

SENATE AMENDMENTS

2nd Printing

By: Rodriguez of Travis

H.B. No. 4345

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8013 to read as follows:

CHAPTER 8013. RIO DE VIDA MUNICIPAL UTILITY

DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8013.001. DEFINITIONS. In this chapter:

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

(2) "City" means the City of Austin, Texas.

(3) "Commission" means the Texas Commission on Environmental Quality.

(4) "County" means Travis County.

(5) "Director" means a board member.

(6) "District" means the Rio de Vida Municipal Utility District No. 1.

Sec. 8013.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8013.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect four permanent

1 directors.

2 Sec. 8013.004. CONSENT OF CITY REQUIRED. (a) The temporary
3 directors may not hold an election under Section 8013.003 until the
4 city has consented by ordinance or resolution to the creation of the
5 district and to the inclusion of land in the district.

6 (b) If the city does not consent to the creation of the
7 district under this section before February 14, 2020:

8 (1) the district is dissolved February 14, 2020,
9 except that:

10 (A) any debts incurred shall be paid;

11 (B) any assets that remain after the payment of
12 debts shall be transferred to the city or another local
13 governmental entity to be used for a public purpose; and

14 (C) the organization of the district shall be
15 maintained until all debts are paid and remaining assets are
16 transferred; and

17 (2) this chapter expires February 14, 2020.

18 Sec. 8013.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
19 The district is created to serve a public purpose and benefit.

20 (b) The district is created to accomplish the purposes of:

21 (1) a municipal utility district as provided by
22 general law and Section 59, Article XVI, Texas Constitution;

23 (2) Section 52, Article III, Texas Constitution, that
24 relate to the construction, acquisition, improvement, operation,
25 or maintenance of macadamized, graveled, or paved roads, or
26 improvements, including storm drainage, in aid of those roads; and

27 (3) Section 52-a, Article III, Texas Constitution.

1 (c) By creating the district and in authorizing the city,
2 the county, and other political subdivisions to contract with the
3 district, the legislature has established a program to accomplish
4 the public purposes set out in Section 52-a, Article III, Texas
5 Constitution.

6 Sec. 8013.006. INITIAL DISTRICT TERRITORY. (a) The
7 district is initially composed of the territory described by
8 Section 2 of the Act enacting this chapter.

9 (b) The boundaries and field notes contained in Section 2 of
10 the Act enacting this chapter form a closure. A mistake made in the
11 field notes or in copying the field notes in the legislative process
12 does not affect the district's:

13 (1) organization, existence, or validity;

14 (2) right to issue any type of bond for the purposes
15 for which the district is created or to pay the principal of and
16 interest on a bond;

17 (3) right to impose a tax; or

18 (4) legality or operation.

19 Sec. 8013.007. ELIGIBILITY FOR INCLUSION IN TAX ABATEMENT
20 REINVESTMENT ZONE. All or any part of the area of the district is
21 eligible to be included in a tax abatement reinvestment zone under
22 Chapter 312, Tax Code.

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 8013.051. GOVERNING BODY; TERMS. (a) The district is
25 governed by a board of five directors who serve staggered terms of
26 four years, with two or three directors' terms expiring June 1 of
27 each odd-numbered year.

1 (b) A director may not serve more than two full terms of four
2 years.

3 (c) The board consists of:

4 (1) four elected directors; and

5 (2) one director appointed by the governing body of
6 the city.

7 (d) A director appointed under Subsection (c)(2) is not
8 required to reside in the district or to own real property in the
9 district.

10 (e) The common law doctrine of incompatibility does not
11 disqualify an elected official or employee of the city from being
12 appointed as a director by the governing body of the city under
13 Subsection (c)(2). A director appointed to the board may continue
14 to serve in a public office of or be employed by the city.

15 Sec. 8013.052. QUALIFICATIONS. Except as provided by
16 Section 8013.051(d), to qualify to serve on the board, a person
17 must:

18 (1) reside in the district; or

19 (2) own real property in the district.

20 Sec. 8013.053. TEMPORARY DIRECTORS. (a) On or after
21 September 1, 2017, the owners of a majority of the assessed value of
22 the real property in the district may submit a petition to the
23 commission requesting that the commission appoint as temporary
24 directors the five persons named in the petition. The commission
25 shall appoint as temporary directors the five persons named in the
26 petition.

27 (b) Unless the district is dissolved and this chapter

1 expires as provided by Section 8013.004, temporary directors serve
2 until the earlier of:

3 (1) the date permanent directors are elected under
4 Section 8013.003; or

5 (2) September 1, 2021.

6 (c) Section 8013.052 does not apply to a director appointed
7 under this section.

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8013.101. GENERAL POWERS AND DUTIES. The district has
10 the powers and duties necessary to accomplish the purposes for
11 which the district is created.

12 Sec. 8013.102. MUNICIPAL UTILITY DISTRICT POWERS AND
13 DUTIES. The district has the powers and duties provided by the
14 general law of this state, including Chapters 49 and 54, Water Code,
15 applicable to municipal utility districts created under Section 59,
16 Article XVI, Texas Constitution.

17 Sec. 8013.103. AUTHORITY FOR ROAD PROJECTS. Under Section
18 52, Article III, Texas Constitution, the district may design,
19 acquire, construct, finance, issue bonds for, improve, operate,
20 maintain, and convey to this state, a county, or the city for
21 operation and maintenance macadamized, graveled, or paved roads, or
22 improvements, including storm drainage, in aid of those roads.

23 Sec. 8013.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road
24 project must meet all applicable construction standards, zoning and
25 subdivision requirements, and regulations of the city.

26 (b) If the state will maintain and operate the road, the
27 Texas Transportation Commission must approve the plans and

1 specifications of the road project.

2 Sec. 8013.105. COMPLIANCE WITH CONSENT AGREEMENT,
3 ORDINANCE, OR RESOLUTION. (a) The district shall comply with all
4 applicable requirements of any ordinance or resolution that is
5 adopted under Section 54.016 or 54.0165, Water Code, and that
6 consents to the creation of the district or to the inclusion of land
7 in the district, including affordable housing requirements
8 established in the consent agreement.

9 (b) Any agreement between the district and the city related
10 to the city's consent to the creation of the district is valid and
11 enforceable.

12 (c) On the issuance of bonds, the district is considered to
13 have acknowledged and consented to the exercise of the city's
14 authority as to actions taken by the city under Section 54.016(g),
15 Water Code.

16 Sec. 8013.106. CONTRACT TO FURTHER REGIONAL COOPERATION.
17 The district and city may contract on terms that the board and
18 governing body of the city agree will further regional cooperation
19 between the district and city.

20 Sec. 8013.107. GRADING AND IMPROVEMENTS TO LAND IN THE
21 DISTRICT. The district may construct, acquire, improve, maintain,
22 finance, or operate a facility or improvement related to reclaiming
23 or grading land in the district.

24 Sec. 8013.108. NO EMINENT DOMAIN POWER. The district may
25 not exercise the power of eminent domain.

26 SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

27 Sec. 8013.151. DIVISION OF DISTRICT; PREREQUISITES. The

1 district may be divided into two or more new districts only if the
2 district:

3 (1) has no outstanding bonded debt; and

4 (2) is not imposing ad valorem taxes.

5 Sec. 8013.152. LAW APPLICABLE TO NEW DISTRICT. This
6 chapter applies to any new district created by division of the
7 district, and a new district has all the powers and duties of the
8 district.

9 Sec. 8013.153. LIMITATION ON AREA OF NEW DISTRICT. A new
10 district created by the division of the district may not, at the
11 time the new district is created, contain any land outside the area
12 described by Section 2 of the Act enacting this chapter.

13 Sec. 8013.154. CONSENT OF CITY OR COUNTY. If the district
14 is located wholly or partly in the corporate limits or the
15 extraterritorial jurisdiction of the city, the district may not
16 divide under this subchapter unless the city by resolution or
17 ordinance first consents to the division of the district.

18 Sec. 8013.155. DIVISION PROCEDURES. (a) The board, on its
19 own motion or on receipt of a petition signed by the owner or owners
20 of a majority of the assessed value of the real property in the
21 district, may adopt an order dividing the district.

22 (b) The board may adopt an order dividing the district
23 before or after the date the board holds an election under Section
24 8013.003 to confirm the district's creation.

25 (c) An order dividing the district must:

26 (1) name each new district;

27 (2) include the metes and bounds description of the

1 territory of each new district;

2 (3) appoint temporary directors for each new district;

3 and

4 (4) provide for the division of assets and liabilities
5 between the new districts.

6 (d) On or before the 30th day after the date of adoption of
7 an order dividing the district, the district shall file the order
8 with the commission and record the order in the real property
9 records of each county in which the district is located.

10 Sec. 8013.156. TAX OR BOND ELECTION. Before a new district
11 created by the division of the district may impose a sales and use
12 tax or an operation and maintenance tax or issue bonds payable
13 wholly or partly from ad valorem taxes, the new district must hold
14 an election as required by this chapter.

15 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

16 Sec. 8013.201. ELECTIONS REGARDING TAXES OR BONDS. (a) The
17 district may issue, without an election, bonds and other
18 obligations secured by:

19 (1) revenue other than ad valorem taxes; or

20 (2) contract payments described by Section 8013.203.

21 (b) The district must hold an election in the manner
22 provided by Chapters 49 and 54, Water Code, to obtain voter approval
23 before the district may impose an ad valorem tax or issue bonds
24 payable from ad valorem taxes.

25 (c) The district may not issue bonds payable from ad valorem
26 taxes to finance a road project unless the issuance is approved by a
27 vote of a two-thirds majority of the district voters voting at an

1 election held for that purpose.

2 Sec. 8013.202. OPERATION AND MAINTENANCE TAX. (a) If
3 authorized at an election held under Section 8013.201, the district
4 may impose an operation and maintenance tax on taxable property in
5 the district in accordance with Section 49.107, Water Code.

6 (b) The board shall determine the tax rate. The rate may not
7 exceed the rate approved at the election.

8 (c) If required by an agreement between the district and
9 city under Section 8013.106, the total ad valorem tax rate of the
10 district may not be less than the total ad valorem tax rate of the
11 city.

12 Sec. 8013.203. CONTRACT TAXES. (a) In accordance with
13 Section 49.108, Water Code, the district may impose a tax other than
14 an operation and maintenance tax and use the revenue derived from
15 the tax to make payments under a contract after the provisions of
16 the contract have been approved by a majority of the district voters
17 voting at an election held for that purpose.

18 (b) A contract approved by the district voters may contain a
19 provision stating that the contract may be modified or amended by
20 the board without further voter approval.

21 SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS

22 Sec. 8013.251. AUTHORITY TO ISSUE BONDS AND OTHER
23 OBLIGATIONS. The district may issue bonds or other obligations
24 payable wholly or partly from ad valorem taxes, impact fees,
25 revenue, sales and use taxes, hotel occupancy taxes, contract
26 payments, grants, or other district money, or any combination of
27 those sources, to pay for any authorized district purpose, except

1 for bonds or other obligations payable wholly or partly from hotel
2 occupancy taxes, which may only be used to pay for an authorized use
3 of hotel occupancy tax revenue under Chapter 351, Tax Code.

4 Sec. 8013.252. TAXES FOR BONDS. At the time the district
5 issues bonds payable wholly or partly from ad valorem taxes, the
6 board shall provide for the annual imposition of a continuing
7 direct ad valorem tax, without limit as to rate or amount, while all
8 or part of the bonds are outstanding as required and in the manner
9 provided by Sections 54.601 and 54.602, Water Code.

10 Sec. 8013.253. BONDS FOR ROAD PROJECTS. At the time of
11 issuance, the total principal amount of bonds or other obligations
12 issued or incurred to finance road projects and payable from ad
13 valorem taxes may not exceed one-fourth of the assessed value of the
14 real property in the district.

15 SUBCHAPTER G. SALES AND USE TAX

16 Sec. 8013.301. APPLICABILITY OF CERTAIN TAX CODE
17 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,
18 computation, administration, enforcement, and collection of the
19 sales and use tax authorized by this subchapter except to the extent
20 Chapter 321, Tax Code, is inconsistent with this chapter.

21 (b) A reference in Chapter 321, Tax Code, to a municipality
22 or the governing body of a municipality is a reference to the
23 district or the board, respectively.

24 Sec. 8013.302. ELECTION; ADOPTION OF TAX. (a) The district
25 may adopt a sales and use tax if:

- 26 (1) the city consents to the adoption of the tax; and
27 (2) the tax is authorized by a majority of the voters

1 of the district voting at an election held for that purpose.

2 (b) Subject to city consent under Subsection (a), the board
3 by order may call an election to authorize the adoption of the sales
4 and use tax. The election may be held on any uniform election date
5 and in conjunction with any other district election.

6 (c) The district shall provide notice of the election and
7 shall hold the election in the manner prescribed by Section
8 8013.201.

9 (d) The ballot shall be printed to provide for voting for or
10 against the proposition: "Authorization of a sales and use tax in
11 the (insert name of district or name of new district created under
12 Subchapter D) at a rate not to exceed ____ percent" (insert rate of
13 one or more increments of one-eighth of one percent).

14 Sec. 8013.303. SALES AND USE TAX RATE. (a) Not later than
15 the 10th day after the date the results are declared of an election
16 held under Section 8013.302, at which the voters approved
17 imposition of the tax authorized by this subchapter, the board
18 shall determine the initial rate of the tax, which must be in one or
19 more increments of one-eighth of one percent.

20 (b) After the election held under Section 8013.302, the
21 board may decrease the rate of the tax by one or more increments of
22 one-eighth of one percent. The board may not decrease the rate of
23 the tax if the decrease would impair the repayment of any
24 outstanding debt or obligation payable from the tax.

25 (c) The rate of the tax may not exceed the lesser of:

26 (1) the maximum rate authorized by the district voters
27 at the election held under Section 8013.302; or

1 (2) a rate that, when added to the rates of all sales
2 and use taxes imposed by other political subdivisions with
3 territory in the district, would result in the maximum combined
4 rate prescribed by Section 321.101(f), Tax Code, at any location in
5 the district.

6 (d) The board shall notify the comptroller of any changes
7 made to the tax rate in the same manner the municipal secretary
8 provides notice to the comptroller under Section 321.405(b), Tax
9 Code.

