

1-1 By: Sanford (Senate Sponsor - Estes) H.B. No. 4268
 1-2 (In the Senate - Received from the House May 19, 2017;
 1-3 May 19, 2017, read first time and referred to Committee on
 1-4 Administration; May 23, 2017, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 6, Nays 0, 1
 1-6 present not voting; May 23, 2017, sent to printer.)

1-7 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-8 | | | | |
| 1-9 | X | | | |
| 1-10 | X | | | |
| 1-11 | | | | X |
| 1-12 | X | | | |
| 1-13 | X | | | |
| 1-14 | X | | | |
| 1-15 | X | | | |

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 4268 By: Burton

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19
 1-20 relating to the creation of the Celina Municipal Management
 1-21 District No. 2; providing authority to issue bonds and impose
 1-22 assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-24 SECTION 1. Subtitle C, Title 4, Special District Local Laws
 1-25 Code, is amended by adding Chapter 3798 to read as follows:

1-26 CHAPTER 3798. CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 2

1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 3798.001. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.

1-30 (2) "City" means the City of Celina, Texas.

1-31 (3) "Commission" means the Texas Commission on
 1-32 Environmental Quality.

1-33 (4) "Director" means a board member.

1-34 (5) "District" means the Celina Municipal Management
 1-35 District No. 2.

1-36 Sec. 3798.002. CREATION AND NATURE OF DISTRICT. The
 1-37 district is a special district created under Sections 52 and 52-a,
 1-38 Article III, and Section 59, Article XVI, Texas Constitution.

1-39 Sec. 3798.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
 1-40 creation of the district is essential to accomplish the purposes of
 1-41 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
 1-42 Texas Constitution, and other public purposes stated in this
 1-43 chapter. By creating the district and in authorizing the city and
 1-44 other political subdivisions to contract with the district, the
 1-45 legislature has established a program to accomplish the public
 1-46 purposes set out in Section 52-a, Article III, Texas Constitution.

1-47 (b) The creation of the district is necessary to promote,
 1-48 develop, encourage, and maintain employment, commerce,
 1-49 transportation, housing, tourism, recreation, the arts,
 1-50 entertainment, economic development, safety, and the public
 1-51 welfare in the district.

1-52 (c) This chapter and the creation of the district may not be
 1-53 interpreted to relieve the city from providing the level of
 1-54 services provided to the area in the district as of the effective
 1-55 date of the Act enacting this chapter. The district is created to
 1-56 supplement and not to supplant the city services provided in the
 1-57 district.

1-58 Sec. 3798.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
 1-59 The district is created to serve a public use and benefit.

1-60 (b) All land and other property included in the district

2-1 will benefit from the improvements and services to be provided by
2-2 the district under powers conferred by Sections 52 and 52-a,
2-3 Article III, and Section 59, Article XVI, Texas Constitution, and
2-4 other powers granted under this chapter.

2-5 (c) The district is created to accomplish the purposes of a
2-6 municipal management district as provided by general law and
2-7 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
2-8 Texas Constitution.

2-9 (d) The creation of the district is in the public interest
2-10 and is essential to:

2-11 (1) further the public purposes of developing and
2-12 diversifying the economy of the state;

2-13 (2) eliminate unemployment and underemployment;

2-14 (3) develop or expand transportation and commerce; and

2-15 (4) provide quality residential housing.

2-16 (e) The district will:

2-17 (1) promote the health, safety, and general welfare of
2-18 residents, employers, potential employees, employees, visitors,
2-19 and consumers in the district, and of the public;

2-20 (2) provide needed funding for the district to
2-21 preserve, maintain, and enhance the economic health and vitality of
2-22 the district territory as a community and business center; and

2-23 (3) promote the health, safety, welfare, and enjoyment
2-24 of the public by providing pedestrian ways and by landscaping and
2-25 developing certain areas in the district, which are necessary for
2-26 the restoration, preservation, and enhancement of scenic beauty.

2-27 (f) Pedestrian ways along or across a street, whether at
2-28 grade or above or below the surface, and street lighting, street
2-29 landscaping, parking, and street art objects are parts of and
2-30 necessary components of a street and are considered to be a street
2-31 or road improvement.

2-32 (g) The district will not act as the agent or
2-33 instrumentality of any private interest even though the district
2-34 will benefit many private interests as well as the public.

2-35 Sec. 3798.005. DISTRICT TERRITORY. (a) The district is
2-36 composed of the territory described by Section 2 of the Act enacting
2-37 this chapter, as that territory may have been modified under other
2-38 law.

2-39 (b) The boundaries and field notes contained in Section 2 of
2-40 the Act enacting this chapter form a closure. A mistake in the
2-41 field notes or in copying the field notes in the legislative process
2-42 does not affect the district's:

2-43 (1) organization, existence, or validity;

2-44 (2) right to contract;

2-45 (3) authority to borrow money or issue bonds or other
2-46 obligations described by Section 3798.251 or to pay the principal
2-47 and interest of the bonds or other obligations;

2-48 (4) right to impose or collect an assessment, or
2-49 collect other revenue; or

2-50 (5) legality or operation.

2-51 Sec. 3798.006. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-52 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-53 Chapter 375, Local Government Code, applies to the district.

2-54 Sec. 3798.007. CONSTRUCTION OF CHAPTER. This chapter shall
2-55 be liberally construed in conformity with the findings and purposes
2-56 stated in this chapter.

2-57 Sec. 3798.008. CONFLICTS OF LAW. This chapter prevails
2-58 over any provision of Chapter 375, Local Government Code, that is in
2-59 conflict or inconsistent with this chapter.

2-60 Sec. 3798.009. CONSENT OF MUNICIPALITY REQUIRED. The board
2-61 may not hold an election to authorize the issuance of bonds until
2-62 the governing body of the city by ordinance or resolution consents
2-63 to the creation of the district and to the inclusion of land in the
2-64 district. The city's consent must be granted in the manner provided
2-65 by Section 54.016, Water Code, for including land within the
2-66 corporate limits or extraterritorial jurisdiction of a city.

2-67 Sec. 3798.010. EFFECT OF ANNEXATION. Notwithstanding any
2-68 other law, if all or any part of the territory of the district is
2-69 annexed by the city into the city's corporate limits, the district

3-1 retains all of the district's outstanding debt and obligations and
3-2 continues to operate under this chapter until the district is
3-3 dissolved under Subchapter G.

3-4 SUBCHAPTER B. BOARD OF DIRECTORS

3-5 Sec. 3798.051. GOVERNING BODY; TERMS. The district is
3-6 governed by a board of five directors who serve staggered terms of
3-7 four years, with two or three directors' terms expiring June 1 of
3-8 each even-numbered year. One director is appointed by the city, and
3-9 four directors are appointed by the commission as provided by
3-10 Sections 3798.052 and 3798.053, respectively.

3-11 Sec. 3798.052. APPOINTMENT AND REMOVAL OF DIRECTOR
3-12 APPOINTED BY CITY. (a) The governing body of the city shall
3-13 appoint one director who must be:

3-14 (1) at least 18 years of age; and

3-15 (2) a resident of the city.

3-16 (b) At any time the governing body of the city may remove the
3-17 director appointed by the city and appoint a director to serve the
3-18 remainder of the removed director's term.

3-19 Sec. 3798.053. APPOINTMENT BY COMMISSION. (a) Before the
3-20 term of a director other than a director appointed under Section
3-21 3798.052 expires, the board shall recommend to the commission the
3-22 appropriate number of persons to serve as successor directors. The
3-23 commission shall appoint as directors the persons recommended by
3-24 the board.

3-25 (b) A person recommended by the board under Subsection (a)
3-26 must be:

3-27 (1) at least 18 years of age;

3-28 (2) an owner of property in the district;

3-29 (3) an owner of stock, whether beneficial or
3-30 otherwise, of a corporate owner of property in the district;

3-31 (4) an owner of a beneficial interest in a trust that
3-32 owns property in the district; or

3-33 (5) an agent, employee, or tenant of a person
3-34 described by Subdivision (2), (3), or (4).

