

This Official Notice of Sale does not alone constitute an invitation for bids but is merely notice of sale of 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 Preliminary Official Statement.

**OFFICIAL NOTICE OF SALE
BOOK-ENTRY ONLY**

\$5,100,000

**DOWDELL PUBLIC UTILITY DISTRICT
(A political subdivision located within Harris County, Texas)**

**UNLIMITED TAX BONDS
SERIES 2018**

Bonds Offered for Sale at Competitive Bid:

The Board of Directors (the "Board") of Dowdell Public Utility District (the "District") is offering for sale at competitive bid \$5,100,000 Unlimited Tax Bonds, Series 2018 (the "Bonds"). Options to submit bids on the bonds include:

- 1.) Deliver bids directly to the District as described below in "Sealed Bids Delivered to the District;"
- 2.) Submit electronic bids through the facilities of PARITY as described below in "Electronic Bidding Procedures;" or
- 3.) Submit bids by telephone as described below in "Bids by Telephone."

Bid Opening:

The District will open sealed bids and envelopes provided for purposes of electronic bidding and bids by telephone, for the purchase of the Bonds on Thursday, November 15, 2018, at 10:00 a.m. Houston time, at the offices of The GMS Group, L.L.C., 5075 Westheimer, Suite 1175, Houston, TX 77056-5606. The GMS Group, L.L.C. (the District's Financial Advisor and authorized representative of the District) will open and read the bids at 10:00 a.m. at the offices of The GMS Group, L.L.C. The Board will take action to reject the bids or accept the bid that produces the lowest net effective interest rate for the Bonds at a meeting to be held on Thursday, November 15, 2018, at 6:00 p.m., Houston time at the District's regular meeting place, 19333 Haude Road, Spring, Texas 77388.

Sealed Bids Delivered Directly to the District:

Sealed bids, which must be submitted in duplicate on the Official Bid Form and plainly marked "Bid for Bonds" are to be addressed to "President and Board of Directors, Dowdell Public Utility District." All bids must be delivered to the offices of The GMS Group, L.L.C., at the above address prior to the above scheduled time for bid opening. Any bid received after such scheduled time for bid opening will not be accepted and will be returned unopened.

Electronic Bidding Procedures:

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 10:00 a.m., Houston time, on Thursday, November 15, 2018. No bids will be accepted after this time, as specified. Subscription to the i-Deal LLC's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

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 signed, sealed bid delivered to the District. The District 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 PARITY Customer Support, 40 West 23rd Street, 5th Floor, New York, NY 10010, telephone: (212) 806-8304.

For purposes of both the written sealed bid process and 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 interest cost to the District, 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.**

Bids by Telephone:

Bidders may make bids by telephone pursuant to arrangements made with the District's Financial Advisor John Howell, The GMS Group (713) 622-7620.

Award of the Bonds:

The Board will take action to adopt an order authorizing the issuance and awarding sale of the Bonds or will reject all bids after reviewing the bids at the District’s Board meeting. The Board reserves the right to reject any and all bids and to waive any irregularities except time of filing.

THE BONDS

Description of Certain Terms of the Bonds:

The Bonds will be dated December 1, 2018, with interest payable on September 1, 2019, and each March 1 and September 1 thereafter until the earlier of maturity or redemption. The District intends to utilize the Book-Entry-Only System of the Depository Trust Company ("DTC"). See "THE BONDS – Book-Entry-Only System" in the Official Statement. Principal and redemption price of the Bonds will be payable to the registered owner at maturity or redemption upon presentation to the Paying Agent/Registrar (initially Zions Bancorporation, National Association, Houston, Texas). Interest on the Bonds will be payable by check or draft dated as of the interest payment date and mailed on or before that date to the registered owners as shown on the records of the Paying Agent/Registrar on the 15th calendar day of the month next preceding each interest payment date. The Bonds will mature serially on September 1, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2021	\$50,000	2034	\$230,000
2022	\$50,000	2035	\$240,000
2023	\$50,000	2036	\$250,000
2024	\$50,000	2037	\$260,000
2025	\$50,000	2038	\$270,000
2026	\$50,000	2039	\$280,000
2027	\$100,000	2040	\$295,000
2028	\$185,000	2041	\$305,000
2029	\$190,000	2042	\$320,000
2030	\$200,000	2043	\$330,000
2031	\$205,000	2044	\$345,000
2032	\$215,000	2045	\$355,000
2033	\$225,000		

The Bonds maturing on or after September 1, 2024, are subject to redemption at the option of the District, prior to maturity, in whole or in part, on September 1, 2023, or on any date thereafter, at a price of the par value thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. If less than all of the Bonds are redeemed at any time, the Bonds to be redeemed shall be selected by DTC in accordance with its procedures on behalf of the District. The registered owner of any Bond, all or a portion of which has been called for redemption, shall be required to present same to the Paying Agent/Registrar for payment of the redemption price on the portion of the Bond so called for redemption and the issuance of a new Bond in the principal amount equal to the portion of the Bond not redeemed.

