

NOTICE OF ELECTION

THE STATE OF TEXAS §
 §
COUNTY OF MATAGORDA §
 §
PORT OF BAY CITY AUTHORITY §
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TO THE RESIDENT, QUALIFIED VOTERS OF THE
PORT OF BAY CITY AUTHORITY OF MATAGORDA COUNTY,
TEXAS

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ADDITIONAL INFORMATION REGARDING THE ELECTION
HEREINAFTER DESCRIBED CAN BE FOUND AT
[HTTPS://WWW.PORTOFBAYCITY.COM](https://www.portofbaycity.com) AND
[HTTPS://WWW.CO.MATAGORDA.TX.US](https://www.co.matagorda.tx.us).

TAKE NOTICE that an election will be held in the Port of Bay City Authority of Matagorda County, Texas on May 6, 2023 concerning the issuance of bonds in accordance with an order duly entered by the Board of Navigation and Canal Commissioners of the Port of Bay City Authority of Matagorda County, Texas, which order reads substantially as follows:

AN ORDER CALLING A BOND ELECTION TO BE HELD BY THE PORT OF BAY CITY AUTHORITY OF MATAGORDA COUNTY, TEXAS, MAKING PROVISION FOR THE CONDUCT OF A JOINT ELECTION, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO SUCH ELECTION

WHEREAS, the Board of Navigation and Canal Commissioners (the “*Board*”) of the Port of Bay City Authority of Matagorda County, Texas (the “*Authority*”), located in Matagorda County, Texas (the “*County*”), hereby finds and determines that an election should be held to determine whether the Authority shall be authorized to issue bonds of the Authority in the amount and for the purposes hereinafter identified (the “*Election*”); and

WHEREAS, the Authority will enter into a joint election agreement with the County, acting through its County Clerk (the “*County Clerk*”), and with other political subdivisions also conducting their elections jointly with the County (such other political subdivisions, collectively, the “*Participants*”); and

WHEREAS, a joint election agreement between or among (as applicable) the Authority, the County, and/or any Participants, is authorized and entered into in accordance with the provisions of Section 271.002, as amended, Texas Election Code, and will provide that the County will conduct all aspects of the Election on the Authority’s behalf; and

WHEREAS, the Board hereby finds and determines that it is in the best interests of the Authority to enter into a joint election agreement with the County and any Participants to conduct the Election in accordance with the laws of the State of Texas (the “*State*”) and applicable federal laws; and

WHEREAS, the Board hereby finds and determines that the necessity to construct various capital port improvements within the Authority necessitates that it is in the public interest to call and hold the Election at the earliest possible date to authorize the issuance of general obligation port improvement bonds for the purposes hereinafter identified; and

WHEREAS, the Board hereby finds and determines that the actions hereinbefore described are in the best interests of the qualified voters of the Authority; now, therefore,

BE IT ORDERED BY THE BOARD OF NAVIGATION AND CANAL COMMISSIONERS OF THE PORT OF BAY CITY AUTHORITY OF MATAGORDA COUNTY, TEXAS THAT:

SECTION 1: The Election shall be held in the Port of Bay City Authority of Matagorda County, Texas on the 6th day of May, 2023 (“*Election Day*”), which is a uniform election date under the Texas Election Code, as amended, and is seventy-eight (78) or more days from the date of the adoption of this order (the “*Order*”), for the purpose of submitting the following proposition to the qualified voters of the Authority:

