

**OFFICIAL NOTICE OF SALE**

**\$24,000,000**

**CLEAR LAKE CITY WATER AUTHORITY**

*(A political subdivision of the State of Texas, located primarily within Harris County, Texas)*

**WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE BONDS  
SERIES 2025A**

BIDS TO BE SUBMITTED BY:  
1:00 P.M., CENTRAL TIME  
THURSDAY, NOVEMBER 13, 2025

BONDS TO BE AWARDED AT:  
7:00 P.M., CENTRAL TIME  
THURSDAY, NOVEMBER 13, 2025

This Official Notice of Sale does not alone constitute an invitation for bids, but is merely notice of sale of the bonds described herein. The invitation for such bids is being made by means of this Official Notice of Sale, the Official Bid Form, and the Official Statement.

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**WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE BONDS**

**SERIES 2025A**

**BONDS OFFERED FOR SALE AT COMPETITIVE BID:** The Board of Directors (the “Board”) of Clear Lake City Water Authority (the “Authority”) is offering for sale at competitive bid its \$24,000,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2025A (the “Bonds”).

**METHODS FOR SUBMISSION OF BIDS AND BID FORMS:** Bids for the Bonds may be submitted by any one of the following methods:

1. Submit bids in writing as described below under “WRITTEN BIDDING PROCEDURE.”
2. Submit bids electronically as described below under “ELECTRONIC BIDDING PROCEDURE.”
3. Submit bids by telephone as described below under “TELEPHONIC BIDDING PROCEDURE.”

All bids must be submitted by 1:00 P.M., Central Time, on Thursday, November 13, 2025. Any bid or bid form submitted after such scheduled time for bid receipt will not be accepted and will be returned unopened. The Authority will not accept bids by facsimile. See “CONDITIONS OF SALE—REQUIRED DISCLOSURE OF INTERESTED PARTIES” for additional requirements concerning submission of bids.

**WRITTEN BIDDING PROCEDURE:** A prospective bidder that intends to submit its bid in writing must do so in accordance with this paragraph. Two (2) sealed bids, which must be submitted on the Official Bid Form and plainly marked “Bid for Bonds,” are to be addressed to “President and Board of Directors, Clear Lake City Water Authority.” The two (2) sealed bids must be submitted on signed Official Bid Forms and delivered, by 1:00 P.M., Central Time, on Thursday, November 13, 2025, to the office of Robert W. Baird & Co. Incorporated (the “Financial Advisor”), as follows: Robert W. Baird & Co. Incorporated, Attn: Stephen Eustis, 4801 Woodway Drive, Suite 118-E, Houston, Texas 77056. For purposes of the written bidding procedure, the time as maintained by the PARITY/BIDCOMP Electronic Bid Submission System (“PARITY”) shall constitute the official time.

**ELECTRONIC BIDDING PROCEDURE:** A prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to PARITY is required in order to submit an electronic bid. The Authority will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe. Electronic bids must be received via PARITY in the manner described below, until 1:00 P.M., Central Time, on Thursday, November 13, 2025.

Electronic bids must be submitted via PARITY in accordance with this Official Notice of Sale, prior to 1:00 P.M., Central Time, on Thursday, November 13, 2025, but no bid will be received after the time for receiving bids specified above. An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Sale and shall be binding upon the bidder as if made by a sealed bid delivered to the Authority. The Authority shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information

about PARITY, including any fee charged, may be obtained from i-Deal, 1359 Broadway, 2nd Floor, New York, New York 10018, (212) 849-5000.

For purposes of the electronic bidding process, the time as maintained by PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the net effective interest rate to the Authority, as described under “CONDITIONS OF SALE—BASIS OF AWARD” below. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the Official Bid Form. See “CONDITIONS OF SALE—REQUIRED DISCLOSURE OF INTERESTED PARTIES” for additional requirements concerning submission of bids.

**TELEPHONIC BIDDING PROCEDURE:** Any prospective bidder that intends to submit its bid by telephone must submit its bid in accordance with this section. Prior to 1:00 P.M., Central Time, on Thursday, November 13, 2025, bidders must submit two (2) signed Official Bid Forms, executed by an authorized representative of the bidder, but otherwise incomplete, to Robert W. Baird & Co. Incorporated, Attn: Stephen Eustis, 4801 Woodway Drive, Suite 118-E, Houston, Texas 77056. Bidders who have provided signed bid forms may thereafter submit bids by telephone on the date of sale by 1:00 P.M., Central Time. Inquiries with respect to this procedure may be directed to Stephen Eustis of Robert W. Baird & Co. Incorporated at (713) 230-6131.

Stephen Eustis of Robert W. Baird & Co. Incorporated will call telephone bidders who have submitted signed Official Bid Forms prior to the date of the sale. Contact Stephen Eustis of Robert W. Baird & Co. Incorporated, on the day of the sale to obtain the phone number for submission of telephone bids.

**LATE BIDS AND IRREGULARITIES:** The Financial Advisor is not authorized and will not be responsible for the submission of any bids made after the time prescribed, nor does the Authority or the Financial Advisor assume any responsibility or liability with respect to any irregularities associated with the submission, delivery, or electronic or transmission of any bid. **The Authority and the Board of the Authority reserve the right to reject any and all bids and to waive any irregularities, except time of filing.**

**AWARD AND SALE OF THE BONDS:** The Board of the Authority will take action to adopt an order authorizing the issuance and awarding sale of the Bonds (the “Bond Order”) to the Initial Purchaser (herein defined) or will reject all bids promptly after the opening of bids at 7:00 P.M., Central Time, on Thursday, November 13, 2025. The Board of the Authority reserves the right to reject any or all bids and to waive any irregularities, except time of filing. Please note that all bids must comply with the requirements listed in “CONDITIONS OF SALE—REQUIRED DISCLOSURE OF INTERESTED PARTIES.”

## **THE BONDS**

**DESCRIPTION OF CERTAIN TERMS OF THE BONDS:** The Bonds will be dated December 1, 2025 (the “Dated Date”), and will accrue interest from the initial date of delivery, which is expected to be on December 16, 2025 (the “Date of Delivery”), with interest payable on March 1, 2026, and on each September 1 and March 1 thereafter (each an “Interest Payment Date”) until the earlier of maturity or prior redemption. The Bonds will be issued only in fully registered form. Principal is payable to the registered owner(s) of the Bonds (the “Bondholder(s)”) upon presentation and surrender at the principal corporate trust office of the paying agent/registrar, initially, The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the “Paying Agent/Registrar”). Interest on the Bonds will be payable by check of the Paying Agent/Registrar, dated as of the Interest Payment Date, and mailed by the Paying Agent/Registrar to the Bondholders, as shown on the records of the Paying Agent/Registrar at the close of business on the 15<sup>th</sup> day of the calendar month next preceding each Interest Payment Date (the “Record Date”). The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds, but will receive a credit balance on the books of the nominees of such beneficial owners.

