AMOUNT OF \$20,000,000 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 OF THE DISTRICT ISSUED FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, LEASING OR OPERATING A WATERWORKS SYSTEM, A SURFACE WATER SYSTEM, A SANITARY SEWER SYSTEM, 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 OPERATING OF SUCH WATERWORKS

SYSTEM, SURFACE WATER SYSTEM, SANITARY SEWER SYSTEM, DRAINAGE AND STORM SEWER SYSTEM, AND ADDITIONS, EXTENSIONS AND IMPROVEMENTS THERETO, AND PAYING SUCH EXPENSES AS ARE INCIDENTAL TO THE ORGANIZATION, ADMINISTRATION, AND FINANCING OF THE DISTRICT, AND REFUNDING SUCH BONDS, 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 REFUNDING 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 DISTRICT, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY (BUT NOT BY WAY OF LIMITATION) ARTICLE XVI, SECTION 59 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: An election shall be held on Saturday, May 2, 2026, between the hours of 7:00 a.m. and 7:00 p.m., (unless authorized to close earlier pursuant to Section 41.033, Texas Election Code, as amended) at the polling locations designated by Galveston County, Texas, places which the Board of Directors of the District, after duly considering the requirements of the Texas Election Code, find to be proper places for conducting said election, at which the following propositions shall be submitted:

PROPOSITION A

FOR

THIS IS A TAX INCREASE. The authority of the District to issue \$15,000,000 of future bonds, for the purpose of making repairs, replacements, and additions to the district's waterworks system, sanitary sewer system, and storm sewer system or purchasing, acquiring and constructing further works, improvements, facilities, equipment and appliances for said systems, and the levy of ad valorem taxes sufficient to provide for the payment of the bonds, and for the issuance of bonds.

AGAINST

PROPOSITION B

FOR

THIS IS A TAX INCREASE. The authority of the District to issue \$15,000,000 of future refunding bonds, for the refunding of bonds

issued for the district's waterworks system, sanitary sewer system, and storm sewer system or purchasing, acquiring and constructing further works, improvements, facilities, equipment and appliances for said systems, and the levy of ad valorem taxes sufficient to provide for the payment of the bonds, and for the issuance of bonds.

[] AGAINST

Each voter shall vote on the proposition by selecting "FOR" or "AGAINST" on the ballot provided. Oral assistance in Spanish shall be made available to all persons requiring such assistance. Any person requiring oral assistance should contact the presiding judge or any election official.

Section 5: The boundaries of the District have been established and reported to the Galveston County Voter Registrar [Elections Administrator]. The County shall determine the precincts within the District's jurisdiction for purposes of the election, and the District agrees to utilize the polling places accepted by the County. The District agrees to the appointment and use of all County appointed election offices to serve at the election.

Section 6: Early voting in the election by personal appearance shall be conducted from April 20, 2026 through April 28, 2026 from 8:00 a.m. to 5:00 p.m. at polling locations selected and noticed to the general public by the County per the attached Exhibit "A." The main early voting polling location shall be located at 600 59th Street, Galveston, Texas, 77551/Justice Center/First Floor Vending Area. The clerk for early voting shall be Dwight Sullivan, the Galveston County Clerk. The early voting clerk's mailing address to which ballot applications and ballots to be voted by mail may be sent is Galveston County P. O. Box 17253, Galveston, Texas, 77552. The email address to which applications for early voting by mail may be sent is absenteeballotapplications@co.galveston.tx.us. The Early Voting Clerk may be reached at 409-770-5108 and the website of the Early Voting Clerk is www.galvestonvotes.org. The conditions of early voting under this section are subject to change by lawful orders of State and/or County officials.

Section 7: The Secretary of the Board or the District's agent shall cause notice of this election to be given in accordance with the provisions of the Texas Election Code as modified by Chapters 49 and 54 of the Texas Water Code, as amended.

Section 8: The election shall be held and conducted and returns made to this Board of Directors in accordance with the Texas Election Code, as amended, and as modified by Chapter 49, Texas Water Code.

Section 9: The District agrees that the County shall select all election judges and clerks, and that the presiding judge of any precinct is in charge of and responsible for the conduct of the election at that precinct. The District agrees that the County shall employ or use such personnel as it deems necessary to conduct the election, and that the County shall pay such personnel for services rendered, pursuant to the Texas Election Code, Sections 87.001-87.025, 87.101 and 87.103, as amended.

Section 10: The District agrees to pay its pro-rata share of costs of the joint election pursuant to the terms of the Agreement.

Section 11: A copy of this Order shall be delivered to the County Clerk/Elections Administrator and the Voter Registrar not later than 60 days before election day.

Section 12: The President/Vice President and Secretary/Assistant Secretary are authorized and directed to take any action necessary to carry out the provisions of this Order.

Section 13: All qualified resident electors of the District shall be entitled to vote in the election.

Section 14: The Board of Directors of the District has appointed Coats Rose, P.C. as the District's agent for the election. The offices of the District's agent are located at 9 Greenway Plaza, Suite 1000, Houston, Texas 77046, and are open from 8:30 a.m. to 5:00 p.m. each weekday.

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

- (a) The proposition language which shall appear on the ballot is set forth in Section 4 hereof.
- (b) The purposes for which the bonds are to be authorized is set forth in Section 3 hereof.
- (c) The principal amount of the debt obligations to be authorized is set forth in Sections 3 and 4 hereof.
- (d) If the bonds are approved by the voters, the District will be authorized to levy annual ad valorem taxes on all taxable property within the District sufficient to pay the principal of and interest on the bonds.
- (e) The estimated debt service tax rate if the bonds are authorized is \$0.203604 per \$100 of assessed valuation.
- (f) The maximum maturity date of the bonds, if authorized, is set forth in Section 3 hereof.
- (g) The aggregate amount of the outstanding principal of the District's previously issued bonds is \$3,970,000.
- (h) The aggregate amount of the outstanding interest on the District's previously issued bonds is \$1,795,897.
- (i) The current ad valorem debt service tax rate of the District is \$0.054419 per \$100 of assessed valuation.

Section 16: The Board of Directors represents that it intends to abide by the limitations set forth in Texas Government Code, Section 1253.002.

Section 17: The Board further authorizes its Directors and agents to take all actions necessary to satisfy any notice requirements under Texas law regarding this election.

PASSED AND APPROVED this 19th day of January, 2026.

DISTRICT

E. Miller
President, Board of Directors

ATTEST:

J. Kemp
Secretary, Board of Directors

(SEAL)