PROPOSITION

“SHALL THE PORT OF BAY CITY AUTHORITY OF MATAGORDA COUNTY, TEXAS BE AUTHORIZED TO ISSUE AND SELL BONDS OF THE AUTHORITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$68,000,000 FOR THE PURPOSES OF THE ACQUISITION, PURCHASE, CONSTRUCTION, ENLARGEMENT, EXTENSION, REPAIR, MAINTENANCE, OPERATION AND DEVELOPMENT OF THE PORT OF BAY CITY AUTHORITY’S LAND, WATERWAYS, IMPROVEMENTS, FACILITIES, OR AIDS INCIDENT TO OR NECESSARY IN THE PROPER OPERATION AND DEVELOPMENT OF PORTS AND WATERWAYS, INCLUDING WITHOUT LIMITATION WHARVES, DOCKS, WAREHOUSES, COMMERCIAL AND INDUSTRIAL BUILDINGS, GRAIN ELEVATORS, BUNKERING FACILITIES, BELT RAILROADS, FLOATING PLANTS AND FACILITIES, LIGHTERING FACILITIES, TOWING FACILITIES, AND ALL APPURTENANCES THERETO, SUCH BONDS TO MATURE SERIALLY OR OTHERWISE (NOT MORE THAN FORTY (40) YEARS FROM THEIR DATE), IN ACCORDANCE WITH LAW; ANY ISSUE OR SERIES OF SUCH BONDS TO BEAR INTEREST PER ANNUM AT SUCH RATE OR RATES (FIXED, FLOATING, VARIABLE, OR OTHERWISE) AS MAY BE DETERMINED WITHIN THE DISCRETION OF THE BOARD OF NAVIGATION AND CANAL COMMISSIONERS, PROVIDED THAT SUCH RATE OR RATES OF INTEREST SHALL NOT EXCEED THE MAXIMUM RATE PER ANNUM AUTHORIZED BY LAW AT THE TIME OF THE ISSUANCE OF ANY ISSUE OR SERIES OF SUCH BONDS; AND SHALL THE BOARD OF NAVIGATION AND CANAL COMMISSIONERS OF THE PORT OF BAY CITY AUTHORITY OF MATAGORDA COUNTY, TEXAS BE AUTHORIZED TO LEVY AND PLEDGE, AND CAUSE TO BE ASSESSED AND COLLECTED, ANNUAL AD VALOREM TAXES ON ALL TAXABLE PROPERTY IN THE AUTHORITY SUFFICIENT, WITHOUT LIMIT AS TO RATE OR AMOUNT, TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND THE COSTS OF ANY CREDIT AGREEMENTS EXECUTED IN ANTICIPATION OF, RELATED TO, OR IN CONNECTION WITH THE BONDS?”

SECTION 2: The election precincts hereby established for the purpose of holding the Election and the polling places hereby designated for holding the Election in the election precincts are identified in Exhibit A to this Order (which is incorporated herein by reference for all purposes). Prior to the scheduled Election Day, the Chairman and Board of Navigation and Canal Commissioners or the designees thereof, in coordination with the County Clerk, will identify and formally approve the appointment of the Presiding Judge, Alternate Presiding Judges, Election Clerks, and all other election officials for the Election, together with any other necessary changes to election practices and procedures and can correct, modify, or change the Exhibits to this Order based upon the final locations and times agreed upon by the Authority, the County Clerk, and the Participants, to the extent permitted by applicable law.

A. The Presiding Judge shall appoint not less than two (2) resident qualified voters of the County to act as clerks in order to properly conduct the Election. To the extent required by the

Texas Election Code, as amended, or other applicable law, the appointment of these clerks must include a person fluent in the Spanish language to serve as a clerk to render oral aid in the Spanish language to any voter desiring such aid at the polls on Election Day. If the Presiding Judge appointed actually serves, the Alternate Presiding Judge shall serve as one of the clerks. In the absence of the Presiding Judge, the Alternate Presiding Judge shall perform the duties of the Presiding Judge of the election precinct.

B. On Election Day, the polls shall be open as designated on Exhibit A.

C. The main early voting location is designated in Exhibit B to this Order (which is incorporated herein by reference for all purposes). The individual named as the Early Voting Clerk as designated in Exhibit B is hereby appointed as the Early Voting Clerk to conduct such early voting in the Election. The Early Voting Clerk shall appoint the Deputy Early Voting Clerks. This office or place shall remain open to permit early voting each day, with the exception of official State holidays, as stated in Exhibit B. Early voting shall commence as provided on Exhibit B and continue through the date set forth on Exhibit B, all as provided by the provisions of the Texas Election Code, as amended. Permanent branch and temporary branch offices for early voting by personal appearance shall be maintained at the locations and times designated on Exhibit B during the early voting period noted above.