So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent/Registrar directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. See “THE BONDS—Book-Entry-Only System” in the Preliminary Official Statement.

The Bonds will mature on March 1 in each of the following years in the following amounts:

Maturity (March 1)	Principal Amount	Maturity (March 1)	Principal Amount
2026	\$800,000	2039	\$ 880,000
2027	515,000	2040	920,000
2028	535,000	2041	965,000
2029	560,000	2042	1,010,000
2030	590,000	2043	1,055,000
2031	615,000	2044	1,105,000
2032	645,000	2045	1,155,000
2033	670,000	2046	1,205,000
2034	705,000	2047	1,265,000
2035	735,000	2048	1,320,000
2036	770,000	2049	1,380,000
2037	805,000	2050	1,445,000
2038	840,000	2051	1,510,000

**SERIAL BONDS AND/OR TERM BONDS:** Bidders may provide that all the Bonds be issued as serial bonds or may provide that any two or more consecutive annual principal amounts may be combined into one or more term bonds.

**REDEMPTION PROVISIONS:** The Bonds maturing on and after March 1, 2032, are subject to redemption and payment, at the option of the Authority, in whole or, from time to time, in part, on March 1, 2031, or on any date thereafter, at a price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption. If less than all the Bonds are redeemed at any time, the Authority shall determine the maturity or maturities and the amounts thereof to be redeemed, in integral multiples of \$5,000 in principal amount, and if less than all of the Bonds within a maturity are to be redeemed, the Paying Agent/Registrar shall select by lot or other customary method of random selection the Bonds within such maturity to be redeemed. The holder of any Bond, all or a portion of which has been called for redemption, will be required to present such Bond to the Paying Agent/Registrar for payment of the redemption price on the portion of such Bond called for redemption and for the issuance of an exchange Bond in a principal amount equal to the portion of the Bond not so redeemed.

**SECURITY FOR PAYMENT:** Principal of and interest on the Bonds are payable from a combination of the proceeds of a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the Authority and from a pledge of net revenues of the Authority's waterworks and sanitary sewer facilities (the "Net Revenues"), if any, derived from operation of the waterworks and sanitary sewer facilities. It is not expected that the Net Revenues will ever be sufficient to materially contribute to debt service payments on the Bonds. The Net Revenues are entirely dependent upon the sale of water and sewer services to residents and users in the Authority.

**OTHER TERMS AND COVENANTS:** Other terms of the Bonds and the various covenants of the Authority contained in the Bond Order are described in the Preliminary Official Statement, to which reference is made for all purposes.

**MUNICIPAL BOND INSURANCE AND RATING:** The Authority has made applications for a commitment to provide municipal bond guaranty insurance on the Bonds. If qualified and the Initial Purchaser (herein defined) elects to purchase municipal bond insurance, the payment of all costs associated with the insurance, including the premium charged by the insurance company, and fees charged by rating companies, other than Moody's Investors Service, Inc. ("Moody's"), will be at the option and expense of the Initial Purchaser. The Authority will pay the rating fees charged by Moody's. Moody's has assigned an underlying credit rating of "Aa3" to the Bonds. See "MUNICIPAL BOND INSURANCE" AND "RATING" in the Preliminary Official Statement.

### **CONDITIONS OF SALE**

**TYPES OF BIDS and INTEREST RATES:** The Bonds will be sold in one block on an "all or none" basis at a price of not less than 97% of the principal amount thereof. Bidders are to name the rates of interest to be borne by

the Bonds, provided that each interest rate bid must be a multiple of 1/8th or 1/20th of 1%. All Bonds maturing within a single year must bear the same rate of interest. The net effective interest rate, as calculated pursuant to Chapter 1204 of the Texas Government Code, as amended, on the Bonds may not exceed 2% above the Daily Bond Buyer's weekly "20 Bond Index" published over the one-month period preceding the sale date of the Bonds. No limitation will be imposed upon bidders as to the number of rates which may be used, but the highest rate bid may not exceed the lowest rate bid by more than 2-1/2% in interest rate. Each bid shall indicate the total and net interest costs in dollars and the net effective interest rate determined therefrom, which shall be considered informative only and not as a part of the bid. No bid generating a cash premium greater than \$5,000 will be accepted.

**BASIS OF AWARD:** For the purpose of awarding sale of the Bonds, the interest cost of each bid will be computed by determining, at the rates specified therein, the total dollar value of all interest on the Bonds from the date thereof to their respective maturities and adding thereto the discount bid, if any. Subject to the Authority's right to reject any or all bids, sale of the Bonds will be awarded to the bidder (the "Initial Purchaser") whose bid, under the above computation, produces the lowest net interest cost to the Authority. The Board of the Authority reserves the right to reject any or all bids. In the event of mathematical discrepancies between the interest rate(s) bid and the interest cost determined therefrom, as both appear on the Official Bid Form, the bid will be governed solely by the interest rate(s) bid.