Term Bonds; Mandatory Sinking Fund:

Any successful bidder may elect in its written bid to alter the Maturity Schedule reflected on the cover by converting the principal amounts of a Serial Bond maturing in the years 2024 through 2045 into "Term Bonds." Such "Term Bonds" shall be subject to mandatory redemption on the September 1 next following the last maturity for Serial Bonds in the same principal amount as shown on the Maturity Schedule shown on the cover page, and annually thereafter on each September 1, until the stated principal amount of the Term Bonds to be redeemed on each mandatory redemption date shall be the principal amount that would have been due and payable in the Maturity Schedule shown on the cover had no conversion to Term Bond occurred. At least 30 days prior to each mandatory redemption date, the term Bonds to be redeemed shall be selected by lot or other customary method, and a notice of redemption shall be issued in the manner provided below.

Successor Paying Agent/Registrar:

Provision is made in the Bond Order for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new Paying Agent/Registrar shall accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any Paying Agent/Registrar selected by the District shall be either a national or state banking institution, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform the duties as Paying Agent/Registrar.

Municipal Bond Rating:

In connection with the sale of the Bonds the District has made application to Moody's Investors Service, Inc. ("Moody's") which has assigned a rating of "A3" to the Bonds. An explanation of the significance of such rating may be obtained from Moody's. The rating reflects only the view of Moody's and the District makes no representation as to the appropriateness of such rating.

Municipal Bond Insurance:

The District has applied for qualification of the Bonds for bond insurance. The Underwriter (as defined herein) may bid for the Bonds with or without bond insurance. If the Underwriter bids for the Bonds with bond insurance, the cost of the bond insurance premium must be paid for by the Underwriter. The District will pay for the cost of the Moody's rating. The Underwriter must pay for the cost of any rating other than the Moody's rating. If the Underwriter purchases the Bonds with bond insurance and subsequent to the sale date and prior to the closing date, the bond insurer's credit rating is downgraded the Underwriter is still obligated to accept delivery of the Bonds. Information relative to the cost of the insurance premium will be available from the bond insurance company on the day of the sale.

Security for Payment:

The Bonds, when issued, will constitute valid and binding obligations of the District, payable as to the principal and interest from the proceeds of a continuing, direct annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District, all to the extent and upon the conditions described 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 and at a price of not less than 97% of the par value thereof plus accrued interest from the date of the Bonds to the date of delivery. Bidders are to name the rates of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. All Bonds maturing within a single year must bear the same rate of interest.

The net effective interest rate on the Bonds may not exceed 6.24% as calculated pursuant to Chapter 1204, Public Security Procedures Act Texas Government Code Annotated, as amended. Subject to the above conditions, no limitation will be imposed upon bidders as to the number of interest rates or changes in interest rates which may be used, but the highest interest rate bid in any maturity may not exceed the lowest interest rate bid in any maturity by more than two and one half (2-1/2%) percentage points. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid.

Basis of Award:

For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the interest 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, if any. Subject to the District's right to reject any or all bids, sale of the Bonds will be awarded to the bidder (the "Underwriter") whose bid, under the above computation, produces the lowest net interest cost to the District. In the event of mathematical discrepancies between the interest rates and the interest costs determined therefrom, as both appear on the Official Bid Form the bid will be solely governed by the interest rates named therein.

Sale of the Bonds will also be subject to compliance with Texas Government Code §2252.908 as more fully described herein. See "Provisions of Texas Ethics Commission Form 1295 ("TEC Form 1295") by Bidders."

