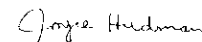


Filed: 02/28/2018 08:10:57 AM



Joyce Hudman
County Clerk
Brazoria County, Texas

BRACEWELL

February 27, 2018

Via Federal Express Overnight Delivery, E-Mail or Fax

Ms. Joyce Hudman
Brazoria County Clerk
111 E. Locust Street, Suite 200
Angleton, Texas 77515

Ms. Ro'Vin Garrett
Brazoria County Voter Registrar
451 N. Velasco Street
Angleton, Texas 77515

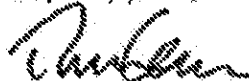
Re: Notice of Bond Election – Varner Creek Utility District

Dear Ms. Hudman and Ms. Garrett:

As required by Section 4.008 of the Texas Election Code, notice is hereby given that Varner Creek Utility District (the "District") will hold a bond election on May 5, 2018. Attached is a copy of the Order Calling Bond Election adopted by the Board of Directors of the District on February 14, 2018.

Please do not hesitate to call if you have any questions. My direct number is 713.221.3349.

Very truly yours,



Priscilla Kwan
Paralegal

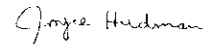
Enclosure

cc: Paula Jones
Debra Lanehart
Clark Stockton Lord
Mona Cannon
Debbie Russell
Reneé Weist

#5649714.1

Priscilla Kwan

713.221.3349 | 713.221.3370
713 Louisiana Street, Suite 1200, Houston, Texas 77002-3770
priscilla.kwan@bracewell.com



Joyce Hudman
County Clerk
Brazoria County, Texas

**ORDER CALLING BOND ELECTION; MAKING PROVISIONS FOR THE
CONDUCT AND GIVING NOTICE OF THE ELECTION; AND
CONTAINING OTHER PROVISIONS RELATED THERETO**

WHEREAS, Varner Creek Utility District (the "District"), located in Brazoria County, Texas, was created under the authority of Article XVI, Section 59 of the Texas Constitution and operates pursuant to Chapters 49 and 54, Texas Water Code, with the purposes and powers described therein; and

WHEREAS, at a bond election held within the District on November 7, 2006 (the "2006 Election"), the District was authorized to issue bonds in the principal amount of \$10,000,000; and

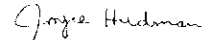
WHEREAS, the District has previously issued its Unlimited Tax Bonds, Series 2007 in the amount of \$5,000,000 and its Unlimited Tax Bonds, Series 2008 in the amount of \$5,000,000 to finance sanitary sewer system improvements, storm drainage improvements and related street repairs; and

WHEREAS, the District currently has no remaining authorized but unissued bonds from the 2006 Election; and

WHEREAS, as required by Section 49.106, Texas Water Code, there has been filed in the office of the District open to inspection by the public, an engineer's report, dated January 3, 2017, and any supplemental letters or amendments (together, the "Report"), covering improvements, facilities, plants, equipment, and appliances to be purchased or constructed by the District in connection to improvements to the District's waterworks system, sanitary sewer system, and drainage and storm sewer system facilities and additions thereto, including the acquisition of land, materials, grounds, easements, rights-of-way, equipment, contract or permanent rights or interests including a certificate of convenience and necessity, contractual rights to use capacities in facilities and to acquire facilities and other property, real or personal, for the construction, improvement, extension, enlargement, operation or maintenance of the plants, works, improvements, facilities, equipment or appliances of the District, and including street repair and maintenance necessary to prevent the condition of the streets within the District from adversely affecting the control, storage, preservation and distribution of storm and flood waters or otherwise impeding the ability of the District to accomplish its purposes, and their estimated cost, together with maps, plats, profiles and data fully showing and explaining the Report, and the Report has been carefully considered and approved by the Board; and

WHEREAS, said works, improvements, facilities, plants and equipment are designed to furnish a waterworks system, a sanitary sewer system and drainage and storm sewer system facilities; and

WHEREAS, the Report heretofore filed contains an estimate of the probable cost of the design, purchase, construction, or other acquisition of the proposed works, improvements, additions, facilities, plants, equipment, all appliances and land, and incidental expenses connected with such improvements and the issuance of the bonds, which estimate is \$3,500,000; and