**GOOD FAITH DEPOSIT:** Each bid must be accompanied by a bank cashier's check payable to the order of "Clear Lake City Water Authority" in the amount of \$480,000 which is 2% of the par value of the Bonds (the "Good Faith Deposit"). "Official Checks" will not be accepted. The check of the Initial Purchaser will be considered as the Good Faith Deposit and will be retained uncashed by the Authority pending the Initial Purchaser's compliance with the terms of the bid. In the event the Initial Purchaser should fail or refuse to take up and pay for the Bonds in accordance with such terms, or if it is determined that after acceptance of its bid by the Authority that the Initial Purchaser was found not to satisfy the requirements regarding the filing of a standing letter with the Office of the Attorney General of Texas (the "Texas Attorney General") pursuant to the that All Bond Counsel Letter of the Texas Attorney General dated September 22, 2021, and all subsequent All Bond Counsel Letters, and as a result, the Attorney General will not deliver its approving opinion of the Bonds, then the Good Faith Deposit will be cashed and the proceeds accepted by the Authority as liquidated damages. The Good Faith Deposit may accompany the bid or it may be submitted separately; if submitted separately, it shall be made available to the Authority prior to the opening of the bids and shall be accompanied by instructions from the bank on which it is drawn which authorize its use as the Good Faith Deposit of bidders named in such instructions. THE GOOD FAITH DEPOSIT OF THE INITIAL PURCHASER WILL BE RETURNED TO THE INITIAL PURCHASER UNCASHED ON THE DATE OF DELIVERY OF THE BONDS. No interest will be credited on the Good Faith Deposit. The checks accompanying all other bids will be returned immediately after the bids are opened and the award of the sale of the Bonds has been made. Liability for breach of the standing letter requirements and the statutory representations and covenants required by Chapters 2252, 2271, 2274, and 2276 of the Texas Government Code shall survive until barred by the applicable statute of limitations, and are not to be liquidated or otherwise limited by any provision of this Official Notice of Sale and Official Bid Form, notwithstanding anything in this Official Notice of Sale or Official Bid Form to the contrary.

**STANDING LETTER REQUIREMENT:** In submitting a bid, bidder represents to the Authority that it and each syndicate member listed on the Official Bid Form, if any, (i) has filed a standing letter with the Attorney General and the Municipal Advisory Council of Texas that conforms to the requirements set forth in the All Bond Counsel Letters of the Attorney General dated November 1, 2023, as supplemented on November 16, 2023, and December 29, 2023, and any All Bond Counsel Letter issued hereafter (the "All Bond Counsel Letters"), (ii) has no reason to believe that the Authority may not be entitled to rely on such standing letters, and (iii) neither bidder, any syndicate member listed on the Official Bid Form, nor any parent company, subsidiaries, or affiliates of the same, have received a letter from the Texas Comptroller of Public Accounts related to its inclusion on any list of financial companies boycotting energy companies or companies that have been found to have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter that meets the requirements of the Attorney General. The Authority reserves the right, in its sole discretion, to reject any bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. By submitting a bid, each bidder agrees, should it be the winning

bidder, to cooperate with the Authority and take any action necessary to further verify and confirm compliance with state law by the bidder and each syndicate member listed on the Official Bid Form.

The Authority reserves the right, in its sole discretion, to reject any bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. In the event that a bidder does not have such standing letter on file at the time of submission of a bid, the bidder agrees to file such standing letter with the Municipal Advisory Council of Texas and the Texas Attorney General's Office by the earlier of: (a) two (2) hours after submitting its bid, and (b) the deadline for bids for the Bonds. If requested by the Authority, the Initial Purchaser agrees to provide such further representations, certifications or assurances regarding the matters described under the heading "Compliance with State Contracting Requirements," as applicable, as of the Date of Delivery of the Bonds or such other date requested by the Authority.

A bidder who is currently under review by the Texas Attorney General for being a potential discriminator or boycotter under (i) Section 2271.002 of the Texas Government Code, (ii) Section 2252.151 of the Texas Government Code, (iii) Section 2276.002 of the Texas Government Code, or (iv) Section 2274.002 of the Texas Government Code, agrees to provide, prior to the Date of Delivery of the Bonds, a bring-down certification that the Texas Attorney General can continue to rely on the bidder's standing letter and the statutory representations and covenants, in accordance with the requirements set forth in the All Bond Counsel Letters.

Notwithstanding anything contained herein, the representations and covenants contained in "Compliance with State Contracting Requirements," and "Standing Letter Requirement" shall survive termination of the agreement until the statute of limitations has run, and liability for breach of any verification in such sections during such period shall not be liquidated or otherwise limited by any provision herein, notwithstanding anything in herein to the contrary.

**COMPETITIVE BIDDING AND CERTIFICATE OF INITIAL PURCHASER:** In the event that the Authority does not receive sufficient qualified bids to satisfy the competitive sale requirements of Treasury Regulation Section 1.148-1(f)(3)(i), the "hold-the-offering-price rule" shall apply, which will allow the Authority to treat the initial offering price to the public of each maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule applies to any maturity of the Bonds, the Initial Purchaser will neither offer nor sell that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (i) the date on which the Initial Purchaser has sold at least 10 percent of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public or (ii) the close of the fifth business day after the sale date.

The Initial Purchaser agrees to promptly report to the Authority's Financial Advisor when it has sold 10 percent of a maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public if that occurs prior to the close of the fifth business day after the sale date. Alternative Certificates of Initial Purchaser are attached for use (i) when the competitive sale requirements of Treasury Regulation Section 1.148-1(f)(3)(i) are met and (ii) when such requirements are not met.

**REQUIRED DISCLOSURE OF INTERESTED PARTIES:** Bidders, including any syndicate member listed on the Official Bid Form, who are not publicly traded business entities, or wholly owned subsidiaries of a publicly traded business entity, must submit to the Authority a completed and signed Texas Ethics Commission Form 1295 ("TEC Form 1295") in accordance with Texas Government Code Section 2252.908. If required, the TEC Form 1295 may accompany the Official Bid Form or may be submitted separately, but must be provided to the Authority prior to the time prescribed for the award of the Bonds. If required the TEC Form 1295 may be provided to the Authority via facsimile or electronically; however, the original signed TEC Form 1295, including certificate number, must be physically delivered to the Authority within two business days of the award. The Authority reserves the right to reject any bid that does not comply with the requirements prescribed herein, if applicable, or to waive any such requirements. For purposes of completing the TEC Form 1295, box two is "Clear Lake City Water Authority" and box 3 is "CLCWA – S2025A – B." Neither the Authority nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, any entity who is not a publicly traded business entity, or a wholly owned subsidiary of a publicly traded business entity, should consult its own advisors to the extent it deems necessary and be prepared to

submit the completed form promptly upon notification from the Authority that its bid is the apparent winning bid.

**COMPLIANCE WITH STATE CONTRACTING REQUIREMENTS:** The bidder makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the “Government Code”), in connection with a submission of a bid for the Bonds. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification provided in connection with the purchase of the Bonds shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of the Bond Order, this Official Notice of Sale and the Official Bid Form, notwithstanding anything in the Bond Order this Official Notice of Sale or the Official Bid Form to the contrary.