3-35 Sec. 3798.054. VACANCY. If a vacancy occurs on the board,
3-36 the remaining directors shall appoint a director for the remainder
3-37 of the unexpired term.

3-38 Sec. 3798.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
3-39 director shall file the director's oath or affirmation of office
3-40 with the district, and the district shall retain the oath or
3-41 affirmation in the district records.

3-42 (b) A director shall file a copy of the director's oath or
3-43 affirmation with the secretary of the city.

3-44 Sec. 3798.056. OFFICERS. The board shall elect from among
3-45 the directors a chair, a vice chair, and a secretary. The offices
3-46 of chair and secretary may not be held by the same person.

3-47 Sec. 3798.057. COMPENSATION; EXPENSES. (a) The district
3-48 may compensate each director in an amount not to exceed \$50 for each
3-49 board meeting. The total amount of compensation a director may
3-50 receive each year may not exceed \$2,000.

3-51 (b) A director is entitled to reimbursement for necessary
3-52 and reasonable expenses incurred in carrying out the duties and
3-53 responsibilities of the board.

3-54 Sec. 3798.058. LIABILITY INSURANCE. The district may
3-55 obtain and pay for comprehensive general liability insurance
3-56 coverage from a commercial insurance company or other source that
3-57 protects and insures a director against personal liability and from
3-58 all claims relating to:

3-59 (1) actions taken by the director in the director's
3-60 capacity as a member of the board;

3-61 (2) actions and activities taken by the district; or

3-62 (3) the actions of others acting on behalf of the
3-63 district.

3-64 Sec. 3798.059. NO EXECUTIVE COMMITTEE. The board may not
3-65 create an executive committee to exercise the powers of the board.

3-66 Sec. 3798.060. BOARD MEETINGS. The board shall hold
3-67 meetings at a place that is accessible to the public and located in
3-68 the district or in the city.

3-69 Sec. 3798.061. INITIAL DIRECTORS. (a) On or after

4-1 September 1, 2017, the owner or owners of a majority of the assessed
4-2 value of the real property in the district according to the most
4-3 recent certified tax appraisal rolls for the county may submit a
4-4 petition to the commission requesting that the commission appoint
4-5 as initial directors the four persons named in the petition. The
4-6 commission shall appoint as initial directors the four persons
4-7 named in the petition.

4-8 (b) The governing body of the city shall appoint one initial
4-9 director.

4-10 (c) The initial directors shall determine by lot which three
4-11 positions expire June 1, 2019, and which two positions expire June
4-12 1, 2021.

4-13 (d) This section expires September 1, 2019.

4-14 SUBCHAPTER C. POWERS AND DUTIES

4-15 Sec. 3798.101. GENERAL POWERS AND DUTIES. The district has
4-16 the powers and duties necessary to accomplish the purposes for
4-17 which the district is created.

4-18 Sec. 3798.102. IMPROVEMENT PROJECTS AND SERVICES. (a)
4-19 Subject to Subsection (b), the district may provide, design,
4-20 construct, acquire, improve, relocate, operate, maintain, or
4-21 finance an improvement project or service using money available to
4-22 the district, or contract with a governmental or private entity to
4-23 provide, design, construct, acquire, improve, relocate, operate,
4-24 maintain, or finance an improvement project or service authorized
4-25 under this chapter or Chapter 375, Local Government Code.

4-26 (b) The district may not construct or finance an improvement
4-27 project, other than a water, sewer, or drainage facility or road,
4-28 unless the governing body of the city by ordinance or resolution
4-29 consents to the construction or financing.

4-30 (c) The district may issue bonds, notes, or other
4-31 obligations to maintain or repair an existing improvement project
4-32 only if the governing body of the city by ordinance or resolution
4-33 consents to the issuance.

4-34 Sec. 3798.103. LOCATION OF IMPROVEMENT PROJECT. A district
4-35 improvement project may be located inside or outside of the
4-36 district.

4-37 Sec. 3798.104. OWNERSHIP OF IMPROVEMENT PROJECTS. (a)
4-38 Before a district improvement project may be put into operation,
4-39 the district must transfer ownership of the project to the city.

4-40 (b) The transfer of ownership is complete on the city's
4-41 acceptance of ownership.

4-42 Sec. 3798.105. RETAIL WATER AND SEWER SERVICES PROHIBITED.
4-43 The district may not provide retail water or sewer services.

4-44 Sec. 3798.106. ADDING OR REMOVING TERRITORY. (a) Subject
4-45 to Subsections (b), (c), and (d), the board may add or remove
4-46 territory as provided by Subchapter J, Chapter 49, Water Code.

4-47 (b) The district may add territory as described by
4-48 Subsection (a) only if the governing body of the city by ordinance
4-49 or resolution consents to the addition.

4-50 (c) The district and all districts created under Subchapter
4-51 D collectively may add a total area of not more than 100 acres.

4-52 (d) Territory added under Subsection (a) must be contiguous
4-53 to the district at the time of the addition.

4-54 Sec. 3798.107. NO EMINENT DOMAIN. The district may not
4-55 exercise the power of eminent domain.

4-56 SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

4-57 Sec. 3798.151. DIVISION OF DISTRICT; PREREQUISITES. The
4-58 district, including territory added to the district under Section
4-59 3798.106, may be divided into two or more new districts only if the
4-60 district has no outstanding bonded debt. Territory previously
4-61 added to the district under Section 3798.106 may be included in a
4-62 new district.

4-63 Sec. 3798.152. LAW APPLICABLE TO NEW DISTRICT. This
4-64 chapter applies to any new district created by division of the
4-65 district, and a new district has all the powers and duties of the
4-66 district.

4-67 Sec. 3798.153. DIVISION PROCEDURES. (a) The board, on its
4-68 own motion or on receipt of a petition signed by an owner of real
4-69 property in the district, may adopt an order proposing to divide the

