

OFFICIAL NOTICE OF SALE

\$5,670,000

WEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
(A political subdivision of the State of Texas located within Harris County)

UNLIMITED TAX BONDS
SERIES 2018

BIDS TO BE SUBMITTED BY:
10:30 A.M., HOUSTON TIME, WEDNESDAY, NOVEMBER 14, 2018

BIDS TO BE OPENED:
12:00 P.M., HOUSTON TIME, WEDNESDAY, NOVEMBER 14, 2018

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.

OFFICIAL NOTICE OF SALE

\$5,670,000

WEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
(A political subdivision of the State of Texas located within Harris County, Texas)

UNLIMITED TAX BONDS, SERIES 2018

BONDS OFFERED FOR SALE AT COMPETITIVE BID: The Board of Directors (the "Board") of West Harris County Municipal Utility District No. 2 (the "District"), is offering for sale at competitive bid \$5,670,000 Unlimited Tax Bonds, Series 2018 (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."

Two (2) copies of all bids, whether by completed signed bid form or by incomplete signed bid forms for use with electronic bids, must be submitted on signed Official Bid Forms to the office of the District's Financial Advisor, Robert W. Baird & Co. Incorporated, Attn: Jan Bartholomew, 1331 Lamar, Suite 1360, Houston, Texas, 77010 by 10:30 A.M., Houston, Texas time, on Wednesday, November 14, 2018. Any bid or bid form submitted after such scheduled time for bid receipt will not be accepted and will be returned unopened. Please see CONDITIONS OF SALE – REQUIRED DISCLOSURE OF INTERESTED PARTIES for additional requirements concerning submission of bids.

WRITTEN BIDDING PROCEDURE: Any 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, West Harris County Municipal Utility District No. 2." Two (2) copies of all bids must be submitted on signed Official Bid Forms to the office of the District's Financial Advisor, Robert W. Baird & Co. Incorporated, Attn: Jan Bartholomew, 1331 Lamar, Suite 1360, Houston, Texas, 77010 by 10:30 A.M., Houston, Texas time, on Wednesday, November 14, 2018. For purposes of the written bidding procedure, the time as maintained on PARITY (described below) shall constitute the official time.

ELECTRONIC BIDDING PROCEDURE: Any prospective bidder intending to submit an electronic bid must do so through the facilities of PARITY and must have first timely and properly submitted signed incomplete bid forms, as provided above. Subscription to the i-Deal's BIDCOMP Competitive Bidding System ("BIDCOMP") is required in order to submit an electronic bid through PARITY. By submitting an electronic bid, the bidder is representing that it is a duly authorized subscriber of BIDCOMP and that the District is and shall be an expressed third party beneficiary of such bidder's subscription agreement with DALCOMP, a division of Thomson Information Services, Inc. ("DALCOMP"), and the bidder agrees for the benefit of DALCOMP, the District and its Financial Advisor that its bid submitted through BIDCOMP and PARITY shall be merged with its signed incomplete Official Bid Form and, as merged, shall constitute an irrevocable, valid and enforceable offer to purchase the Bonds on the terms and conditions provided therein and in this Official Notice of Sale, without further signature or action by the bidder. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

Electronic bids must be submitted via PARITY in accordance with this Official Notice of Sale, until 10:30 a.m., Houston time, on Wednesday, November 14, 2018, and no bid will be accepted or considered after such time. To the extent any instructions or directions set forth in PARITY conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about PARITY, potential bidders

may contact the Financial Advisor to the District or DALCOMP at i-Deal, 1359 Broadway, 2nd Floor, New York, NY 10018, telephone (212) 849-5021.

For purposes of both the written 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 THE 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. Please see CONDITIONS OF SALE – REQUIRED DISCLOSURE OF INTERESTED PARTIES for additional requirements concerning submission of bids.