- a. Not a Sanctioned Company. The bidder represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- b. No Boycott of Israel. The bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this contract. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.
- c. No Discrimination Against Firearm Entities. The bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this contract. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.
- d. No Boycott of Energy Companies. The bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this contract. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

**CONTRACTING INFORMATION:** The Authority will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that pursuant to Section 552.371 of the Texas Government Code, as amended, the bidder and each syndicate member listed on the Official Bid Form will (i) preserve all contracting information related to the bid as provided by the records retention requirements applicable to the Authority through the delivery date of the Bonds, (ii) promptly provide to the Authority any contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member on request of the Authority, and (iii) upon delivery of the Bonds to the bidder, either (a) provide at no cost to the Authority all contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member or (b) preserve the contracting information related to the bid as provided by the records retention requirements applicable to the Authority. The term “contracting information” as used in this paragraph has the meaning assigned to such term in Section 552.003 of the Texas Government Code.

By submitting a bid, a bidder makes and certifies to the representations necessary and convenient for compliance with the aforementioned laws and agrees to execute further written certificates as may be necessary or convenient for the Authority to establish compliance with the aforementioned laws.

**IMPACT OF BIDDING SYNDICATE ON AWARD:** For purposes of contracting for the sale of the Bonds, the entity signing the bid form as Initial Purchaser shall be solely responsible for the payment of the purchase price of the Bonds. The Initial Purchaser may serve as a syndicate manager and contract under a separate agreement

with other syndicate members. However, the Authority is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

### **OFFICIAL STATEMENT**

To assist the Initial Purchaser in complying with United States Securities and Exchange Commission (the “SEC”) Rule 15c2-12 of the Securities Exchange Act (the “Rule”), the Authority and the Initial Purchaser contract and agree, by the submission and acceptance of the winning bid, as follows:

**FINAL OFFICIAL STATEMENT:** The Authority has approved and authorized distribution of the accompanying Preliminary Official Statement for dissemination to bidders of the Bonds, but does not presently intend to prepare any other document or version thereof for such purpose, except as described below. Accordingly, the Authority intends the Preliminary Official Statement to be final as of its date, within the meaning of the Rule, except for information relating to the offering prices, interest rates, final debt service schedule, selling compensation, identity of the Initial Purchaser and other similar information, terms and provisions to be specified in the competitive bidding process. The Initial Purchaser shall be responsible for promptly informing the Authority of the initial offering yields of the Bonds. Thereafter, the Authority will complete and authorize distribution of the Official Statement identifying the Initial Purchaser and containing such omitted information. The Authority does not intend to amend or supplement the Official Statement otherwise, except to take into account certain subsequent events, if any, as described below. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the Initial Purchaser on or after the sale date, the Authority intends the same to be final as of such date, within the meaning of the Rule. Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are being or which will be made by the Authority are those described and contained in the Official Statement under the caption “SOURCES OF INFORMATION—Certification as to Official Statement.”

**CHANGES TO OFFICIAL STATEMENT:** If, subsequent to the date of the Official Statement, the Authority learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchaser of any adverse event which causes the Official Statement to be materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, as described below under “DELIVERY AND ACCOMPANYING DOCUMENTS—CONDITIONS TO DELIVERY,” the Authority will promptly prepare and supply to the Initial Purchaser an appropriate amendment or supplement to the Official Statement satisfactory to the Initial Purchaser; provided, however, that the obligation of the Authority to do so will terminate when the Authority delivers the Bonds to the Initial Purchaser, unless the Initial Purchaser notifies the Authority on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the Authority’s obligations hereunder will extend for an additional period of time (but not more than ninety (90) days after the date the Authority delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

**DELIVERY OF OFFICIAL STATEMENTS:** The Authority shall furnish to the Initial Purchaser (and to each participating underwriter of the Bonds, within the meaning of the Rule, designated by the Initial Purchaser), within seven (7) business days after the sale date, the aggregate number of Official Statements specified in the winning bid. The Authority also shall furnish to the Initial Purchaser a like number of any supplements or amendments approved and authorized for distribution by the Authority for dissemination to bidders of the Bonds, as well as such additional copies of the Official Statement or any such supplements or amendments as the Initial Purchaser may request prior to the 90th day after the end of the underwriting period described in the Rule. The Authority shall pay the expense of preparing the number of copies of the Official Statement specified in the winning bid and an equal number of any supplements or amendments issued on or before the delivery date, but the Initial Purchaser shall pay for all other copies of the Official Statement or any supplement or amendment thereto.

### **DELIVERY AND ACCOMPANYING DOCUMENTS**

**DELIVERY OF INITIAL BONDS:** Initial delivery of the Bonds will be as set forth below. Unless otherwise agreed with the Initial Purchaser, delivery will be at the corporate trust office of the Paying Agent/Registrar in Dallas, Texas. Payment for the Bonds must be made in immediately available funds for unconditional credit to the Authority, or as otherwise directed by the Authority. If, at the time of closing, the Initial Purchaser has provided



the Paying Agent/Registrar five (5) business days' written notice of its registration instructions, the Initial Purchaser shall not be required to pay for the initial until the Paying Agent/Registrar is able to deliver to the Initial Purchaser definitive, registered Bonds conforming to such registration instructions. The Initial Purchaser will be given six (6) business days' notice of the time fixed for delivery of the Bonds.

It is anticipated that initial delivery can be made on or about December 16, 2025, and subject to the aforesaid notice, it is understood and agreed that the Initial Purchaser will accept delivery and make payment for the initial Bonds on December 16, 2025, or thereafter on the date the initial Bonds are tendered for delivery, up to and including January 16, 2025. If for any reason the Authority is unable to make delivery on or before January 16, 2025, then the Authority immediately shall contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty (30) days. If the Initial Purchaser does not elect to extend its offer within six (6) days thereafter, then the Good Faith Deposit will be returned, and both the Authority and the Initial Purchaser shall be relieved of any further obligation.

**EXCHANGE ON DELIVERY DATE:** Upon written request of the Initial Purchaser, delivered to the Paying Agent/Registrar not less than five (5) business days prior to the date fixed for delivery, the Paying Agent/Registrar will, on the delivery date, exchange the Bonds to be delivered by the Authority for Bonds registered in accordance with instructions contained in such request, in integral multiples of \$5,000, maturing as set out in this Official Notice of Sale and bearing interest in accordance with the terms of the Initial Purchaser's bid.

