

By: Quintanilla

H.B. No. 3582

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, powers, duties, operation, and financing of the Paseo del Este Municipal Utility Districts No. 1, 2, 3, 4, 5, 6, 7, 8, and 9 and to the authorization of bonds and the imposition of taxes; providing civil penalties.

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

ARTICLE 1. GENERAL PROVISIONS

SECTION 1.01. DEFINITIONS. Except as otherwise provided by this Act, in this Act:

(1) "Board" or "boards" means, as appropriate, the board of directors of one or all of the districts created under Section 1.02 of this Act.

(2) "County" means El Paso County, Texas.

(3) "District" or "districts" means, as appropriate, one or all of the Paseo del Este Municipal Utility Districts No. 1, 2, 3, 4, 5, 6, 7, 8, and 9 created under Section 1.02 of this Act.

SECTION 1.02. CREATION. (a) Nine conservation and reclamation districts, to be known as Paseo del Este Municipal Utility Districts No. 1, 2, 3, 4, 5, 6, 7, 8, and 9 are created. Each district is a governmental agency and a body politic and corporate.

(b) Each district is created under and is essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

(c) Each district has the powers of a municipal utility district as provided by Chapter 54, Water Code, and is governed by Chapters 49 and 54, Water Code, unless otherwise provided by this Act.

SECTION 1.03. BOUNDARIES. (a) Each of the districts includes, respectively, the territory contained within the following areas as indicated:

Paseo del Este Municipal Utility District No. 1: FIELD NOTES DESCRIBING 777.502 acres of land, being a portion of Section 18, Block 79, Township 3, Texas and Pacific Railway Company Survey, a portion of Section 315 1/2, W. J. Rand Survey, a portion of Section 317, C. D. Stewart Survey, a portion of Section 24, C. D. Stewart Survey, and a portion of Section 316, O. A. Danielson Survey, situated in El Paso County, Texas, and being more particularly described by metes and bounds as PARCEL A, PARCEL B, PARCEL C and PARCEL D as follows:

PARCEL A (120.674 ACRES)

BEGINNING at the Northeast corner of said Section 18, being the common corner of Sections 14, 15, 18, and 19, Block 79, Township 3, Texas and Pacific Railway Company Survey, for the Northeast corner and POINT OF BEGINNING of this tract.

THENCE with the division line between said Sections 18 and 19, S00°32'13"E, 2007.97 feet to the Southeast corner of this tract.

THENCE West, 2622.66 feet to the Southwest corner of this tract.

THENCE N00°16'06"W, 2007.91 feet to a point in the division line between said Sections 15 and 18, for the Northwest corner of this tract.

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1 THENCE with the division line between said Sections 15 and 18, East,  
2 2613.25 feet to the POINT OF BEGINNING of this tract, containing  
3 120.674 acres of land, more or less.

4 PARCEL B (126.598 ACRES)

5 BEGINNING at a point in the division line between Sections 17 and  
6 18, Block 79, Township 3, Texas and Pacific Railway Company Survey,  
7 from which point the Southwest corner of said Section 18, being the  
8 common corner of Sections 17 and 18, Block 79, Township 3, Texas and  
9 Pacific Railway Company Survey, Section 315 1/2, W. J. Rand Survey  
10 and Section 319, C. D. Stewart Survey, bears South, 1566.47 feet,  
11 for the Southwest corner and POINT OF BEGINNING of this tract.

12 THENCE with the division line between said Sections 17 and 18,  
13 North, 1096.42 feet to the Northwest corner of this tract.

14 THENCE East, 5251.46 feet to a point in the division line between  
15 Sections 18 and 19, Block 79, Township 3, Texas and Pacific Railway  
16 Company Survey, for the Northeast corner of this tract.

17 THENCE with the division line between said Sections 18 and 19,  
18 S00°32'13"E, 1001.89 feet to the Southeast corner of this tract.

19 THENCE S88°58'13"W, 5261.70 feet to the POINT OF BEGINNING of this  
20 tract, containing 126.598 acres of land, more or less.

21 PARCEL C (158.726 ACRES)

22 BEGINNING at the Southwest corner of said Section 315 1/2, being the  
23 common corner of Section 315 1/2, W. J. Rand Survey, Section 315 and  
24 316, O. A Danielson Survey and Section 317, C. D. Stewart Survey,  
25 for the Southwest corner and POINT OF BEGINNING of this tract.