TELEPHONIC BIDDING PROCEDURE: All telephone bids for which signed incomplete Official Bid Forms have been timely and properly submitted must be made to Jan Bartholomew, Robert W. Baird & Co. Incorporated, 1331 Lamar, Suite 1360, Houston, Texas 77010 by 10:30 A.M., Houston, Texas time, on Wednesday, November 14, 2018.

Jan Bartholomew 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 Jan Bartholomew of Robert W. Baird & Co. Incorporated, on the day of the sale to obtain the phone number.

LATE BIDS AND IRREGULARITIES: Robert W. Baird & Co. Incorporated, is not authorized and will not be responsible for the submission of any bids made after the time prescribed, nor does the District or Robert W. Baird & Co. Incorporated, assume any responsibility or liability with respect to any irregularities associated with the submission, delivery, or electronic or facsimile transmission of any bid. The District and the Board 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 District will take action to adopt an order (the “Bond Order”) authorizing the issuance and awarding sale of the Bonds or will reject all bids promptly after the opening of bids at 12:00 p.m., Houston time on Wednesday, November 14, 2018. The Board 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 requirement listed in CONDITIONS OF SALE – REQUIRED DISCLOSURE OF INTERESTED PARTIES.

THE BONDS

DESCRIPTION OF CERTAIN TERMS OF THE BONDS: The Bonds will be dated and accrue interest from December 1, 2018, with interest payable on February 1, 2019 and on each August 1 and February 1 thereafter 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 Amegy Bank, a division of Zions Bancorporation, National Association, in Houston, Texas, the initial paying agent/registrar (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 15th 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.”

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

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Maturity (August 1)</u>	<u>Principal Amount</u>
2022	\$165,000	2033	\$255,000
2023	170,000	2034	265,000
2024	180,000	2035	275,000
2025	185,000	2036	285,000
2026	195,000	2037	300,000
2027	200,000	2038	310,000
2028	210,000	2039	325,000
2029	220,000	2040	335,000
2030	225,000	2041	350,000
2031	235,000	2042	365,000
2032	245,000	2043	375,000

The Bonds maturing on August 1, 2024, and thereafter, shall be subject to redemption and payment, at the option of the Initial Purchaser, in whole or in part, on August 1, 2023, 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 fewer than all the Bonds are redeemed at any time, the District shall determine the maturity or maturities and the amounts thereof to be redeemed, in integral multiples of \$5,000 in principal amount, and if fewer 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 such Bond not so redeemed.

SECURITY FOR PAYMENT: The Bonds, when issued, will constitute valid and binding obligations of the District, payable solely from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District.

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

USE OF PROCEEDS: A portion of the proceeds of the Bonds will be used to pay for construction costs associated with (i) a detention basin for Peron Development, Inc.; (ii) a utility waterline for Franz Road; (iii) water, wastewater and drainage improvements to serve Grand Morton Town Center Grand Parkway at Morton Ranch within the District; (iv) drainage facilities for PBEKES, LLC.; (v) a 12" water line and 8" sanitary sewer and drainage improvements along Morton Road to serve PBEKES, LLC.; and (vi) engineering and surveying costs associated with items (i) through (v). In addition, a portion of the proceeds of the Bonds will be used to pay for sanitary sewer rehabilitation and the associated engineering costs. Additionally, proceeds from the Bonds will be used to pay developer interest, a fee to the Texas Commission on Environmental Quality ("TCEQ"), and certain costs of issuance of the Bonds. See "THE BONDS – Estimated Use and Distribution of Bond Proceeds" in the Preliminary Official Statement.

MUNICIPAL BOND GUARANTY INSURANCE AND RATINGS: Applications have been made for a commitment for municipal bond guaranty insurance on the Bonds. The purchase of such insurance, if available, and payment of all associated costs, including the premium charged by the insurer, and fees charged by any rating companies, other than S&P Global Ratings, a business unit of Standard and Poor's Financial Services LLC, will be at the option and the expense of the Initial Purchaser (hereinafter defined). Additionally, Standard and Poor's has assigned an underlying rating of "A" (stable outlook) to the Bonds.