Good Faith Deposit:

Each bid must be accompanied by a bank's cashier's check, payable to the order of Dowdell Public Utility District, in the amount of \$102,000.00 (the "Good Faith Deposit"). The Good Faith Deposit submitted by the Underwriter will be retained uncashed by the District pending the Underwriter's compliance with the terms of the Official Bid Form and the Official Notice of Sale. In the event the Underwriter should fail or refuse to accept delivery of and pay for the Bonds in accordance with its bid, then the check will be cashed and the proceeds accepted by the District as full and complete liquidated damages. A Good Faith Deposit may accompany the Official Bid Form or may be submitted separately; if submitted separately, it shall be made available to the District 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 a Good Faith Deposit by the bidder(s) to be named in such instructions.

Provision of Texas Ethics Commission Form 1295 ("TEC Form 1295") and Certification of Filing by Bidders:

Effective January 1, 2016, pursuant to Texas Government Code § 2252.908 (the "Interested Party Disclosure Act" or the "Act"), the District may not award the Bonds to a bidder unless the bidder, and each syndicate member listed on the Official Bid Form, have provided to the District a completed, signed and notarized TEC Form 1295 which has been assigned a certificate number by the Texas Ethics Commission (the "TEC"). Pursuant to the rules prescribed by the TEC, the TEC Form 1295 must be completed online through the TEC's website, assigned a certificate number, printed, signed and notarized, and provided to the District. The TEC Form 1295 may accompany the Official Bid Form or may be submitted separately, but must be provided to the District prior to the time prescribed for the formal written award of the Bonds by the Board of Directors. The TEC Form 1295 may be provided to the District via facsimile or electronically, however, the original signed and notarized TEC Form 1295, complete with certificate number, must be physically delivered to the District within three business days of the award of the sale of the Bonds by the District's Board of Directors. For purposes of delivering the TEC Form 1295, the following address should be used: Dowdell Public Utility District, c/o Smith, Murdaugh, Little & Bonham, L.L.P., 2727 Allen Parkway, Suite 1100, Houston, Texas 77019. Following the award of the Bonds, the District will notify the TEC of the receipt of each completed TEC Form 1295. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein or to waive any such requirements. For purposes of completing the TEC Form 1295, the entity's name (for box #2) is Dowdell Public Utility District and the contract ID number (for box #3) is DOWPUD-S2018-B. Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither have an obligation nor undertake responsibility to advise any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the apparent winning bid.

Compliance with Laws Prohibiting Contracts with Companies that Boycott Israel and Certain Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations:

The District 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, to the extent the Official Bid Form represents a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of Chapter 2270 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of its bid and through the delivery date of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that boycotts or will boycott Israel. The term "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended. Additionally, the District will not award the Bonds to a bidder unless the bidder certifies that, to the extent the Official Bid Form represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of its bid, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company² (i) that engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) listed by the Texas Comptroller of Public Accounts under Section 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

¹ For purposes of compliance with Chapter 2270 of the Texas Government Code, the term "Company" has the meaning assigned by Section 808.001(2).

² For purposes of compliance with Chapter 2270 of the Texas Government Code, the term "Company" has the meaning assigned by Section 2270.0001(2).

DELIVERY AND ACCOMPANYING DOCUMENTS

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 failure or refusal by the Underwriter to accept delivery of or make payment for the Bonds in accordance with the terms of the Official Bid Form and this Official Notice of Sale. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the District; however, the CUSIP Service Bureau charge for the assignment of the numbers shall be paid by the Underwriter.

DTC Definitive Bonds:

After delivery of the initial bonds, 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 the denomination of \$5,000 principal amount or any integral multiple thereof. Under certain limited circumstances described herein, the District 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.

Delivery of Initial Bonds:

Initial delivery will be accomplished by the issuance of one initial Bond for the entire principal amount of the Bonds, payable in stated installments (the "Initial Bonds"), either in typed or printed form, in the aggregate principal amount of \$5,100,000 registered to the person or entity designated by the Underwriter in the Official Bid Form, signed manually or in facsimile by the President and Secretary of the Board, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas or her authorized representative. Initial delivery will be through DTC. One definitive Bond for each maturity will be registered and delivered in the name of Cede & Co., and deposited with or under agreement with DTC in connection with DTC's Book-Entry-Only System. Payment for the Initial Bonds must be made in immediately available funds for unconditional credit to the District or as otherwise directed by the District. The Underwriter will be given five business days' notice of the date fixed for delivery of the Initial Bonds. It is anticipated that initial delivery can be made on or about December 13, 2018, and it is understood and agreed that the Underwriter will accept delivery and provide payment for the Initial Bonds by 10:00 A.M., Houston time, December 13, 2018, or thereafter on the date the Bonds are tendered for delivery, up to and including January 10, 2019. If for any reason the District is unable to make delivery on or before January 10, 2019, the District shall immediately contact the Underwriter and offer to allow the Underwriter to extend its offer for an additional 30 days. If the Underwriter does not elect to extend its offer within six days thereafter, its Good Faith Deposit will be returned, and both the District and the Underwriter shall be relieved of any further obligation. In no event shall the District be liable for any damages by reason of its failure to deliver the Initial Bonds, provided such failure is due to circumstances beyond the District's reasonable control.

