

ORDER CALLING BOND ELECTION FOR MAY 6, 2017;
MAKING PROVISIONS FOR CONDUCTING THE ELECTION; AND
ORDERING OTHER MATTERS INCIDENT AND RELATED TO SUCH ELECTION

THE STATE OF TEXAS §
COUNTY OF SMITH §
TYLER INDEPENDENT SCHOOL DISTRICT §

WHEREAS, the Board of Trustees (the “Board”) of the Tyler Independent School District (the “District”) has, among others, the power to issue bonds for the construction, acquisition, renovation and equipment of school buildings in the District; and

WHEREAS, the Board hereby finds and determines that it is in the public interest to call and conduct a bond election at the earliest practicable date to authorize the issuance of general obligation bonds to construct these capital improvements within the District; and

WHEREAS, the Board has determined that May 6, 2017, would constitute an appropriate date for such an election; and

WHEREAS, the Board has authority pursuant to Chapter 31, Texas Election Code, to enter into a contract for election services with Smith County, Texas under which the election may be conducted; and

WHEREAS, the Board has authority pursuant to Chapter 271, Texas Election Code, to enter into joint election agreements with other political subdivisions also holding a general or special election on the same date in all or part of the same territory.

IT IS, THEREFORE, ORDERED BY THE BOARD OF TRUSTEES OF THE TYLER INDEPENDENT SCHOOL DISTRICT THAT:

Section 1. Call of Election, Date, Eligible Electors, and Hours. A special election (the “Election”) shall be held on Saturday, May 6, 2017 (the “Election Date”), which is seventy-eight (78) or more days from the date of the adoption of this order (the “Order”) within and throughout the territory of the District at which all resident, qualified electors of the District shall be entitled to vote. The Board hereby finds that holding the Election on such date is in the public interest. The hours during which the polling places are to be open at the Election shall be from 7:00 o’clock a.m. to 7:00 o’clock p.m.

Section 2. Conduct of Election. The Election shall be conducted by election officers, in accordance with the Texas Education Code, the Texas Election Code and the Constitution and laws of the State of Texas and the United States of America. An electronic voting system, as defined and described in Title 8 of the Texas Election Code, shall be utilized for the Election.

Chapter 271 of the Texas Election Code provides that the authorities of two or more political subdivisions, that have ordered elections for the same day in all or part of the same territory, may enter into an agreement to hold the elections jointly in election precincts that can be served by common polling places, and the Board is expressly authorizing this action.

The Smith County Elections Administrator shall conduct the election for the District as a joint election pursuant to an election services agreement with the District (the “Interlocal Agreement”), which is attached as Exhibit “A” to this Order and incorporated by reference as if fully set out in the body of this Order.

Section 3. Voting Precincts; Polling Places; Election Judges, Alternates, Clerks and other Election Officials. Except as otherwise provided herein, the boundaries and territory of the respective existing Smith County election precincts, wholly or partially within the territorial boundaries of the District, are hereby designated as the voting precincts of the District for the Election. The precinct numbers for the District’s election precincts shall be the corresponding Smith County election precinct number of each precinct, if any. The polling place for each voting precinct and for each combined voting precinct, as well as the dates and times for voting both early and on election day, will be provided to the Board when available.

The Board approves the appointment of persons designated by the Smith County Elections Administrator to serve as election workers. Such proposed presiding judges and alternate judges shall meet the eligibility requirements of Chapter 32, Subchapter C of the Texas Election Code. The rate of pay for judges and clerks of the election shall be determined according to the Interlocal Agreement. Compensable hours shall be determined in accordance with the provisions of the Texas Election Code, as amended (the “Election Code”) and other applicable laws.

The Board approves the appointment of persons designated by the Smith County Elections Administrator to serve on the Early Voting Ballot Board and Central Counting Station.

Section 4. Proposition. At the Election there shall be submitted to the resident, qualified electors of the District the following proposition (the “Proposition”):

PROPOSITION

SHALL THE BOARD OF TRUSTEES (THE “BOARD”) OF THE TYLER INDEPENDENT SCHOOL DISTRICT (THE “DISTRICT”) BE AUTHORIZED TO ISSUE BONDS OF THE DISTRICT IN THE AMOUNT OF \$198,000,000.00 FOR THE PURPOSE OF THE CONSTRUCTION, ACQUISITION, RENOVATION AND EQUIPMENT OF SCHOOL BUILDINGS IN THE DISTRICT, WHICH BONDS MAY BE ISSUED IN VARIOUS SERIES OR ISSUES, MAY BE SOLD AT ANY PRICE OR PRICES, SHALL MATURE SERIALLY OR OTHERWISE NOT MORE THAN THIRTY (30) YEARS FROM THEIR DATE OR DATES AND BEAR INTEREST AT SUCH RATE OR RATES (FIXED, VARIABLE, FLOATING, ADJUSTABLE OR OTHERWISE) AS SHALL BE DETERMINED BY THE BOARD WITHIN ITS