D. An Early Voting Ballot Board is hereby established for the purpose of processing early voting results. The individual designated in Exhibit B as the Presiding Judge of the Early Voting Ballot Board is hereby appointed the Presiding Judge of the Early Voting Ballot Board. The Presiding Judge shall appoint not less than two (2) resident qualified voters of the Authority to serve as members of the Early Voting Ballot Board.

SECTION 3: Electronic voting machines may be used in holding and conducting the Election on Election Day; provided, however, in the event the use of such electronic voting machines is not practicable, the Election may be conducted on Election Day by the use of paper ballots (except as otherwise provided in this section). Electronic voting machines or paper ballots may be used for early voting by personal appearance (except as otherwise provided in this section). Pursuant to Section 61.012, as amended, Texas Election Code, the Authority shall provide at least one accessible voting system in each polling place used in the Election. Such voting system shall comply with Texas and federal laws establishing the requirement for voting systems that permit voters with physical disabilities to cast a secret ballot. Paper ballots may be used for early voting by mail.

SECTION 4: The Authority shall also utilize a Central Counting Station (the “*Station*”) as provided by Section 127.001, *et seq.*, as amended, Texas Election Code. The County Clerk, or her designee, is hereby appointed as the Manager and Presiding Judge of the Station and may appoint Station clerks and establish a written plan for the orderly operation of the Station in accordance with the provisions of the Texas Election Code. The Board hereby appoints the County Clerk, or her designee, as the Tabulation Supervisor and the County Clerk, or her designee, as the Programmer for the Station. Lastly, the County Clerk will publish notice and conduct testing on the automatic tabulation equipment relating to the Station and conduct instruction for the officials and clerks for the Station in accordance with the provisions of the Texas Election Code.

SECTION 5: The official ballot shall be prepared in accordance with the provisions of the Texas Election Code, as amended, so as to permit voters to vote “FOR” or “AGAINST” the aforesaid proposition which shall appear on the ballot substantially as follows:

PROPOSITION

“THE ISSUANCE OF \$68,000,000 PORT OF BAY CITY AUTHORITY BONDS FOR THE PURPOSE OF IMPROVING, CONSTRUCTING, OR DEVELOPING PORT IMPROVEMENTS AND THE LEVY OF A TAX FOR THE PAYMENT OF THE BONDS AND THE COST OF ANY CREDIT AGREEMENTS EXECUTED IN CONNECTION WITH THE BONDS.”

SECTION 6: All resident, qualified voters of the Authority shall be permitted to vote at the Election, and on Election Day, such voters shall vote at the designated polling place. The Election shall be held and conducted in accordance with the provisions of the Texas Election Code, as amended, except as modified by the provisions of the Texas Education Code, as amended, and as may be required by law. To the extent required by law, all election materials and proceedings relating to the Election shall be printed in both English and Spanish.

SECTION 7: A substantial copy of this Order shall serve as proper notice of the Election. Notice of Election, including a Spanish translation thereof, shall be published at least one time in a newspaper of general circulation in the Authority, with such publication occurring not more than thirty (30) days and not less than ten (10) days before Election Day. Moreover, a substantial copy of this Order and the voter information document attached as Exhibit C, including a Spanish translation thereof, shall be posted (i) on the bulletin board used for posting notices of Board meetings not later than twenty-one (21) days prior to Election Day, (ii) in three additional public places within the Authority’s boundaries not later than twenty-one (21) days prior to Election Day, (iii) in a prominent location at each polling place on Election Day and during early voting, and (iv) in a prominent location on the Authority’s website not less than 21 days prior to Election Day. In addition, during the twenty-one (21) days prior to the Election, the Authority shall, in a prominent manner, post a sample ballot.