Conditions of Delivery:

The Underwriter's obligation to take delivery and pay for the Initial Bond is subject to the issuance of the Texas Attorney General's opinion and the Underwriter's receipt of the legal opinion of Bond Counsel and the no-litigation certificate, all as described below, and the nonoccurrence of the events described below under the caption "No Material Adverse Change."

Continuing Disclosure Agreement:

The District will agree in the Bond Order to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Preliminary Official Statement under "CONTINUING DISCLOSURE OF INFORMATION." The Underwriter's obligation to accept and pay for the Bonds is conditioned upon delivery to the Underwriter or its agent of a certified copy of the Bond Order containing the agreement described under such heading.

Legal Opinions:

The District will furnish to the Underwriter 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 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 District payable from the proceeds of an annual ad valorem tax, levied without limitation as to rate or amount upon all taxable property in the District. The District will also furnish the approving legal opinion of Smith, Murdaugh, Little & Bonham L.L.P., Bond Counsel, Houston, Texas, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding obligations of the District under the Constitution and laws of the State of Texas, except to the extent that enforcement of the rights and remedies of the holders 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 District. 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 limitation as to rate or amount, upon all taxable property within the District, and that the interest on the Bonds is excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date of such opinion assuming compliance by the District with certain covenants relating to the use and investment of the proceeds of the Bonds. See "TAX MATTERS." in the Preliminary Official Statement. Such opinions express no opinion with respect to the sufficiency of the security for or marketability of the Bonds. The opinion of Bond Counsel is expected to be reproduced on the initial Bonds over a certification of the Secretary of the Board of Directors attesting that such opinion was dated as of the date of delivery of and payment for the Bonds and that such reproduction is a true and correct copy of the original opinion. Errors or omissions in the reproduction of such legal opinion on any Bond shall not affect the validity of the Bonds or constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds.

Qualified Tax-Exempt Obligations:

Section 265 of the Internal Revenue Code of 1986, as amended (the "Code") provides, in general, that interest expense incurred to acquire or carry tax-exempt obligations is not deductible from the gross income of the holder. For certain holders that are "financial institutions" within the meaning of such section, complete disallowance of such expense would apply to taxable years beginning after December 31, 1986, with respect to tax-exempt obligations acquired after August 7, 1986. Section 265(b) of the Code provides an exception to this rule for interest expense incurred by financial institutions to carry tax-exempt obligations (other than specified private activity bonds) which are designated by an issuer as "qualified tax-exempt obligations." An issuer may only designate an issue as an issue of "qualified tax-exempt obligations" where less than \$10 million of tax-exempt obligations are issued by the issuer during the calendar year in which the issue so designated is issued.

The District will designate the Bonds as "qualified tax-exempt obligations." Furthermore, the District has represented that it has or will take such action as is necessary for the Bonds to constitute "qualified tax-exempt obligations." Notwithstanding the designation of the Bonds as "qualified tax-exempt obligations," financial institutions acquiring the Bonds will be subject to a 20% disallowance of interest expense allocable to the Bonds.

No-Litigation Certificate:

On the date of delivery of the Initial Bond to the Underwriter, the District will deliver to the Underwriter a certificate, dated as of the same date, to the effect that there is no litigation of any nature pending or, to the knowledge of the signatories, threatened, to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for their payment or security, or in any manner question the validity of the Bonds.

No Material Adverse Change:

The obligation of the District to deliver the Bonds and of the initial Purchaser to accept delivery of and pay for the Bonds are subject to the condition that to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the affairs of the District from those set forth in or contemplated by the PRELIMINARY OFFICIAL STATEMENT, as it may have been supplemented or amended through the date of sale.

Competitive Bidding and Certificate of Underwriter:

In the event that the District does not receive sufficient qualified bids to satisfy the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i), allowing the District to treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Bonds, the "hold-the-offering-price rule" shall apply, which will allow the District 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 Underwriter 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 Underwriter 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 (b) the close of the fifth business day after the sale date. The Underwriter agrees to promptly report to the District'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 Underwriter are attached for use (I) when the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) are met and (II) when such requirements are not met.