**CUSIP NUMBERS:** It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Initial Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. All expenses relating to the printing of CUSIP numbers on the Bonds shall be paid for by the Authority; however, payment of the CUSIP Global Services charge for the assignment of the numbers shall be the responsibility of the Initial Purchaser.

**CONDITIONS TO DELIVERY:** The obligation to take up and pay for the Bonds is subject to the following conditions: the issuance of an approving opinion of the Attorney General of Texas, the Initial Purchaser's receipt of the initial Bonds (or definitive Bonds if the Initial Purchaser has provided the Paying Agent/Registrar with registration instructions as provided above), the Initial Purchaser's receipt of the legal opinion of Sanford Kuhl Hagan Kugle Parker Kahn LLP, Houston, Texas, Bond Counsel, the no-litigation certificate, and the non-occurrence of the events described below under "NO MATERIAL ADVERSE CHANGE," all as described below. Further, the Initial Purchaser is not obligated to take up and pay for the Bonds at initial delivery if at any time after the award of the Bonds and at or prior to initial delivery, the Congress of the United States shall have declared war or a national emergency. In addition, if the Authority fails to comply with its obligations described under "OFFICIAL STATEMENT" above, the Initial Purchaser may terminate its contract to purchase the Bonds by delivering written notice to the Authority within five (5) days thereafter.

**INITIAL PURCHASER'S CERTIFICATION OF ISSUE PRICE:** In order to provide the Authority with information required to enable it to comply with certain conditions of the Internal Revenue Code of 1986 (the "Code"), as amended, relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, and subject to the section entitled "CONDITIONS OF SALE—COMPETITIVE BIDDING AND CERTIFICATE OF INITIAL PURCHASER" herein, the Initial Purchaser will be required to complete, execute and deliver to the Authority (on or before the date of delivery of the Bonds) a certification regarding the "issue price" of the Bonds substantially in one of the forms accompanying this Official Notice of Sale. In the event the Initial Purchaser will not reoffer the Bonds for sale or is unable to sell a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in a manner acceptable to the Authority. Each bidder, by submitting its bid, agrees to complete, execute and deliver such a certificate by the date of delivery of the Bonds, if its bid is accepted by the Authority. It will be the responsibility of the Initial Purchaser to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel. See "LEGAL MATTERS" and "TAX EXEMPTION" in the Preliminary Official Statement. Such opinions express no opinion with respect to the sufficiency of the security or marketability of the Bonds.

**LEGAL OPINIONS:** The Authority will furnish to the Initial Purchaser a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds, including a certified copy of the approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Attorney General of Texas has examined a transcript of proceedings authorizing the issuance of the Bonds, and that based upon such examination, the Bonds are valid and binding obligations of the Authority payable from the proceeds of an annual ad valorem tax, levied without legal limitation as to rate or amount upon all taxable property in the Authority. The Authority will also furnish the approving legal opinion of Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding obligations of the Authority under the Constitution and laws of the State of Texas, except to the extent that enforcement of the rights and remedies of the registered owners of the Bonds may be limited by laws relating to bankruptcy, reorganization, or other similar laws of general application affecting the rights of creditors of political subdivisions such as the Authority. The legal opinion of Bond Counsel will further state that the Bonds are payable, both as to principal and interest, from the levy of ad valorem taxes without legal limitation as to rate or amount, upon all taxable property within the Authority, and that the interest on the Bonds is excludable from gross income for federal income tax purposes under existing law and interest on the Bonds is not subject to the alternative minimum tax on individuals. See “LEGAL MATTERS” and “TAX EXEMPTION” in the Preliminary Official Statement. Such opinions express no opinion with respect to the sufficiency of the security for or marketability of the Bonds.

**DTC DEFINITIVE BONDS:** After delivery, the Bonds will be issued in book-entry-only form. Cede & Co. is the nominee for DTC. All references herein to the registered owners of the Bonds shall mean Cede & Co. and not the beneficial owners of the Bonds. Purchase of beneficial interests in the Bonds will be made in book-entry-only form (without registered Bonds) in denominations of \$5,000 of principal amount or any integral multiple thereof. Under certain limited circumstances described herein, the Authority may determine to forego immobilization of the Bonds at DTC, or another securities depository, in which case, such beneficial interests would become exchangeable for one or more fully registered Bonds of like principal amount for the Bonds. See “THE BONDS—Book-Entry-Only System” in the Preliminary Official Statement.

**NOT QUALIFIED TAX-EXEMPT OBLIGATIONS:** The Bonds are **not** “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Code.

**NO-LITIGATION CERTIFICATE:** With the delivery of the Bonds, the President and Secretary of the Board of the Authority will, on behalf of the Authority, execute and furnish to the Initial Purchaser a certificate to the effect that no litigation of any nature has been filed or is then pending against the Authority, of which the Authority has notice, to restrain the issuance or delivery of the Bonds, or which would affect the provisions made for their payment or security, or in any manner questioning the validity of the Bonds.

**NO MATERIAL ADVERSE CHANGE:** The obligations of the Initial Purchaser to take up and pay for the Bonds, and of the Authority to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition of the Authority (financial or otherwise) subsequent to the date of sale from that set forth in the Preliminary Official Statement, as it may have been finalized, supplemented or amended through the date of delivery.

## **GENERAL CONSIDERATIONS**

**INVESTMENT CONSIDERATIONS:** The Bonds are subject to certain investment considerations as set forth in the Preliminary Official Statement. Prospective purchasers should review the entire Preliminary Official Statement before making an investment decision. See “INVESTMENT CONSIDERATIONS” in the Preliminary Official Statement.

**RESERVATION OF RIGHTS:** The Authority reserves the right to reject all bids or any bid not conforming with the terms hereof and the right to waive any and all irregularities, except time of filing.

**NOT AN OFFER TO SELL:** This Official Notice of Sale does not alone constitute an offer to sell the Bonds but is merely notice of sale of the Bonds. The invitation for bids on the Bonds is being made by means of this Official Notice of Sale, the Preliminary Official Statement, and the Official Bid Form.

**SECURITIES REGISTRATION AND QUALIFICATION:** No registration statement relating to the Bonds has been filed with the SEC under the Securities Act of 1933, as amended, in reliance upon exemptions provided

thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws or regulations of any other jurisdiction. The Authority assumes no responsibility for registration or qualification of the Bonds under the securities laws or regulations of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred.

This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdictions.