Joyce Hudman
County Clerk
Brazoria County, Texas

WHEREAS, the Board finds that the above estimate of \$3,500,000 is reasonable and proper and hereby approves the same and all items thereof; and

WHEREAS, the Board has determined that an election held for the purpose of submitting a proposition on the issuance of the District's bonds in the total aggregate amount of \$3,500,000 and payable from the levy of ad valorem taxes; and

WHEREAS, it is hereby officially found and determined that said election shall be held on a uniform election date established by Section 41.001(a), Texas Election Code, as amended, as required by Texas law; and

WHEREAS, the Board, pursuant to the applicable provisions of the Texas Election Code has or will enter into an agreement to conduct a joint election with other political subdivisions within Brazoria County (the "County") and contract with the County Elections Administrator (the "County Elections Administrator") for election services (collectively, the "Election Agreement"); and

WHEREAS, the Board wishes to proceed with the ordering of said election; and

WHEREAS, the Board finds and declares that the meeting at which this Order is considered is open to the public, and that the public notice of the time, place and purpose of the meeting was given, as required by Chapter 551, Texas Government Code, as amended; Now Therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF VARNER CREEK UTILITY DISTRICT THAT:

Section 1: Findings. 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 Report. The Report and estimate of costs described above are hereby approved.

Section 3: Election Order, Date, Propositions. The election (the "Election") shall be held for and within the District on Saturday, May 5, 2018 (the "Election Day"), in accordance with the Texas Election Code (the "Code"). At the Election, the following propositions (the "Propositions") shall be submitted to the qualified voters of the District in accordance with law:

VARNER CREEK UTILITY DISTRICT PROPOSITION A

SHALL THE BOARD OF DIRECTORS ("THE BOARD") OF VARNER CREEK UTILITY DISTRICT (THE "DISTRICT") BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM PRINCIPAL AMOUNT OF \$3,500,000 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

Joyce Hudman

Joyce Hudman
County Clerk
Brazoria County, Texas

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 SAID DISTRICT FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, LEASING, OPERATING, REPAIRING, IMPROVING OR MAINTAINING, OPERATING, REPAIRING, IMPROVING, OR EXTENDING, INSIDE AND OUTSIDE THE DISTRICT'S BOUNDARIES, AND ANY AND ALL DISTRICT WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT AND APPLIANCES, AS WELL AS ALL EXPENSES IN ANY MANNER INCIDENTAL THERETO, NEEDED TO PROVIDE A WATERWORKS SYSTEM, SANITARY SEWER SYSTEM AND DRAINAGE AND STORM SEWER SYSTEM, AS WELL AS ALL EXPENSES IN ANY MANNER INCIDENTAL THERETO, INCLUDING ACQUIRING AND PURCHASING LAND, MATERIALS, GROUNDS, EASEMENTS RIGHTS-OF-WAY, EQUIPMENT, CONTRACT OR PERMIT RIGHTS OR INTERESTS, INCLUDING A CERTIFICATE OF CONVENIENCE AND NECESSITY, CONTRACTUAL RIGHTS TO SUB CAPACITIES IN FACILITIES AND TO ACQUIRE FACILITIES AND OTHER PROPERTY, REAL OR PERSONAL, FOR THE CONSTRUCTION, IMPROVEMENT, EXTENSION, ENLARGEMENT, OPERATION OR MAINTENANCE OF THE PLANTS, WORKS, IMPROVEMENTS, FACILITIES, EQUIPMENT OR APPLIANCES OF THE DISTRICT, INCLUDING STREET REPAIR AND MAINTENANCE NECESSARY TO PREVENT THE CONDITION OF THE STREETS WITHIN THE DISTRICT FROM ADVERSELY AFFECTING THE CONTROL, STORAGE, PRESERVATION AND DISTRIBUTION OF STORM AND FLOOD WATERS OR OTHERWISE IMPEDING THE ABILITY OF THE DISTRICT TO ACCOMPLISH ITS PURPOSES, AND INCLUDING, BUT NOT LIMITED TO, ALL COSTS ASSOCIATED WITH FLOOD PLAIN AND WETLANDS REGULATION, INCLUDING MITIGATION, AND ENDANGERED SPECIES AND STORMWATER, PERMITS, INCLUDING MITIGATION, AND ALL ADDITION TO SUCH SYSTEMS AND ALL WORKS, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, APPLIANCES, INTERESTS IN PROPERTY, AND CONTRACT RIGHTS NECESSARY OR CONVENIENCE THEREFOR AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS AND THE COSTS OF ANY CREDIT AGREEMENTS EXECUTED OR AUTHORIZED IN ANTICIPATION OF, IN RELATION TO, OR IN CONNECTION WITH SAID BONDS, BY THE LEVY AND COLLECTION OF A SUFFICIENT TAX, WITHOUT LIMITATION 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?