5-1 district.
 5-2 (b) If the board decides to divide the district, the board
 5-3 shall:
 5-4 (1) set the terms of the division, including names for
 5-5 the new districts and a plan for the payment or performance of any
 5-6 outstanding district obligations;
 5-7 (2) prepare a metes and bounds description for each
 5-8 proposed district; and
 5-9 (3) appoint four initial directors for each new
 5-10 district.
 5-11 (c) The governing body of the city shall appoint one
 5-12 director for each new district.
 5-13 Sec. 3798.154. CONTRACT AUTHORITY OF NEW DISTRICTS. The
 5-14 new districts may contract with each other for any matter the boards
 5-15 of the new districts consider appropriate, including the joint
 5-16 construction or financing of a utility improvement.
 5-17 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS
 5-18 Sec. 3798.201. DISBURSEMENTS AND TRANSFERS OF MONEY. The
 5-19 board by resolution shall establish the number of directors'
 5-20 signatures and the procedure required for a disbursement or
 5-21 transfer of the district's money.
 5-22 Sec. 3798.202. MONEY USED FOR IMPROVEMENTS OR SERVICES.
 5-23 The district may acquire, construct, or finance an improvement
 5-24 project or service authorized by this chapter or Chapter 375, Local
 5-25 Government Code, using any money available to the district.
 5-26 Sec. 3798.203. METHOD OF NOTICE FOR HEARING. The district
 5-27 may mail the notice required by Section 375.115(c), Local
 5-28 Government Code, by certified or first class United States mail.
 5-29 The board shall determine the method of notice.
 5-30 Sec. 3798.204. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
 5-31 The board by resolution may impose and collect an assessment for any
 5-32 purpose authorized by this chapter in all or any part of the
 5-33 district.
 5-34 (b) An assessment, a reassessment, or an assessment
 5-35 resulting from an addition to or correction of the assessment roll
 5-36 by the district, penalties and interest on an assessment or
 5-37 reassessment, an expense of collection, and reasonable attorney's
 5-38 fees incurred by the district are:
 5-39 (1) a first and prior lien against the property
 5-40 assessed;
 5-41 (2) superior to any other lien or claim other than a
 5-42 lien or claim for county, school district, or municipal ad valorem
 5-43 taxes; and
 5-44 (3) the personal liability of and a charge against the
 5-45 owners of the property even if the owners are not named in the
 5-46 assessment proceedings.
 5-47 (c) The lien is effective from the date of the board's
 5-48 resolution imposing the assessment until the date the assessment is
 5-49 paid. The board may enforce the lien in the same manner that the
 5-50 board may enforce an ad valorem tax lien against real property.
 5-51 (d) The board may make a correction to or deletion from the
 5-52 assessment roll that does not increase the amount of assessment of
 5-53 any parcel of land without providing notice and holding a hearing in
 5-54 the manner required for additional assessments.
 5-55 (e) The district may not impose an assessment on a
 5-56 municipality, county, or other political subdivision.
 5-57 Sec. 3798.205. NOTICE OF ASSESSMENTS. Annually, the board
 5-58 shall file with the secretary of the city written notice that
 5-59 specifies the assessments the district will impose in the
 5-60 district's next fiscal year in sufficient clarity to describe the
 5-61 assessments for the operation and maintenance of the district and
 5-62 the assessments for the payment of debt service of obligations
 5-63 issued or incurred by the district.
 5-64 SUBCHAPTER F. TAXES AND BONDS
 5-65 Sec. 3798.251. BONDS AND OTHER OBLIGATIONS. (a) The
 5-66 district may issue, by public or private sale, bonds, notes, or
 5-67 other obligations payable wholly or partly from ad valorem taxes or
 5-68 assessments in the manner provided by Subchapter A, Chapter 372, or
 5-69 Subchapter J, Chapter 375, Local Government Code. Sections

6-1 375.207(a) and (b), Local Government Code, do not apply to the
6-2 district.

6-3 (b) In exercising the district's borrowing power, the
6-4 district may issue a bond or other obligation in the form of a bond,
6-5 note, certificate of participation or other instrument evidencing a
6-6 proportionate interest in payments to be made by the district, or
6-7 other type of obligation.

6-8 (c) In addition to the sources of money described by
6-9 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
6-10 Government Code, district bonds may be secured and made payable
6-11 wholly or partly by a pledge of any part of the money the district
6-12 receives from improvement revenue or from any other source.

6-13 (d) Not later than the 30th day before the date the district
6-14 holds a bond sale, the district shall provide the governing body of
6-15 the city written notice of the sale.

6-16 SUBCHAPTER G. DISSOLUTION

6-17 Sec. 3798.301. DISSOLUTION BY CITY ORDINANCE. (a) The
6-18 governing body of the city may dissolve the district by ordinance.

6-19 (b) The governing body may not dissolve the district until:

6-20 (1) water, sanitary, sewer, and drainage improvements
6-21 and roads have been constructed to serve at least 90 percent of the
6-22 developable territory of the district; and

6-23 (2) the district has reimbursed each party that has an
6-24 agreement with the district for all costs advanced to or on behalf
6-25 of the district.

6-26 (c) Until the district is dissolved, the district is
6-27 responsible for all bonds and other obligations of the district.

6-28 Sec. 3798.302. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

6-29 (a) If the dissolved district has bonds or other obligations
6-30 outstanding secured by and payable from assessments or other
6-31 revenue, other than revenue from ad valorem taxes, the city shall
6-32 succeed to the rights and obligations of the district regarding
6-33 enforcement and collection of the assessments or other revenue.

6-34 (b) The city shall have and exercise all district powers to
6-35 enforce and collect the assessments or other revenue to pay:

6-36 (1) the bonds or other obligations when due and
6-37 payable according to their terms; or

6-38 (2) special revenue or assessment bonds or other
6-39 obligations issued by the city to refund the outstanding bonds or
6-40 obligations.

6-41 Sec. 3798.303. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
6-42 After the city dissolves the district, the city assumes, subject to
6-43 the appropriation and availability of funds, the obligations of the
6-44 district, including any bonds or other debt payable from
6-45 assessments or other district revenue.

6-46 (b) If the city dissolves the district, the board shall
6-47 transfer ownership of all district property to the city.

6-48 SUBCHAPTER Z. SPECIAL BOND PROVISIONS

6-49 Sec. 3798.901. APPLICABILITY. This subchapter applies only
6-50 to bonds payable wholly or partly from revenue derived from
6-51 assessments on real property in the district.

6-52 Sec. 3798.902. CONFLICT OF LAWS. In the event of a conflict
6-53 between this subchapter and any other law, this subchapter
6-54 prevails.

6-55 Sec. 3798.903. WRITTEN AGREEMENT REGARDING SPECIAL
6-56 APPRAISALS. Before the district may issue bonds, the district and
6-57 any person to whom the board intends that proceeds of the bonds be
6-58 distributed, including the developer, another owner of land in the
6-59 district, and any entity acting as a lender to the developer or
6-60 other landowner for the purpose of a project relating to the
6-61 district, must enter into a written agreement that:

6-62 (1) waives for the term of the agreement the right to a
6-63 special appraisal with respect to taxation by the district under
6-64 Subchapters B, C, D, E, F, and H, Chapter 23, Tax Code; and

6-65 (2) remains in effect for 30 years and is binding on
6-66 the parties, on entities related to or affiliated with the parties,
6-67 and on their successors and assignees.

6-68 Sec. 3798.904. REQUIREMENTS FOR ADVERTISING BOND ISSUE. A
6-69 district may not advertise for an issuance of bonds until the

7-1 completion of at least 25 percent of the projected value of the
7-2 improvements, including houses and other buildings, that are liable
7-3 for district assessments and necessary to support the district
7-4 bonds.

7-5 Sec. 3798.905. REQUIREMENTS FOR BOND ISSUE. The district
7-6 may not issue bonds until:

7-7 (1) the district submits to the commission:

7-8 (A) an engineer's report describing the project
7-9 for which the bonds will provide funding, including data, profiles,
7-10 maps, plans, and specifications related to the project; and

7-11 (B) a cash flow analysis to determine the
7-12 projected rate of assessment, which includes the following
7-13 assumptions:

7-14 (i) each ending balance for debt service in
7-15 the analysis is not less than 25 percent of the following year's
7-16 debt service requirement;

7-17 (ii) interest income is only shown on the
7-18 ending balance for debt service for the first two years; and

7-19 (iii) the projected rate of assessment is
7-20 level or decreasing for the life of the bonds issued by the
7-21 district;

7-22 (2) the completion of at least 75 percent of the
7-23 projected value of the improvements, including houses and other
7-24 buildings, that are liable for district assessments and necessary
7-25 to support the district bonds; and

7-26 (3) the district has obtained an independent market
7-27 study from a firm recognized in the area of real estate market
7-28 analysis supporting the development projects for the real property
7-29 that is liable for district assessments and necessary to support
7-30 the district bonds.

7-31 Sec. 3798.906. REQUIREMENTS FOR COLLECTION OF REVENUE TO
7-32 PAY BONDS. The district may not collect an assessment to be used
7-33 for the payment of bonds until:

7-34 (1) the completion of at least 95 percent of the
7-35 underground water, wastewater, and drainage facilities financed
7-36 from bond proceeds that are necessary to serve the projected
7-37 build-out, as certified by the district's engineer;

7-38 (2) the district or other appropriate party has
7-39 secured the groundwater, surface water, and water discharge permits
7-40 that are necessary to secure capacity to support the projected
7-41 build-out;

7-42 (3) the completion of at least 95 percent of lift
7-43 station, water plant, and sewage treatment plant capacity
7-44 sufficient to serve the connections constructed in the project for
7-45 a period of not less than 18 months, as certified by the district's
7-46 engineer; and

7-47 (4) the completion of at least 95 percent of the
7-48 streets and roads that are necessary to provide access to the areas
7-49 served by utilities and financed by the proceeds of bonds issued by
7-50 the district, as certified by the district's engineer and
7-51 constructed in accordance with municipal or county standards.