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, 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 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 on the Bonds may not exceed 6.37%, as calculated pursuant to Chapter 1204 of the Texas Government Code, as amended. 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.

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 District'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 District. The Board 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 “West Harris County Municipal Utility District No. 2” in the amount of \$113,400 which is 2% of the principal amount 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 un-cashed by the District 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, then the Good Faith Deposit will be cashed and the proceeds accepted by the District as full and complete 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 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 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.

REQUIRED DISCLOSURE OF INTERESTED PARTIES: Provision of Texas Ethics Commission Form 1295 (“TEC Form 1295”) and Certification of Filing by Bidders: 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 has provided to the District a completed and signed TEC Form 1295 and a Certification of Filing as generated 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, printed and signed, and provided to the District along with the Certification of Filing generated by the TEC. The Certification of Filing and 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 proscribed for the award of the Bonds. The TEC Form 1295 and Certification of Filing may be provided to the District via facsimile or electronically, however, the original signed TEC Form 1295 and Certification of Filing must be physically delivered to the District within two business days of the award. Following the award of the Bonds, the District will notify the TEC of the receipt of each completed TEC Form 1295 and Certification of Filing. The District reserves the right to reject any bid that does not comply with the requirements proscribed herein or to waive any such requirements. For purposes of completing the TEC Form 1295, box two is the District's formal name and box three is WHC MUD 2 – 12202018 - 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 for advising 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 Company¹ (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.

OFFICIAL STATEMENT

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

FINAL OFFICIAL STATEMENT: The District has approved and authorized distribution of the accompanying Preliminary Official Statement for dissemination to potential purchasers 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 District intends the Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), 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 District of the initial offering yields of the Bonds. Thereafter, the District will complete and authorize distribution of the Official Statement identifying the Initial Purchaser and containing such omitted information. The District 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 District 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 District are those described and contained in the Official Statement under the caption “OFFICIAL STATEMENT - Certification as to Official Statement.”

CHANGES TO OFFICIAL STATEMENT: If, subsequent to the date of the Official Statement, the District 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

¹ “Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly-owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

be materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, as described above under "DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS - CONDITIONS TO DELIVERY," the District 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 District to do so will terminate when the District delivers the Bonds to the Initial Purchaser, unless the Initial Purchaser notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time (but not more than 90 days after the date the District delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

DELIVERY OF OFFICIAL STATEMENTS: The District 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 District also shall furnish to the Initial Purchaser a like number of any supplements or amendments approved and authorized for distribution by the District for dissemination to potential purchasers 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 SEC Rule 15c2-12(f)(2). The District 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 BOND: Initial delivery of the Bonds ("Initial Delivery") 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 Houston, Texas. Payment for the Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Initial Purchaser will be given five (5) 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 20, 2018, 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 by 10:00 a.m., Houston time, on December 20, 2018, or thereafter on the date the initial Bonds are tendered for delivery, up to and including January 17, 2019. If for any reason the District is unable to make delivery on or before January 17, 2019, then the District 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 District and the Initial Purchaser shall be relieved of any further obligation.

EXCHANGE ON DELIVERY DATE: The Paying Agent/Registrar will, on the delivery date, exchange the initial Bonds delivered by the District for Bonds consisting of one Bond per maturity, registered in the name of Cede & Co., as nominee for DTC, in integral multiples of \$5,000, maturing as set out in the 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 District; however, payment of the CUSIP Service Bureau 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 Bonds, the Initial Purchaser's receipt of the legal opinion of Bacon & Wallace, L.L.P., Houston, Texas, Bond Counsel, and the no-litigation certificate, and the non-occurrence of the events described below under the caption "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 District 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 District within five (5) days thereafter.

INITIAL PURCHASER'S CERTIFICATION OF ISSUE PRICE: In order to provide the District with information required to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Initial Purchaser will be required to complete, execute and deliver to the District (on or before the date of delivery of the Bonds) a certification regarding the "issue price" of the Bonds substantially in the form 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 District. 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 District. 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.