26 THENCE with the division line between said Sections 315 and 315 1/2,  
27 North, 4263.48 feet to the Northwest corner of this tract.

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1   THENCE S86°44'33"E, 787.13 feet to the Point of Curvature of a curve  
2   to the left having a radius of 2000.00 feet and a central angle of  
3   2°38'18".

4   THENCE with the arc of said curve 92.09 feet, the long chord of  
5   which bears S88°03'42"E, 92.08 feet to the Point of Tangency of said  
6   curve.

7   THENCE S89°22'51"E, 228.77 feet to the Point of Curvature of a curve  
8   to the right having a radius of 1117.00 feet and a central angle of  
9   95°06'00".

10   THENCE with the arc of said curve 1854.00 feet, the long chord of  
11   which bears S41°49'51"E, 1648.39 feet to the Point of Tangency of  
12   said curve.

13   THENCE S05°43'09"W, 568.59 feet to the Point of Curvature of a curve  
14   to the left having a radius of 1000.00 feet and a central angle of  
15   28°54'04".

16   THENCE with the arc of said curve 504.42 feet, the sub-chord of  
17   which bears S08°43'53"E, 499.09 feet to the Point of Tangency of  
18   said curve.

19   THENCE S49°07'25"W, 2942.79 feet to the POINT OF BEGINNING of this  
20   tract, containing 158.726 acres of land, more or less.

21   PARCEL D (371.504 ACRES)

22   BEGINNING at a point in the division line between said Sections 315  
23   and 316, being in the Southwest right-of-way line of Rojas Drive,  
24   from which point the common corner of Sections 315 and 316, O. A.  
25   Danielson Survey, Section 315 1/2, W. J. Rand Survey and Section  
26   317, C. D. Stewart Survey, bears East, 658.47 feet, for the North  
27   corner and POINT OF BEGINNING of this tract, being the non-tangent

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Point of Curvature of a curve to the left having a radius of 2460 feet and a central angle of  $1^{\circ}49'19''$ .

THENCE with the Southwest right-of-way line of Rojas Drive, the following four (4) courses:

1. with the arc of said curve 78.22 feet, the sub-chord of which bears  $S32^{\circ}27'21''E$ , 78.22 feet to the Point of Tangency of said curve.

2.  $S33^{\circ}22'01''E$ , 102.80 feet to the Point of Curvature of a curve to the left having a radius of 1903.25 feet and a central angle of  $17^{\circ}46'27''$ .

3. with the arc of said curve 590.42 feet, the long chord of which bears  $S42^{\circ}15'14''E$ , 588.06 feet to the Point of Tangency of said curve.

4.  $S51^{\circ}08'28''E$ , at a distance of 2567.00 feet pass the intersection of the Southwest right-of-way line of Rojas Drive and the Northwest right-of-way line of Eastlake Drive and continue in all a total distance of 2687.85 feet to a point in the Southeast right-of-way line of Eastlake Drive, for an angle point of this tract.

THENCE with the Southeast right-of-way line of Eastlake Drive,  $N43^{\circ}37'21''E$ , 1231.38 feet to an angle point of this tract.

THENCE  $S79^{\circ}37'38''E$ , 541.29 feet to an angle point of this tract.

THENCE  $S48^{\circ}13'05''E$ , 676.82 feet to an angle point of this tract.

THENCE  $S65^{\circ}06'33''W$ , 442.89 feet to an angle point of this tract.

THENCE  $N80^{\circ}59'45''W$ , 163.50 feet to an angle point of this tract.

THENCE  $S17^{\circ}21'14''E$ , 110.76 feet to an angle point of this tract.

THENCE  $S40^{\circ}14'35''E$ , 251.54 feet to an angle point of this tract.

THENCE  $S22^{\circ}31'14''W$ , 110.96 feet to an angle point of this tract.