7-52 SECTION 2. The Celina Municipal Management District No. 2
7-53 initially includes all the territory contained in the following
7-54 area:

7-55 BEING a tract of land situated in the William H. Herron Survey,
7-56 Abstract No. 380, the Daniel Howell Survey, Abstract No. 394, Mary
7-57 Howell Survey, Abstract No. 396 Benjamin Haile Survey, Abstract
7-58 No. 397, Martha Herron Survey, Abstract No. 415, George Jay Survey,
7-59 Abstract No. 488 and the Isaac Walker Survey, Abstract No. 1056,
7-60 City of Celina, Collin County, Texas, and being all of a called
7-61 450.71-acre tract of land, conveyed to Central Frisco, Ltd., as
7-62 evidenced in a Special Warranty Deed, recorded in Instrument
7-63 No. 2008030600026870 of the Official Public Records of Collin
7-64 County, Texas, all of a called "Tract A" (43.777 acres) and a called
7-65 "Tract B" (2.500 acres), conveyed to Eland Energy, Inc., as
7-66 evidenced in a Special Warranty Deed, recorded in Instrument
7-67 No. 20150722000903310 of the Official Public Records of Collin
7-68 County, Texas, all of a called 272.545-acre tract of land, conveyed
7-69 to Eland Energy, Inc., as evidenced in a Special Warranty Deed,

8-1 recorded in Instrument No. 20150722000903300 of the Official
8-2 Public Records of Collin County, Texas, all of a called
8-3 154.059-acre tract of land, conveyed to Central Frisco, Ltd., as
8-4 evidenced in a Special Warranty Deed, recorded in Instrument
8-5 No. 20070725001023610 of the Official Public Records of Collin
8-6 County, Texas, all of a called "Tract One" (78.613 acres), a called
8-7 "Tract Two" (66.676 acres), a called "Tract Three" (59.916 acres),
8-8 a called "Tract Four" (0.937 acre), and a called "Tract Five"
8-9 (18.748 acres), conveyed to Eland Energy, Inc., as evidenced in a
8-10 General Warranty Deed, recorded in Instrument
8-11 No. 20141002001081250 of the Official Public Records of Collin
8-12 County, Texas, all of a called 6.000-acre tract of land, conveyed to
8-13 Central Frisco, Ltd., as evidenced in a General Warranty Deed,
8-14 recorded in Instrument No. 20110831000926240 of the Official
8-15 Public Records of Collin County, Texas, all of a called 62.434-acre
8-16 tract of land, conveyed to Eland Energy, Inc., as evidenced in a
8-17 General Warranty Deed, recorded in Instrument
8-18 No. 20141002001081260 of the Official Public Records of Collin
8-19 County, Texas, and all of a called 167.027-acre tract of land,
8-20 conveyed to Eland Energy, Inc., as evidenced in a General Warranty
8-21 Deed, recorded in Instrument No. 20141002001081290 of the Official
8-22 Public Records of Collin County, Texas, all of a called 30-foot wide
8-23 street easement located along the westerly side of said "Tract
8-24 One", conveyed to County, of Collin, Texas, recorded in County
8-25 Clerk's File No. 96-0067344 of the Land Records of Collin County,
8-26 Texas, all of a called 30-foot wide street easement located along
8-27 the westerly side of said "Tract Five", conveyed to County, of
8-28 Collin, Texas, recorded in County Clerk's File No. 96-0067345 of
8-29 the Land Records of Collin County, Texas, the portion of F. M. 455
8-30 (a called 90-foot wide right of way) situated between said "Tract
8-31 One", "Tract Two", "Tract Three" and "Tract Four", the portion of
8-32 said F. M. 455 along the southerly line of said 167.027-acre tract
8-33 and the westerly portion of said F. M. 455 along the easterly line
8-34 of said 167.027-acre tract, and being more particularly described
8-35 by metes and bounds as follows:
8-36 BEGINNING at the westernmost, northwest corner of said 450.71-acre
8-37 Central Frisco, Ltd., tract, same being the southwest corner of a
8-38 called 50.487-acre tract of land, conveyed to Preston Acreage, L.P.
8-39 & Spartan Texas Six-Celina, Ltd., as evidenced in a General
8-40 Warranty Deed, recorded in Volume 5239, Page 1060 of the Land
8-41 Records of Collin County, Texas, same also being on the easterly
8-42 right of way line of State Highway 289 (Preston Road);
8-43 THENCE South 89°58'20" East, departing the easterly right of way
8-44 line of said State Highway 289 (Preston Road), along a northerly
8-45 line of said 450.71-acre tract and the southerly line of said
8-46 50.487-acre tract, a distance of 985.28 feet to the southeast
8-47 corner of said 50.487-acre tract;
8-48 THENCE North 00°33'31" East, along a westerly line of said
8-49 450.71-acre tract and the easterly line of said 50.487-acre tract,
8-50 a distance of 2607.81 feet to the northeast corner of said
8-51 50.487-acre tract and the northernmost, northwest corner of said
8-52 450.71-acre tract, same being in County Road No. 100, a public use
8-53 right of way, no record found, same also being on the southerly line
8-54 of a called 33.356-acre tract of land, conveyed to CR 100
8-55 Thirty-Three Partners, LP, as evidenced in a Special Warranty Deed,
8-56 recorded in Instrument No. 20150224000195720 of the Official
8-57 Public Records of Collin County, Texas;
8-58 THENCE North 88°52'34" East, along the northerly line of said
8-59 450.71-acre tract, the southerly line of said 33.356-acre tract and
8-60 generally along said County Road No. 100, a distance of 1066.91
8-61 feet to the southeast corner of said 33.356-acre tract;
8-62 THENCE North 88°40'20" East, continuing along the northerly line of
8-63 said 450.71-acre tract, the southerly line of a called 93.277-acre
8-64 tract of land, conveyed to Bellaire Partners, L.L.C., as evidenced
8-65 in a Special Warranty Deed, recorded in Instrument
8-66 No. 20160222000196050 of the Official Public Records of Collin
8-67 County, Texas, and continuing along said County Road No. 100, a
8-68 distance of 1587.35 feet to the northeast corner of said
8-69 450.71-acre tract, and the southeast corner of said 93.277-acre