LEGAL OPINIONS: The District will furnish without cost to the Initial Purchaser a transcript of certain certified proceedings held incident to the authorization and issuance of the Bonds, including a certified copy of the unqualified 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 Bonds are validly issued under the Constitution and laws of the State of Texas, payable from the proceeds of an annual ad valorem property tax levied, without limit as to rate or amount, upon all taxable property within the District, and, based upon an examination of such transcript of proceedings, the approving legal opinion of Bond Counsel to a like effect and to the effect that the interest on the Bonds is not subject to the alternative minimum tax on individuals and corporations, except for certain alternative minimum tax consequences for corporations. See "LEGAL 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.

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 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 "BOOK-ENTRY-ONLY SYSTEM" in the Preliminary Official Statement.

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 owner of the Bonds. For certain owners 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." 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 has designated the Bonds as “qualified tax-exempt obligations,” as it reasonably anticipates that it will not issue more than \$10,000,000 in tax-exempt obligations in 2018.

NO-LITIGATION CERTIFICATE: The District will furnish the Initial Purchaser a certificate, executed by both the President and Secretary of the Board, and dated as of the date of delivery of the Bonds, to the effect that no litigation of any nature is pending or threatened, either in state, or federal courts, contesting or attacking the Bonds; restraining or enjoining the levy, assessment and collection of ad valorem taxes to pay the interest on or the principal of the Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds; or affecting the validity of the Bonds or the title of the present officers of the District.

NO MATERIAL ADVERSE CHANGE: The obligations of the Initial Purchaser to take up and pay for the Bonds, and of the District 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 financial condition of the District 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 sale.

GENERAL CONSIDERATIONS

INVESTMENT CONSIDERATIONS: On the date of delivery of the initial Bonds to the Initial Purchaser, the Bonds are subject to certain investment risks as set forth in this Preliminary Official Statement. Prospective purchasers should review the entire Preliminary Official Statement before making their investment decision. See “INVESTMENT CONSIDERATIONS” in the Preliminary Official Statement.

RESERVATION OF RIGHTS: **The District 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 District 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 District 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 District will agree in the Bond Order authorizing the Bonds to provide certain periodic information and notices of certain 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 the Official Notice of Sale, the Official Bid Form and the Preliminary Official Statement may be obtained from Robert W. Baird & Co. Incorporated, 1331 Lamar, Suite 1360, Houston, Texas 77010.

/s/ Melanie Mueller
President, Board of Directors
West Harris County Municipal Utility District No. 2

ATTEST:

/s/ Loretta Evans
Secretary, Board of Directors
West Harris County Municipal Utility District No. 2

October 17, 2018

CERTIFICATE OF INITIAL PURCHASER – FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS MET

The undersigned hereby certifies as follows with respect to the sale of \$5,670,000 West Harris County Municipal Utility District No. 2 Unlimited Tax Bonds, Series 2018 (the “Bonds”).

1. The undersigned is the initial purchaser or the manager of the syndicate of initial purchasers (“Initial Purchaser”) which has purchased the Bonds from West Harris County Municipal Utility District No. 2 (the “District”), 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, the reasonably expected initial offering prices of the Bonds to the public by the Initial Purchaser (expressed as a percentage of principal amount and exclusive of accrued interest) is as set forth below.

Maturity (August 1)	Principal Amount	Price/Yield	Maturity (August 1)	Principal Amount	Price/Yield
2022	\$165,000	___%	2033	\$255,000	___%
2023	170,000	___%	2034	265,000	___%
2024	180,000	___%	2035	275,000	___%
2025	185,000	___%	2036	285,000	___%
2026	195,000	___%	2037	300,000	___%
2027	200,000	___%	2038	310,000	___%
2028	210,000	___%	2039	325,000	___%
2029	220,000	___%	2040	335,000	___%
2030	225,000	___%	2041	350,000	___%
2031	235,000	___%	2042	365,000	___%
2032	245,000	___%	2043	375,000	___%

3. The Initial Purchaser [has/has not] purchased bond insurance for the Bonds at its sole cost. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$_____ (net of any nonguarantee 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 initial purchaser or a related party to an initial purchaser. 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 14, 2018.