Issue Price:

To provide the District with information to enable it to comply with certain conditions of the Code relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the successful bidder will be required to complete, execute and deliver to the District, on or before the date of delivery of the Bonds, a certification regarding "issue price" substantially in the form accompanying this Notice of Sale. If the successful bidder will not reoffer the Bonds for sale or has not sold a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in a manner approved by the District. In no event will the District fail to deliver the Bonds as a result of the successful bidder's inability to certify actual sales of Bonds at a particular price prior to delivery. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such certificate by the date of delivery of the Bonds if its bid is accepted by the District. It will be the responsibility of the successful bidder to institute such syndicated 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.

GENERAL CONSIDERATIONS

Record Date:

The record date ("Record Date") for the interest payable on any interest payment date means the 15th calendar day of the month next preceding such interest payment date.

Risk Factors:

The Bonds involve special investment considerations. Prospective bidders are urged to examine carefully the Preliminary Official Statement with respect to the investment risks pertaining to the Bonds. Particular attention should be given to the information set forth therein under "RISK FACTORS."

No Registration or Qualification under Securities Laws:

The offer and sale of the Bonds has not been registered with the Securities and Exchange Commission 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, as amended, in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated 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 those jurisdictions where persons registered or licensed as dealers or brokers may offer and sell the Bonds, it is assumed that such persons have complied and will comply with all applicable statutes and regulations concerning dealers and brokers and concerning the registration or licensing of agents or salesmen.

By the submission of its bid, the Underwriter represents that the offer and sale of the Bonds in states other than Texas will be made only pursuant to exemptions from registration or qualification, or where necessary, the Underwriter will register or qualify the Bonds in accordance with the securities laws of the states in which the Bonds are offered or sold. The District agrees to cooperate, at the Underwriter's written request and expense, in registering or qualifying the Bonds, or in obtaining an exemption from registration or qualification in any state where such action is necessary. Such qualification, however, shall not require the District to subject itself to service of process outside of the State of Texas.

OFFICIAL STATEMENT

Upon sale of the Bonds, the Preliminary Official Statement relating to the Bonds will be amended to conform to the terms of the Underwriter's bid and to make any other necessary changes. In order to permit completion of the Official Statement, the Underwriter will be required to furnish information concerning reoffering yields of the Bonds as well as the names of the members of its underwriting syndicate, if any.

Final Official Statement:

The District has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds. The District will prepare a final Official Statement which will describe the reoffering yields and underwriting discount bid, the interest rates for the Bonds determined as described above, and the final debt service schedule and ratios and tax rates consequent thereon. The District does not intend to amend or supplement the Preliminary or final Official Statement, except to take into account certain subsequent events, if any, as described below. Accordingly, the District deems the accompanying Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for the omission of the foregoing items. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the Underwriter on or after the sale date, the District represents the same to be complete as of such date, within the meaning of SEC Rule 15c2-12(e)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are or will be made by the District are those described in the Official Statement under "OFFICIAL STATEMENT--Certification of Official Statement."

Changes to Official Statement:

If, subsequent to the date of the Official Statement, the District learns or is notified by the Underwriter of any adverse event which causes any of the key representations in the Official Statement to be materially misleading, the District will promptly prepare and supply to the Underwriter a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Underwriter, unless the Underwriter elects to terminate its obligation to purchase the Bonds as described above. See "DELIVERY AND ACCOMPANYING DOCUMENTS--Conditions to Delivery." The obligation of the District to supplement the Official Statement will terminate when the District delivers the Bonds to the Underwriter, unless the Underwriter notifies the District that less than all of the Bonds have been sold to ultimate customers on or before such date, in which case the obligation will extend for an additional period of time (but not for more than 90 days after the sale date) until all of the Bonds have been sold to ultimate purchasers.

Delivery of Official Statements:

The District will furnish to the Underwriter (and to each other participating underwriter of the Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Underwriter), within seven business days after the sale date, the aggregate number of Official Statements specified in the winning bid. The District will also furnish to the Underwriter a like number of any supplements or amendments prepared by the District for dissemination to potential purchasers of the Bonds as described above, as well as such additional copies of the Official Statement or any supplements or amendments as the Underwriter may request prior to the 90th day after the end of the underwriting period referred to in SEC Rule 15c2-12(f)(2). The District will pay the expense of preparing up to 50 copies of the Official Statement and all copies of any supplements or amendments issued on or before the delivery date, but the Underwriter must pay for all other copies of the Official Statement or any supplements or amendments thereto. The District assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement to anyone other than the Underwriter. However, the District will submit a copy of the Official Statement to all state and national Municipal Securities Information Repositories.