DISCRETION AT THE TIME OF ISSUANCE, BUT NOT TO EXCEED THE MAXIMUM RATE NOW OR HEREAFTER AUTHORIZED BY LAW; AND SHALL THE BOARD BE AUTHORIZED TO LEVY AND PLEDGE, AND CAUSE TO BE ASSESSED AND COLLECTED, ANNUAL AD VALOREM TAXES ON ALL TAXABLE PROPERTY IN THE DISTRICT SUFFICIENT, WITHOUT LIMIT AS TO RATE OR AMOUNT, TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AS THEY BECOME DUE, AND THE COSTS OF ANY CREDIT AGREEMENTS EXECUTED IN CONNECTION WITH THE BONDS, ALL AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY (BUT NOT BY WAY OF LIMITATION) SUBCHAPTER A OF CHAPTER 45 OF THE TEXAS EDUCATION CODE, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO, AND OF THE UNITED STATES OF AMERICA?

Section 5. **Ballots.** The ballots shall be suitable for use with an electronic voting system, and for the purposes of early voting by personal appearance and by mail, and shall otherwise conform to the requirements of the Texas Election Code as to permit the electors to vote “FOR” or “AGAINST” the aforesaid measure which shall appear on the ballot substantially as follows:

OFFICIAL BALLOT

PROPOSITION

[] FOR

THE ISSUANCE OF \$198,000,000.00 SCHOOL BUILDING BONDS FOR CONSTRUCTION, ACQUISITION, RENOVATION AND EQUIPMENT OF SCHOOL BUILDINGS IN THE DISTRICT; AND THE LEVYING OF THE TAX IN PAYMENT THEREOF.

[] AGAINST

Section 6. **Early Voting.** The Board appoints Ms. Karen Nelson, Smith County Elections Administrator, as the Early Voting Clerk.

Early Voting by Mail

Ballot applications shall be addressed to the Early Voting Clerk at the following address: Smith County Elections Administration – Attn: Joanna Stanfield, 302 E. Ferguson, Tyler, TX 75702. A signed, original application for a ballot by mail can also be scanned into a computer and emailed to the Early Voting Clerk at jstanfield@smith-county.com.

For the use of those voters who are entitled by law to vote early by mail, the early voting clerk shall provide each voter with a ballot with instructions to mark the ballot indicating his or

her vote “FOR” or “AGAINST” the Proposition on the same ballots utilized for early voting by personal appearance at the Election.

The period to apply for a ballot by mail is January 1, 2017, through April 25, 2017. The application must be received by April 25, 2017 (mere postmarking by the deadline is insufficient).

Early Voting by Personal Appearance

Early voting by personal appearance shall be conducted at the Main Early Voting Polling Place the R.B. Hubbard Center, “The Hub” – Smith County Elections Office, 304 East Ferguson Street Tyler, TX 75702.

Early voting in the Election by personal appearance shall be conducted at the Main Early Voting Polling Place listed above at the following dates and times:

Monday, April 24, 2017 - Friday, April 28, 2017	8:00 am – 5:00 pm
Monday, May 1, 2017 - Tuesday, May 2, 2017	7:00 am – 7:00 pm

Section 7. Delivery of Voted Ballots; Counting; Tabulation; Canvassing of Returns; Declaring Results. In accordance with the requirements of the Texas Election Code, the Election Officers shall make and deliver a written return of the Election. The Board shall canvass the returns and declare the results of the Election.

Section 8. Appointment of Custodian of Records. To the extent not otherwise provided for in the Interlocal Agreement, the Board appoints Gina Orr, an employee of the District, as the Custodian of Records (the “Custodian”) to perform the duties related to the conduct and maintenance of records of the Election as required under the Texas Election Code during the period beginning the third (3rd) day after the approval of this Order, and ending not earlier than the fortieth (40th) day after the day of the Election. In particular, the Custodian shall accept and maintain records regarding campaign expenditures that may be filed with the District.

The Custodian shall maintain an office open for election duties for at least three hours each day, during regular office hours, on regular business days during the period designated in this section. The Custodian shall post notice of the location and hours of office as required by the Texas Election Code. The Custodian shall maintain in his/her office the documents, records and other items relating to the election and shall be the person designated to receive documents on behalf of the District that are required by the Texas Election Code.

Section 9. Approval of Appointment of Agent. The Secretary to the Board has appointed Gina Orr, an employee of the District, as the Secretary’s agent (the “Agent”) to perform the duties of secretary related to the conduct and maintenance of records of the Election as required under the Texas Election Code during the period beginning three (3) days after the effective date of this Order and ending not earlier than the fortieth (40th) day after the day of the election. The Agent shall maintain, in his/her office, the documents, records and other items relating to the election and shall be the Agent designated to receive documents on behalf of the

District that are required by the Texas Election Code. The Agent shall post notice of the location and hours of his/her office as required by the Texas Election Code.