Filed: 02/28/2018 08:10:57 AM

Joyce Hudman

Joyce Hudman
 County Clerk
 Brazoria County, Texas

Section 4: Official Ballot.

(a) Voting at the Election, and early voting therefor, shall be by the use of lawfully approved County voting system and ballots.

(b) The preparation of the necessary equipment and official ballots for the Election shall conform to the requirements of the Code so as to permit the electors to vote "FOR" or "AGAINST" the aforesaid propositions which shall be set forth on the ballots substantially in the following form:

VARNER CREEK UTILITY DISTRICT PROPOSITION A

- FOR) THE ISSUANCE OF \$3,500,000 BONDS FOR WATER,
 SANITARY SEWER, AND DRAINAGE AND STORM
 AGAINST) SEWER SYSTEMS AND THE LEVY OF TAXES,
 WITHOUT LIMIT AS TO RATE OR AMOUNT, IN
 PAYMENT THEREOF

Section 5: Persons Qualified to Vote. All resident, qualified electors of the District shall be eligible to vote at the Election.

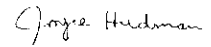
Section 6: Election Precincts, Voting Locations and Voting Hours on Election Day. The election precincts for the Election shall consist of the territory within the boundaries of the District situated within one or more County election precincts, which bear the precinct numbers set forth in Exhibit A, attached hereto and incorporated herein. The voting location for voting on Election Day for each election precinct shall be as set forth in Exhibit A, or at such other locations as hereafter may be designated by the County Elections Administrator as provided in the Election Agreement, which locations are hereby approved. On Election Day the polls shall be open from 7:00 a.m. to 7:00 p.m.

Section 7: Early Voting Locations, Dates and Times.

(a) Early voting by personal appearance for all election precincts shall be held at the locations, at the times and on the days set forth in Exhibit B, attached hereto and incorporated herein, or at such other locations as hereafter may be designated by the County Clerk as provided in the Election Agreement, which locations are hereby approved.

(b) The County Clerk is hereby appointed as the Early Voting Clerk. Applications for ballot by mail shall be sent to: Brazoria County Elections; Attention: Joyce Hudman, County Clerk; 111 E. Locust St., #200, Angleton, TX 77515. As provided in the Election Agreement, the County Clerk will appoint the as early voting clerks, and such appointments are hereby approved.

Section 8: Joint Election. The District has determined that it is in the best interest of the District to participate in a joint election with other governmental entities in the County holding elections on Election Day and contract with the County Clerk for election services. The Joint Election Agreement with the County is hereby approved in substantially the form submitted to the Board. The Election Contract with the Election Administrator is hereby approved in substantially the form submitted to the Board.



Joyce Hudman
County Clerk
Brazoria County, Texas

Section 9: Appointment of Election Officers. The election judges, alternate judges, clerks, central counting station officials, members of the early voting ballot board and other personnel necessary for conducting the Election shall be appointed, election judges and alternate judges may be changed, polling places may be combined for some precincts, and the central counting station shall be established and staffed all as provided in the Election Agreement and such actions are hereby approved. Further, the Board hereby authorizes the President of the Board to appoint any such other officials not designated herein or appointed pursuant to the Election Agreement as are necessary and appropriate to conduct the Election in accordance with the Code.