9-1 tract, same being the intersection of said County Road No. 100 with
9-2 County Road No. 97, a public use right of way, no record found;
9-3 THENCE South 00°26'10" West, Along the easterly line of said
9-4 450.71-acre tract, the westerly line of Sharrock Addition, an
9-5 addition to the City of Celina, Texas, according to the Final Plat,
9-6 recorded in Volume 2016, Page 80 of the Plat Records of Collin
9-7 County, Texas, and the westerly line of a called 15.00-acre tract of
9-8 land, conveyed to Carolyn A. Tipton and Joel C. Molinar, as
9-9 evidenced in a deed recorded in Volume 4698, Page 2781 of the Land
9-10 Records of Collin County, Texas, and generally along said County
9-11 Road No. 97, a distance of 780.68 feet to the northwest corner of a
9-12 called 40.11-acre tract of land, conveyed to N. E. Coit & CR 101,
9-13 LP, as evidenced in a General Warranty Deed, recorded in Instrument
9-14 No. 20081014001224170 of the Official Public Records of Collin
9-15 County, Texas;
9-16 THENCE South 00°04'54" West, continuing along the easterly line of
9-17 said 450.71-acre tract, along the westerly line of said 40.11-acre
9-18 tract and continuing along said County Road No. 97, a distance of
9-19 1861.34 feet to the southwest corner of said 40.11-acre tract, same
9-20 being the northwest corner of aforesaid "Tract A" (43.777 acres)
9-21 Eland Energy, Inc., tract, same being the intersection of said
9-22 County Road No. 97 with County Road No. 101, a public use right of
9-23 way, no record found;
9-24 THENCE North 89°35'03" East, departing the easterly line of said
9-25 450.71-acre tract, along the northerly line of said "Tract A", the
9-26 southerly line of said 40.11-acre tract, and generally along said
9-27 County Road No. 101, a distance of 402.01 feet to a corner;
9-28 THENCE North 89°36'37" East, continuing along the northerly line of
9-29 said "Tract A", the southerly line of said 40.11-acre tract and said
9-30 County Road No. 101, a distance of 401.65 feet to the northernmost,
9-31 northeast corner of said "Tract A", same being the northwest corner
9-32 of a called 7.498-acre tract of land, conveyed to Tom Harper, as
9-33 evidenced in a General Warranty Deed, recorded in County Clerk's
9-34 File No. 93-0036670 of the Land Records of Collin County, Texas;
9-35 THENCE South 00°07'56" East, departing said County Road No. 101,
9-36 along the easterly line of said "Tract A" and the westerly line of
9-37 said 7.498-acre tract, a distance of 541.77 feet to the southwest
9-38 corner of said 7.498-acre tract;
9-39 THENCE North 89°38'16" East, along a northerly line of said "Tract
9-40 A" and the southerly line of said 7.498-acre tract, a distance of
9-41 630.23 feet to the easternmost, northeast corner of said "Tract A"
9-42 and the southeast corner of said 7.498-acre tract, same being on a
9-43 westerly line of aforesaid 272.545-acre, Eland Energy, Inc., tract;
9-44 THENCE North 00°01'23" West, along an easterly line of said
9-45 7.498-acre tract and the westerly line of said 272.545-acre tract,
9-46 a distance of 116.61 feet to a corner on the southerly line of a
9-47 called 2.661-acre tract of land, conveyed to Collin County, Texas,
9-48 as evidenced in a General Warranty Deed, recorded in Volume 5309,
9-49 Page 7316 of the Land Records of Collin County, Texas;
9-50 THENCE South 60°05'11" East, continuing along the westerly line of
9-51 said 272.545-acre tract and along the southerly line of said
9-52 2.661-acre tract, a distance of 230.59 feet to a corner;
9-53 THENCE North 88°50'05" East, continuing along the westerly line of
9-54 said 272.545-acre tract and along the southerly line of said
9-55 2.661-acre tract, a distance of 10.17 feet to the southeast corner
9-56 of said 2.661-acre tract;
9-57 THENCE North 00°20'59" West, continuing along the westerly line of
9-58 said 272.545-acre tract and along the easterly line of said
9-59 2.661-acre tract, a distance of 539.73 feet to the northwest corner
9-60 of said 272.545-acre tract and the northeasterly corner of said
9-61 2.661-acre tract, same being on the occupied southerly line of
9-62 aforesaid County Road No. 101;
9-63 THENCE North 89°30'33" East, along the northerly line of said
9-64 272.545-acre tract and along the southerly line of said County Road
9-65 No. 101, a distance of 1020.62 feet to the northeast corner of said
9-66 242.545-acre tract, same being on the westerly line of called
9-67 Tracts 1, 2, and 3, conveyed to Joe E. Stalling and wife, Janice K.
9-68 Stalling, as evidenced in a General Warranty Deed with Vendor's
9-69 Lien, recorded in County Clerk's File No. 93-0075959 of the Land

10-1 Records of Collin County, Texas;
10-2 THENCE South 00°31'02" East, along the easterly line of said
10-3 242.545-acre tract, the westerly line of said Tracts 1, 2, and 3,
10-4 the westerly line of a called 9.943-acre tract of land conveyed to
10-5 Daniel DW Simons and Misty Simons, as evidenced in a General
10-6 Warranty Deed, recorded in Instrument No. 20070816001143760 of the
10-7 Official Public Records of Collin County, Texas, the westerly line
10-8 of Tract 1 and Tract 2, conveyed to Michael M. Patterson and Charles
10-9 Dawson, as evidenced in a General Warranty Deed, recorded in
10-10 Instrument No. 20060630000904460 of the Official Public Records of
10-11 Collin County, Texas, the westerly line of a called 10.692-acre
10-12 tract of land, conveyed to John D. Dove, as evidenced in a General
10-13 Warranty Deed, recorded in Volume 3981, Page 359 of the Land Records
10-14 of Collin County, Texas, and generally along the centerline of said
10-15 County Road No. 101, a distance of 1945.32 feet to the northwest
10-16 corner of aforesaid 154.059-acre Central Frisco, Ltd., tract and
10-17 the southwest corner of said 10.692-acre tract, same being the
10-18 intersection of said County Road No. 101 with County Road No. 130,
10-19 a public use right of way, no record found;
10-20 THENCE North 89°37'24" East, along the northerly line of said
10-21 154.059-acre tract, the southerly line of said 10.692-acre tract,
10-22 and generally along said County Road No. 130, a distance of 776.70
10-23 feet to a corner;
10-24 THENCE North 89°39'58" East, continuing along the northerly line of
10-25 said 154.059-acre tract and the northerly line of aforesaid "Tract
10-26 B", Eland Energy, Inc., tract and continuing generally along said
10-27 County Road No. 130, a distance of 1861.15 feet to the northeast
10-28 corner of said 154.059-acre tract, same being the northwest corner
10-29 of aforesaid 62.434-acre Eland Energy, Inc., tract;
10-30 THENCE North 89°30'30" East, along the northerly line of said
10-31 62.434-acre tract and continuing generally along said County Road
10-32 No. 130, a distance of 1909.83 feet to the northernmost, northeast
10-33 corner of said 62.434-acre tract, same being the northwest corner
10-34 of a tract of land, conveyed to Porfirio Paulino and wife, Ojilvoa
10-35 Paulino, as evidenced in a General Warranty Deed, recorded in
10-36 Volume 5674, Page 3250 of the Land Records of Collin County, Texas;
10-37 THENCE South 00°29'02" East, departing said County Road No. 130,
10-38 along an easterly line of said 62.434-acre tract, the westerly line
10-39 of said Paulino tract and the westerly line of a tract of land,
10-40 conveyed to John C. Kiesling and wife, Rhonda Kiesling, as
10-41 evidenced in a Warranty Deed, recorded in Volume 4147, Page 717 of
10-42 the Land Records of Collin County, Texas, a distance of 714.20 feet
10-43 to the southwest corner of said Kiesling tract;
10-44 THENCE North 89°33'17" East, along the southernmost, northerly line
10-45 of said 62.434-acre tract and the southerly line of said Kiesling
10-46 tract, a distance of 728.71 feet to the easternmost, northeast
10-47 corner of said 62.434-acre tract, same being in County Road
10-48 No. 128, a public use right of way, no record found;
10-49 THENCE South 02°01'47" East, along the easterly line of said
10-50 62.434-acre tract and along said County Road No. 128, a distance of
10-51 46.49 feet to a corner;
10-52 THENCE South 01°52'14" East, continuing along the easterly line of
10-53 said 62.434-acre tract and said County Road No. 128, a distance of
10-54 563.63 feet to the southeast corner of said 62.434-acre tract;
10-55 THENCE South 89°21'14" West, along the southerly line of said
10-56 62.434-acre tract, a distance of 32.93 feet to the northeast corner
10-57 of aforesaid 167.027-acre Eland Energy, In., tract;
10-58 THENCE South 00°30'22" East, along the easterly line of said
10-59 167.027-acre tract and generally along said County Road No. 128, a
10-60 distance of 2101.08 feet to an inner ell corner of said 167.027-acre
10-61 tract, same being the southwest corner of Highpoint Estates, an
10-62 addition to the City of Celina, Texas, according to the Final Plat,
10-63 recorded in Volume M, Page 116 of the Plat Records of Collin County,
10-64 Texas;
10-65 THENCE North 89°26'58" East, along a northerly line of said
10-66 167.027-acre tract, the southerly line of said Highpoint Estates
10-67 and continuing along said County Road No. 128, a distance of 333.00
10-68 feet to the easternmost, northeast corner of said 167.027-acre
10-69 tract;