Additional Copies:

Additional copies of this Official Notice of Sale, the Official Bid Form and the Preliminary Official Statement may be obtained from John Howell, Senior Vice President, The GMS Group, L.L.C., 5075 Westheimer, Suite 1175, Houston, Texas 77056-5606, (713) 622-7620.

Certificate of Underwriter – Competitive Bidding Requirements Met

The undersigned hereby certifies as follows with respect to the sale of \$5,100,000 Dowdell Public Utility District Unlimited Tax Bonds, Series 2018 (the "Bonds"):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the "Underwriter") that has purchased the Bonds from Dowdell Public Utility District (the "District").
2. The Underwriter was not given the opportunity to review other bids prior to submitting its bid, and the bid submitted by the Underwriter constituted a firm bid to purchase the Bonds.
3. As of the sale date, the reasonably expected initial offering prices of the Bonds to the public by the Underwriter (expressed as a percentage of principal amount and exclusive of accrued interest) is as set forth below:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Offering Yield</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Offering Yield</u>
2021	\$50,000	_____	2034	\$230,000	_____
2022	\$50,000	_____	2035	\$240,000	_____
2023	\$50,000	_____	2036	\$250,000	_____
2024	\$50,000	_____	2037	\$260,000	_____
2025	\$50,000	_____	2038	\$270,000	_____
2026	\$50,000	_____	2039	\$280,000	_____
2027	\$100,000	_____	2040	\$295,000	_____
2028	\$185,000	_____	2041	\$305,000	_____
2029	\$190,000	_____	2042	\$320,000	_____
2030	\$200,000	_____	2043	\$330,000	_____
2031	\$205,000	_____	2044	\$345,000	_____
2032	\$215,000	_____	2045	\$355,000	_____
2033	\$225,000	_____			

4. The Underwriter [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, arms-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. 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 15, 2018.

7. The undersigned understands that the statements made herein above will be relied upon by the District and Bond Counsel 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.

8. The undersigned has calculated the total underwriting spread on the Bonds to be \$ _____. As used herein, the term "total underwriting spread" means the cost for marketing and selling the Bonds, and includes (a) a total take down of \$ _____, (b) a total management fee of \$ _____, (c) fees and expenses of Underwriter's counsel in the estimated total amount of \$ _____, and (d) other expenses in the total estimated amount of \$ _____.

EXECUTED AND DELIVERED this _____ day of November, 2018.

(Name of Underwriter or Manager)

By _____

Title _____

Certificate of Underwriter – Competitive Bidding Requirements Not Met *

The undersigned hereby certifies as follows with respect to the sale of \$5,100,000 Dowdell Public Utility District Unlimited Tax Bonds, Series 2018 (the "Bonds"):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the "Underwriter") that has purchased the Bonds from Dowdell Public Utility District (the "District").

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 and exclusive of accrued interest) is set forth below:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Offering Yield</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Offering Yield</u>
2021	\$50,000	_____	2034	\$230,000	_____
2022	\$50,000	_____	2035	\$240,000	_____
2023	\$50,000	_____	2036	\$250,000	_____
2024	\$50,000	_____	2037	\$260,000	_____
2025	\$50,000	_____	2038	\$270,000	_____
2026	\$50,000	_____	2039	\$280,000	_____
2027	\$100,000	_____	2040	\$295,000	_____
2028	\$185,000	_____	2041	\$305,000	_____
2029	\$190,000	_____	2042	\$320,000	_____
2030	\$200,000	_____	2043	\$330,000	_____
2031	\$205,000	_____	2044	\$345,000	_____
2032	\$215,000	_____	2045	\$355,000	_____
2033	\$225,000	_____			