10 Sec. 8013.304. USE OF REVENUE. Revenue from the sales and
11 use tax imposed under this subchapter is for the use and benefit of
12 the district and may be used for any district purpose. The district
13 may pledge all or part of the revenue to the payment of bonds,
14 notes, or other obligations, and that pledge of revenue may be in
15 combination with other revenue, including tax revenue, available to
16 the district.

17 Sec. 8013.305. ABOLITION OF TAX. (a) The board may abolish
18 the tax imposed under this subchapter without an election.

19 (b) If the board abolishes the tax, the board shall notify
20 the comptroller of that action in the same manner the municipal
21 secretary provides notice to the comptroller under Section
22 321.405(b), Tax Code.

23 (c) If the board abolishes the tax or decreases the tax rate
24 to zero, a new election to authorize a sales and use tax must be held
25 under Section 8013.302 before the district may subsequently impose
26 the tax.

1 SUBCHAPTER H. HOTEL OCCUPANCY TAX

2 Sec. 8013.351. DEFINITION. In this subchapter, "hotel" has
3 the meaning assigned by Section 156.001, Tax Code.

4 Sec. 8013.352. APPLICABILITY OF CERTAIN TAX CODE
5 PROVISIONS. (a) In this subchapter:

6 (1) a reference in Subchapter A, Chapter 352, Tax
7 Code, to a county is a reference to the district; and

8 (2) a reference in Subchapter A, Chapter 352, Tax
9 Code, to the commissioners court is a reference to the board.

10 (b) Except as inconsistent with this subchapter, Subchapter
11 A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized
12 by this subchapter, including the collection of the tax, subject to
13 the limitations prescribed by Sections 352.002(b) and (c), Tax
14 Code.

15 Sec. 8013.353. TAX AUTHORIZED; USE OF REVENUE. (a) The
16 district may not impose a hotel occupancy tax unless the city
17 consents to the imposition.

18 (b) The district may impose the hotel occupancy tax for:

19 (1) any purpose authorized under Chapter 351, Tax
20 Code; or

21 (2) the construction, operation, or maintenance of a
22 sports-related facility of the district if the city is authorized
23 to impose the tax under Section 351.002, Tax Code, for that purpose
24 that:

25 (A) has a notable impact on tourism and hotel
26 activity; and

27 (B) is available to the public.

1 Sec. 8013.354. TAX RATE. The amount of the hotel occupancy
2 tax may not exceed seven percent of the price paid for a room in a
3 hotel.

4 Sec. 8013.355. INFORMATION. The district may examine and
5 receive information related to the imposition of hotel occupancy
6 taxes to the same extent as if the district were a county.

7 SUBCHAPTER I. MUNICIPAL ANNEXATION AND DISSOLUTION

8 Sec. 8013.401. APPLICABILITY OF LAW ON ANNEXATION OF
9 DISTRICT. (a) The district is a "water or sewer district" for the
10 purposes of Section 43.071, Local Government Code.

11 (b) Sections 43.0561 and 43.0562, Local Government Code, do
12 not apply to the annexation of the district.

13 Sec. 8013.402. APPLICABILITY OF LAW ON WATER-RELATED
14 SPECIAL DISTRICT THAT BECOMES PART OF NOT MORE THAN ONE
15 MUNICIPALITY. Section 43.075, Local Government Code, applies to
16 the district.

17 Sec. 8013.403. STRATEGIC PARTNERSHIP; CONTINUATION OF
18 DISTRICT AFTER ANNEXATION BY MUNICIPALITY. (a) The district may
19 continue to exist as a limited district after full-purpose
20 annexation by a municipality if the district and the annexing
21 municipality state the terms of the limited district's existence in
22 a strategic partnership agreement under Section 43.0751, Local
23 Government Code.

24 (b) The strategic partnership agreement may provide for an
25 original or renewed term of any number of years. The limitation in
26 Section 43.0751(g)(2), Local Government Code, on the length of the
27 term does not apply to a limited district created under this

1 section.

2 Sec. 8013.404. NOTICE OF FUTURE CITY ANNEXATION REQUIRED.

3 (a) Not later than the 30th day after the date the city consents to
4 the creation of the district and to the inclusion of land in the
5 district under Section 8013.004(a), the city shall file, in the
6 real property records of the county, a notice to a purchaser of real
7 property in the district that describes:

8 (1) the city's authority and intention to annex the
9 district; and

10 (2) the anticipated date of the annexation.

11 (b) After the notice is filed, a person who proposes to sell
12 or otherwise convey real property in the district must provide a
13 copy of the notice to a purchaser of the property before selling or
14 conveying the property to the purchaser.

15 SECTION 2. The Rio de Vida Municipal Utility District No. 1
16 initially includes all the territory contained in the following
17 area:

18 ALL THAT CERTAIN PARCEL OR TRACT OF LAND OUT OF THE REUBEN
19 HORNSBY SURVEY NO. 17, JOSEPH DUTY SURVEY NO. 20 AND THE JOHN
20 BURLESON SURVEY NO. 33, TRAVIS COUNTY, TEXAS; BEING ALL OF THE
21 FOLLOWING TRACTS OF LAND AS CONVEYED TO TXI OPERATIONS, L.P. BY
22 DEEDS RECORDED IN THE REAL PROPERTY RECORDS OF TRAVIS COUNTY,
23 TEXAS: A 353.08-ACRE TRACT (TO BE KNOWN AS PARCEL 01-1) AND A
24 65.12-ACRE TRACT (TO BE KNOWN AS PARCEL 01-2) IN VOLUME 12448, PAGE
25 737 AND VOLUME 13170, PAGE 656; A 65.12-ACRE TRACT (TO BE KNOWN AS
26 PARCEL 01-2) IN VOLUME 13170, PAGE 656; A 102.188-ACRE TRACT
27 (PARCEL NO. 1) (TO BE KNOWN AS PARCEL 02-1), A 29.008-ACRE TRACT

1 (PARCEL NO. 2) (TO BE KNOWN AS PARCEL 02-2) AND A 10.743-ACRE TRACT
2 (PARCEL NO. 3) (TO BE KNOWN AS PARCEL 02-3) IN VOLUME 12593, PAGE
3 2001; A 22.911-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL 04-1) IN
4 VOLUME 11985, PAGE 1238 AND VOLUME 13170, PAGE 656; A 19.253-ACRE
5 TRACT (PARCEL 3) (TO BE KNOWN AS PARCEL 05-1), A 4.591-ACRE TRACT
6 (PARCEL 1) (TO BE KNOWN AS PARCEL 06-1) AND A 16.931-ACRE TRACT
7 (PARCEL 2) (TO BE KNOWN AS PARCEL 06-2) IN VOLUME 13304, PAGE 3306;
8 A 52.487-ACRE TRACT (TO BE KNOWN AS PARCEL 08-1) IN VOLUME 13088,
9 PAGE 429; A PORTION OF A 6.605-ACRE TRACT (TRACT 1) (TO BE KNOWN AS
10 PARCEL 08-2) AND A 5.411-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL
11 12-1) IN VOLUME 13088, PAGE 421; A 51.32-ACRE TRACT (TO BE KNOWN AS
12 PARCEL 10-1) IN VOLUME 12703, PAGE 411 AND VOLUME 13170, PAGE 656; A
13 6.262-ACRE TRACT (TO BE KNOWN AS PARCEL 11-1) IN VOLUME 12835, PAGE
14 1489; A 22.967-ACRE TRACT (TO BE KNOWN AS PARCEL 13-1) IN VOLUME
15 9872, PAGE 77 AND VOLUME 13170, PAGE 656; A 14.272-ACRE TRACT (TRACT
16 8) (TO BE KNOWN AS PARCEL 14-1), A 21.100-ACRE TRACT (TRACT 9) (TO
17 BE KNOWN AS PARCEL 15-1), A 32.738-ACRE TRACT (TRACT 17) (TO BE
18 KNOWN AS PARCEL 17-1), A 8.051-ACRE TRACT (TRACT 12) (TO BE KNOWN AS
19 PARCEL 18-1), A 9.744-ACRE TRACT (TRACT 13) (TO BE KNOWN AS PARCEL
20 18-2), A 9.752-ACRE TRACT (TRACT 14) (TO BE KNOWN AS PARCEL 18-3), A
21 15.981-ACRE TRACT (TRACT 15) (TO BE KNOWN AS PARCEL 18-4), A
22 19.127-ACRE TRACT (TRACT 16) (TO BE KNOWN AS PARCEL 18-5), A
23 10.274-ACRE TRACT (TRACT 10) (TO BE KNOWN AS PARCEL 21-1), A
24 9.825-ACRE TRACT (TRACT 11) (TO BE KNOWN AS PARCEL 21-2), A PORTION
25 OF A 44.586-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL 23-1), A
26 PORTION OF A 15.959-ACRE TRACT (TRACT 7) (TO BE KNOWN AS PARCEL
27 23-2), A PORTION OF A 15.946-ACRE TRACT (TRACT 6) (TO BE KNOWN AS

1 PARCEL 23-3) AND A PORTION OF A 14.135-ACRE TRACT (TRACT 3) (TO BE
2 KNOWN AS PARCEL 28-1) IN VOLUME 12326, PAGE 1154 AND VOLUME 13170,
3 PAGE 656; A 30.531-ACRE TRACT (TO BE KNOWN AS PARCEL 16-1) IN VOLUME
4 10967, PAGE 1219 AND VOLUME 13170, PAGE 656; A 30.531-ACRE TRACT (TO
5 BE KNOWN AS PARCEL 16-1) IN VOLUME 10967, PAGE 1219 AND VOLUME
6 13170, PAGE 656; A 45.874-ACRE TRACT (TO BE KNOWN AS PARCEL 19-1) IN
7 VOLUME 12270, PAGE 1633 AND VOLUME 13170, PAGE 656; A 13.853-ACRE
8 TRACT (TO BE KNOWN AS PARCEL 20-1) IN VOLUME 12326, PAGE 1149 AND
9 VOLUME 13170, PAGE 656; A PORTION OF A 32.403-ACRE TRACT (TRACT 4)
10 (TO BE KNOWN AS PARCEL 22-1) AND A PORTION OF A 50.388-ACRE TRACT
11 (TRACT 1) (TO BE KNOWN AS PARCEL 28-2) IN VOLUME 12326, PAGE 1109
12 AND VOLUME 13170, PAGE 656; AND A 83.838-ACRE TRACT (TO BE KNOWN AS
13 PARCEL 27-1) IN VOLUME 11955, PAGE 972 AND VOLUME 13170, PAGE 656;
14 AND ALSO BEING ALL OF THE FOLLOWING TRACTS OF LAND AS CONVEYED TO
15 TXI OPERATIONS, L.P. BY DEEDS RECORDED IN THE OFFICIAL PUBLIC
16 RECORDS OF TRAVIS COUNTY, TEXAS: A 49.994-ACRE TRACT (TRACT 1) (TO
17 BE KNOWN AS PARCEL 03-1), A PORTION OF A 85.957-ACRE TRACT (TRACT 2)
18 (TO BE KNOWN AS PARCEL 03-2), A PORTION OF A 41.043-ACRE TRACT
19 (TRACT 3) (TO BE KNOWN AS PARCEL 03-3), A 69.542-ACRE TRACT (TRACT
20 4) (TO BE KNOWN AS PARCEL 03-4), A 55.299-ACRE TRACT (TRACT 5) (TO
21 BE KNOWN AS PARCEL 03-5), A PORTION OF A 33.214-ACRE TRACT (TO BE
22 KNOWN AS PARCEL 03-6) AND A 39.355-ACRE TRACT (TRACT 6) (TO BE KNOWN
23 AS PARCEL 03-7) IN DOCUMENT NO. 1999152526; A 223.497-ACRE TRACT
24 (TO BE KNOWN AS PARCEL 07-1) IN DOCUMENT NO. 2005002939; A
25 194.824-ACRE TRACT (TRACT A) (TO BE KNOWN AS PARCEL 09-1) AND A
26 67.418-ACRE TRACT (TRACT B) (TO BE KNOWN AS PARCEL 09-2) IN DOCUMENT
27 NO. 2005007841; PORTIONS OF A 101.697-ACRE TRACT (TRACT 1) AND A

1 14.054-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL 24-1) IN DOCUMENT
2 NO. 1999148757; A 39.462-ACRE TRACT (TO BE KNOWN AS PARCEL 25-1) IN
3 DOCUMENT NO. 2006133198; AND A 33.35-ACRE TRACT (TO BE KNOWN AS
4 PARCEL 26-1) IN DOCUMENT NO. 2005007845; AND BEING MORE
5 PARTICULARLY DESCRIBED IN FIVE (5) TRACTS BY METES AND BOUNDS AS
6 FOLLOWS:

7 TRACT 1

8 BEGINNING at a calculated point at the intersection of the
9 north bank of the Colorado River and the east right-of-way line of
10 State Highway No. 130, at the southwest corner of the
11 above-described Parcel 09-1, for the southwest corner and POINT OF
12 BEGINNING of the herein described tract;

13 THENCE, with the east right-of-way line of said State Highway
14 No. 130, the following seven (7) courses:

15 1) N08°37'24"W a distance of 537.28 feet to a calculated
16 angle point;

17 2) N01°34'38"W a distance of 3,468.10 feet to a calculated
18 angle point;

19 3) N59°15'05"E a distance of 166.15 feet to a calculated
20 angle point;

21 4) N08°13'09"E a distance of 547.29 feet to a calculated
22 angle point;

23 5) N52°30'09"W a distance of 138.99 feet to a calculated
24 non-tangent point of curvature of a curve to the right;

25 6) Along said curve to the right an arc distance of 1,274.92
26 feet, having a radius of 3,458.72 feet, and a chord which bears
27 N19°25'33"E a distance of 1,267.71 feet to a calculated point of

1 tangency; and

2 7) N29°59'08"E a distance of 421.69 feet to a calculated
3 point at the northwest corner of said Parcel 09-1;

4 THENCE, with the north line of said Parcel 09-1, the
5 following three (3) courses:

6 1) S60°37'51"E a distance of 116.20 feet to a to a calculated
7 point;

8 2) N29°22'09"E a distance of 83.70 feet to a calculated
9 point; and

10 3) S60°41'35"E a distance of 416.71 feet to a calculated
11 point on the west line of the above-described Parcel 01-1 at the
12 most northerly northeast corner of said Parcel 09-1;

13 THENCE, with the west line of said Parcel 01-1, the following
14 five (5) courses:

15 1) N27°20'56"E a distance of 39.85 feet to a calculated angle
16 point;