7. The undersigned understands that the statements made herein will be relied upon by the District and Bacon & Wallace, L.L.P. 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 _____, 2018.

(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 \$5,670,000 West Harris County Municipal Utility District No. 2 Unlimited Tax Bonds, Series 2018 (the “Bonds”).

1. The undersigned is the initial purchaser or the manager of the syndicate of initial purchasers (“Initial Purchaser”) which has purchased the Bonds from West Harris County Municipal Utility District No. 2 (the “District”), 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 and exclusive of accrued interest) is set forth below:

Maturity (August 1)	Principal Amount	Price/Yield	Maturity (August 1)	Principal Amount	Price/Yield
2022	\$165,000	___%	2033	\$255,000	___%
2023	170,000	___%	2034	265,000	___%
2024	180,000	___%	2035	275,000	___%
2025	185,000	___%	2036	285,000	___%
2026	195,000	___%	2037	300,000	___%
2027	200,000	___%	2038	310,000	___%
2028	210,000	___%	2039	325,000	___%
2029	220,000	___%	2040	335,000	___%
2030	225,000	___%	2041	350,000	___%
2031	235,000	___%	2042	365,000	___%
2032	245,000	___%	2043	375,000	___%

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:

Maturity (August 1)	Principal Amount	Price/Yield	Maturity (August 1)	Principal Amount	Price/Yield
2022	\$165,000	___%	2033	\$255,000	___%
2023	170,000	___%	2034	265,000	___%
2024	180,000	___%	2035	275,000	___%
2025	185,000	___%	2036	285,000	___%
2026	195,000	___%	2037	300,000	___%
2027	200,000	___%	2038	310,000	___%
2028	210,000	___%	2039	325,000	___%
2029	220,000	___%	2040	335,000	___%
2030	225,000	___%	2041	350,000	___%
2031	235,000	___%	2042	365,000	___%
2032	245,000	___%	2043	375,000	___%

4. As set forth in the 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 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.

5. 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 nonguarantee 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.

6. The term "public" means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an initial purchaser or a related party to an initial purchaser. 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 14, 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 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.

9. The undersigned understands that the statements made herein will be relied upon by the District and Bacon & Wallace, L.L.P. 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 _____, 2018.

(Name of Initial Purchaser or Manager)

By _____

Title _____

OFFICIAL BID FORM

November 14, 2018

President and Board of Directors
 West Harris County Municipal Utility District No. 2
 c/o Bacon & Wallace, L.L.P.
 6363 Woodway Dr., Suite 800
 Houston, Texas 77057

Board Members:

We have read in detail the Official Notice of Sale and Preliminary Official Statement, which are hereby made a part hereof, of West Harris County Municipal Utility District No. 2 (the "District") relating to its \$5,670,000 Unlimited Tax Bonds, Series 2018 (the "Bonds"). We realize that the Bonds involve certain investment risks and that the ability of the District to service the Bonds depends, in part, on the investment considerations set forth in the Preliminary Official Statement dated October 17, 2018. 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), plus accrued interest to the date of delivery of the Bonds to us, provided such Bonds bear interest at the following rates:

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$165,000	_____%	2033(a)	\$255,000	_____%
2023	170,000	_____%	2034(a)	265,000	_____%
2024	180,000	_____%	2035(a)	275,000	_____%
2025	185,000	_____%	2036(a)	285,000	_____%
2026(a)	195,000	_____%	2037(a)	300,000	_____%
2027(a)	200,000	_____%	2038(a)	310,000	_____%
2028(a)	210,000	_____%	2039(a)	325,000	_____%
2029(a)	220,000	_____%	2040(a)	335,000	_____%
2030(a)	225,000	_____%	2041(a)	350,000	_____%
2031(a)	235,000	_____%	2042(a)	365,000	_____%
2032(a)	245,000	_____%	2043(a)	375,000	_____%