By submission of a bid, the Initial Purchaser represents that the sale of the Bonds in states other than Texas will be made only pursuant to exemptions from registration or qualification or, where necessary, the Initial Purchaser will register or qualify the Bonds in accordance with the securities laws or regulations of any jurisdiction which so requires. The Authority agrees to cooperate, at the Initial Purchaser's written request and expense, in registering or qualifying the Bonds, or in obtaining an exemption from registration or qualification, in any jurisdiction where such action is necessary.

CONTINUING DISCLOSURE AGREEMENT: The Authority will agree in the Bond Order to provide certain periodic information and notices of material events in accordance with the Rule, as described in the Preliminary Official Statement under "CONTINUING DISCLOSURE OF INFORMATION." The Initial Purchaser's obligation to accept and pay for the Bonds is conditioned upon delivery to the Initial Purchaser or its agent of a certified copy of the Bond Order containing the agreement described under such heading.

ADDITIONAL COPIES: Additional copies of this Official Notice of Sale, the Official Bid Form, and the Preliminary Official Statement may be obtained from Robert W. Baird & Co. Incorporated, 4801 Woodway Drive, Suite 118-E, Houston, Texas 77056.

/s/ \_\_\_\_\_  
President, Board of Directors  
Clear Lake City Water Authority

## CERTIFICATE OF INITIAL PURCHASER—FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS MET

The undersigned hereby certifies as follows with respect to the sale of the \$24,000,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2025A (the “Bonds”) by Clear Lake City Water Authority (the “Authority”):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the “Initial Purchaser”) which has purchased the Bonds from the Authority at competitive sale.
2. The Initial Purchaser was not given the opportunity to review other bids prior to submitting its bid, and the bid submitted by the Initial Purchaser constituted a firm bid to purchase the Bonds.
3. As of the Sale Date (defined below), the reasonably expected initial offering prices of the Bonds to the public by the Initial Purchaser (expressed as a percentage of principal amount) is as set forth below.

Maturity (March 1)	Principal Amount	Price/Yield	Maturity (March 1)	Principal Amount	Price/Yield
2026	\$800,000	_____%	2039	\$ 880,000	_____%
2027	515,000	_____%	2040	920,000	_____%
2028	535,000	_____%	2041	965,000	_____%
2029	560,000	_____%	2042	1,010,000	_____%
2030	590,000	_____%	2043	1,055,000	_____%
2031	615,000	_____%	2044	1,105,000	_____%
2032	645,000	_____%	2045	1,155,000	_____%
2033	670,000	_____%	2046	1,205,000	_____%
2034	705,000	_____%	2047	1,265,000	_____%
2035	735,000	_____%	2048	1,320,000	_____%
2036	770,000	_____%	2049	1,380,000	_____%
2037	805,000	_____%	2050	1,445,000	_____%
2038	840,000	_____%	2051	1,510,000	_____%

4. The Initial Purchaser has/has not purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the “Insurer”) for a fee of \$\_\_\_\_\_ (net of any non-guarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's length charge for the transfer of credit risk. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that had not been earned.

5. The term “public” means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an underwriter or a related party to an underwriter. A “related party” generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

6. The term “Sale Date” means the first date on which there is a binding contract in writing for the sale of the Bonds. The Sale Date of the Bonds is November 13, 2025.

The undersigned understands that the statements made herein will be relied upon by the Authority and Sanford Kuhl Hagan Kugle Parker Kahn LLP in complying with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from the gross income of their owners for federal income tax purposes.

EXECUTED AND DELIVERED this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
(Name of Initial Purchaser or Manager)

By: \_\_\_\_\_

Title: \_\_\_\_\_

## CERTIFICATE OF INITIAL PURCHASER—FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS NOT MET

The undersigned hereby certifies as follows with respect to the sale of the \$24,000,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2025A (the “Bonds”) by Clear Lake City Water Authority (the “Authority”):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (“Initial Purchaser”) which has purchased the Bonds from the Authority at competitive sale.
2. As of the date of this certificate, for each of the following maturities (the “Sold Maturities”), the first price at which a substantial amount (at least ten percent) of such maturity was sold to the public (expressed as a percentage of principal amount) is set forth below:

Maturity (March 1)	Principal Amount	Price/Yield	Maturity (March 1)	Principal Amount	Price/Yield
2026	\$800,000	____%	2039	\$ 880,000	____%
2027	515,000	____%	2040	920,000	____%
2028	535,000	____%	2041	965,000	____%
2029	560,000	____%	2042	1,010,000	____%
2030	590,000	____%	2043	1,055,000	____%
2031	615,000	____%	2044	1,105,000	____%
2032	645,000	____%	2045	1,155,000	____%
2033	670,000	____%	2046	1,205,000	____%
2034	705,000	____%	2047	1,265,000	____%
2035	735,000	____%	2048	1,320,000	____%
2036	770,000	____%	2049	1,380,000	____%
2037	805,000	____%	2050	1,445,000	____%
2038	840,000	____%	2051	1,510,000	____%

3. As of the Sale Date (defined below), each of the following maturities (the “Unsold Maturities”) was offered to the public for purchase at the price (expressed as a percentage of principal amount) set forth below:

Maturity (March 1)	Principal Amount	Price/Yield	Maturity (March 1)	Principal Amount	Price/Yield
2026	\$800,000	____%	2039	\$ 880,000	____%
2027	515,000	____%	2040	920,000	____%
2028	535,000	____%	2041	965,000	____%
2029	560,000	____%	2042	1,010,000	____%
2030	590,000	____%	2043	1,055,000	____%
2031	615,000	____%	2044	1,105,000	____%
2032	645,000	____%	2045	1,155,000	____%
2033	670,000	____%	2046	1,205,000	____%
2034	705,000	____%	2047	1,265,000	____%
2035	735,000	____%	2048	1,320,000	____%
2036	770,000	____%	2049	1,380,000	____%
2037	805,000	____%	2050	1,445,000	____%
2038	840,000	____%	2051	1,510,000	____%

4. The Initial Purchaser has/has not purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the “Insurer”) for a fee of \$\_\_\_\_\_ (net of any non-guarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's length charge for the transfer of credit risk. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that had not been earned.