11-1 THENCE South 00°23'39" East, along the easterly line of said
11-2 167.027-acre tract, for part of the way, passing the westerly right
11-3 of way line of F. M. 455, a 90-foot wide right of way, continuing
11-4 along the extension of the easterly line of said 167.027-acre tract
11-5 and within said F. M. 455, passing the easterly right of way line of
11-6 said F. M. 455, a total distance of 1243.28 feet to the northeast
11-7 corner of a called 69.149-acre tract of land, conveyed to David Lair
11-8 and wife, June Lair, as evidenced in a deed, recorded in Volume 816,
11-9 Page 559 of the Land Records of Collin County, Texas;
11-10 THENCE in a westerly direction, along the northerly line of said
11-11 69.149-acre tract and the southerly right of way line of said F. M.
11-12 455, the following:
11-13 South 88°31'26" West, a distance of 133.55 feet to a corner;
11-14 South 66°55'26" West, a distance of 88.60 feet to a corner;
11-15 South 81°35'26" West, a distance of 106.10 feet to a corner;
11-16 South 88°31'26" West, a distance of 1210.70 feet to a corner;
11-17 South 88°37'26" West, a distance of 210.30 feet to the
11-18 northwest corner of said 69.149-acre tract, same being the
11-19 northeast corner of a called 10.00-acre tract of land, conveyed to
11-20 Terry M. Collins and spouse, Diana Collins, as evidenced in a
11-21 General Warranty Deed, recorded in Instrument
11-22 No. 20150205000127830 of the Official Public Records of Collin
11-23 County, Texas;
11-24 THENCE South 88°33'08" West, continuing along the southerly right of
11-25 way line of said F. M. 455 and along the northerly line of said
11-26 10.00-acre tract, a distance of 371.93 feet to the northwest corner
11-27 of said 10.00-acre tract, same being the northeast corner of a
11-28 called 5.00-acre tract of land, conveyed to Michael S. Armstrong
11-29 and spouse, Melissa B. Armstrong, as evidenced in a General
11-30 Warranty Deed, recorded in Instrument No. 20131018001435890 of the
11-31 Official Public Records of Collin County, Texas;
11-32 THENCE South 88°55'54" West, continuing along the southerly right of
11-33 way line of said F. M. 455 and along the northerly line of said
11-34 5.00-acre tract, a distance of 319.79 feet to the northwest corner
11-35 of said 5.00-acre tract, same the northeast corner of a called
11-36 20.058-acre tract of land, conveyed to Larry N. Lehman and Robbie C.
11-37 Lehman, as evidenced in a General Warranty Deed, recorded in
11-38 Instrument No. 20150608000673760 of the Official Public Records of
11-39 Collin County, Texas;
11-40 THENCE South 88°55'57" West, continuing along the southerly right of
11-41 way line of said F. M. 455 and along the northerly line of said
11-42 20.058-acre tract for part of the way, crossing said F. M. 455 along
11-43 the extension of the northerly line of said 20.058-acre tract, a
11-44 distance of 427.32 feet to a corner on the curving westerly right of
11-45 way line of said F. M. 455, same being on the curving easterly line
11-46 of aforesaid "Tract Two", Eland Energy, Inc., tract, said curve
11-47 being a non-tangent curve to the left;
11-48 THENCE in a southerly direction, along the westerly right of way
11-49 line of said F. M. 455, the easterly line of said "Tract Two" and
11-50 along the arc of said curve to the left, through a central angle of
11-51 20°27'26", having a radius of 363.31 feet, a chord bearing of South
11-52 36°07'57" West, a chord distance of 129.03 feet and an arc length of
11-53 129.72 feet to the end of said curve;
11-54 THENCE South 00°15'57" East, departing the easterly line of said
11-55 "Tract Two", the westerly right of way line of said F. M. 455,
11-56 crossing said F. M. 455, passing the southerly right of way line of
11-57 said F. M. 455 and the northeast corner of aforesaid "Tract Three",
11-58 Eland Energy, tract, continuing along the easterly line of said
11-59 "Tract Three", a distance of 1443.40 feet to the southeast corner of
11-60 said "Tract Three", same being the northeast corner of a called
11-61 85.04-acre tract of land, conveyed to Jane Willard, as evidenced in
11-62 a General Warranty Deed, recorded in County Clerk's File
11-63 No. 96-0039930 of the Land Records of Collin County, Texas;
11-64 THENCE South 89°51'15" West, along the southerly line of said "Tract
11-65 Three" and the northerly line of said 85.04-acre tract, a distance
11-66 of 2639.07 feet to the southwest corner of said "Tract Three", same
11-67 being on the easterly line of a called "First Tract", conveyed to
11-68 Jane Willard, as evidenced in a Warranty Deed, recorded in Volume
11-69 3368, Page 434 of the Land Records of Collin County, Texas, same

12-1 also being in County Road No. 98, a public use right of way, no
12-2 record found;
12-3 THENCE North 00°04'01" West, along the westerly line of said "Tract
12-4 Three", the easterly line of said "First Tract" for part of the way
12-5 and along said County Road No. 98, a distance of 405.05 feet to a
12-6 corner on the easterly right of way line of aforesaid F. M. 455;
12-7 THENCE North 03°46'21" West, departing the easterly right of way
12-8 line of said F. M. 455 and crossing said F. M. 455, a distance of
12-9 408.54 feet to a corner on the westerly right of way line of said F.
12-10 M. 455, same being on the easterly line of a called "Second Tract",
12-11 conveyed to Jane Willard, as evidenced in aforesaid Warranty Deed,
12-12 recorded in Volume 3368, Page 434, same also being aforesaid County
12-13 Road No. 101;
12-14 THENCE North 00°03'05" West, departing the westerly right of way
12-15 line of said F. M. 455, along the easterly line of said "Second
12-16 Tract", the easterly line of a called 66.68-acre tract, conveyed to
12-17 Jane C. Willard, as evidenced in a Special Warranty Deed, recorded
12-18 in County Clerk's File No. 93-0007503 of the Land Records of Collin
12-19 County, Texas, the westerly line of aforesaid 30' Street Easement
12-20 to Collin County, Texas, recorded in County Clerk's File
12-21 No. 96-0067344, and generally along said County Road No. 101, a
12-22 distance of 1520.01 feet to the northwest corner of said street
12-23 easement, same being the southwest corner of aforesaid 30' Street
12-24 Easement to Collin County, Texas, recorded in County Clerk's File
12-25 No. 96-0067345;
12-26 THENCE North 00°27'17" West, continuing along the easterly line of
12-27 said 66.68-acre tract, the easterly line of a called 5.000-acre
12-28 tract of land, conveyed to Brian Wayne Boyd, as evidenced in a
12-29 General Warranty Deed, recorded in Instrument
12-30 No. 20140205000108240, the easterly line of a called 5.000-acre
12-31 tract of land, conveyed to Brian Wayne Boyd, as evidenced in a
12-32 General Warranty Deed, recorded in Instrument
12-33 No. 20140428000404190, both of the Official Public Records of
12-34 Collin County, Texas, along the westerly line of said 30' Street
12-35 Easement, recorded in County Clerk's File No. 96-0067345, and
12-36 generally along said County Road No. 101, a distance of 570.00 feet
12-37 to the southeast corner of aforesaid 272.545-acre, Eland Energy,
12-38 Inc., tract;
12-39 THENCE North 89°53'04" West, departing said County Road No. 101,
12-40 along the northerly line of said 5.000-acre Brian Wayne Boyd tract,
12-41 recorded in Instrument No. 20140428000404190, the northerly line
12-42 of aforesaid 66.68-acre, Jane C. Willard tract and the southerly
12-43 line of said 272.545-acre tract, a distance of 2669.41 feet to the
12-44 southwest corner of said 272.545-acre tract, same being the
12-45 southeast corner of aforesaid 450.71-acre, Central Frisco, Ltd.,
12-46 tract;
12-47 THENCE North 89°54'14" West, along the southerly line of said
12-48 450.71-acre tract, the north line of Heritage Phase 3, an addition
12-49 to the City of Celina, Texas, according to the Final Plat, recorded
12-50 in Volume 2014, Page 66 of the Plat Records of Collin County, Texas
12-51 and the northerly line of Heritage Phase 2, an addition to the City
12-52 of Celina, Texas, according to the Final Plat, recorded in Volume P,
12-53 Page 632 of the Plat Records of Collin County, Texas, a distance of
12-54 2005.13 feet to the southwest corner of said 450.71-acre tract,
12-55 same being the southeast corner of Morgan Lakes Estates Phase One,
12-56 an addition to the City of Celina, Texas, according to the Final
12-57 Plat, recorded in Volume I, Page 591 of the Plat Records of Collin
12-58 County, Texas;
12-59 THENCE in a northerly direction, along the westerly line of said
12-60 450.71-acre tract and the easterly line of said Morgan Lakes
12-61 Estates Phase One, the following:
12-62 North 00°03'12" East, a distance of 461.22 feet to a corner;
12-63 North 07°08'40" East, a distance of 60.21 feet to the point of
12-64 curvature of a non-tangent curve to the left;
12-65 Along the arc of said curve to the left, through a central
12-66 angle of 06°21'24", having a radius of 270.00 feet, a chord bearing
12-67 of South 86°04'27" East, a chord distance of 29.94 feet and an arc
12-68 length of 29.96 feet to the end of said curve;
12-69 South 89°02'33" East, a distance of 222.34 feet to a corner;