17 2) N49°43'26"E a distance of 65.85 feet to a calculated angle
18 point;

19 3) N27°21'16"E a distance of 619.40 feet to a calculated
20 point at an inside corner of said Parcel 01-1;

21 4) N62°38'24"W a distance of 5.00 feet to a calculated point
22 at an outside corner of said Parcel 01-1; and

23 5) N27°21'36"E a distance of 617.35 feet to a calculated
24 point on the south line of the above-described Parcel 16-1 at the
25 northwest corner of said Parcel 01-1;

26 THENCE N62°22'51"W a distance of 40.60 feet to a calculated
27 point on the east line of the above-described Parcel 23-1;

1 THENCE, with the east line of said Parcel 23-1, the following
2 four (4) courses:

3 1) S27°22'35"W a distance of 618.29 feet to a calculated
4 point for an outside corner of said Parcel 23-1;

5 2) N62°37'49"W a distance of 5.00 feet to a calculated point
6 for an inside corner of said Parcel 23-1;

7 3) S27°22'11"W a distance of 618.51 feet to a calculated
8 angle point; and

9 4) S73°40'29"W a distance of 69.55 feet to a calculated point
10 at the southeast corner of said Parcel 23-1;

11 THENCE, with the south line of said Parcel 23-1, N60°41'02"W a
12 distance of 339.91 feet to a calculated point on the east
13 right-of-way line of State Highway No. 130 at the southwest corner
14 of said Parcel 23-1;

15 THENCE, with the east right-of-way line of said State Highway
16 No. 130, the following three (3) courses:

17 1) N30°02'29"E a distance of 1,101.68 feet to a calculated
18 angle point;

19 2) N20°27'12"E a distance of 2,012.40 feet to a calculated
20 angle point; and

21 3) N27°27'12"E a distance of 432.97 feet to a calculated
22 point at the northwest corner of the above-described Parcel 23-3;

23 THENCE, with the north line of said Parcel 23-3, S62°04'21"E a
24 distance of 608.26 feet to a calculated point on the west line of
25 the above-described Parcel 14-1 at the northeast corner of said
26 Parcel 23-3;

27 THENCE, with the west line of said Parcel 14-1, N27°45'52"E a

1 distance of 393.68 feet to a calculated point at the northwest
2 corner of said Parcel 14-1, also being the most westerly southwest
3 corner of the above-described Parcel 01-2;

4 THENCE, with the west line of said Parcel 01-2, N28°07'17"E a
5 distance of 224.92 feet to a calculated point at the southeast
6 corner of the above-described Parcel 24-1;

7 THENCE, with the south line of said Parcel 24-1, N62°34'20"W a
8 distance of 613.00 feet to a calculated point on the east
9 right-of-way line of said State Highway No. 130 at the southwest
10 corner of said Parcel 24-1;

11 THENCE, with the east right-of-way line of said State Highway
12 No. 130, the following nine (9) courses:

13 1) N27°27'12"E a distance of 1,672.04 feet to a calculated
14 angle point;

15 2) N32°27'12"E a distance of 1,894.71 feet to a calculated
16 angle point;

17 3) N29°36'58"E a distance of 516.40 feet to a calculated
18 point;

19 4) S61°16'47"E a distance of 91.29 feet to a calculated
20 point;

21 5) N33°24'29"E a distance of 576.93 feet to a calculated
22 point;

23 6) N61°16'47"W a distance of 126.37 feet to a calculated
24 point;

25 7) N26°30'22"E a distance of 430.28 feet to a calculated
26 point;

27 8) N61°16'47"W a distance of 56.58 feet to a calculated

1 point; and

2 9) N27°27'30"E a distance of 956.84 feet to a calculated
3 point at the intersection with the south right-of-way line of FM
4 Highway No. 969, also being the northwest corner of said Parcel
5 24-1;

6 THENCE, with the south right-of-way line of said FM Highway
7 No. 969, the following six (6) courses:

8 1) S64°07'08"E a distance of 395.49 feet to a calculated
9 point;

10 2) S22°48'20"W a distance of 61.04 feet to a calculated
11 point;

12 3) S67°11'40"E a distance of 110.00 feet to a calculated
13 point;

14 4) N22°48'20"E a distance of 60.54 feet to a calculated
15 point;

16 5) S77°33'00"E a distance of 201.73 feet to a calculated
17 angle point; and

18 6) S65°03'31"E a distance of 381.97 feet to a calculated
19 point at the northeast corner of the above-described Parcel 08-2;

20 THENCE, with the east line of said Parcel 08-2, S12°49'01"W a
21 distance of 1,365.75 feet to a calculated point at an inside corner
22 of the above-described Parcel 02-1;

23 THENCE, with the north line of said Parcel 02-1, S62°34'57"E a
24 distance of 947.19 feet to a calculated point at the most easterly
25 northeast corner of said Parcel 02-1;

26 THENCE, with the east line of said Parcel 02-1, S27°12'42"W a
27 distance of 1,350.79 feet to a calculated angle point;

1 THENCE, continuing with the east line of said Parcel 02-1,
2 S27°42'57"W a distance of 1,658.43 feet to a calculated point at the
3 northeast corner of said Parcel 01-2;

4 THENCE, with the east line of said Parcel 01-2, S27°36'56"W a
5 distance of 1,486.26 feet to a calculated point at an outside corner
6 of said Parcel 01-2 on the north line of the above-described Parcel
7 04-1;

8 THENCE, with the north line of said Parcel 04-1, S62°13'13"E a
9 distance of 697.01 feet to a calculated point at the northeast
10 corner of said Parcel 04-1, also being the northwest corner of the
11 above-described Parcel 19-1;

12 THENCE, with the north line of said Parcel 19-1, S62°14'53"E a
13 distance of 461.49 feet to a calculated point at the southwest
14 corner of the above-described Parcel 10-1;

15 THENCE, with the west line of said Parcel 10-1, N27°49'54"E a
16 distance of 3,150.15 feet to a calculated point at the northwest
17 corner of said Parcel 10-1;

18 THENCE, with the north line of said Parcel 10-1, S62°43'06"E a
19 distance of 710.22 feet to a calculated point at the northeast
20 corner of said Parcel 10-1;

21 THENCE, with the east line of said Parcel 10-1, S27°52'34"W a
22 distance of 3,156.02 feet to a calculated point at the southeast
23 corner of said Parcel 10-1, also being the northwest corner of the
24 above-described Parcel 06-1;

25 THENCE, with the north line of said Parcel 06-1, S61°04'03"E a
26 distance of 289.04 feet to a calculated point at the northwest
27 corner of the above-described Parcel 12-1;

1 THENCE, with the north line of said Parcel 12-1, S63°22'55"E a
2 distance of 457.28 feet to a calculated point at the northwest
3 corner of the above-described Parcel 06-2;

4 THENCE, with the north line of said Parcel 06-2, S64°42'36"E a
5 distance of 378.00 feet to a calculated point at the northwest
6 corner of the above-described Parcel 20-1;

7 THENCE, with the north line of said Parcel 20-1, S70°09'59"E a
8 distance of 400.67 feet to a calculated point at the northwest
9 corner of the above-described Parcel 02-3;

10 THENCE, with the north line of said Parcel 02-3, the
11 following three (3) courses:

12 1) S67°05'07"E a distance of 104.58 feet to a calculated
13 angle point;

14 2) S53°35'54"E a distance of 105.83 feet to a calculated
15 angle point; and

16 3) S55°41'48"E a distance of 206.91 feet to a calculated
17 point at the northeast corner of said Parcel 02-3;

18 THENCE, with the east line of said Parcel 02-3, S28°01'49"W a
19 distance of 899.00 feet to a calculated point on the north bank of
20 the Colorado River at the southeast corner of said Parcel 02-3;

21 THENCE, with the meanders of the north bank of the Colorado
22 River, the following fifty-nine (59) courses:

23 1) S78°57'26"W a distance of 265.40 feet to a calculated
24 point;

25 2) S58°33'04"W a distance of 403.36 feet to a calculated
26 point;

27 3) S27°53'07"W a distance of 24.17 feet to a calculated

- 1 point;
- 2 4) S73°19'34"W a distance of 179.78 feet to a calculated
- 3 point;
- 4 5) S80°40'33"W a distance of 284.45 feet to a calculated
- 5 point;
- 6 6) N26°28'28"E a distance of 20.96 feet to a calculated
- 7 point;
- 8 7) S75°36'26"W a distance of 293.31 feet to a calculated
- 9 point;
- 10 8) S86°20'34"W a distance of 84.16 feet to a calculated
- 11 point;
- 12 9) S79°42'18"W a distance of 141.79 feet to a calculated
- 13 point;
- 14 10) S27°00'43"W a distance of 26.90 feet to a calculated
- 15 point;
- 16 11) S78°05'41"W a distance of 99.68 feet to a calculated
- 17 point;
- 18 12) S71°38'12"W a distance of 426.53 feet to a calculated
- 19 point;
- 20 13) S58°35'29"W a distance of 276.51 feet to a calculated
- 21 point;
- 22 14) S24°20'35"W a distance of 359.58 feet to a calculated
- 23 point;
- 24 15) S08°24'01"W a distance of 300.61 feet to a calculated
- 25 point;
- 26 16) S07°37'34"E a distance of 185.37 feet to a calculated
- 27 point;

- 1 17) S02°25'49"E a distance of 59.41 feet to a calculated
2 point;
- 3 18) S01°21'36"W a distance of 38.60 feet to a calculated
4 point;
- 5 19) S08°00'24"E a distance of 41.40 feet to a calculated
6 point;
- 7 20) S09°09'36"W a distance of 373.90 feet to a calculated
8 point;
- 9 21) S31°59'36"W a distance of 107.30 feet to a calculated
10 point;
- 11 22) S18°00'36"W a distance of 293.50 feet to a calculated
12 point;
- 13 23) S30°25'36"W a distance of 112.00 feet to a calculated
14 point;
- 15 24) S10°51'36"W a distance of 634.90 feet to a calculated
16 point;
- 17 25) S02°34'36"W a distance of 30.70 feet to a calculated
18 point;
- 19 26) S59°28'24"E a distance of 57.10 feet to a calculated
20 point;
- 21 27) S03°40'24"E a distance of 310.40 feet to a calculated
22 point;
- 23 28) S16°21'36"W a distance of 278.50 feet to a calculated
24 point;
- 25 29) S17°53'36"W a distance of 322.40 feet to a calculated
26 point;
- 27 30) S32°29'36"W a distance of 792.30 feet to a calculated

- 1 point;
- 2 31) S18°11'36"W a distance of 184.90 feet to a calculated
- 3 point;
- 4 32) N63°10'34"W a distance of 44.96 feet to a calculated
- 5 point;
- 6 33) S19°04'38"W a distance of 21.49 feet to a calculated
- 7 point;
- 8 34) S27°17'38"W a distance of 190.50 feet to a calculated
- 9 point;
- 10 35) S23°12'38"W a distance of 266.20 feet to a calculated
- 11 point;
- 12 36) S33°52'38"W a distance of 191.10 feet to a calculated
- 13 point;
- 14 37) S61°12'38"W a distance of 280.40 feet to a calculated
- 15 point;
- 16 38) S63°15'38"W a distance of 345.10 feet to a calculated
- 17 point;
- 18 39) S72°35'38"W a distance of 285.20 feet to a calculated
- 19 point;
- 20 40) N85°31'22"W a distance of 165.00 feet to a calculated
- 21 point;
- 22 41) N72°50'22"W a distance of 150.00 feet to a calculated
- 23 point;
- 24 42) N10°15'22"W a distance of 135.80 feet to a calculated
- 25 point;
- 26 43) N04°17'22"W a distance of 37.00 feet to a calculated
- 27 point;

- 1 44) N38°51'22"W a distance of 391.50 feet to a calculated
2 point;
- 3 45) N12°14'22"W a distance of 40.00 feet to a calculated
4 point;
- 5 46) N07°15'38"E a distance of 183.00 feet to a calculated
6 point;
- 7 47) S47°45'38"W a distance of 386.10 feet to a calculated
8 point;
- 9 48) S75°54'39"W a distance of 102.43 feet to a calculated
10 point;
- 11 49) S71°46'05"W a distance of 154.03 feet to a calculated
12 point;
- 13 50) S65°38'42"W a distance of 430.32 feet to a calculated
14 point;
- 15 51) S49°58'20"W a distance of 207.45 feet to a calculated
16 point;
- 17 52) S47°30'01"W a distance of 581.94 feet to a calculated
18 point;
- 19 53) S58°05'16"W a distance of 199.26 feet to a calculated
20 point;
- 21 54) S55°02'26"W a distance of 168.25 feet to a calculated
22 point;
- 23 55) S66°49'36"W a distance of 424.33 feet to a calculated
24 point;
- 25 56) S70°27'05"W a distance of 178.44 feet to a calculated
26 point;
- 27 57) S73°49'29"W a distance of 103.82 feet to a calculated

1 point;

2 58) S85°43'30"W a distance of 78.52 feet to a calculated
3 point; and

4 59) S78°29'14"W a distance of 59.80 feet to the POINT OF
5 BEGINNING, and containing 1,370 acres of land, more or less.