1    THENCE S45°55'55"W, 543.48 feet to an angle point of this tract.  
2    THENCE S63°14'39"W, 91.20 feet to the non-tangent Point of Curvature  
3    of a curve to the left having a radius of 2140.00 feet and a central  
4    angle of 22°56'28".  
5    THENCE with the arc of said curve 856.85 feet, the sub-chord of  
6    which bears S69°15'44"E, 851.14 feet to the Point of Tangency of  
7    said curve.  
8    THENCE S80°43'58"E, 1447.67 feet to the most Easterly Northeast  
9    corner of this tract.  
10   THENCE S00°33'11"E, 227.74 feet to an angle point of this tract.  
11   THENCE S46°00'44"W, 2895.45 feet to an ell corner of this tract.  
12   THENCE N44°03'22"W, 546.55 feet to an ell corner of this tract.  
13   THENCE S45°56'38"W, 866.75 feet to a point in the Northeast  
14   right-of-way line of Interstate Highway 10, for an ell corner of  
15   this tract.  
16   THENCE with the Northeast right-of-way line of Interstate Highway  
17   10, the following eight (8) courses:  
18   1.   N43°59'16"W, 890.66 feet to an angle point of this tract.  
19   2.   N43°59'32"W, 1352.30 feet to an angle point of this tract.  
20   3.   N01°00'28"E, 212.13 feet to an angle point of this tract.  
21   4.   N46°00'28"E, 450.00 feet to an ell corner of this tract.  
22   5.   N43°59'32"W, 550.00 feet to an ell corner of this tract.  
23   6.   S46°00'28"W, 449.99 feet to an angle point of this tract.  
24   7.   N88°59'48"W, 212.14 feet to an angle point of this tract.  
25   8.   N43°59'48"W, 1311.11 feet to an angle point of this tract.  
26   THENCE N45°04'14"E, 242.44 feet to the Point of Curvature of a curve  
27   to the left having a radius of 530.08 feet and a central angle of

1 50°30'00".

2 THENCE with the arc of said curve 467.21 feet, the long chord of  
3 which bears N19°49'14"E, 452.23 feet to the Point of Tangency of  
4 said curve.

5 THENCE N05°25'46"W, 797.63 feet to the Point of Curvature of a curve  
6 to the left having a radius of 758.13 feet and a central angle of  
7 38°34'02".

8 THENCE with the arc of said curve 510.32 feet, the long chord of  
9 which bears N24°42'47"W, 500.74 feet to the Point of Reverse  
10 Curvature of a curve to the right having a radius of 353.14 feet and  
11 a central angle of 80°41'53".

12 THENCE with the arc of said curve 497.38 feet, the long chord of  
13 which bears N03°38'51"W, 457.28 feet to the Point of Tangency of  
14 said curve.

15 THENCE N36°42'05"E, 528.02 feet to the POINT OF BEGINNING of this  
16 tract, containing 371.504 acres of land, more or less.

17 IN ALL, SAID PARCEL A, said PARCEL B, said PARCEL C and said PARCEL D  
18 contain an aggregate total of 777.502 acres of land more or less.

19 Paseo del Este Municipal Utility District No. 2: FIELD NOTES  
20 DESCRIBING 380.518 acres of land, being a portion of Section 315  
21 1/2, W. J. Rand Survey, a portion of Section 319, C. D. Stewart  
22 Survey, and a portion of Section 18, Block 79, Township 3, Texas and  
23 Pacific Railway Company Survey, situated in El Paso County, Texas,  
24 and being more particularly described by metes and bounds as  
25 follows:

26 BEGINNING at the Northwest corner of said Section 315 1/2, being the  
27 common corner of said Section 315 1/2, Section 17, Block 79,

1 Township 3, Texas and Pacific Railway Company Survey, and Sections  
2 312 and 315, O. A. Danielson Survey, for the Northwest corner and  
3 POINT OF BEGINNING of this tract.

4 THENCE with the division line between said Sections 17 and 315 1/2,  
5 East, 5318.17 feet to the common corner of said Sections 315 1/2,  
6 319, 17 and 18, for an ell corner of this tract.

7 THENCE with the division line between said Sections 315 1/2 and 319,  
8 South, 44.55 feet to an angle point of this tract.

9 THENCE N88°06'04"E, 1705.68 feet to an angle point of this tract.

10 THENCE S83°32'37"E, 202.46 feet to an angle point of this tract.

11 THENCE S66°52'59"E, 245.59 feet to an angle point of this tract.

12 THENCE S61°45'08"E, 505.52 feet to an angle point of this tract.

13 THENCE S55°23'03"E, 1587.84 feet to the East corner of this tract.

14 THENCE S76°31'51"W, 4031.48 feet to an angle point of this tract.

15 THENCE S69°42'16"W, 3258.64 feet to the non-tangent Point of  
16 Curvature of a curve to the right having a radius of 1000.00 feet  
17 and a central angle of 28°54'04".