3. As of the sale date for the Bonds, 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 and exclusive of accrued interest) set forth below:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Offering Yield</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Offering Yield</u>
2021	\$50,000	_____	2034	\$230,000	_____
2022	\$50,000	_____	2035	\$240,000	_____
2023	\$50,000	_____	2036	\$250,000	_____
2024	\$50,000	_____	2037	\$260,000	_____
2025	\$50,000	_____	2038	\$270,000	_____
2026	\$50,000	_____	2039	\$280,000	_____
2027	\$100,000	_____	2040	\$295,000	_____
2028	\$185,000	_____	2041	\$305,000	_____
2029	\$190,000	_____	2042	\$320,000	_____
2030	\$200,000	_____	2043	\$330,000	_____
2031	\$205,000	_____	2044	\$345,000	_____
2032	\$215,000	_____	2045	\$355,000	_____
2033	\$225,000	_____			

4. As set forth in the Notice of Sale, the Underwriter has agreed in writing that, for each of the Unsold Maturities, the Underwriter 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 for such maturity, nor would the Underwriter permit a related party to do so. Pursuant to such agreement, the Underwriter 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.

5. The Underwriter [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, arms-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.

* See "OFFICIAL NOTICE OF SALE – Competitive Bidding and Certificate of Underwriter."

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. 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 15, 2018.

8. 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 Underwriter 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.

9. The undersigned understands that the statements made herein above will be relied upon by the District and Bond Counsel 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.

10. The undersigned has calculated the total underwriting spread on the Bonds to be \$_____. As used herein, the term "total underwriting spread" means the cost for marketing and selling the Bonds, and includes (a) a total take down of \$_____, (b) a total management fee of \$_____, (c) fees and expenses of Underwriter's counsel in the estimated total amount of \$_____, and (d) other expenses in the total estimated amount of \$_____.

EXECUTED AND DELIVERED this _____ day of November, 2018.

(Name of Underwriter or Manager)

By _____

Title _____

**DOWDELL PUBLIC UTILITY DISTRICT
UNLIMITED TAX BONDS
SERIES 2018
OFFICIAL BID FORM**

President and Board of Directors
Dowdell Public Utility District
c/o The GMS Group, L.L.C.
Galleria Financial Center
5075 Westheimer, Suite 1175
Houston, Texas 77056-5606

Board of Directors:

We have read in detail your Official Notice of Sale and accompanying Preliminary Official Statement, which is hereby made a part hereof, of Dowdell Public Utility District (the "District"), relating to its \$5,100,000 Unlimited Tax Bonds, Series 2018 (the "Bonds"). We realize that the Bonds involve investment risks and that the ability of the District to service the Bonds depends on certain risk factors as set forth in the Preliminary Official Statement. We have made such inspection and investigation as we deem necessary relating to the investment quality of the Bonds. We offer to purchase the Bonds for a cash price of \$_____ (which represents _____% of par value) plus accrued interest to the date of delivery of the Bonds to us provided such Bonds bear interest at the following rates:

<u>Maturity (September 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity (September 1)</u>	<u>Amount</u>	<u>Interest Rate</u>
2021	\$50,000	_____%	2034	\$230,000	_____%
2022	\$50,000	_____%	2035	\$240,000	_____%
2023	\$50,000	_____%	2036	\$250,000	_____%
2024*	\$50,000	_____%	2037	\$260,000	_____%
2025*	\$50,000	_____%	2038	\$270,000	_____%
2026*	\$50,000	_____%	2039	\$280,000	_____%
2027*	\$100,000	_____%	2040	\$295,000	_____%
2028*	\$185,000	_____%	2041	\$305,000	_____%
2029*	\$190,000	_____%	2042	\$320,000	_____%
2030*	\$200,000	_____%	2043	\$330,000	_____%
2031*	\$205,000	_____%	2044	\$345,000	_____%
2032*	\$215,000	_____%	2045	\$355,000	_____%
2033*	\$225,000	_____%			

<u>Term Bond Maturity Date September 1</u>	<u>Year of First Mandatory Redemption</u>	<u>Principal Amount of Term Bond</u>	<u>Interest Rate</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

* Subject to optional redemption in whole or in part September 1, 2023, or on any date thereafter, at a price of par plus accrued interest.

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

Total Interest Cost from December 1, 2018	\$ _____
Plus: Cash Discount	\$ _____
Net Interest Cost	\$ _____
Net Effective Interest Rate	_____ %

If we purchase the Bonds with bond insurance, and subsequent to the sale date and prior to the closing date, the Insurer's credit rating is down-graded; we understand that we are still obligated to accept delivery of the Bonds.