6 TRACT 2

7 BEGINNING at a calculated point at the intersection of the
8 north bank of the Colorado River and the west right-of-way line of
9 State Highway No. 130, at the southeast corner of the
10 above-described Parcel 03-2, for the southeast corner and POINT OF
11 BEGINNING of the herein described tract;

12 THENCE, with the meanders of the north bank of the Colorado
13 River, the following twenty-two (22) courses:

14 1) S76°37'38"W a distance of 1.87 feet to a calculated point;

15 2) S72°53'53"W a distance of 518.11 feet to a calculated
16 point;

17 3) S75°14'11"W a distance of 517.88 feet to a calculated
18 point;

19 4) S70°55'05"W a distance of 289.38 feet to a calculated
20 point;

21 5) S81°58'40"W a distance of 118.79 feet to a calculated
22 point;

23 6) S63°21'33"W a distance of 277.07 feet to a calculated
24 point;

25 7) S49°47'25"W a distance of 47.81 feet to a calculated
26 point;

27 8) S64°43'53"W a distance of 353.97 feet to a calculated

1 point;
2 9) S62°39'35"W a distance of 626.81 feet to a calculated
3 point;
4 10) S72°28'38"W a distance of 203.07 feet to a calculated
5 point;
6 11) S85°12'41"W a distance of 191.20 feet to a calculated
7 point;
8 12) N89°48'48"W a distance of 82.77 feet to a calculated
9 point;
10 13) N83°17'50"W a distance of 141.54 feet to a calculated
11 point;
12 14) N83°16'30"W a distance of 332.35 feet to a calculated
13 point;
14 15) N72°21'14"W a distance of 159.08 feet to a calculated
15 point;
16 16) N80°26'48"W a distance of 189.39 feet to a calculated
17 point;
18 17) N79°57'59"W a distance of 91.38 feet to a calculated
19 point;
20 18) S85°50'53"W a distance of 69.91 feet to a calculated
21 point;
22 19) N78°28'45"W a distance of 123.84 feet to a calculated
23 point;
24 20) N68°18'10"W a distance of 159.21 feet to a calculated
25 point;
26 21) N80°39'08"W a distance of 135.80 feet to a calculated
27 point; and

1 22) S78°59'06"W a distance of 43.91 feet to a calculated
2 point at the intersection with the east right-of-way line of FM
3 Highway No. 973, also being the most southerly southwest corner of
4 the above-described Parcel 03-5;

5 THENCE, with the east right-of-way line of said FM Highway
6 No. 973, N10°21'00"E a distance of 147.12 feet to a calculated point
7 of curvature of a curve to the left;

8 THENCE, continuing with the east right-of-way line, along
9 said curve to the left an arc distance of 623.12 feet, having a
10 radius of 622.94 feet, and a chord which bears N18°18'22"W a
11 distance of 597.46 feet to a calculated point at the most westerly
12 southwest corner of said Parcel 03-5;

13 THENCE, with the west line of said Parcel 03-5, N27°38'58"E a
14 distance of 2,173.14 feet to a calculated point at the northwest
15 corner of said Parcel 03-5;

16 THENCE, with the north line of said Parcel 03-5, S62°35'52"E a
17 distance of 953.15 feet to a calculated point in the west line of
18 the above-described Parcel 03-7 at the northeast corner of said
19 Parcel 03-5;

20 THENCE, with the west line of said Parcel 03-7, N27°51'48"E a
21 distance of 830.67 feet to a calculated angle point;

22 THENCE, continuing with the west line of said Parcel 03-7,
23 N27°04'22"E a distance of 660.77 feet to a calculated angle point;

24 THENCE, with the west line of the above-described Parcel
25 03-01, N27°16'45"E a distance of 2,498.68 feet to a calculated point
26 at the northwest corner of said Parcel 03-1, also being the
27 southwest corner of the above-described Parcel 28-2;

1 THENCE, with the west line of said Parcel 28-2, the following
2 five (5) courses:

3 1) N23°25'44"E a distance of 14.81 feet to a calculated angle
4 point;

5 2) N27°12'18"E a distance of 110.07 feet to a calculated
6 angle point;

7 3) N27°08'13"E a distance of 109.97 feet to a calculated
8 angle point;

9 4) N27°14'30"E a distance of 114.81 feet to a calculated
10 angle point; and

11 5) N27°12'49"E a distance of 7.53 feet to a calculated point
12 at the southeast corner of the above-described Parcel 27-1;

13 THENCE, with the south line of said Parcel 27-1, N62°40'24"W a
14 distance of 1,722.95 feet to a calculated point on the east
15 right-of-way line of FM Highway No. 973 at the southwest corner of
16 said Parcel 27-1;

17 THENCE, with the east right-of-way line of said FM Highway
18 No. 973, N27°14'18"E a distance of 2,115.67 feet to a calculated
19 point at the intersection with the south right-of-way line of
20 Harold Green Road at the northwest corner of said Parcel 27-1;

21 THENCE, with the south right-of-way line of said Harold Green
22 Road, S62°58'47"E a distance of 1,685.22 feet to a calculated angle
23 point;

24 THENCE, continuing with the south right-of-way line of said
25 Harold Green Road, S49°54'08"E a distance of 37.29 feet to a
26 calculated point at the intersection with the west right-of-way
27 line of State Highway No. 130 at the northeast corner of said Parcel

1 27-1;

2 THENCE, with the west right-of-way line of said State Highway
3 No. 130, the following six (6) courses:

4 1) S27°10'40"W a distance of 207.10 feet to a calculated
5 point at the northwest corner of said Parcel 28-2;

6 2) S60°00'52"E a distance of 291.88 feet to a calculated
7 point at the northeast corner of said Parcel 28-2;

8 3) S29°59'08"W a distance of 908.52 feet to a calculated
9 angle point;

10 4) S12°44'41"W a distance of 849.11 feet to a calculated
11 angle point;

12 5) S18°15'23"E a distance of 401.53 feet to a calculated
13 angle point; and

14 6) S01°34'38"E a distance of 4,793.91 feet to the POINT OF
15 BEGINNING, and containing 446 acres of land, more or less.

16 TRACT 3

17 BEGINNING at a calculated point on the west right-of-way line
18 of FM Highway No. 973 at the northeast corner of the
19 above-described Parcel 03-4, for the northeast corner and POINT OF
20 BEGINNING of the herein described tract;

21 THENCE, with the west right-of-way line of said FM Highway
22 No. 973, S27°14'18"W a distance of 3,646.01 feet to a calculated
23 point at the southeast corner of said Parcel 03-4;

24 THENCE, with the south line of said Parcel 03-4, N62°56'53"W a
25 distance of 837.14 feet to a calculated point at the southwest
26 corner of said Parcel 03-4;

27 THENCE, with the west line of said Parcel 03-4, the following

1 three (3) courses:

2 1) N27°31'25"E a distance of 340.08 feet to a calculated
3 angle point;

4 2) N27°26'49"E a distance of 1,634.23 feet to a calculated
5 angle point; and

6 3) N27°36'28"E a distance of 1,688.35 feet to a calculated
7 point at the northwest corner of said Parcel 03-4;

8 THENCE, with the north line of said Parcel 03-4, S61°47'25"E a
9 distance of 818.72 feet to the POINT OF BEGINNING, and containing 69
10 acres of land, more or less.

11 TRACT 4

12 BEGINNING at a calculated point on the east right-of-way line
13 of FM Highway No. 973 at the northwest corner of the
14 above-described Parcel 11-1, for the most westerly northwest corner
15 and POINT OF BEGINNING of the herein described tract;

16 THENCE, with the north line of said Parcel 11-1, S62°59'56"E a
17 distance of 1,705.04 feet to a calculated point on the west line of
18 the above-described Parcel 22-1 at the northeast corner of said
19 Parcel 11-1;

20 THENCE, with the west line of said Parcel 22-1, N27°24'34"E a
21 distance of 854.85 feet to a calculated point on the west
22 right-of-way line of State Highway No. 130 at the northwest corner
23 of said Parcel 22-1;

24 THENCE, with the west right-of-way line of said State Highway
25 No. 130, the following six (6) courses:

26 1) S62°02'37"E a distance of 70.21 feet to a calculated point
27 at the northeast corner of said Parcel 22-1;

1 2) S12°37'58"W a distance of 1,453.45 feet to a calculated
2 point of curvature of a curve to the right;

3 3) Along said curve to the right an arc distance of 557.08
4 feet, having a radius of 1813.67 feet, and a chord which bears
5 S22°23'39"W a distance of 554.89 feet to a calculated point of
6 tangency;

7 4) S31°31'30"W a distance of 319.97 feet to a calculated
8 point at the southeast corner of the above-described Parcel 23-1;

9 5) N87°37'11"W a distance of 71.61 feet to a calculated angle
10 point; and

11 6) N62°35'47"W a distance of 400.24 feet to a calculated
12 point at the southwest corner of said Parcel 23-1;

13 THENCE, with the west lines of Parcels 23-1, 28-1 and 22-1,
14 N27°24'44"E a distance of 1,293.45 feet to a calculated point at the
15 southeast corner of said Parcel 11-1;

16 THENCE, with the south line of said Parcel 11-1, N62°59'56"W a
17 distance of 1,705.16 feet to a calculated point on the east
18 right-of-way line of said FM Highway No. 973 at the southwest
19 corner of said Parcel 11-1;

20 THENCE, with the east right-of-way line of said FM Highway
21 No. 973, N26°57'04"E a distance of 160.00 feet to the POINT OF
22 BEGINNING, and containing 24 acres of land, more or less.

23 TRACT 5

24 BEGINNING at a 1/2" iron rod found on the east right-of-way
25 line of FM Highway No. 973 at the northwest corner of the
26 above-described Parcel 07-1, for the northwest corner and POINT OF
27 BEGINNING of the herein described tract;

1 THENCE, with the north line of said Parcel 07-1, S63°23'23"E a
2 distance of 1,720.22 feet to a calculated point at the northeast
3 corner of said Parcel 07-1;

4 THENCE, with the east line of said Parcel 07-1, a portion of
5 said line also being the west right-of-way line of said State
6 Highway No. 130, S27°27'34"W a distance of 5,047.34 feet to a
7 calculated angle point;

8 THENCE, continuing with the west right-of-way line of said
9 State Highway No. 130, S27°52'12"W a distance of 588.10 feet to a
10 calculated point at the southeast corner of said Parcel 07-1;

11 THENCE, with the south line of said Parcel 07-1, N63°23'09"W a
12 distance of 1,723.19 feet to a 1/2" iron rod found with cap marked
13 "Brooks-Baker" on the east right-of-way line of said FM Highway
14 No. 973 at the southwest corner of said Parcel 07-1;

15 THENCE, with the east right-of-way line of said FM Highway
16 No. 973, the following three (3) courses:

17 1) N27°00'51"E a distance of 790.98 feet to a calculated
18 angle point;

19 2) N27°35'51"E a distance of 4,186.86 feet to a calculated
20 angle point; and

21 3) N27°44'31"E a distance of 657.55 feet to the POINT OF
22 BEGINNING, and containing 223 acres of land, more or less.

23 The gross area contained within Tracts 1, 2, 3, 4 and 5 totals
24 2,132 acres of land, more or less.

25 SECTION 3. (a) The legal notice of the intention to
26 introduce this Act, setting forth the general substance of this
27 Act, has been published as provided by law, and the notice and a

1 copy of this Act have been furnished to all persons, agencies,
2 officials, or entities to which they are required to be furnished
3 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4 Government Code.

5 (b) The governor, one of the required recipients, has
6 submitted the notice and Act to the Texas Commission on
7 Environmental Quality.

8 (c) The Texas Commission on Environmental Quality has filed
9 its recommendations relating to this Act with the governor,
10 lieutenant governor, and speaker of the house of representatives
11 within the required time.

12 (d) All requirements of the constitution and laws of this
13 state and the rules and procedures of the legislature with respect
14 to the notice, introduction, and passage of this Act have been
15 fulfilled and accomplished.

16 SECTION 4. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2017.

ADOPTED

MAY 24 2017

Letae Law
Secretary of the Senate

By: Rodriguez, Eddie / Watson

H.B. No. 4345

Substitute the following for H.B. No. 4345 :

By: Ethan R. Guice

C.S.H.B. No. 4345

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the creation of the Rio de Vida Municipal Utility
3 District No. 1; providing authority to impose a tax and issue
4 bonds.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subtitle F, Title 6, Special District Local Laws
7 Code, is amended by adding Chapter 8013 to read as follows:

8 CHAPTER 8013. RIO DE VIDA MUNICIPAL UTILITY

9 DISTRICT NO. 1

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8013.001. DEFINITIONS. In this chapter:

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

13 (2) "City" means the City of Austin, Texas.

14 (3) "Commission" means the Texas Commission on
15 Environmental Quality.

16 (4) "County" means Travis County.

17 (5) "Director" means a board member.

18 (6) "District" means the Rio de Vida Municipal Utility
19 District No. 1.

20 Sec. 8013.002. NATURE OF DISTRICT. The district is a
21 municipal utility district created under Section 59, Article XVI,
22 Texas Constitution.

23 Sec. 8013.003. CONFIRMATION AND DIRECTORS' ELECTION
24 REQUIRED. The temporary directors shall hold an election to

1 confirm the creation of the district and to elect four permanent
2 directors.

3 Sec. 8013.004. CONSENT OF CITY REQUIRED. (a) The temporary
4 directors may not hold an election under Section 8013.003 until the
5 city has consented by ordinance or resolution to the creation of the
6 district and to the inclusion of land in the district.

7 (b) If the city does not consent to the creation of the
8 district under this section before February 14, 2020:

9 (1) the district is dissolved February 14, 2020,
10 except that:

11 (A) any debts incurred shall be paid;

12 (B) any assets that remain after the payment of
13 debts shall be transferred to the city or another local
14 governmental entity to be used for a public purpose; and

15 (C) the organization of the district shall be
16 maintained until all debts are paid and remaining assets are
17 transferred; and

18 (2) this chapter expires February 14, 2020.

19 Sec. 8013.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
20 The district is created to serve a public purpose and benefit.

21 (b) The district is created to accomplish the purposes of:

22 (1) a municipal utility district as provided by
23 general law and Section 59, Article XVI, Texas Constitution;

24 (2) Section 52, Article III, Texas Constitution, that
25 relate to the construction, acquisition, improvement, operation,
26 or maintenance of macadamized, graveled, or paved roads, or
27 improvements, including storm drainage, in aid of those roads; and

1 (3) Section 52-a, Article III, Texas Constitution.

2 (c) By creating the district and in authorizing the city,
3 the county, and other political subdivisions to contract with the
4 district, the legislature has established a program to accomplish
5 the public purposes set out in Section 52-a, Article III, Texas
6 Constitution.

7 Sec. 8013.006. INITIAL DISTRICT TERRITORY. (a) The
8 district is initially composed of the territory described by
9 Section 2 of the Act enacting this chapter.

10 (b) The boundaries and field notes contained in Section 2 of
11 the Act enacting this chapter form a closure. A mistake made in the
12 field notes or in copying the field notes in the legislative process
13 does not affect the district's:

14 (1) organization, existence, or validity;

15 (2) right to issue any type of bond for the purposes
16 for which the district is created or to pay the principal of and
17 interest on a bond;

18 (3) right to impose a tax; or

19 (4) legality or operation.

20 Sec. 8013.007. ELIGIBILITY FOR INCLUSION IN TAX ABATEMENT
21 REINVESTMENT ZONE. All or any part of the area of the district is
22 eligible to be included in a tax abatement reinvestment zone under
23 Chapter 312, Tax Code.