18 THENCE with the arc of said curve 504.42 feet, the sub-chord of  
19 which bears N08°43'53"W, 499.09 feet to the Point of Tangency of  
20 said curve.

21 THENCE N05°43'09"E, 568.59 feet to the Point of Curvature of a curve  
22 to the left having a radius of 1117.00 feet and a central angle of  
23 95°06'00".

24 THENCE with the arc of said curve 1854.00 feet, the long chord of  
25 which bears N41°49'51"W, 1648.39 feet to the Point of Tangency of  
26 said curve.

27 THENCE N89°22'51"W, 228.77 feet to the Point of Curvature of a curve



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1 to the right having a radius of 2000.00 feet and a central angle of  
2 2°38'18".

3 THENCE with the arc of said curve 92.09 feet, the long chord of  
4 which bears N88°03'42"W, 92.08 feet to the Point of Tangency of said  
5 curve.

6 THENCE N86°44'33"W, 787.13 feet to a point in the division line  
7 between said Sections 315 and 315 1/2, for the Southwest corner of  
8 this tract.

9 THENCE with the division line between said Sections 315 and 315 1/2,  
10 North, 980.17 feet to the POINT OF BEGINNING of this tract,  
11 containing 380.518 acres of land more or less.

12 Paseo del Este Municipal Utility District No. 3: FIELD NOTES  
13 DESCRIBING 411.444 acres of land, being a portion of Section 315  
14 1/2, W. J. Rand Survey, a portion of Section 317, C. D. Stewart  
15 Survey, a portion of Section 318, C. D. Stewart Survey, a portion of  
16 Section 319, C. D. Stewart Survey, and a portion of Section 316, O.  
17 A. Danielson Survey, situated in El Paso County, Texas, and being  
18 more particularly described by metes and bounds as follows:

19 BEGINNING at the Southwest corner of said Section 315 1/2, being the  
20 common corner of said Sections 315 1/2, 316, 317 and Section 315, O.  
21 A. Danielson Survey, for the POINT OF BEGINNING of this tract.

22 THENCE N49°07'25"E, 2942.79 feet to the non-tangent Point of  
23 Curvature of a curve to the left having a radius of 1000.00 feet and  
24 a central angle of 58°59'18".

25 THENCE with the arc of said curve 1029.54 feet the sub-chord of  
26 which bears S52°40'34"E, 984.67 feet to the Point of Tangency of  
27 said curve.

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1 THENCE S82°10'13"E, 100.21 feet to the Point of Curvature of a curve  
2 to the left having a radius of 2098.00 feet and a central angle of  
3 27°14'35".

4 THENCE with the arc of said curve 997.55 feet, the sub-chord of  
5 which bears N84°12'29"E, 988.18 feet to the Point of Tangency of  
6 said curve.

7 THENCE S17°55'45"E, 1210.06 feet to a point in the South  
8 right-of-way line of Eastlake Drive for the non-tangent Point of  
9 Curvature of a curve to the right having a radius of 2428.76 feet  
10 and a central angle of 31°26'33".

11 THENCE with the South right-of-way line of Eastlake Drive, the  
12 following two (2) courses:

13 1. with the arc of said curve 1332.85 feet, the sub-chord of which  
14 bears N74°16'53"E, 1316.19 feet to the Point of Tangency of said  
15 curve.

16 2. S89°59'51"E, 868.41 feet to the most Easterly Northeast corner  
17 of this tract.

18 THENCE South, 397.96 feet to an angle point of this tract.

19 THENCE S55°35'22"W, 1536.54 feet to a point in the division line  
20 between said Sections 317 and 318, for an angle point of this tract.

21 THENCE with the division line between said Sections 317 and 318,  
22 N00°33'11"W, 646.17 feet to the common corner of said Sections 315  
23 1/2, 317, 318 and 319, for an ell corner of this tract.

24 THENCE with the division line between said Sections 315 1/2 and 317,  
25 West, 200.01 feet to an ell corner of this tract.