SECTION 8: As required by and in accordance with Section 3.009(b)(5) and (7) through (9) of the Texas Election Code, the Authority, as of its fiscal year beginning January 1, 2023, had outstanding an aggregate principal amount of debt equal to \$0.00; the aggregate amount of the interest owed on such Authority debt obligations, through respective maturity, totaled \$0.00; and the Authority levied an ad valorem debt service tax rate for its outstanding debt obligations of \$0.000 per \$100 of taxable assessed valuation. Based on the bond market conditions on the date of the Board’s adoption of this Order, the maximum interest rate for any series of bonds authorized at the Election is 5.0% (expressed as a net effective interest rate applicable to any such series of bonds). The bonds that are the subject of this Election shall mature serially or otherwise over a specified number of years (but not more than 40 years from their date), as prescribed by applicable Texas law, though the Authority estimates that, based on current bond market conditions, such bonds will amortize over a 30-year period from their respective date of issue. The foregoing estimated maximum net effective interest rate and amortization period are only estimates, provided for Texas statutory compliance; they do not serve as a cap on the per annum interest rate at which

any series of bonds authorized at the Election may be sold, or the amortization period for bonds that are the subject of this Election.

SECTION 9: The Board authorizes the Chairman and the Board of Navigation and Canal Commissioners, or the designee of such parties, to negotiate and enter into one or more joint election agreements and/or similar contracts or agreements with the County Clerk and any Participants if desired or if required to comply with applicable law, as permitted and in accordance with the provisions of the Texas Election Code, as amended. In addition, the Board authorizes the Chairman and the Board of Navigation and Canal Commissioners, or the designee of such parties to make such technical modifications to this Order that are necessary for compliance with applicable Texas or federal law or to carry out the intent of the Board, as evidenced herein.

SECTION 10: It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 11: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 12: All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict, and the provisions of this Order shall be and remain controlling as to the matters ordered herein.

SECTION 13: This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

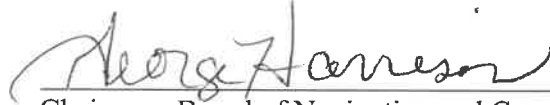
SECTION 14: If any provision of this Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Order and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Order would have been enacted without such invalid provision.

SECTION 15: This Order shall be in force and effect from and after its final passage, and it is so ordered.

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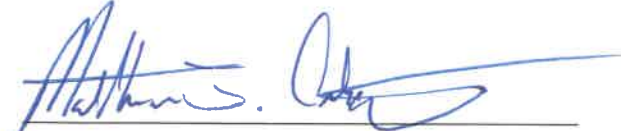
PASSED AND APPROVED, this the 9th day of February, 2023.

PORT OF BAY CITY AUTHORITY OF
MATAGORDA COUNTY, TEXAS



Chairman, Board of Navigation and Canal
Commissioners

ATTEST:



Secretary, the Board of Navigation and Canal
Commissioners

(AUTHORITY SEAL)

EXHIBIT A

ELECTION DAY PRECINCT AND POLLING INFORMATION

Authority Precinct No.	County Precinct No.	Polling Location	Address
(1A)	(1A)	Bay City Service Center	2105 Ave M, Bay City, TX
(1B)	(1B)	Bay City Service Center	2105 Ave M, Bay City, TX
(1C)	(1C)	Bay City Service Center	2105 Ave M, Bay City, TX
(1D)	(1D)	Bay City Service Center	2105 Ave M, Bay City, TX
(1E)	(1E)	Bay City Service Center	2105 Ave M, Bay City, TX
(1F)	(1F)	Bay City Service Center	2105 Ave M, Bay City, TX
(3B)	(3B)	Navigation District No. 1	1602 Main, Palacios, TX
(5)	(5)	Bay City Service Center	2105 Ave M, Bay City, TX
(6)	(6)	Bay City Service Center	2105 Ave M, Bay City, TX
(8)	(8)	Bay City Service Center	2105 Ave M, Bay City, TX
(7)	(7)	Navigation District No. 1	1602 Main, Palacios, TX
(9)	(9)	Bay City Service Center	2105 Ave M, Bay City, TX
(10)	(10)	Bay City Service Center	2105 Ave M, Bay City, TX
(12)	(12)	Bay City Service Center	2105 Ave M, Bay City, TX
(13)	(13)	Bay City Service Center	2105 Ave M, Bay City, TX