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 8013.051. GOVERNING BODY; TERMS. (a) The district is
26 governed by a board of five directors who serve staggered terms of
27 four years, with two or three directors' terms expiring June 1 of

1 each odd-numbered year.

2 (b) A director may not serve more than two full terms of four
3 years.

4 (c) The board consists of:

5 (1) four elected directors; and

6 (2) one director appointed by the governing body of
7 the city.

8 (d) A director appointed under Subsection (c)(2) is not
9 required to reside in the district or to own real property in the
10 district.

11 (e) The common law doctrine of incompatibility does not
12 disqualify an elected official or employee of the city from being
13 appointed as a director by the governing body of the city under
14 Subsection (c)(2). A director appointed to the board may continue
15 to serve in a public office of or be employed by the city.

16 Sec. 8013.052. QUALIFICATIONS. Except as provided by
17 Section 8013.051(d), to qualify to serve on the board, a person
18 must:

19 (1) reside in the district; or

20 (2) own real property in the district.

21 Sec. 8013.053. TEMPORARY DIRECTORS. (a) On or after the
22 effective date of the Act enacting this chapter, the owners of a
23 majority of the assessed value of the real property in the district
24 may submit a petition to the commission requesting that the
25 commission appoint as temporary directors the five persons named in
26 the petition. The commission shall appoint as temporary directors
27 the five persons named in the petition.

1 **(b) Unless the district is dissolved and this chapter**
2 **expires as provided by Section 8013.004, temporary directors serve**
3 **until the earlier of:**

4 **(1) the date permanent directors are elected under**
5 **Section 8013.003; or**

6 **(2) September 1, 2021.**

7 **(c) Section 8013.052 does not apply to a director appointed**
8 **under this section.**

9 **SUBCHAPTER C. POWERS AND DUTIES**

10 **Sec. 8013.101. GENERAL POWERS AND DUTIES. The district has**
11 **the powers and duties necessary to accomplish the purposes for**
12 **which the district is created.**

13 **Sec. 8013.102. MUNICIPAL UTILITY DISTRICT POWERS AND**
14 **DUTIES. The district has the powers and duties provided by the**
15 **general law of this state, including Chapters 49 and 54, Water Code,**
16 **applicable to municipal utility districts created under Section 59,**
17 **Article XVI, Texas Constitution.**

18 **Sec. 8013.103. AUTHORITY FOR ROAD PROJECTS. Under Section**
19 **52, Article III, Texas Constitution, the district may design,**
20 **acquire, construct, finance, issue bonds for, improve, operate,**
21 **maintain, and convey to this state, a county, or the city for**
22 **operation and maintenance macadamized, graveled, or paved roads, or**
23 **improvements, including storm drainage, in aid of those roads.**

24 **Sec. 8013.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road**
25 **project must meet all applicable construction standards, zoning and**
26 **subdivision requirements, and regulations of the city.**

27 **(b) If the state will maintain and operate the road, the**

1 Texas Transportation Commission must approve the plans and
2 specifications of the road project.

3 Sec. 8013.105. COMPLIANCE WITH CONSENT AGREEMENT,
4 ORDINANCE, OR RESOLUTION. (a) The district shall comply with all
5 applicable requirements of any ordinance or resolution that is
6 adopted under Section 54.016 or 54.0165, Water Code, and that
7 consents to the creation of the district or to the inclusion of land
8 in the district, including affordable housing requirements
9 established in the consent agreement.

10 (b) Any agreement between the district and the city related
11 to the city's consent to the creation of the district is valid and
12 enforceable.

13 (c) On the issuance of bonds, the district is considered to
14 have acknowledged and consented to the exercise of the city's
15 authority as to actions taken by the city under Section 54.016(g),
16 Water Code.

17 Sec. 8013.106. CONTRACT TO FURTHER REGIONAL COOPERATION.
18 The district and city may contract on terms that the board and
19 governing body of the city agree will further regional cooperation
20 between the district and city.

21 Sec. 8013.107. GRADING AND IMPROVEMENTS TO LAND IN THE
22 DISTRICT. The district may construct, acquire, improve, maintain,
23 finance, or operate a facility or improvement related to reclaiming
24 or grading land in the district.

25 Sec. 8013.108. NO EMINENT DOMAIN POWER. The district may
26 not exercise the power of eminent domain.

27 SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

1 Sec. 8013.151. DIVISION OF DISTRICT; PREREQUISITES. The
2 district may be divided into two or more new districts only if the
3 district:

4 (1) has no outstanding bonded debt; and

5 (2) is not imposing ad valorem taxes.

6 Sec. 8013.152. LAW APPLICABLE TO NEW DISTRICT. This
7 chapter applies to any new district created by division of the
8 district, and a new district has all the powers and duties of the
9 district.

10 Sec. 8013.153. LIMITATION ON AREA OF NEW DISTRICT. A new
11 district created by the division of the district may not, at the
12 time the new district is created, contain any land outside the area
13 described by Section 2 of the Act enacting this chapter.

14 Sec. 8013.154. CONSENT OF CITY OR COUNTY. If the district
15 is located wholly or partly in the corporate limits or the
16 extraterritorial jurisdiction of the city, the district may not
17 divide under this subchapter unless the city by resolution or
18 ordinance first consents to the division of the district.

19 Sec. 8013.155. DIVISION PROCEDURES. (a) The board, on its
20 own motion or on receipt of a petition signed by the owner or owners
21 of a majority of the assessed value of the real property in the
22 district, may adopt an order dividing the district.

23 (b) The board may adopt an order dividing the district
24 before or after the date the board holds an election under Section
25 8013.003 to confirm the district's creation.

26 (c) An order dividing the district must:

27 (1) name each new district;

1 (2) include the metes and bounds description of the
2 territory of each new district;

3 (3) appoint temporary directors for each new district;
4 and

5 (4) provide for the division of assets and liabilities
6 between the new districts.

7 (d) On or before the 30th day after the date of adoption of
8 an order dividing the district, the district shall file the order
9 with the commission and record the order in the real property
10 records of each county in which the district is located.

11 Sec. 8013.156. TAX OR BOND ELECTION. Before a new district
12 created by the division of the district may impose a sales and use
13 tax or an operation and maintenance tax or issue bonds payable
14 wholly or partly from ad valorem taxes, the new district must hold
15 an election as required by this chapter.

16 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

17 Sec. 8013.201. ELECTIONS REGARDING TAXES OR BONDS. (a) The
18 district may issue, without an election, bonds and other
19 obligations secured by:

20 (1) revenue other than ad valorem taxes; or

21 (2) contract payments described by Section 8013.203.

22 (b) The district must hold an election in the manner
23 provided by Chapters 49 and 54, Water Code, to obtain voter approval
24 before the district may impose an ad valorem tax or issue bonds
25 payable from ad valorem taxes.

26 (c) The district may not issue bonds payable from ad valorem
27 taxes to finance a road project unless the issuance is approved by a

1 vote of a two-thirds majority of the district voters voting at an
2 election held for that purpose.

3 Sec. 8013.202. OPERATION AND MAINTENANCE TAX. (a) If
4 authorized at an election held under Section 8013.201, the district
5 may impose an operation and maintenance tax on taxable property in
6 the district in accordance with Section 49.107, Water Code.

7 (b) The board shall determine the tax rate. The rate may not
8 exceed the rate approved at the election.

9 (c) If required by an agreement between the district and
10 city under Section 8013.106, the total ad valorem tax rate of the
11 district may not be less than the total ad valorem tax rate of the
12 city.

13 Sec. 8013.203. CONTRACT TAXES. (a) In accordance with
14 Section 49.108, Water Code, the district may impose a tax other than
15 an operation and maintenance tax and use the revenue derived from
16 the tax to make payments under a contract after the provisions of
17 the contract have been approved by a majority of the district voters
18 voting at an election held for that purpose.

19 (b) A contract approved by the district voters may contain a
20 provision stating that the contract may be modified or amended by
21 the board without further voter approval.

22 SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS

23 Sec. 8013.251. AUTHORITY TO ISSUE BONDS AND OTHER
24 OBLIGATIONS. The district may issue bonds or other obligations
25 payable wholly or partly from ad valorem taxes, impact fees,
26 revenue, sales and use taxes, contract payments, grants, or other
27 district money, or any combination of those sources, to pay for any

1 authorized district purpose.

2 Sec. 8013.252. TAXES FOR BONDS. At the time the district
3 issues bonds payable wholly or partly from ad valorem taxes, the
4 board shall provide for the annual imposition of a continuing
5 direct ad valorem tax, without limit as to rate or amount, while all
6 or part of the bonds are outstanding as required and in the manner
7 provided by Sections 54.601 and 54.602, Water Code.

8 Sec. 8013.253. BONDS FOR ROAD PROJECTS. At the time of
9 issuance, the total principal amount of bonds or other obligations
10 issued or incurred to finance road projects and payable from ad
11 valorem taxes may not exceed one-fourth of the assessed value of the
12 real property in the district.

13 SUBCHAPTER G. SALES AND USE TAX

14 Sec. 8013.301. APPLICABILITY OF CERTAIN TAX CODE
15 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,
16 computation, administration, enforcement, and collection of the
17 sales and use tax authorized by this subchapter except to the extent
18 Chapter 321, Tax Code, is inconsistent with this chapter.

19 (b) A reference in Chapter 321, Tax Code, to a municipality
20 or the governing body of a municipality is a reference to the
21 district or the board, respectively.

22 Sec. 8013.302. ELECTION; ADOPTION OF TAX. (a) The district
23 may adopt a sales and use tax if:

- 24 (1) the city consents to the adoption of the tax; and
25 (2) the tax is authorized by a majority of the voters
26 of the district voting at an election held for that purpose.

27 (b) Subject to city consent under Subsection (a), the board

1 by order may call an election to authorize the adoption of the sales
2 and use tax. The election may be held on any uniform election date
3 and in conjunction with any other district election.

4 (c) The district shall provide notice of the election and
5 shall hold the election in the manner prescribed by Section
6 8013.201.

7 (d) The ballot shall be printed to provide for voting for or
8 against the proposition: "Authorization of a sales and use tax in
9 the (insert name of district or name of new district created under
10 Subchapter D) at a rate not to exceed ____ percent" (insert rate of
11 one or more increments of one-eighth of one percent).

12 Sec. 8013.303. SALES AND USE TAX RATE. (a) Not later than
13 the 10th day after the date the results are declared of an election
14 held under Section 8013.302, at which the voters approved
15 imposition of the tax authorized by this subchapter, the board
16 shall determine the initial rate of the tax, which must be in one or
17 more increments of one-eighth of one percent.

18 (b) After the election held under Section 8013.302, the
19 board may decrease the rate of the tax by one or more increments of
20 one-eighth of one percent.

21 (c) The rate of the tax may not exceed the lesser of:

22 (1) the maximum rate authorized by the district voters
23 at the election held under Section 8013.302;

24 (2) a rate that, when added to the rates of all sales
25 and use taxes imposed by other political subdivisions with
26 territory in the district, would result in the maximum combined
27 rate prescribed by Section 321.101(f), Tax Code, at any location in

1 the district; or

2 (3) the sales and use tax rate adopted by the City of
3 Austin.

4 (d) The board shall notify the comptroller of any changes
5 made to the tax rate in the same manner the municipal secretary
6 provides notice to the comptroller under Section 321.405(b), Tax
7 Code.

8 Sec. 8013.304. USE OF REVENUE. Revenue from the sales and
9 use tax imposed under this subchapter is for the use and benefit of
10 the district and may be used for any district purpose. The district
11 may pledge all or part of the revenue to the payment of bonds,
12 notes, or other obligations, and that pledge of revenue may be in
13 combination with other revenue, including tax revenue, available to
14 the district.

15 Sec. 8013.305. ABOLITION OF TAX. (a) The board may abolish
16 the tax imposed under this subchapter without an election.

17 (b) If the board abolishes the tax, the board shall notify
18 the comptroller of that action in the same manner the municipal
19 secretary provides notice to the comptroller under Section
20 321.405(b), Tax Code.

21 (c) If the board abolishes the tax or decreases the tax rate
22 to zero, a new election to authorize a sales and use tax must be held
23 under Section 8013.302 before the district may subsequently impose
24 the tax.

25 SUBCHAPTER H. MUNICIPAL ANNEXATION AND DISSOLUTION

26 Sec. 8013.401. APPLICABILITY OF LAW ON ANNEXATION OF
27 DISTRICT. (a) The district is a "water or sewer district" for the

1 purposes of Section 43.071, Local Government Code.

2 (b) Sections 43.0561 and 43.0562, Local Government Code, do
3 not apply to the annexation of the district.

4 Sec. 8013.402. APPLICABILITY OF LAW ON WATER-RELATED
5 SPECIAL DISTRICT THAT BECOMES PART OF NOT MORE THAN ONE
6 MUNICIPALITY. Section 43.075, Local Government Code, applies to
7 the district.

8 Sec. 8013.403. STRATEGIC PARTNERSHIP; CONTINUATION OF
9 DISTRICT AFTER ANNEXATION BY MUNICIPALITY. (a) The district may
10 continue to exist as a limited district after full-purpose
11 annexation by a municipality if the district and the annexing
12 municipality state the terms of the limited district's existence in
13 a strategic partnership agreement under Section 43.0751, Local
14 Government Code.

15 (b) The strategic partnership agreement may provide for an
16 original or renewed term of any number of years. The limitation in
17 Section 43.0751(g)(2), Local Government Code, on the length of the
18 term does not apply to a limited district created under this
19 section.

20 Sec. 8013.404. NOTICE OF FUTURE CITY ANNEXATION REQUIRED.

21 (a) Not later than the 30th day after the date the city consents to
22 the creation of the district and to the inclusion of land in the
23 district under Section 8013.004(a), the city shall file, in the
24 real property records of the county, a notice to a purchaser of real
25 property in the district that describes:

26 (1) the city's authority and intention to annex the
27 district; and

1 (2) the anticipated date of the annexation.

2 (b) After the notice is filed, a person who proposes to sell
3 or otherwise convey real property in the district must provide a
4 copy of the notice to a purchaser of the property before selling or
5 conveying the property to the purchaser.