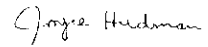
Section 10: Notice of Election. Notice of the Election shall be given by: (i) publishing a substantial copy of this Order, in English and Spanish, one time not earlier than the thirtieth (30th) day nor later than the tenth (10th) day prior to the date set for the Election, in a newspaper published in the District (or otherwise complies with State law) and (ii) by posting a copy of this Order, in English and Spanish, on the bulletin board used for posting notices of meetings of the Board, not later than the twenty-first (21st) day prior to the date set for the Election and in at least three (3) public places in the boundaries of the District, not later than the twenty-first (21st) day prior to the date set for the Election. Additionally, on Election Day and during early voting by personal appearance, this Order shall be posted in a prominent location at each polling place. Notice of the Election shall also be provided to the County Clerk of the County not later than the 60th day before the Election Day.

Section 11: Conduct of Election. The Election shall be held in accordance with the Code, except as modified by Chapters 49 and 54, Texas Water Code, and the Federal Voting Rights Act of 1965, as amended, including particularly Chapter 272 of the Code pertaining to bilingual requirements.

Section 12: Additional Information Required by Section 3.009 of the Election Code.

(a) As of January 1, 2018, the first day of the District's current fiscal year, the aggregate principal amount outstanding of tax-supported debt of the District was \$6,980,000 and the aggregate amount of outstanding interest on such tax-supported debt was \$1,912,450. The District's ad valorem debt service tax rate as of the date of this Order is \$0.55 per \$100 of assessed valuation of taxable property in the District.

(b) The District intends to issue the bonds authorized by the Propositions in a manner and in accordance with a schedule to be determined by the Board based upon a number of factors, including, but not limited to, the then current needs of the District, demographics, prevailing market conditions, and assessed valuations in the District. Market conditions, demographics and assessed valuations vary based upon a number of factors beyond the District's control, and therefore, the District cannot and does not guarantee a particular interest rate or tax rate associated with the bonds authorized by the Propositions. As such, the information contained in this paragraph is provided solely for illustrative purposes and does not establish any limitations or restrictions or create a contract with the voters. The District currently estimates that, if the Proposition is approved and the bonds proposed herein were authorized and issued in accordance with the District's currently projected plan of finance and paid wholly from ad valorem taxes, the District's ad valorem debt service tax rate would increase incrementally by approximately \$0.15 per \$100 of assessed valuation over the District's current debt service tax rate. To the extent that



Joyce Hudman
County Clerk
Brazoria County, Texas

the bonds are paid in whole or in part from revenues of the District's water and sewer system, there would be a reduction in the ad valorem tax rate required to pay the Bonds.

(c) Any additional information required by Section 3.009 of the Code is contained in Sections 3 and 4 of this Order.

Section 13: Necessary Actions. The President of the Board or his designee and the Secretary of the Board, each acting on behalf of the Board, in consultation with the District's bond counsel are hereby authorized and directed to take any and all actions necessary to comply with the provisions of the Code and the Federal Voting Rights Act in carrying out and conducting the Election, whether or not expressly authorized herein, including making changes or additions to polling places or procedures to the extent required or desirable as determined by the County Clerk.

Section 14: Severability. If any provision, section, subsection, sentence, clause or phrase of this Order, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, invalid, or unenforceable, neither the remaining portions of this Order nor their application to other persons or sets of circumstances shall be affected thereby, it being the intent of the Board in adopting this Order that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, invalidity or unenforceability of any other portion hereof, and all provisions of this Order are declared to be severable for that purpose.

Section 15: Effective Date. This Order shall take effect immediately upon its approval.

[Signature Page Follows]

Filed: 02/28/2018 08:10:57 AM

Joyce Hudman

Joyce Hudman
County Clerk
Brazoria County, Texas

PASSED AND APPROVED this 14th day of February, 2018.