13-1 North 01°00'05" East, a distance of 107.20 feet to a corner;
 13-2 North 51°42'33" East, a distance of 398.05 feet to a corner;
 13-3 North 49°38'51" East, a distance of 210.56 feet to a corner;
 13-4 North 36°54'05" West, a distance of 462.25 feet to a corner;
 13-5 North 15°17'56" West, a distance of 60.26 feet to the point of
 13-6 curvature of a non-tangent curve to the right;
 13-7 Along the arc of said curve to the right, through a central
 13-8 angle of 07°25'01", having a radius of 530.00 feet, a chord bearing
 13-9 of North 78°46'38" East, a chord distance of 68.56 feet and an arc
 13-10 length of 68.61 feet to the end of said curve;
 13-11 North 82°26'45" East, a distance of 62.14 feet to a corner;
 13-12 North 38°02'48" West, a distance of 615.74 feet to a corner;
 13-13 North 25°29'50" West, a distance of 423.56 feet to a corner;
 13-14 North 11°11'38" East, a distance of 219.89 feet to a corner;
 13-15 North 49°12'28" West, a distance of 934.00 feet to a corner;
 13-16 North 45°38'34" West, a distance of 346.17 feet to a corner;
 13-17 North 84°06'21" West, a distance of 374.78 feet to the
 13-18 northwest corner of said Morgan Lakes Estates Phase One, same being
 13-19 the westernmost, southwest corner of said 450.71-acre tract, same
 13-20 being on the easterly line of a called 15.071-acre tract of land,
 13-21 conveyed to SMR Family LP, as evidenced in a General Warranty Deed,
 13-22 recorded in Instrument No. 20090526000637370 of the Official
 13-23 Public Records of Collin County, Texas;
 13-24 THENCE North 01°51'32" East, continuing along the westerly line of
 13-25 said 450.71-acre tract and the easterly line of said 15.071-acre
 13-26 tract, a distance of 132.73 feet to the northeast corner of said
 13-27 15.071-acre tract, same being the southeast corner of a called
 13-28 16.369-acre tract of land, conveyed to Pyramid Drywall, Inc., as
 13-29 evidenced in a General Warranty Deed, recorded in Instrument
 13-30 No. 20160721000935850 of the Official Public Records of Collin
 13-31 County, Texas;
 13-32 THENCE North 00°50'57" West, East, continuing along the westerly
 13-33 line of said 450.71-acre tract and the easterly line of said
 13-34 16.369-acre tract, a distance of 1184.08 feet to the easternmost,
 13-35 northeast corner of said 16.36-acre tract;
 13-36 THENCE North 87°07'46" West, continuing along the westerly line of
 13-37 said 450.71-acre tract and the easterly line of said 16.369-acre
 13-38 tract, a distance of 50.86 feet to a corner;
 13-39 THENCE North 00°51'58" West, continuing along the westerly line of
 13-40 said 450.71-acre tract, the easterly line of said 16.369-acre tract
 13-41 and the easterly line of the remainder of a tract of land, conveyed
 13-42 to Marvin T. Wilson and wife, Renetta T. Wilson, as evidenced in a
 13-43 Warranty Deed, recorded in County Clerk's File No. 92-0004376 of
 13-44 the Land Records of Collin County, Texas, a distance of 489.53 feet
 13-45 to the northeast corner of said Wilson tract;
 13-46 THENCE South 89°48'22" West, continuing along the westerly line of
 13-47 said 450.71-acre tract and along the northerly line of said Wilson
 13-48 tract, a distance of 341.96 feet to the northwest corner of said
 13-49 Wilson tract, same being on the easterly right of way line of
 13-50 aforesaid State Highway 289 (Preston Road);
 13-51 THENCE North 00°16'22" East, continuing along the westerly line of
 13-52 said 450.71-acre tract and along the easterly right of way line of
 13-53 said State Highway 289 (Preston Road), a distance of 51.94 feet to
 13-54 the POINT OF BEGINNING and containing 1,432.8 gross acres of land,
 13-55 more or less, SAVE AND EXCEPT the following two tracts of land:
 13-56 TRACT 1:
 13-57 BEING a tract of land situated in the Benjamin Haile Survey,
 13-58 Abstract No. 397, City of Celina, Collin County, Texas, and being
 13-59 the remaining portion of a called 160.42-acre tract of land,
 13-60 conveyed to Kirk's Rockin K Ranch & Land Company, Inc., as evidenced
 13-61 in a Special Warranty Deed, recorded in Volume 4139, Page 3116 of
 13-62 the Land Records of Collin County, Texas, and being more
 13-63 particularly described by metes and bounds as follows:
 13-64 BEGINNING at the southwest corner of said 160.42-acre tract, and
 13-65 the northwest corner of a 30' Street Easement to Collin County,
 13-66 Texas, recorded in County Clerk's File No. 96-0067345 of the Land
 13-67 Records of Collin County, Texas, same being on the easterly line of
 13-68 a called 272.545-acre tract of land, conveyed to Eland Energy,
 13-69 Inc., as evidenced in a Special Warranty Deed, recorded in