6 SECTION 2. The Rio de Vida Municipal Utility District No. 1
7 initially includes all the territory contained in the following
8 area:

9 ALL THAT CERTAIN PARCEL OR TRACT OF LAND OUT OF THE REUBEN
10 HORNSBY SURVEY NO. 17, JOSEPH DUTY SURVEY NO. 20 AND THE JOHN
11 BURLESON SURVEY NO. 33, TRAVIS COUNTY, TEXAS; BEING ALL OF THE
12 FOLLOWING TRACTS OF LAND AS CONVEYED TO TXI OPERATIONS, L.P. BY
13 DEEDS RECORDED IN THE REAL PROPERTY RECORDS OF TRAVIS COUNTY,
14 TEXAS: A 353.08-ACRE TRACT (TO BE KNOWN AS PARCEL 01-1) AND A
15 65.12-ACRE TRACT (TO BE KNOWN AS PARCEL 01-2) IN VOLUME 12448, PAGE
16 737 AND VOLUME 13170, PAGE 656; A 65.12-ACRE TRACT (TO BE KNOWN AS
17 PARCEL 01-2) IN VOLUME 13170, PAGE 656; A 102.188-ACRE TRACT
18 (PARCEL NO. 1) (TO BE KNOWN AS PARCEL 02-1), A 29.008-ACRE TRACT
19 (PARCEL NO. 2) (TO BE KNOWN AS PARCEL 02-2) AND A 10.743-ACRE TRACT
20 (PARCEL NO. 3) (TO BE KNOWN AS PARCEL 02-3) IN VOLUME 12593, PAGE
21 2001; A 22.911-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL 04-1) IN
22 VOLUME 11985, PAGE 1238 AND VOLUME 13170, PAGE 656; A 19.253-ACRE
23 TRACT (PARCEL 3) (TO BE KNOWN AS PARCEL 05-1), A 4.591-ACRE TRACT
24 (PARCEL 1) (TO BE KNOWN AS PARCEL 06-1) AND A 16.931-ACRE TRACT
25 (PARCEL 2) (TO BE KNOWN AS PARCEL 06-2) IN VOLUME 13304, PAGE 3306;
26 A 52.487-ACRE TRACT (TO BE KNOWN AS PARCEL 08-1) IN VOLUME 13088,
27 PAGE 429; A PORTION OF A 6.605-ACRE TRACT (TRACT 1) (TO BE KNOWN AS

1 PARCEL 08-2) AND A 5.411-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL
2 12-1) IN VOLUME 13088, PAGE 421; A 51.32-ACRE TRACT (TO BE KNOWN AS
3 PARCEL 10-1) IN VOLUME 12703, PAGE 411 AND VOLUME 13170, PAGE 656; A
4 6.262-ACRE TRACT (TO BE KNOWN AS PARCEL 11-1) IN VOLUME 12835, PAGE
5 1489; A 22.967-ACRE TRACT (TO BE KNOWN AS PARCEL 13-1) IN VOLUME
6 9872, PAGE 77 AND VOLUME 13170, PAGE 656; A 14.272-ACRE TRACT (TRACT
7 8) (TO BE KNOWN AS PARCEL 14-1), A 21.100-ACRE TRACT (TRACT 9) (TO
8 BE KNOWN AS PARCEL 15-1), A 32.738-ACRE TRACT (TRACT 17) (TO BE
9 KNOWN AS PARCEL 17-1), A 8.051-ACRE TRACT (TRACT 12) (TO BE KNOWN AS
10 PARCEL 18-1), A 9.744-ACRE TRACT (TRACT 13) (TO BE KNOWN AS PARCEL
11 18-2), A 9.752-ACRE TRACT (TRACT 14) (TO BE KNOWN AS PARCEL 18-3), A
12 15.981-ACRE TRACT (TRACT 15) (TO BE KNOWN AS PARCEL 18-4), A
13 19.127-ACRE TRACT (TRACT 16) (TO BE KNOWN AS PARCEL 18-5), A
14 10.274-ACRE TRACT (TRACT 10) (TO BE KNOWN AS PARCEL 21-1), A
15 9.825-ACRE TRACT (TRACT 11) (TO BE KNOWN AS PARCEL 21-2), A PORTION
16 OF A 44.586-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL 23-1), A
17 PORTION OF A 15.959-ACRE TRACT (TRACT 7) (TO BE KNOWN AS PARCEL
18 23-2), A PORTION OF A 15.946-ACRE TRACT (TRACT 6) (TO BE KNOWN AS
19 PARCEL 23-3) AND A PORTION OF A 14.135-ACRE TRACT (TRACT 3) (TO BE
20 KNOWN AS PARCEL 28-1) IN VOLUME 12326, PAGE 1154 AND VOLUME 13170,
21 PAGE 656; A 30.531-ACRE TRACT (TO BE KNOWN AS PARCEL 16-1) IN VOLUME
22 10967, PAGE 1219 AND VOLUME 13170, PAGE 656; A 30.531-ACRE TRACT (TO
23 BE KNOWN AS PARCEL 16-1) IN VOLUME 10967, PAGE 1219 AND VOLUME
24 13170, PAGE 656; A 45.874-ACRE TRACT (TO BE KNOWN AS PARCEL 19-1) IN
25 VOLUME 12270, PAGE 1633 AND VOLUME 13170, PAGE 656; A 13.853-ACRE
26 TRACT (TO BE KNOWN AS PARCEL 20-1) IN VOLUME 12326, PAGE 1149 AND
27 VOLUME 13170, PAGE 656; A PORTION OF A 32.403-ACRE TRACT (TRACT 4)

1 (TO BE KNOWN AS PARCEL 22-1) AND A PORTION OF A 50.388-ACRE TRACT
2 (TRACT 1) (TO BE KNOWN AS PARCEL 28-2) IN VOLUME 12326, PAGE 1109
3 AND VOLUME 13170, PAGE 656; AND A 83.838-ACRE TRACT (TO BE KNOWN AS
4 PARCEL 27-1) IN VOLUME 11955, PAGE 972 AND VOLUME 13170, PAGE 656;
5 AND ALSO BEING ALL OF THE FOLLOWING TRACTS OF LAND AS CONVEYED TO
6 TXI OPERATIONS, L.P. BY DEEDS RECORDED IN THE OFFICIAL PUBLIC
7 RECORDS OF TRAVIS COUNTY, TEXAS: A 49.994-ACRE TRACT (TRACT 1) (TO
8 BE KNOWN AS PARCEL 03-1), A PORTION OF A 85.957-ACRE TRACT (TRACT 2)
9 (TO BE KNOWN AS PARCEL 03-2), A PORTION OF A 41.043-ACRE TRACT
10 (TRACT 3) (TO BE KNOWN AS PARCEL 03-3), A 69.542-ACRE TRACT (TRACT
11 4) (TO BE KNOWN AS PARCEL 03-4), A 55.299-ACRE TRACT (TRACT 5) (TO
12 BE KNOWN AS PARCEL 03-5), A PORTION OF A 33.214-ACRE TRACT (TO BE
13 KNOWN AS PARCEL 03-6) AND A 39.355-ACRE TRACT (TRACT 6) (TO BE KNOWN
14 AS PARCEL 03-7) IN DOCUMENT NO. 1999152526; A 223.497-ACRE TRACT
15 (TO BE KNOWN AS PARCEL 07-1) IN DOCUMENT NO. 2005002939; A
16 194.824-ACRE TRACT (TRACT A) (TO BE KNOWN AS PARCEL 09-1) AND A
17 67.418-ACRE TRACT (TRACT B) (TO BE KNOWN AS PARCEL 09-2) IN DOCUMENT
18 NO. 2005007841; PORTIONS OF A 101.697-ACRE TRACT (TRACT 1) AND A
19 14.054-ACRE TRACT (TRACT 2) (TO BE KNOWN AS PARCEL 24-1) IN DOCUMENT
20 NO. 1999148757; A 39.462-ACRE TRACT (TO BE KNOWN AS PARCEL 25-1) IN
21 DOCUMENT NO. 2006133198; AND A 33.35-ACRE TRACT (TO BE KNOWN AS
22 PARCEL 26-1) IN DOCUMENT NO. 2005007845; AND BEING MORE
23 PARTICULARLY DESCRIBED IN FIVE (5) TRACTS BY METES AND BOUNDS AS
24 FOLLOWS:

25 TRACT 1

26 BEGINNING at a calculated point at the intersection of the
27 north bank of the Colorado River and the east right-of-way line of

1 State Highway No. 130, at the southwest corner of the
2 above-described Parcel 09-1, for the southwest corner and POINT OF
3 BEGINNING of the herein described tract;

4 THENCE, with the east right-of-way line of said State Highway
5 No. 130, the following seven (7) courses:

6 1) N08°37'24"W a distance of 537.28 feet to a calculated
7 angle point;

8 2) N01°34'38"W a distance of 3,468.10 feet to a calculated
9 angle point;

10 3) N59°15'05"E a distance of 166.15 feet to a calculated
11 angle point;

12 4) N08°13'09"E a distance of 547.29 feet to a calculated
13 angle point;

14 5) N52°30'09"W a distance of 138.99 feet to a calculated
15 non-tangent point of curvature of a curve to the right;

16 6) Along said curve to the right an arc distance of 1,274.92
17 feet, having a radius of 3,458.72 feet, and a chord which bears
18 N19°25'33"E a distance of 1,267.71 feet to a calculated point of
19 tangency; and

20 7) N29°59'08"E a distance of 421.69 feet to a calculated
21 point at the northwest corner of said Parcel 09-1;

22 THENCE, with the north line of said Parcel 09-1, the
23 following three (3) courses:

24 1) S60°37'51"E a distance of 116.20 feet to a to a calculated
25 point;

26 2) N29°22'09"E a distance of 83.70 feet to a calculated
27 point; and

1 3) S60°41'35"E a distance of 416.71 feet to a calculated
2 point on the west line of the above-described Parcel 01-1 at the
3 most northerly northeast corner of said Parcel 09-1;

4 THENCE, with the west line of said Parcel 01-1, the following
5 five (5) courses:

6 1) N27°20'56"E a distance of 39.85 feet to a calculated angle
7 point;

8 2) N49°43'26"E a distance of 65.85 feet to a calculated angle
9 point;

10 3) N27°21'16"E a distance of 619.40 feet to a calculated
11 point at an inside corner of said Parcel 01-1;

12 4) N62°38'24"W a distance of 5.00 feet to a calculated point
13 at an outside corner of said Parcel 01-1; and

14 5) N27°21'36"E a distance of 617.35 feet to a calculated
15 point on the south line of the above-described Parcel 16-1 at the
16 northwest corner of said Parcel 01-1;

17 THENCE N62°22'51"W a distance of 40.60 feet to a calculated
18 point on the east line of the above-described Parcel 23-1;

19 THENCE, with the east line of said Parcel 23-1, the following
20 four (4) courses:

21 1) S27°22'35"W a distance of 618.29 feet to a calculated
22 point for an outside corner of said Parcel 23-1;

23 2) N62°37'49"W a distance of 5.00 feet to a calculated point
24 for an inside corner of said Parcel 23-1;

25 3) S27°22'11"W a distance of 618.51 feet to a calculated
26 angle point; and

27 4) S73°40'29"W a distance of 69.55 feet to a calculated point

1 at the southeast corner of said Parcel 23-1;

2 THENCE, with the south line of said Parcel 23-1, N60°41'02"W a
3 distance of 339.91 feet to a calculated point on the east
4 right-of-way line of State Highway No. 130 at the southwest corner
5 of said Parcel 23-1;

6 THENCE, with the east right-of-way line of said State Highway
7 No. 130, the following three (3) courses:

8 1) N30°02'29"E a distance of 1,101.68 feet to a calculated
9 angle point;

10 2) N20°27'12"E a distance of 2,012.40 feet to a calculated
11 angle point; and

12 3) N27°27'12"E a distance of 432.97 feet to a calculated
13 point at the northwest corner of the above-described Parcel 23-3;

14 THENCE, with the north line of said Parcel 23-3, S62°04'21"E a
15 distance of 608.26 feet to a calculated point on the west line of
16 the above-described Parcel 14-1 at the northeast corner of said
17 Parcel 23-3;

18 THENCE, with the west line of said Parcel 14-1, N27°45'52"E a
19 distance of 393.68 feet to a calculated point at the northwest
20 corner of said Parcel 14-1, also being the most westerly southwest
21 corner of the above-described Parcel 01-2;

22 THENCE, with the west line of said Parcel 01-2, N28°07'17"E a
23 distance of 224.92 feet to a calculated point at the southeast
24 corner of the above-described Parcel 24-1;

25 THENCE, with the south line of said Parcel 24-1, N62°34'20"W a
26 distance of 613.00 feet to a calculated point on the east
27 right-of-way line of said State Highway No. 130 at the southwest

1 corner of said Parcel 24-1;

2 THENCE, with the east right-of-way line of said State Highway
3 No. 130, the following nine (9) courses:

4 1) N27°27'12"E a distance of 1,672.04 feet to a calculated
5 angle point;

6 2) N32°27'12"E a distance of 1,894.71 feet to a calculated
7 angle point;

8 3) N29°36'58"E a distance of 516.40 feet to a calculated
9 point;

10 4) S61°16'47"E a distance of 91.29 feet to a calculated
11 point;

12 5) N33°24'29"E a distance of 576.93 feet to a calculated
13 point;

14 6) N61°16'47"W a distance of 126.37 feet to a calculated
15 point;

16 7) N26°30'22"E a distance of 430.28 feet to a calculated
17 point;

18 8) N61°16'47"W a distance of 56.58 feet to a calculated
19 point; and

20 9) N27°27'30"E a distance of 956.84 feet to a calculated
21 point at the intersection with the south right-of-way line of FM
22 Highway No. 969, also being the northwest corner of said Parcel
23 24-1;

24 THENCE, with the south right-of-way line of said FM Highway
25 No. 969, the following six (6) courses:

26 1) S64°07'08"E a distance of 395.49 feet to a calculated
27 point;