William R. Jordan

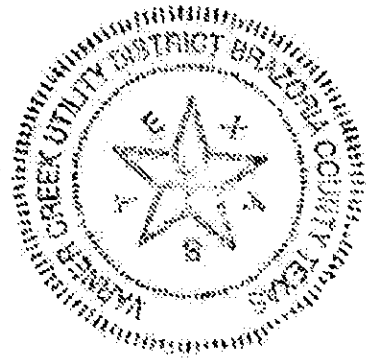
President, Board of Directors
Varner Creek Utility District

ATTEST:

Myra Clark

Secretary, Board of Directors
Varner Creek Utility District

[SEAL]



Signature Page to Order Calling Bond Election

Filed: 02/28/2018 08:10:57 AM

Joyce Hudman

Joyce Hudman
 County Clerk
 Brazoria County, Texas

EXHIBIT A

**VARNER CREEK UTILITY DISTRICT
 ELECTION DAY LOCATIONS AND SCHEDULE**

Election Day Schedule

Saturday, May 5, 2018

Polls are open from 7 a.m. to 7 p.m.

Election Day Polling Places

Brazoria County utilizes countywide voting centers. Varner Creek Utility District voters may vote at any of the following locations on Election Day:

Home Precinct #	City	Location
3	Alvin	Nolan Ryan Center, 2925 South Bypass 35
25	Alvin	Hillcrest Village Municipal Building, 200 W Timberline
39	Alvin	Alvin Library, 105 S Gordon
1	Angleton	East Annex (Old Walmart), 1524 E Mulberry
4	Brazoria	Brazoria Library, 620 S Brooks
33	Brazoria	Mims Community Center, 4283 FM 521
19	Clute	Clute City Hall, 108 E Main
15	Danbury	Danbury Community Center, 6115 5th St
7	Freeport	Freeport Library, 410 Brazosport Blvd
23	Lake Jackson	Lake Jackson Civic Center, 333 Hwy 332 East
40	Manvel	North Annex, 7313 Corporate Dr
8	Oyster Creek	Oyster Creek City Hall, 3210 FM 523
12	Pearland	Drainage District No. 4 Building, 4805 W Broadway
29	Pearland	Westside Event Center, 2150 Country Place Pkwy
36	Pearland	Pearland Recreation Center, 4141 Bailey Rd
44	Pearland	Silverlake Recreation Center, 2715 Southwyck Pkwy
46	Pearland	Tom Reid Library, 3522 Liberty Dr
61	Pearland	Shadycrest Baptist Church, 3017 Yost Blvd
67	Pearland	Pearland Westside Library, 2803 Business Center Dr #101
24	Richwood	Richwood City Hall, 1800 N Brazosport Blvd
38	Surfside Beach	Surfside Beach City Hall, 1304 Monument Dr
14	Sweeny	Sweeny Community Center, 205 W Ashley Wilson Rd
2	West Columbia	County Annex, Building 2, 121 N 10 th St

Filed: 02/28/2018 08:10:57 AM

Joyce Hudman

Joyce Hudman
 County Clerk
 Brazoria County, Texas

EXHIBIT B

**VARNER CREEK UTILITY DISTRICT
 EARLY VOTING POLLING LOCATIONS AND SCHEDULE**

Early voting by personal appearance will be conducted at the following locations:

Early Voting Polling Locations

	City	Location	Address
Main Early Voting Polling Place	Angleton	East Annex (Old Walmart)	1524 E Mulberry
Early Voting Locations	Angleton	East Annex (Old Walmart)	1524 E Mulberry
	Alvin	Alvin Library	105 S Gordon
	Brazoria	Brazoria Library	620 S Brooks
	Freeport	Freeport Library	410 Brazosport Blvd
	Lake Jackson	Lake Jackson Library	250 Circle Way
	Manvel	North Annex	7313 Corporate Dr
	Pearland East	Tom Reid Library	3522 Liberty Dr
	Pearland West	Westside Event Center	2150 Country Place Pkwy
	Shadow Creek	Pearland Westside Library	2803 Business Center Dr #101
	Sweeny	Sweeny Community Center	205 W Ashley Wilson Rd
West Columbia	County Annex, Building 2	121 N 10 th St	

Early Voting Schedule

Dates	Days	Hours
April 23, 2018 – April 27, 2018	Monday - Friday	8:00 a.m. – 5:00 p.m.
April 28, 2018	Saturday	7:00 a.m. – 7:00 p.m.
April 30, 2018 – May 1, 2018	Monday - Tuesday	7:00 a.m. – 7:00 p.m.