(a) The District reserves the right to redeem prior to maturity those Bonds maturing on and after September 1, 2024, in whole or, from time to time, in part, on September 1, 2023, or on any date thereafter at a price of par plus accrued interest from the most recent interest payment date to the date fixed for redemption:

Of such principal maturities set forth above, we have created term bonds as indicated in the following table (which may include multiple term bonds, one term bond, or no term bonds if none is indicated). For those years which have been combined into a term bond, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years. The term bonds created are as follows. We hereby designate the following as term bonds ("Term Bonds") with mandatory sinking redemptions:

Term Bond Maturity Date (August 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 for the municipal bond guaranty insurance issued by _____ and the rating agency fee(s) of _____ of \$ _____.

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

Total Interest Cost from December 1, 2018	\$ _____
Plus: Dollar Amount of Discount (or Less: Dollar Amount of Premium).....	\$ _____
NET INTEREST COST	\$ _____
NET EFFECTIVE INTEREST RATE	_____ %

We will require ____ copies of the final Official Statement for dissemination to potential purchasers 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 Rule 15c2-12 of the United States Securities and Exchange Commission.

Cashier's Check No. _____, issued by _____, _____, Texas, and payable to your order in the amount of \$113,400 (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, this check shall be cashed and the proceeds retained by the District as complete liquidated damages against the Initial Purchaser. The Good Faith Deposit will be returned to the Initial Purchaser uncashed on the date of delivery of the Bonds.

Unless the bidder is exempt from such requirements pursuant to Texas Government Code §2252.908(c)(4), the District may not accept this bid until it has received from the bidder a completed and signed TEC Form 1295 and Certification of Filing pursuant to Texas Government Code § 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, when required, will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

By executing this Official Bid Form, the bidder represents and verifies that, to the extent this 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.

¹ "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly-owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

Additionally, by executing this Official Bid Form, the bidder also represents and 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 Company (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. 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/

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 Official Notice of Sale, with such changes thereto as may be acceptable to the District.

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:

Authorized Representative

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by West Harris County Municipal Utility District No. 2 this 14th day of November, 2018.

ATTEST:

Secretary, Board of Directors

President, Board of Directors

Return of \$113,400 Good Faith Deposit is hereby acknowledged:

Firm: _____
By: _____
Date: _____

\$5,670,000
WEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
UNLIMITED TAX BONDS
SERIES 2018

BOND YEARS

Interest accrues from: December 1, 2018

Due: August 1

<u>Year</u>	<u>Amount</u>	<u>Bond Years</u>	<u>Accumulated Bond Years</u>
2022	\$165,000	605.0000	605.0000
2023	170,000	793.3333	1,398.3333
2024	180,000	1,020.0000	2,418.3333
2025	185,000	1,233.3333	3,651.6667
2026	195,000	1,495.0000	5,146.6667
2027	200,000	1,733.3333	6,880.0000
2028	210,000	2,030.0000	8,910.0000
2029	220,000	2,346.6667	11,256.6667
2030	225,000	2,625.0000	13,881.6667
2031	235,000	2,976.6667	16,858.3333
2032	245,000	3,348.3333	20,206.6667
2033	255,000	3,740.0000	23,946.6667
2034	265,000	4,151.6667	28,098.3333
2035	275,000	4,583.3333	32,681.6667
2036	285,000	5,035.0000	37,716.6667
2037	300,000	5,600.0000	43,316.6667
2038	310,000	6,096.6667	49,413.3333
2039	325,000	6,716.6667	56,130.0000
2040	335,000	7,258.3333	63,388.3333
2041	350,000	7,933.3333	71,321.6667
2042	365,000	8,638.3333	79,960.0000
2043	375,000	9,250.0000	89,210.0000
Total Bond Years:	89,210.0000		
Average Maturity:	15.7337 years		