1 2) S22°48'20"W a distance of 61.04 feet to a calculated
2 point;
3 3) S67°11'40"E a distance of 110.00 feet to a calculated
4 point;
5 4) N22°48'20"E a distance of 60.54 feet to a calculated
6 point;
7 5) S77°33'00"E a distance of 201.73 feet to a calculated
8 angle point; and
9 6) S65°03'31"E a distance of 381.97 feet to a calculated
10 point at the northeast corner of the above-described Parcel 08-2;
11 THENCE, with the east line of said Parcel 08-2, S12°49'01"W a
12 distance of 1,365.75 feet to a calculated point at an inside corner
13 of the above-described Parcel 02-1;
14 THENCE, with the north line of said Parcel 02-1, S62°34'57"E a
15 distance of 947.19 feet to a calculated point at the most easterly
16 northeast corner of said Parcel 02-1;
17 THENCE, with the east line of said Parcel 02-1, S27°12'42"W a
18 distance of 1,350.79 feet to a calculated angle point;
19 THENCE, continuing with the east line of said Parcel 02-1,
20 S27°42'57"W a distance of 1,658.43 feet to a calculated point at the
21 northeast corner of said Parcel 01-2;
22 THENCE, with the east line of said Parcel 01-2, S27°36'56"W a
23 distance of 1,486.26 feet to a calculated point at an outside corner
24 of said Parcel 01-2 on the north line of the above-described Parcel
25 04-1;
26 THENCE, with the north line of said Parcel 04-1, S62°13'13"E a
27 distance of 697.01 feet to a calculated point at the northeast

1 corner of said Parcel 04-1, also being the northwest corner of the
2 above-described Parcel 19-1;

3 THENCE, with the north line of said Parcel 19-1, S62°14'53"E a
4 distance of 461.49 feet to a calculated point at the southwest
5 corner of the above-described Parcel 10-1;

6 THENCE, with the west line of said Parcel 10-1, N27°49'54"E a
7 distance of 3,150.15 feet to a calculated point at the northwest
8 corner of said Parcel 10-1;

9 THENCE, with the north line of said Parcel 10-1, S62°43'06"E a
10 distance of 710.22 feet to a calculated point at the northeast
11 corner of said Parcel 10-1;

12 THENCE, with the east line of said Parcel 10-1, S27°52'34"W a
13 distance of 3,156.02 feet to a calculated point at the southeast
14 corner of said Parcel 10-1, also being the northwest corner of the
15 above-described Parcel 06-1;

16 THENCE, with the north line of said Parcel 06-1, S61°04'03"E a
17 distance of 289.04 feet to a calculated point at the northwest
18 corner of the above-described Parcel 12-1;

19 THENCE, with the north line of said Parcel 12-1, S63°22'55"E a
20 distance of 457.28 feet to a calculated point at the northwest
21 corner of the above-described Parcel 06-2;

22 THENCE, with the north line of said Parcel 06-2, S64°42'36"E a
23 distance of 378.00 feet to a calculated point at the northwest
24 corner of the above-described Parcel 20-1;

25 THENCE, with the north line of said Parcel 20-1, S70°09'59"E a
26 distance of 400.67 feet to a calculated point at the northwest
27 corner of the above-described Parcel 02-3;

1 THENCE, with the north line of said Parcel 02-3, the
2 following three (3) courses:

3 1) S67°05'07"E a distance of 104.58 feet to a calculated
4 angle point;

5 2) S53°35'54"E a distance of 105.83 feet to a calculated
6 angle point; and

7 3) S55°41'48"E a distance of 206.91 feet to a calculated
8 point at the northeast corner of said Parcel 02-3;

9 THENCE, with the east line of said Parcel 02-3, S28°01'49"W a
10 distance of 899.00 feet to a calculated point on the north bank of
11 the Colorado River at the southeast corner of said Parcel 02-3;

12 THENCE, with the meanders of the north bank of the Colorado
13 River, the following fifty-nine (59) courses:

14 1) S78°57'26"W a distance of 265.40 feet to a calculated
15 point;

16 2) S58°33'04"W a distance of 403.36 feet to a calculated
17 point;

18 3) S27°53'07"W a distance of 24.17 feet to a calculated
19 point;

20 4) S73°19'34"W a distance of 179.78 feet to a calculated
21 point;

22 5) S80°40'33"W a distance of 284.45 feet to a calculated
23 point;

24 6) N26°28'28"E a distance of 20.96 feet to a calculated
25 point;

26 7) S75°36'26"W a distance of 293.31 feet to a calculated
27 point;

- 1 8) S86°20'34"W a distance of 84.16 feet to a calculated
2 point;
- 3 9) S79°42'18"W a distance of 141.79 feet to a calculated
4 point;
- 5 10) S27°00'43"W a distance of 26.90 feet to a calculated
6 point;
- 7 11) S78°05'41"W a distance of 99.68 feet to a calculated
8 point;
- 9 12) S71°38'12"W a distance of 426.53 feet to a calculated
10 point;
- 11 13) S58°35'29"W a distance of 276.51 feet to a calculated
12 point;
- 13 14) S24°20'35"W a distance of 359.58 feet to a calculated
14 point;
- 15 15) S08°24'01"W a distance of 300.61 feet to a calculated
16 point;
- 17 16) S07°37'34"E a distance of 185.37 feet to a calculated
18 point;
- 19 17) S02°25'49"E a distance of 59.41 feet to a calculated
20 point;
- 21 18) S01°21'36"W a distance of 38.60 feet to a calculated
22 point;
- 23 19) S08°00'24"E a distance of 41.40 feet to a calculated
24 point;
- 25 20) S09°09'36"W a distance of 373.90 feet to a calculated
26 point;
- 27 21) S31°59'36"W a distance of 107.30 feet to a calculated

1 point;
2 22) S18°00'36"W a distance of 293.50 feet to a calculated
3 point;
4 23) S30°25'36"W a distance of 112.00 feet to a calculated
5 point;
6 24) S10°51'36"W a distance of 634.90 feet to a calculated
7 point;
8 25) S02°34'36"W a distance of 30.70 feet to a calculated
9 point;
10 26) S59°28'24"E a distance of 57.10 feet to a calculated
11 point;
12 27) S03°40'24"E a distance of 310.40 feet to a calculated
13 point;
14 28) S16°21'36"W a distance of 278.50 feet to a calculated
15 point;
16 29) S17°53'36"W a distance of 322.40 feet to a calculated
17 point;
18 30) S32°29'36"W a distance of 792.30 feet to a calculated
19 point;
20 31) S18°11'36"W a distance of 184.90 feet to a calculated
21 point;
22 32) N63°10'34"W a distance of 44.96 feet to a calculated
23 point;
24 33) S19°04'38"W a distance of 21.49 feet to a calculated
25 point;
26 34) S27°17'38"W a distance of 190.50 feet to a calculated
27 point;

1 35) S23°12'38"W a distance of 266.20 feet to a calculated
2 point;
3 36) S33°52'38"W a distance of 191.10 feet to a calculated
4 point;
5 37) S61°12'38"W a distance of 280.40 feet to a calculated
6 point;
7 38) S63°15'38"W a distance of 345.10 feet to a calculated
8 point;
9 39) S72°35'38"W a distance of 285.20 feet to a calculated
10 point;
11 40) N85°31'22"W a distance of 165.00 feet to a calculated
12 point;
13 41) N72°50'22"W a distance of 150.00 feet to a calculated
14 point;
15 42) N10°15'22"W a distance of 135.80 feet to a calculated
16 point;
17 43) N04°17'22"W a distance of 37.00 feet to a calculated
18 point;
19 44) N38°51'22"W a distance of 391.50 feet to a calculated
20 point;
21 45) N12°14'22"W a distance of 40.00 feet to a calculated
22 point;
23 46) N07°15'38"E a distance of 183.00 feet to a calculated
24 point;
25 47) S47°45'38"W a distance of 386.10 feet to a calculated
26 point;
27 48) S75°54'39"W a distance of 102.43 feet to a calculated

1 point;
2 49) S71°46'05"W a distance of 154.03 feet to a calculated
3 point;
4 50) S65°38'42"W a distance of 430.32 feet to a calculated
5 point;
6 51) S49°58'20"W a distance of 207.45 feet to a calculated
7 point;
8 52) S47°30'01"W a distance of 581.94 feet to a calculated
9 point;
10 53) S58°05'16"W a distance of 199.26 feet to a calculated
11 point;
12 54) S55°02'26"W a distance of 168.25 feet to a calculated
13 point;
14 55) S66°49'36"W a distance of 424.33 feet to a calculated
15 point;
16 56) S70°27'05"W a distance of 178.44 feet to a calculated
17 point;
18 57) S73°49'29"W a distance of 103.82 feet to a calculated
19 point;
20 58) S85°43'30"W a distance of 78.52 feet to a calculated
21 point; and
22 59) S78°29'14"W a distance of 59.80 feet to the POINT OF
23 BEGINNING, and containing 1,370 acres of land, more or less.

24 TRACT 2

25 BEGINNING at a calculated point at the intersection of the
26 north bank of the Colorado River and the west right-of-way line of
27 State Highway No. 130, at the southeast corner of the

1 above-described Parcel 03-2, for the southeast corner and POINT OF
2 BEGINNING of the herein described tract;

3 THENCE, with the meanders of the north bank of the Colorado
4 River, the following twenty-two (22) courses:

- 5 1) S76°37'38"W a distance of 1.87 feet to a calculated point;
- 6 2) S72°53'53"W a distance of 518.11 feet to a calculated
7 point;
- 8 3) S75°14'11"W a distance of 517.88 feet to a calculated
9 point;
- 10 4) S70°55'05"W a distance of 289.38 feet to a calculated
11 point;
- 12 5) S81°58'40"W a distance of 118.79 feet to a calculated
13 point;
- 14 6) S63°21'33"W a distance of 277.07 feet to a calculated
15 point;
- 16 7) S49°47'25"W a distance of 47.81 feet to a calculated
17 point;
- 18 8) S64°43'53"W a distance of 353.97 feet to a calculated
19 point;
- 20 9) S62°39'35"W a distance of 626.81 feet to a calculated
21 point;
- 22 10) S72°28'38"W a distance of 203.07 feet to a calculated
23 point;
- 24 11) S85°12'41"W a distance of 191.20 feet to a calculated
25 point;
- 26 12) N89°48'48"W a distance of 82.77 feet to a calculated
27 point;

1 13) N83°17'50"W a distance of 141.54 feet to a calculated
2 point;
3 14) N83°16'30"W a distance of 332.35 feet to a calculated
4 point;
5 15) N72°21'14"W a distance of 159.08 feet to a calculated
6 point;
7 16) N80°26'48"W a distance of 189.39 feet to a calculated
8 point;
9 17) N79°57'59"W a distance of 91.38 feet to a calculated
10 point;
11 18) S85°50'53"W a distance of 69.91 feet to a calculated
12 point;
13 19) N78°28'45"W a distance of 123.84 feet to a calculated
14 point;
15 20) N68°18'10"W a distance of 159.21 feet to a calculated
16 point;
17 21) N80°39'08"W a distance of 135.80 feet to a calculated
18 point; and
19 22) S78°59'06"W a distance of 43.91 feet to a calculated
20 point at the intersection with the east right-of-way line of FM
21 Highway No. 973, also being the most southerly southwest corner of
22 the above-described Parcel 03-5;
23 THENCE, with the east right-of-way line of said FM Highway
24 No. 973, N10°21'00"E a distance of 147.12 feet to a calculated point
25 of curvature of a curve to the left;
26 THENCE, continuing with the east right-of-way line, along
27 said curve to the left an arc distance of 623.12 feet, having a

1 radius of 622.94 feet, and a chord which bears N18°18'22"W a
2 distance of 597.46 feet to a calculated point at the most westerly
3 southwest corner of said Parcel 03-5;

4 THENCE, with the west line of said Parcel 03-5, N27°38'58"E a
5 distance of 2,173.14 feet to a calculated point at the northwest
6 corner of said Parcel 03-5;

7 THENCE, with the north line of said Parcel 03-5, S62°35'52"E a
8 distance of 953.15 feet to a calculated point in the west line of
9 the above-described Parcel 03-7 at the northeast corner of said
10 Parcel 03-5;

11 THENCE, with the west line of said Parcel 03-7, N27°51'48"E a
12 distance of 830.67 feet to a calculated angle point;

13 THENCE, continuing with the west line of said Parcel 03-7,
14 N27°04'22"E a distance of 660.77 feet to a calculated angle point;

15 THENCE, with the west line of the above-described Parcel
16 03-01, N27°16'45"E a distance of 2,498.68 feet to a calculated point
17 at the northwest corner of said Parcel 03-1, also being the
18 southwest corner of the above-described Parcel 28-2;

19 THENCE, with the west line of said Parcel 28-2, the following
20 five (5) courses:

21 1) N23°25'44"E a distance of 14.81 feet to a calculated angle
22 point;

23 2) N27°12'18"E a distance of 110.07 feet to a calculated
24 angle point;

25 3) N27°08'13"E a distance of 109.97 feet to a calculated
26 angle point;

27 4) N27°14'30"E a distance of 114.81 feet to a calculated

1 angle point; and

2 5) N27°12'49"E a distance of 7.53 feet to a calculated point
3 at the southeast corner of the above-described Parcel 27-1;

4 THENCE, with the south line of said Parcel 27-1, N62°40'24"W a
5 distance of 1,722.95 feet to a calculated point on the east
6 right-of-way line of FM Highway No. 973 at the southwest corner of
7 said Parcel 27-1;

8 THENCE, with the east right-of-way line of said FM Highway
9 No. 973, N27°14'18"E a distance of 2,115.67 feet to a calculated
10 point at the intersection with the south right-of-way line of
11 Harold Green Road at the northwest corner of said Parcel 27-1;

12 THENCE, with the south right-of-way line of said Harold Green
13 Road, S62°58'47"E a distance of 1,685.22 feet to a calculated angle
14 point;

15 THENCE, continuing with the south right-of-way line of said
16 Harold Green Road, S49°54'08"E a distance of 37.29 feet to a
17 calculated point at the intersection with the west right-of-way
18 line of State Highway No. 130 at the northeast corner of said Parcel
19 27-1;

20 THENCE, with the west right-of-way line of said State Highway
21 No. 130, the following six (6) courses:

22 1) S27°10'40"W a distance of 207.10 feet to a calculated
23 point at the northwest corner of said Parcel 28-2;

24 2) S60°00'52"E a distance of 291.88 feet to a calculated
25 point at the northeast corner of said Parcel 28-2;

26 3) S29°59'08"W a distance of 908.52 feet to a calculated
27 angle point;

1 4) S12°44'41"W a distance of 849.11 feet to a calculated
2 angle point;
3 5) S18°15'23"E a distance of 401.53 feet to a calculated
4 angle point; and
5 6) S01°34'38"E a distance of 4,793.91 feet to the POINT OF
6 BEGINNING, and containing 446 acres of land, more or less.