The definitive Bonds shall be initially registered and delivered only to CEDE & Co., Inc., the Nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described in the Official Statement. We will advise Zions Bancorporation, National Association (the "Paying Agent/Registrar") on forms to be provided by the Paying Agent/Registrar, of our registration instructions at least five business days prior to the date set for initial delivery. We understand that the Paying Agent/Registrar will not be required to accept any further registration instructions after the five-day period.

The undersigned agrees to complete, execute, and deliver to the District, by the date of delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form accompanying the Notice of Sale, with such changes thereto as may be acceptable to the District. In addition, in the event all of the Bonds are not sold to ultimate customers prior to the date of delivery of the Bonds, we will so notify the District on such date.

Cashier's Check No. _____, issued by _____, _____, _____ and payable to your order in the amount of \$102,000.00 is attached hereto or has been made available to you prior to the opening of this bid as a Good Faith Deposit for disposition in accordance with the Official Notice of Sale. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Official Notice of Sale, this check shall be cashed and the proceeds retained by the District as complete liquidated damages against us. We understand that the sale of the Bonds has not been registered or qualified under the securities laws of any jurisdiction and that it is our responsibility to obtain such registration or qualification, if any is required.

The District may not accept this bid until it has received from the bidder a completed, signed, and notarized TEC Form 1295 complete with a certificate number assigned by the Texas Ethics Commission ("TEC"), pursuant to Texas Government Code § 2252.908 and the rules promulgated thereunder by the TEC. The undersigned understands that failure to provide said form complete with a certificate number assigned by the TEC as provided for in the Official Notice of Sale will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

The undersigned verified that, pursuant to Chapter 2270, Texas Government Code, and solely for purposes relating to Chapter 2270, Texas Government Code, it does not boycott Israel and agrees it will not boycott Israel through the delivery date of the Bonds. Additionally, pursuant to Chapter 2252, Texas Government Code, the undersigned certifies that it is not a company¹ that contracts with or provides supplies or services to a foreign terrorist organization, as defined by Section 2252.151(2), Texas Government Code, and has not been identified as a company on a list prepared and maintained under Sections 806.051, 807.051, or 2252.153, Texas Government Code. The undersigned agrees to execute, at the request of the District, further written certifications as may be necessary or convenient for the District to establish compliance with these laws.

¹ As required by Section 2270.002 of the Texas Government Code, the undersigned hereby verifies that for purposes of this transaction, the term "Company" shall have the meaning assigned by Section 808.001(2) of the Texas Government Code.

We agree to make payment for the Bonds in immediately available funds at the office of Zions Bancorporation, National Association, in Houston, Texas, not later than 10:00 A.M., Houston time, on Thursday, December 13, 2018, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale.

Respectfully submitted,

By: _____

Authorized Representative

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Dowdell Public Utility District this 15th day of November, 2018.

Secretary, Board of Directors

President, Board of Directors

BOND YEARS

Dated: December 1, 2018

Due: September 1 (as noted below)

<u>Year</u>	<u>Amount</u>	<u>Bond Years</u>	<u>Accumulated Bond Years</u>
2021	\$50,000	137.5000	137.5000
2022	\$50,000	187.5000	325.0000
2023	\$50,000	237.5000	562.5000
2024	\$50,000	287.5000	850.0000
2025	\$50,000	337.5000	1,187.5000
2026	\$50,000	387.5000	1,575.0000
2027	\$100,000	875.0000	2,450.0000
2028	\$185,000	1,803.7500	4,253.7500
2029	\$190,000	2,042.5000	6,296.2500
2030	\$200,000	2,350.0000	8,646.2500
2031	\$205,000	2,613.7500	11,260.0000
2032	\$215,000	2,956.2500	14,216.2500
2033	\$225,000	3,318.7500	17,535.0000
2034	\$230,000	3,622.5000	21,157.5000
2035	\$240,000	4,020.0000	25,177.5000
2036	\$250,000	4,437.5000	29,615.0000
2037	\$260,000	4,875.0000	34,490.0000
2038	\$270,000	5,332.5000	39,822.5000
2039	\$280,000	5,810.0000	45,632.5000
2040	\$295,000	6,416.2500	52,048.7500
2041	\$305,000	6,938.7500	58,987.5000
2042	\$320,000	7,600.0000	66,587.5000
2043	\$330,000	8,167.5000	74,755.0000
2044	\$345,000	8,883.7500	83,638.7500
2045	\$355,000	9,496.2500	93,135.0000

Total Bond Years: 93,135.0000

Average Maturity: 18.261765 years