5. As set forth in the Official Notice of Sale, the Initial Purchaser has agreed in writing that, for each of the Unsold Maturities, the Initial Purchaser would neither offer nor sell any of the Bonds of such maturity to any person at a price that is higher than the initial offering price for each maturity, as set forth in the pricing wire or equivalent communication for the Bonds attached to this certificate, during the Offering Period (defined below) for such maturity, nor would the Initial Purchaser permit a related party to do so. Pursuant to such agreement, the Initial Purchaser has neither offered nor sold any of the Unsold Maturities at a price higher than the respective initial offering price for that maturity of the Bonds during the Offering Period.

6. The term “public” means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an underwriter or a related party to an underwriter. A “related party” generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

7. The term “Sale Date” means the first date on which there is a binding contract in writing for the sale of the Bonds. The Sale Date of the Bonds is November 13, 2025.

8. The term “Offering Period” means, with respect to an Unsold Maturity, the period beginning on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date or (b) the date on which the Initial Purchaser has sold at least 10 percent of such Unsold Maturity to the public at a price that is no higher than the initial offering price for such Unsold Maturity.

The undersigned understands that the statements made herein will be relied upon by the Authority and Sanford Kuhl Hagan Kugle Parker Kahn LLP in complying with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from the gross income of their owners for federal income tax purposes.

EXECUTED AND DELIVERED this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
(Name of Initial Purchaser or Manager)

By: \_\_\_\_\_

Title: \_\_\_\_\_

## OFFICIAL BID FORM

November 13, 2025

President and Board of Directors  
Clear Lake City Water Authority  
c/o Sanford Kuhl Hagan Kugle Parker Kahn LLP  
1330 Post Oak Boulevard, Suite 2650  
Houston, Texas 77056

Board Members:

We have read in detail the Official Notice of Sale and Preliminary Official Statement, which are hereby made a part hereof, of Clear Lake City Water Authority (the "Authority") relating to its \$24,000,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2025A (the "Bonds"). We realize that the Bonds involve certain investment considerations and that the ability of the Authority to service the Bonds depends, in part, on the investment considerations set forth in the Preliminary Official Statement dated September 11, 2025. We have made such inspections and investigations as we deem necessary relating to the investment quality of the Bonds. Accordingly, we offer to purchase the Bonds for a cash price of \$\_\_\_\_\_ (which represents \_\_\_\_\_% of the principal amount thereof), provided such Bonds bear interest at the following rates:

Maturity (March 1)	Principal Amount	Interest Rate	Maturity (March 1)	Principal Amount	Interest Rate
2026	\$800,000	_____ %	2039 (a)	\$ 880,000	_____ %
2027	515,000	_____ %	2040 (a)	920,000	_____ %
2028	535,000	_____ %	2041 (a)	965,000	_____ %
2029	560,000	_____ %	2042 (a)	1,010,000	_____ %
2030	590,000	_____ %	2043 (a)	1,055,000	_____ %
2031	615,000	_____ %	2044 (a)	1,105,000	_____ %
2032 (a)	645,000	_____ %	2045 (a)	1,155,000	_____ %
2033 (a)	670,000	_____ %	2046 (a)	1,205,000	_____ %
2034 (a)	705,000	_____ %	2047 (a)	1,265,000	_____ %
2035 (a)	735,000	_____ %	2048 (a)	1,320,000	_____ %
2036 (a)	770,000	_____ %	2049 (a)	1,380,000	_____ %
2037 (a)	805,000	_____ %	2050 (a)	1,445,000	_____ %
2038 (a)	840,000	_____ %	2051 (a)	1,510,000	_____ %

(a) The Authority reserves the right to redeem prior to maturity those Bonds maturing on and after March 1, 2032, in whole or, from time to time in part, on March 1, 2031, or on any date thereafter at a price of par.

We hereby designate the following as term bonds (the "Term Bonds") with mandatory sinking redemptions in the principal amounts and maturing in the years as follows:

Term Bond Maturity Date (March 1)	Year of First Mandatory Redemption	Principal Amount of Term Bonds	Interest Rate
_____	_____	\$ _____	_____ %
_____	_____	_____	_____ %
_____	_____	_____	_____ %
_____	_____	_____	_____ %
_____	_____	_____	_____ %
_____	_____	_____	_____ %



As part of our bid, we agree/disagree to pay the premium in the amount of \$\_\_\_\_\_ for the municipal bond guaranty insurance issued by \_\_\_\_\_ and the rating agency fee(s) of \_\_\_\_\_ in the amount of \$\_\_\_\_\_ for the insured rating(s) associated with such insurance.

Our calculation (which is not a part of this bid) of the interest cost from the above is:

Total Interest Cost from Date of Delivery .....	\$ _____
Plus: Dollar Amount of Discount <u>OR</u> Less: Dollar Amount of Premium .....	\$ _____
NET INTEREST COST .....	\$ _____
NET EFFECTIVE INTEREST RATE.....	_____ %

We will require \_\_\_\_ copies of the final Official Statement for dissemination to bidders of the Bonds (not to exceed 250 copies). By our submission of this bid, we agree to provide such copies of the final Official Statement and of any amendments or supplements thereto in accordance with the Official Notice of Sale, and to undertake the obligations of the Initial Purchaser described therein, as contemplated by United States Securities and Exchange Commission Rule 15c2-12 of the Securities Exchange Act (the "Rule").

If the bidder is not a publicly traded business entity, or a wholly owned subsidiary of a publicly traded business entity, the Authority may not accept this bid until it has received from the bidder a completed and signed Texas Ethics Commission Form 1295 and Certification of Filing pursuant to Texas Government Code Section 2252.908 and the rules promulgated thereunder by the Texas Ethics Commission. The undersigned understands that failure to provide said form and Certification of Filing will result in a non-confirming bid and will prohibit the Authority from considering this bid for acceptance. See "CONDITIONS OF SALE—REQUIRED DISCLOSURE OF INTERESTED PARTIES" in the accompanying Official Notice of Sale.

By executing this Official Bid Form, the bidder and any syndicate member listed on the Official Bid Form represents, and if the bid is accepted, covenants that, for the purposes of sections 2252.152, 2271.002, 2274.002, and 2276.002, Texas Government Code, as amended, bidder, any syndicate member listed on the Official Bid Form, any parent company, wholly owned subsidiary, majority-owned subsidiary, and affiliate:

- a. Do not boycott energy companies and will not boycott energy companies during the term of such contract. "boycott energy company" has the meaning provided in section 809.001 of the Texas Government Code.
- b. Do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association will not discriminate against a firearm entity or firearm trade association during the term of such contract. "Discriminate against a firearm entity or firearm trade association" has the meaning provided in section 2274.001(3) of the Texas Government Code. "Firearm entity" and "firearm trade association" have the meanings provided in section 2274.001(6) and (7) of the Texas Government Code.
- c. Do not boycott Israel and will not boycott Israel during the term of such contracts. "Boycott Israel" has the meaning provided in section 808.001 of the Texas Government Code.
- d. Unless affirmatively declared by the United States government to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization, are not identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under section 2252.153 or section 2270.0201 of the Texas Government Code.