7 TRACT 3

8 BEGINNING at a calculated point on the west right-of-way line
9 of FM Highway No. 973 at the northeast corner of the
10 above-described Parcel 03-4, for the northeast corner and POINT OF
11 BEGINNING of the herein described tract;

12 THENCE, with the west right-of-way line of said FM Highway
13 No. 973, S27°14'18"W a distance of 3,646.01 feet to a calculated
14 point at the southeast corner of said Parcel 03-4;

15 THENCE, with the south line of said Parcel 03-4, N62°56'53"W a
16 distance of 837.14 feet to a calculated point at the southwest
17 corner of said Parcel 03-4;

18 THENCE, with the west line of said Parcel 03-4, the following
19 three (3) courses:

20 1) N27°31'25"E a distance of 340.08 feet to a calculated
21 angle point;

22 2) N27°26'49"E a distance of 1,634.23 feet to a calculated
23 angle point; and

24 3) N27°36'28"E a distance of 1,688.35 feet to a calculated
25 point at the northwest corner of said Parcel 03-4;

26 THENCE, with the north line of said Parcel 03-4, S61°47'25"E a
27 distance of 818.72 feet to the POINT OF BEGINNING, and containing 69

1 acres of land, more or less.

2 TRACT 4

3 BEGINNING at a calculated point on the east right-of-way line
4 of FM Highway No. 973 at the northwest corner of the
5 above-described Parcel 11-1, for the most westerly northwest corner
6 and POINT OF BEGINNING of the herein described tract;

7 THENCE, with the north line of said Parcel 11-1, S62°59'56"E a
8 distance of 1,705.04 feet to a calculated point on the west line of
9 the above-described Parcel 22-1 at the northeast corner of said
10 Parcel 11-1;

11 THENCE, with the west line of said Parcel 22-1, N27°24'34"E a
12 distance of 854.85 feet to a calculated point on the west
13 right-of-way line of State Highway No. 130 at the northwest corner
14 of said Parcel 22-1;

15 THENCE, with the west right-of-way line of said State Highway
16 No. 130, the following six (6) courses:

17 1) S62°02'37"E a distance of 70.21 feet to a calculated point
18 at the northeast corner of said Parcel 22-1;

19 2) S12°37'58"W a distance of 1,453.45 feet to a calculated
20 point of curvature of a curve to the right;

21 3) Along said curve to the right an arc distance of 557.08
22 feet, having a radius of 1813.67 feet, and a chord which bears
23 S22°23'39"W a distance of 554.89 feet to a calculated point of
24 tangency;

25 4) S31°31'30"W a distance of 319.97 feet to a calculated
26 point at the southeast corner of the above-described Parcel 23-1;

27 5) N87°37'11"W a distance of 71.61 feet to a calculated angle

1 point; and

2 6) N62°35'47"W a distance of 400.24 feet to a calculated
3 point at the southwest corner of said Parcel 23-1;

4 THENCE, with the west lines of Parcels 23-1, 28-1 and 22-1,
5 N27°24'44"E a distance of 1,293.45 feet to a calculated point at the
6 southeast corner of said Parcel 11-1;

7 THENCE, with the south line of said Parcel 11-1, N62°59'56"W a
8 distance of 1,705.16 feet to a calculated point on the east
9 right-of-way line of said FM Highway No. 973 at the southwest
10 corner of said Parcel 11-1;

11 THENCE, with the east right-of-way line of said FM Highway
12 No. 973, N26°57'04"E a distance of 160.00 feet to the POINT OF
13 BEGINNING, and containing 24 acres of land, more or less.

14 TRACT 5

15 BEGINNING at a 1/2" iron rod found on the east right-of-way
16 line of FM Highway No. 973 at the northwest corner of the
17 above-described Parcel 07-1, for the northwest corner and POINT OF
18 BEGINNING of the herein described tract;

19 THENCE, with the north line of said Parcel 07-1, S63°23'23"E a
20 distance of 1,720.22 feet to a calculated point at the northeast
21 corner of said Parcel 07-1;

22 THENCE, with the east line of said Parcel 07-1, a portion of
23 said line also being the west right-of-way line of said State
24 Highway No. 130, S27°27'34"W a distance of 5,047.34 feet to a
25 calculated angle point;

26 THENCE, continuing with the west right-of-way line of said
27 State Highway No. 130, S27°52'12"W a distance of 588.10 feet to a

1 calculated point at the southeast corner of said Parcel 07-1;

2 THENCE, with the south line of said Parcel 07-1, N63°23'09"W a
3 distance of 1,723.19 feet to a 1/2" iron rod found with cap marked
4 "Brooks-Baker" on the east right-of-way line of said FM Highway
5 No. 973 at the southwest corner of said Parcel 07-1;

6 THENCE, with the east right-of-way line of said FM Highway
7 No. 973, the following three (3) courses:

8 1) N27°00'51"E a distance of 790.98 feet to a calculated
9 angle point;

10 2) N27°35'51"E a distance of 4,186.86 feet to a calculated
11 angle point; and

12 3) N27°44'31"E a distance of 657.55 feet to the POINT OF
13 BEGINNING, and containing 223 acres of land, more or less.

14 The gross area contained within Tracts 1, 2, 3, 4 and 5 totals
15 2,132 acres of land, more or less.

16 SECTION 3. (a) The legal notice of the intention to
17 introduce this Act, setting forth the general substance of this
18 Act, has been published as provided by law, and the notice and a
19 copy of this Act have been furnished to all persons, agencies,
20 officials, or entities to which they are required to be furnished
21 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
22 Government Code.

23 (b) The governor, one of the required recipients, has
24 submitted the notice and Act to the Texas Commission on
25 Environmental Quality.

26 (c) The Texas Commission on Environmental Quality has filed
27 its recommendations relating to this Act with the governor,

1 lieutenant governor, and speaker of the house of representatives
2 within the required time.

3 (d) All requirements of the constitution and laws of this
4 state and the rules and procedures of the legislature with respect
5 to the notice, introduction, and passage of this Act have been
6 fulfilled and accomplished.

7 SECTION 4. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2017.

ADOPTED

MAY 24 2017

Letty Spaw
Secretary of the Senate

FLOOR AMENDMENT NO. 1

BY:

Therese Dutton

1 Amend C.S.H.B. No. 4345 (senate committee report) as
2 follows:

3 (1) In SECTION 1 of the bill, strike added Section 8013.401,
4 Special District Local Laws Code (page 6, lines 1 through 5).

5 (2) In SECTION 1 of the bill, in added Subchapter H, Chapter
6 8013, Special District Local Laws Code, renumber sections of that
7 subchapter and any cross-references to those sections
8 appropriately.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Rio de Vida Municipal Utility District No. 1. The district would have authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax, a contract tax, and a sales and use tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 23, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Rio de Vida Municipal Utility District No. 1. The district would have authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax, a contract tax, and a sales and use tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 20, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Rio de Vida Municipal Utility District No. 1. The district would have authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax, a contract tax, a sales and use tax, and a hotel tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 15, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Rio de Vida Municipal Utility District No. 1. The district would have authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax, a contract tax, a sales and use tax, and a hotel tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 5, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Rio de Vida Municipal Utility District No. 1. The district would have authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax, a contract tax, a sales and use tax, and a hotel tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 22, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **Committee Report 2nd House, Substituted**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Rio de Vida Municipal Utility District No. 1 (District) with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in HB 4345, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Travis County served by small systems or private wells (County-Other) is 82,569. The Travis County-Other population projections approved for the 2017 State Water Plan projects the population to be 59,888 in 2020, 54,930 in 2030 and 50,253 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Travis County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 3.33 square miles in eastern Travis County, located east of the City of Austin along State Highway 130. The proposed district may overlap portions of existing Certificate of Convenience and Necessity (CCN) boundaries held by City of Austin, Manville WSC, and Hornsby Bend Utility Co.

Comments on Powers/Duties Different from Similar Types of Districts: The HCS2 revises the date of September 1, 2017 to the effective date of this Act for when the majority owners of real property in the district may submit a petition to the commission requesting appointment of temporary directors. Subchapter F, Bonds and Other Obligations, is revised to remove references to hotel occupancy taxes. Section 8013.302, subsection b), is revised to remove the language that the board may not decrease the rate of tax if the decrease would impair the repayment of any outstanding debt or obligation payable from the tax. Subsection (c)(3), is added to include the

sales and use tax rate adopted by the City of Austin as one of the options that the rate of tax imposed by the district may not exceed the lesser of the three options. Subchapter H, Hotel Occupancy Tax, was removed in its entirety.

The bill specifies District requirements related to affordable housing; the District is governed by a board of five directors appointed by the governing board of the City of Austin (City); this bill grants the District authority for road projects; the District and City may contract on terms that the board and governing body of the City agree will further regional cooperation between the District and City; before exercising a power for economic development as described in Section 8013.107, the District must obtain the City's consent; the District may construct, acquire, improve, maintain, finance, or operate a facility or improvement related to reclaiming or grading land in the District; the District may not exercise the power of eminent domain; the bill allows the District to divide. The bill specifies that at the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of real property in the District; current statutes stipulate that a district may not issue bonds for recreational facilities that exceed one percent of the district's assessed valuation. The bill specifies that this requirement does not apply to the District; the bill specifies that the District is a "water or sewer district" under Section 43.071, Local Government Code; the bill specifies that Local Government Code, Section 43.075, relating to abolition of, or division of functions of, water-related special district that becomes part of not more than one municipality, applies to the District.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - HB 4345 specifies that "the district has the powers and duties provided by the general law of the state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Travis County, 91 percent of the total water use was surface water in 2014. Eighty eight percent of all the surface water use was for municipal purposes. The water source of the proposed district might pursue is unknown.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: UP, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 16, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **Committee Report 1st House, Substituted**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Rio de Vida Municipal Utility District No. 1 (District) with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in HB 4345, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Travis County served by small systems or private wells (County-Other) is 82,569. The Travis County-Other population projections approved for the 2017 State Water Plan projects the population to be 59,888 in 2020, 54,930 in 2030 and 50,253 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Travis County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 3.33 square miles in eastern Travis County, located east of the City of Austin along State Highway 130. The proposed district may overlap portions of existing Certificate of Convenience and Necessity (CCN) boundaries held by City of Austin, Manville WSC, and Hornsby Bend Utility Co.

Comments on Powers/Duties Different from Similar Types of Districts: The House Committee Substitute adds that the temporary directors shall hold an election to elect four permanent directors in addition to confirming the creation of the District. The City must consent to the creation of the District before February 14, 2020. The requirements related to affordable housing are removed. The board is governed by four elected directors and one director appointed by the governing body of the City; the board member appointed by the City is not required to reside in the District or to own real property in the District. The House Committee Substitute removes the

names of the temporary directors and instead requires the owners of a majority of the assessed value of real property in the District to submit a petition to the TCEQ requesting appointment of five temporary directors. The House Committee Substitute removes the requirement that road projects meet regulations of each municipality in whose corporate limits or ETJ the road project is located; road projects are only required to meet regulations of the City. The House Committee Substitute specifies that compliance with the consent agreement includes affordable housing requirements established in the consent agreement. The House Committee Substitute removes Section 8013.107, powers for economic development. The District must obtain consent by City resolution or ordinance before dividing. The House Committee Substitute removes Section 8013.204; approval by City of Capital Improvements. The House Committee Substitute removes Section 8013.254, bonds for recreational facilities in its entirety, stating that the limitation on the outstanding principal amount of bonds, notes, and other obligations provided by Chapter 49, Water Code, does not apply to the District.

The bill specifies District requirements related to affordable housing; the District is governed by a board of five directors appointed by the governing board of the City of Austin (City); this bill grants the District authority for road projects; the District and City may contract on terms that the board and governing body of the City agree will further regional cooperation between the District and City; before exercising a power for economic development as described in Section 8013.107, the District must obtain the City's consent; the District may construct, acquire, improve, maintain, finance, or operate a facility or improvement related to reclaiming or grading land in the District; the District may not exercise the power of eminent domain; the bill allows the District to divide. The bill specifies that at the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of real property in the District; current statutes stipulate that a district may not issue bonds for recreational facilities that exceed one percent of the district's assessed valuation. The bill specifies that this requirement does not apply to the District; the bill specifies that the District is a "water or sewer district" under Section 43.071, Local Government Code; the bill specifies that Local Government Code, Section 43.075, relating to abolition of, or division of functions of, water-related special district that becomes part of not more than one municipality, applies to the District.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - HB 4345 specifies that "the district has the powers and duties provided by the general law of the state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Travis County, 91 percent of the total water use was surface water in 2014. Eighty eight percent of all the surface water use was for municipal purposes. The water source of the proposed district might pursue is unknown.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: UP, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 5, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4345 by Rodriguez, Eddie (Relating to the creation of the Rio de Vida Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Rio de Vida Municipal Utility District No. 1 (District) with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in HB 4345, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Travis County served by small systems or private wells (County-Other) is 82,569. The Travis County-Other population projections approved for the 2017 State Water Plan projects the population to be 59,888 in 2020, 54,930 in 2030 and 50,253 in 2040.

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The proposed district's area is approximately 3.33 square miles in eastern Travis County, located east of the City of Austin along State Highway 130. The proposed district may overlap portions of existing Certificate of Convenience and Necessity (CCN) boundaries held by City of Austin, Manville WSC, and Hornsby Bend Utility Co.

Comments on Powers/Duties Different from Similar Types of Districts: The bill specifies District requirements related to affordable housing; the District is governed by a board of five directors appointed by the governing board of the City of Austin (City); this bill grants the District authority for road projects; the District and City may contract on terms that the board and governing body of the City agree will further regional cooperation between the District and City; before exercising a power for economic development as described in Section 8013.107, the District must obtain the City's consent; the District may construct, acquire, improve, maintain,

finance, or operate a facility or improvement related to reclaiming or grading land in the District; the District may not exercise the power of eminent domain; the bill allows the District to divide.

The bill specifies that at the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of real property in the District; current statutes stipulate that a district may not issue bonds for recreational facilities that exceed one percent of the district's assessed valuation. The bill specifies that this requirement does not apply to the District; the bill specifies that the District is a "water or sewer district" under Section 43.071, Local Government Code; the bill specifies that Local Government Code, Section 43.075, relating to abolition of, or division of functions of, water-related special district that becomes part of not more than one municipality, applies to the District.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - HB 4345 specifies that "the district has the powers and duties provided by the general law of the state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Travis County, 91 percent of the total water use was surface water in 2014. Eighty eight percent of all the surface water use was for municipal purposes. The water source of the proposed district might pursue is unknown.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