26 THENCE S00°33'11"E, 3445.27 feet to the Southwest corner of this  
27 tract.

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1 THENCE N80°43'58"W, 1447.67 feet to the Point of Curvature of a  
2 curve to the right having a radius of 2140.00 feet and a central  
3 angle of 22°56'28".

4 THENCE with the arc of said curve 856.85 feet, the sub-chord of  
5 which bears N69°15'44"W, 851.14 feet to the Point of Tangency of  
6 said curve.

7 THENCE N63°14'39"E, 91.20 feet to an angle point of this tract.

8 THENCE N45°55'55"E, 543.48 feet to an angle point of this tract.

9 THENCE N22°31'14"E, 110.96 feet to an angle point of this tract.

10 THENCE N40°14'35"W, 251.54 feet to an angle point of this tract.

11 THENCE N17°21'14"W, 110.76 feet to an angle point of this tract.

12 THENCE S80°59'45"E, 163.50 feet to an angle point of this tract.

13 THENCE N65°06'33"E, 442.89 feet to an angle point of this tract.

14 THENCE N48°13'05"W, 676.82 feet to an angle point of this tract.

15 THENCE N79°37'38"W, 541.29 feet to a point in the Southeast  
16 right-of-way line of Eastlake Drive, for an angle point of this  
17 tract.

18 THENCE with the Southeast right-of-way line of Eastlake Drive,  
19 S43°37'21"W, 1231.38 feet to an angle point of this tract.

20 THENCE N51°08'28"W, at a distance of 120.85 feet pass the  
21 intersection of the Northwest right-of-way line of Eastlake Drive  
22 and the Southwest right-of-way line of Rojas Drive, and continue  
23 with the Southwest right-of-way line of Rojas Drive, in all a total  
24 distance of 2687.85 feet to the Point of Curvature of a curve to the  
25 right having a radius of 1903.25 feet and a central angle of  
26 17°46'27".

27 THENCE with the Southwest right-of-way line of Rojas Drive, the

following three (3) courses:

1. with the arc of said curve 590.42 feet, the long chord of which bears  $N42^{\circ}15'14''W$ , 588.06 feet to the Point of Curvature of said curve.

2.  $N33^{\circ}22'01''W$ , 102.80 feet the Point of Curvature of a curve to the right having a radius of 2460.00 feet and a central angle of  $1^{\circ}49'19''$ .

3. with the arc of said curve 78.22 feet, the sub-chord of which bears  $N32^{\circ}27'21''W$ , 78.22 feet to a point in the division line between said Sections 315 and 316, for the Point of Tangency of said curve and the West corner of this tract.

THENCE with the division line between said Sections 315 and 316, East, 658.47 feet to the POINT OF BEGINNING of this tract, containing 411.444 acres of land, more or less.

Paseo del Este Municipal Utility District No. 4: FIELD NOTES DESCRIBING 318.342 acres of land, being a portion of Section 319, C. D. Stewart Survey, and a portion of Sections 18 and 22, Block 79, Township 3, Texas and Pacific Railway Company Survey, situated in El Paso County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a point in the division line between Sections 315 1/2, W. J. Rand Survey, and Section 319, C. D. Stewart Survey, from which point the common corner of Sections 315 1/2, W. J. Rand Survey, Sections 17 and 18, Block 79, Township 3, Texas and Pacific Railway Company Survey, and Section 319, C. D. Stewart Survey Survey, bears North, 44.55 feet, for the Southwest corner and POINT OF BEGINNING of this tract.

1 THENCE with the division line between said Sections 315 1/2 and 17,  
2 North, at a distance of 44.55 feet pass the common corner of said  
3 Sections 17, 18, 315 1/2 and 319, and continue with the division  
4 line between said Sections 17 and 18, in all a total distance of  
5 1611.02 feet to the Northwest corner of this tract.

6 THENCE N88°58'13"E, 5261.70 feet to a point in the division line  
7 between Sections 18 and 19, Block 79, Township 3, Texas and Pacific  
8 Railway Company Survey, for the Northeast corner of this tract.

9 THENCE with the division line between said Sections 18 and 19  
10 S00°32'13"E, 1661.11 feet to the common corner of said Sections 18,  
11 19, 22 and 319, for an ell corner of this tract.