For the purposes of this section, "Affiliate" means any entity that controls, is controlled by, or is under common control with the Purchaser within the meaning of SEC Rule 405, 17. C.F.R. § 230.405 and exists to make a profit.

Additionally, by submitting this Official Bid Form, the bidder represents to the Authority that it and each syndicate member listed on the Official Bid Form, if any, (i) has filed a standing letter with the Attorney General and the Municipal Advisory Counsel of Texas that conforms to the requirements set forth in the All Bond Counsel Letters of the Texas Attorney General dated November 1, 2023, and supplemented November 16, 2023, and December 29, 2023, and any All Bond Counsel Letters subsequently issued, (collectively, the "All Bond Counsel Letters") (ii) has no reason to believe that the Authority may not be entitled to rely on such standing

letters, and (iii) neither bidder, any syndicate member listed on the Official Bid Form, nor any parent company, any wholly-or majority-owned subsidiaries, or affiliates of the same, have received a letter from the Texas Comptroller of Public Accounts or the Attorney General related to its inclusion on any list of financial companies boycotting energy companies or companies that have been found to have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter that meets the requirements of the Attorney General.

Additionally, by executing this Official Bid Form, the bidder also represents and certifies that, the bidder and each syndicate member listed on this Official Bid Form will (i) preserve all contracting information related to the bid as provided by the records retention requirements applicable to the Authority through the delivery date of the Bonds, (ii) promptly provide to the Authority any contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member on request of the Authority, and (iii) upon delivery of the Bonds to the bidder, either (a) provide at no cost to the Authority all contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member or (b) preserve the contracting information related to the bid as provided by the records retention requirements applicable to the Authority. The term "contracting information" as used in this paragraph has the meaning assigned to such term in Section 552.003 of the Texas Government Code.

At the request of the Authority, the undersigned agrees to execute further written certifications as may be necessary or convenient for the Authority to establish compliance with these laws. Notwithstanding anything contained herein, the representations and covenants contained herein shall survive until the statute of limitations has run.

The initial Bonds shall be registered in the name of Cede & Co. We will advise DTC of registration instructions at least five business days prior to the date for initial delivery.

Cashier's Check No. \_\_\_\_\_, issued by \_\_\_\_\_, and payable to your order in the amount of \$480,000 (is attached hereto) (has been made available to you prior to the opening of this bid) as a Good Faith Deposit for disposition in accordance with the terms and conditions set forth in the Official Notice of Sale. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions stated in the Official Notice of Sale, or if it is determined that after the acceptance of this bid by the Authority, that we were found not to satisfy the requirements regarding the filing of a standing letter with the Office of the Attorney General of Texas (the "Texas Attorney General") pursuant to that All Bond Counsel Letter of the Texas Attorney General dated September 22, 2021, and any All Bond Counsel Letter subsequently issued, and as a result, the Texas Attorney General will not deliver its approving opinion of the Bonds, this check shall be cashed and the proceeds retained by the Authority as liquidated damages against the Initial Purchaser.

We agree to accept delivery of and make payment for the initial Bond in immediately available funds at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, not later than 10:00 A.M., Central Time, on December 16, 2025, or thereafter on the date the Bonds are tendered for delivery pursuant to the terms set forth in the Official Notice of Sale.

The undersigned agrees to complete, execute and deliver to the Authority, by the date of delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the applicable form accompanying the Official Notice of Sale, with such changes thereto as may be acceptable to the Authority.

We hereby represent that sale of the Bonds in jurisdictions other than Texas will be made only pursuant to exemptions from registration or qualification and that, where necessary, we will register or qualify the Bonds in accordance with the securities laws and regulations of the jurisdictions in which the Bonds are offered or sold.

Respectfully submitted,

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

**ACCEPTANCE CLAUSE**

The above and foregoing bid is hereby in all things accepted by Clear Lake City Water Authority on this 13<sup>th</sup> day of November 2025.

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

\_\_\_\_\_  
President, Board of Directors

Return of \$480,000 Good Faith Deposit is hereby acknowledged:

Firm: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

(For your information you will find attached a list of the group of Initial Purchasers associated with us in this proposal.)

**\$24,000,000**  
**CLEAR LAKE CITY WATER AUTHORITY**  
**WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX AND REVENUE BONDS**  
**SERIES 2025A**

**BOND YEARS**

Dated Date: December 1, 2025

Due: March 1 as shown below

Year	Amount	Bond Years	Accumulated Bond Years
2026	\$ 800,000	166.6667	166.6667
2027	515,000	622.2917	788.9583
2028	535,000	1,181.4583	1,970.4167
2029	560,000	1,796.6667	3,767.0833
2030	590,000	2,482.9167	6,250.0000
2031	615,000	3,203.1250	9,453.1250
2032	645,000	4,004.3750	13,457.5000
2033	670,000	4,829.5833	18,287.0833
2034	705,000	5,786.8750	24,073.9583
2035	735,000	6,768.1250	30,842.0833
2036	770,000	7,860.4167	38,702.5000
2037	805,000	9,022.7083	47,725.2083
2038	840,000	10,255.0000	57,980.2083
2039	880,000	11,623.3333	69,603.5417
2040	920,000	13,071.6667	82,675.2083
2041	965,000	14,676.0417	97,351.2500
2042	1,010,000	16,370.4167	113,721.6667
2043	1,055,000	18,154.7917	131,876.4583
2044	1,105,000	20,120.2083	151,996.6667
2045	1,155,000	22,185.6250	174,182.2917
2046	1,205,000	24,351.0417	198,533.3333
2047	1,265,000	26,828.5417	225,361.8750
2048	1,320,000	29,315.0000	254,676.8750
2049	1,380,000	32,027.5000	286,704.3750
2050	1,445,000	34,981.0417	321,685.4167
2051	1,510,000	38,064.5833	359,750.0000

Total Bond Years: 359,750.0000

Average Maturity: 14.9896 years