14-1 Instrument No. 20150722000903300 of the Official Public Records of
 14-2 Collin County, Texas, same also being in County Road No. 101, a
 14-3 public use right of way, no record found;
 14-4 THENCE North 00°31'00" West, along the westerly line of said
 14-5 160.42-acre tract, the easterly line of said 272.545-acre tract and
 14-6 along said County Road No. 101, a distance of 417.42 feet to the
 14-7 westernmost, southwest corner of a called 154.059-acre tract of
 14-8 land, conveyed to Central Frisco, Ltd., as evidenced in a Special
 14-9 Warranty Deed, recorded in Instrument No. 20070725001023610 of the
 14-10 Official Public Records of Collin County, Texas;
 14-11 THENCE North 89°58'09" East, departing the westerly line of said
 14-12 160.42-acre tract, the easterly line of said 272.545-acre tract,
 14-13 said County Road No. 101 and along a southerly line of said
 14-14 154.059-acre tract, a distance of 417.42 feet to a corner;
 14-15 THENCE South 00°31'02" East, along a westerly line of said
 14-16 154.059-acre tract, a distance of 417.42 feet to the southernmost,
 14-17 southwest corner of said 154.059-acre tract, same being on the
 14-18 southerly line of said 160.42-acre tract, same also being on the
 14-19 northerly line of a called "Tract Five" (18.748 acres), conveyed to
 14-20 Eland Energy, Inc., as evidenced in a General Warranty Deed,
 14-21 recorded in Instrument No. 20141002001081250 of the Official
 14-22 Public Records of Collin County, Texas;
 14-23 THENCE South 89°58'09" West, along the southerly line of said
 14-24 160.42-acre tract, the northerly line of said "Tract Five" and the
 14-25 northerly line of aforesaid 30' wide Street Easement, a distance of
 14-26 417.43 feet to the POINT OF BEGINNING and containing 4.0 acres of
 14-27 land, more or less.
 14-28 TRACT 2:
 14-29 BEING a tract of land, situated in the Mary Howell Survey, Abstract
 14-30 No. 396 and the Benjamin Haile Survey, Abstract No. 397 and being
 14-31 all of a called 26.620-acre tract of land, conveyed to John O. Rea
 14-32 and wife, Patricia O. Rea, as evidenced in a General Warranty Deed,
 14-33 recorded in County Clerk's File No. 92-0067367 and all of a called
 14-34 5.000-acre tract of land, conveyed to John W. Rea and spouse,
 14-35 Patricia O. Rea, as evidenced in a General Warranty Deed, recorded
 14-36 in County Clerk's File No. 92-0067368, both of the Land Records of
 14-37 Collin County, Texas, and being more particularly described by
 14-38 metes and bounds as follows;
 14-39 BEGINNING at the northeast corner of said 26.620-acre tract, same
 14-40 being the northernmost, northwest corner of a called 167.027-acre
 14-41 tract of land, conveyed to Eland Energy, Inc., as evidenced in a
 14-42 General Warranty Deed, recorded in Instrument
 14-43 No. 20141002001081290 of the Official Public Records of Collin
 14-44 County, Texas, same also being on the southerly line of a called
 14-45 62.434-acre tract of land, conveyed to Eland Energy, Inc., as
 14-46 evidenced in a General Warranty Deed, recorded in Instrument
 14-47 No. 20141002001081260 of the Official Public Records of Collin
 14-48 County, Texas;
 14-49 THENCE in a southerly direction, departing the southerly line of
 14-50 said 62.434-acre tract, along the easterly line of said 26.620-acre
 14-51 tract and the westerly line of said 167.027-acre tract, the
 14-52 following:
 14-53 South 01°29'15" East, a distance of 1335.38 feet to a corner;
 14-54 North 89°49'39" West, a distance of 508.88 feet to a corner;
 14-55 South 38°07'37" West, a distance of 430.66 feet to the
 14-56 southeast corner of said 26.620-acre tract;
 14-57 THENCE South 89°52'35" West, continuing along the westerly line of
 14-58 said 167.027-acre tract and along the southernmost line of said
 14-59 26.620-acre tract, a distance of 297.86 feet to the southwest
 14-60 corner of said 26.620-acre tract, same being on the easterly line of
 14-61 a "Tract Two" (66.676 acres), conveyed to Eland Energy, Inc., as
 14-62 evidenced in said General Warranty Deed, recorded in Instrument
 14-63 No. 20141002001081250;
 14-64 THENCE in a northerly direction, along the westerly line of said
 14-65 26.620-acre tract and the easterly line of said "Tract Two", the
 14-66 following:
 14-67 North 00°59'41" West, a distance of 263.88 feet to a corner;
 14-68 South 63°10'27" East, a distance of 93.04 feet to a corner;
 14-69 North 33°29'47" East, a distance of 96.33 feet to a corner;

15-1 North 55°28'52" East, a distance of 144.33 feet to a corner;
15-2 North 32°30'37" West, a distance of 235.17 feet to a corner;
15-3 North 16°40'31" East, a distance of 139.05 feet to a corner;
15-4 North 62°31'57" East, a distance of 233.49 feet to a corner;
15-5 North 23°42'01" East, a distance of 277.45 feet to a corner;
15-6 North 12°49'11" West, a distance of 66.79 feet to the
15-7 northeast corner of said "Tract Two";
15-8 THENCE in a westerly direction, along the northerly line of said
15-9 "Tract Two", a southerly line of said 26.620-acre tract and along
15-10 the southerly line of aforesaid 5.000-acre tract, the following:
15-11 North 84°55'21" West, a distance of 167.79 feet to the south
15-12 common corner of said 26.620-acre tract and said 5.000-acre tract;
15-13 North 84°55'21" West, a distance of 31.54 feet to a corner;
15-14 South 27°54'16" West, a distance of 108.75 feet to a corner;
15-15 North 47°35'32" West, a distance of 127.34 feet to a corner;
15-16 South 22°02'46" West, a distance of 111.09 feet to a corner;
15-17 North 51°01'12" West, a distance of 184.77 feet to a corner;
15-18 South 66°56'55" West, a distance of 73.70 feet to the
15-19 southwest corner of said 5.000-acre tract and the northernmost,
15-20 northwest corner of said "Tract Two", same being on the easterly
15-21 line of a called 154.059-acre tract of land, conveyed to Central
15-22 Frisco, Ltd., as evidenced in a Special Warranty Deed, recorded in
15-23 Instrument No. 20070725001023610 of the Official Public Records of
15-24 Collin County, Texas;
15-25 THENCE North 00°21'55" West, along the westerly line of said
15-26 5.000-acre tract, the westerly line of said 26.620-acre tract and
15-27 the easterly line of said 154.059-acre tract, a distance of 525.45
15-28 feet to the northwest corner of said 26.620-acre tract, same being
15-29 the southwest corner of a called 6.000-acre tract of land, conveyed
15-30 to Central Frisco, Ltd., as evidenced in a General Warranty Deed,
15-31 recorded in Instrument No. 20110831000926240 of the Official
15-32 Public Records of Collin County, Texas;
15-33 THENCE North 89°21'14" East, departing the easterly line of said
15-34 154.059-acre tract, along the northerly line of said 26.620-acre
15-35 tract, the southerly line of said 6.000-acre tract and the
15-36 southerly line of aforesaid 62.434-acre tract, a distance of
15-37 1170.10 feet to the POINT OF BEGINNING and containing 31.6 acres of
15-38 land, more or less.
15-39 LEAVING a net area of 1,397.2 acres of land, more or less.
15-40 SECTION 3. (a) The legal notice of the intention to
15-41 introduce this Act, setting forth the general substance of this
15-42 Act, has been published as provided by law, and the notice and a
15-43 copy of this Act have been furnished to all persons, agencies,
15-44 officials, or entities to which they are required to be furnished
15-45 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
15-46 Government Code.
15-47 (b) The governor, one of the required recipients, has
15-48 submitted the notice and Act to the Texas Commission on
15-49 Environmental Quality.
15-50 (c) The Texas Commission on Environmental Quality has filed
15-51 its recommendations relating to this Act with the governor,
15-52 lieutenant governor, and speaker of the house of representatives
15-53 within the required time.
15-54 (d) All requirements of the constitution and laws of this
15-55 state and the rules and procedures of the legislature with respect
15-56 to the notice, introduction, and passage of this Act have been
15-57 fulfilled and accomplished.
15-58 SECTION 4. This Act takes effect September 1, 2017.

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