

PUBLIC NOTICE OF
VALLEY MUNICIPAL UTILITY DISTRICT NO. 2

Pursuant to Chapter 2254.1036, Texas Government Code, notice is hereby given that Valley Municipal Utility District No. 2 (the “District”) will consider a contingent fee contract for bond counsel legal services with Winstead PC (“Winstead”). The contingent fee contract by and between the District and Winstead will be presented to the District at a public meeting to be held on April 16, 2024 at 9:00 a.m. at 100 Hidalgo Avenue, Rancho Viejo, Texas 78575, which is within the boundary of the District.

The engagement of Winstead is required to render professional services in connection with the authorization, sale, and delivery of bonds, certificates of participation, notes, or other evidences of indebtedness (“Bonds”) on behalf of the District. Winstead will coordinate with the District and its consultants in the preparation of bond applications, official statements, and transcripts of legal proceedings to comply with the requirements of the Attorney General of the State of Texas, and will coordinate with the District and its consultants in all matters relative to the receipt and tabulation of bids for purchase of bonds. Additionally, Winstead will supervise the execution and delivery of the bonds to the original purchasers. Winstead will additionally provide an Opinion to confirm the validity of the bonds, and the tax-exempt status of the interest earned thereon under Federal Income Tax regulations, if applicable.

Bond Counsel services are highly specialized legal services involving guidance in stated, federal tax and securities law. The services require competences, experience and legal knowledge which are not normally had by District attorneys and the District’s supporting personnel. Additionally, public finance industry standards necessitate the engagement of outside Bond Counsel. As such, legal services cannot be adequately performed by the attorneys and supporting personnel of the District.

Members of the Winstead Public Finance Practice Group have been advising clients and serving as bond counsel on tax-exempt and taxable bonds, and rendering market opinions for

governmental issuers, including special districts, for over 40 years. Winstead Public Finance attorneys are active members of the National Association of Bond Lawyers.

Engaging an attorney in private practice who has meaningful experience in public finance matters pursuant to an hourly fee arrangement would likely result in higher fees to be paid by the District, and such fees incurred would be payable by the District from the District's general fund or current revenues, whether or not the securities are issued. Fees for legal services in public finance matters, including bond counsel legal services, have traditionally been paid pursuant to a contingent fee arrangement, where such fees become payable only upon the successful issuance of the securities and payable solely out of the proceeds of the securities.

A contingent fee contract for bond counsel services with Winstead would allow the District to proceed with the issuance of Bonds in the most efficient, cost-effective, and feasible manner, resulting in benefits to the residents of the Valley Municipal Utility District No. 2.