Section 10. Election information to be provided in Spanish. The Superintendent and all other election officers appointed by the Board responsible for the preparation of notices, instructions, orders, ballots and other written material pertaining to the Election shall cause each such document to be translated into and furnished to voters in both the English language and the Spanish language in order to aid and assist voters speaking Spanish as a primary or an alternative language to properly participate in the election process. In addition, the Superintendent and other responsible election officers are hereby authorized and directed to make available to the voters having the need of an individual capable of acting as a translator and speaking both English and Spanish languages who will assist Spanish speaking voters in understanding and participating in the election process.

Section 11. Notice of Election Publication and Posting Requirements.

Publication of Notice of Election

Notice of the Election, containing a substantial copy of this Order, shall be published one time in the English and Spanish languages, in a newspaper published within the District's territory at least ten (10) days and no more than thirty (30) days before the Election and as otherwise may be required by the Texas Election Code.

Posting of Order and Notice of Election

Notice of the Election, containing a substantial copy of this Order, in both the English and Spanish languages, shall also be posted on the bulletin board used by the Board to post notices of the Board's meetings.

A copy of this Order, in both the English and Spanish languages, shall be posted (i) in a prominent location at each polling place on Election Day and during early voting by personal appearance, (ii) at three (3) other public places within the District, and (iii) on the District's Internet website, prominently and together with the notice of the election and the contents of the proposition, no later than the twenty-first (21st) day before the Election.

Section 12. Debt Service and Tax Rate Information of the District. The following information is provided in accordance with the provisions of Section 3.009(b), Texas Election Code.

- (a) The Proposition language that will appear on the ballot is set forth in Section 5 hereof.
- (b) The purpose for which the bonds are to be authorized is set forth in Sections 4 and 5 hereof.
- (c) The principal amount of the debt obligations to be authorized is \$198,000,000.

- (d) Taxes sufficient to pay the annual principal of and interest on the bonds may be imposed.
- (e) The District intends to issue the bonds authorized by the Proposition over a period of years 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, demographic changes, prevailing market conditions, assessed valuations in the District and management of the District's short-term and long-term interest rate exposure. 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 Proposition. 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 were approved and the bonds proposed herein were authorized and issued in accordance with the District's current estimated project plan of finance, the maximum interest rate of the bonds is not expected to exceed 4.70%.
- (f) If the bonds are approved, they may be issued in one or more series, to mature serially, over a period not to exceed thirty (30) years from the date of issuance of each series of bonds.
- (g) As of September 1, 2016, the total outstanding amount of all bonded indebtedness of the District is \$455,396,469, consisting of \$284,100,600 in principal and \$171,295,869 of interest.
- (h) The ad valorem debt service tax rate of the District for the year 2016/17 is \$0.335 per \$100 taxable assessed valuation.
- (i) The estimated debt service tax rate of the District if the Proposition was authorized and issued at the time of this Order under current market conditions is \$0.365/\$100.
- (j) If a majority of the resident, qualified electors of the District voting at the Election, including those voting early, shall vote in favor of the Proposition, then the issuance and sale of the bonds shall be authorized in the maximum respective amount contained therein, and the bonds shall be issued and sold at the price or prices and in such denominations determined by the Board to be in the District's best interests.

Section 13. Authority of the Superintendent. The Superintendent shall have the authority to take, or cause to be taken, all actions reasonable and necessary to insure that the Election is fairly held and returns properly counted and tabulated for canvass by the Board, which actions are hereby ratified and confirmed.

Section 14. Preamble Incorporation. 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 15. Inconsistent Provisions. 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 16. Governing Law. This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 17. Severability. 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 18. Notice of Meeting. The Board officially finds, determines, recites and declares that written notice of the date, hour, place and subject of the meeting at which this Order is adopted was posted on a bulletin board located at a place convenient to the public at the District's administrative offices for at least seventy-two (72) hours preceding the scheduled time of the meeting; that a telephonic or telegraphic notice of such meeting was given to all news media who have consented to pay any and all expenses incurred by the District in connection with providing such notice, both as required by the Open Meetings Law, Chapter 551, Texas Government Code, as amended; and that such meeting was open to the public as required by law at all times during which this Order and the subject matter thereof was discussed, considered and formally acted upon.

Section 19. Authorization to Execute. The President of the Board is authorized to execute and the Secretary of the Board is authorized to attest this Order on behalf of the Board; and the President of the Board is authorized to do all other things legal and necessary in connection with the holding and consummation of the Election.

Section 20. Effective Date. This Order is effective immediately upon its passage and approval.

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PASSED AND APPROVED THIS 13th DAY OF FEBRUARY, 2017.

/s/ J.A. Bergfeld
President, Board of Trustees

ATTEST:

/s/ Gina Orr
Secretary, Board of Trustees

(SEAL)

EXHIBIT A

Interlocal Agreement

[Available at www.tylerisd.org]