Exhibit B

MAIN EARLY VOTING POLLING PLACE, DATES and TIMES

Early voting will be conducted Monday through Friday beginning on Monday, April 24, 2023 through Tuesday, May 2, 2023

Early Voting Clerk: Stephanie Wurtz, Matagorda County Clerk

Early Voting Clerk's address: Bay City Service Center
2105 Ave. M, Bay City, Texas

Presiding Judge of the Early Voting Ballot Board: As determined by the County Clerk

Location, Dates & Hours of Main Early Voting Polling Place

Early voting by Personal Appearance will be conducted at the location listed below from Monday to Friday, between the hours of 8:00 a.m. and 5:00 p.m. on Monday, April 24, 2023 and Tuesday, May 2, 2023. Extended hours for early voting by personal appearance will be conducted on April 27, 2023 from 7:00 a.m. to 7:00 p.m.

**Bay City Service Center
2105 Ave. M
Bay City, Texas**

Any voter who is entitled to vote an early ballot by personal appearance may do so at the Main Early Voting Site.

EARLY VOTING BY MAIL:

Applications for voting by mail should be received no later than the close of business (5:00 p.m.) on Tuesday, April 25, 2023. Applications should be sent to: **STEPHANIE WURTZ, MATAGORDA COUNTY CLERK, 1700 SEVENTH STREET, ROOM 202, BAY CITY, TEXAS 77414-5094.** Application for Ballot by Mail (ABBM) may be emailed to swurtz@co.matagorda.tx.us. Federal Postcard Application (FPCA) may be emailed to swurtz@co.matagorda.tx.us. If an application for ballot by mail is faxed or emailed (or if a federal postcard application is faxed), the applicant must also mail the original application so that the early voting clerk receives the original no later than four days after receiving the emailed or faxed copy.

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Exhibit C

VOTER INFORMATION DOCUMENT

Port of Bay City of Matagorda County, Texas Proposition:

<input type="checkbox"/> FOR <input type="checkbox"/> AGAINST	“THE ISSUANCE OF \$68,000,000 PORT OF BAY CITY AUTHORITY BONDS FOR THE PURPOSE OF IMPROVING, CONSTRUCTING, OR DEVELOPING PORT IMPROVEMENTS AND THE LEVY OF A TAX FOR THE PAYMENT OF THE BONDS AND THE COST OF ANY CREDIT AGREEMENTS EXECUTED IN CONNECTION WITH THE BONDS.”
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principal of debt obligations to be authorized	\$68,000,000
estimated interest for the debt obligations to be authorized presuming an interest rate of 5.0%	\$64,775,417
estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized amortized over 30 years	\$132,775,417
as of the date the election was ordered, principal of all outstanding debt obligations	\$0
as of the date the election was ordered, the estimated interest on all outstanding debt obligations	\$0
estimated combined principal and interest required to pay on time and in full all outstanding debt obligations amortized over 30 years	\$0
estimated maximum annual increase in the amount of taxes on a residence homestead with an appraised value of \$100,000 to repay the debt obligations to be authorized, if approved This figure assumes the amortization of the Authority’s debt obligations, including the proposed debt obligation; changes in estimated future appraised values within the Authority, including but not limited to the increased taxable value within the Authority pursuant to tax abatement agreements with taxpayers within the Authority; and the assumed interest rate on the proposed debt obligations.	\$59.71