12 THENCE with the division line between said Sections 19 and 22, East,  
13 1620.99 feet to an angle point of this tract.

14 THENCE S45°14'46"E, 1478.75 feet to an angle point of this tract.

15 THENCE S89°59'09"W, 2661.34 feet to an angle point of this tract.

16 THENCE S63°15'39"W, 1565.76 feet to an angle point of this tract.

17 THENCE N00°27'28"W, 497.81 feet to an angle point of this tract.

18 THENCE N55°23'03"W, 1587.84 feet to an angle point of this tract.

19 THENCE N61°45'08"W, 505.52 feet to an angle point of this tract.

20 THENCE N66°52'59"W, 245.59 feet to an angle point of this tract.

21 THENCE N83°32'37"W, 202.46 feet to an angle point of this tract.

22 THENCE S88°06'04"W, 1705.68 feet to the POINT OF BEGINNING of this  
23 tract, containing 318.342 acres of land more or less.

24 Paseo del Este Municipal Utility District No. 5: FIELD NOTES  
25 DESCRIBING 456.666 acres of land, being a portion of Section 22,  
26 Block 79, Township 3, Texas and Pacific Railway Company Survey, a  
27 portion of Section 315 1/2, W. J. Rand Survey, and a portion of

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1 Section 319, C. D. Stewart Survey, situated in El Paso County,  
2 Texas, and being more particularly described by metes and bounds as  
3 follows:

4 BEGINNING at a point in the South right-of-way line of Eastlake  
5 Drive, from which point the Southwest corner of said Section 22,  
6 being the Southeast corner of said Section 319, bears N89°59'51"W,  
7 1375.18 feet and S00°33'12"E, 619.99 feet, for the Southeast corner  
8 and POINT OF BEGINNING of this tract.

9 THENCE with the South right-of-way line of Eastlake Drive, the  
10 following two (2) courses:

11 1. N89°59'51"W, 6282.87 feet to the Point of Curvature of a curve  
12 to the left having a radius of 2428.76 feet and a central angle of  
13 31°26'33".

14 2. with the arc of said curve 1332.85 feet, the sub-chord of which  
15 bears S74°16'53"W, 1316.19 feet to the Point of Tangency of said  
16 curve.

17 THENCE N17°55'45"W, 1210.06 feet to the non-tangent Point of  
18 Curvature of a curve to the right having a radius of 2098.00 feet  
19 and a central angle of 27°14'35".

20 THENCE with the arc of said curve 997.55 feet, the sub-chord of  
21 which bears S84°12'29"W, 988.18 feet to the Point of Tangency of  
22 said curve.

23 THENCE N82°10'13"W, 100.21 feet to the Point of Curvature of a curve  
24 to the right having a radius of 1000.00 feet and a central angle of  
25 58°59'18".

26 THENCE with the arc of said curve 1029.54 feet, the sub-chord of  
27 which bears N52°40'34"W, 984.67 feet to the Point of Tangency of

1 said curve.

2 THENCE N69°42'16"E, 3258.64 feet to an angle point of this tract.

3 THENCE N76°31'51"E, 4031.48 feet to the most Northerly Northwest  
4 corner of this tract.

5 THENCE S00°27'28"E, 1934.23 feet to an angle point of this tract.

6 THENCE S89°54'15"E, 1266.23 feet to an angle point of this tract.

7 THENCE N83°59'20"E, 1537.71 feet to an angle point of this tract.

8 THENCE South, 1600.03 feet to the POINT OF BEGINNING of this tract,  
9 containing 456.666 acres of land more or less.

10 Paseo del Este Municipal Utility District No. 6: FIELD NOTES  
11 DESCRIBING 365.657 acres of land, being a portion of Section 318, C.  
12 D. Stewart Survey, and Section 319, C. D. Stewart Survey, situated  
13 in El Paso County, Texas, and being more particularly described by  
14 metes and bounds as follows:

15 BEGINNING at the Southwest corner of said Section 318, being the  
16 common corner of Sections 317, 318, 323 and 324, C. D. Stewart  
17 Survey, for the Southwest corner and POINT OF BEGINNING of this  
18 tract.

19 THENCE with the division line between said Sections 317 and 318,  
20 N00°33'11"W, 4603.13 feet to an angle point of this tract.

21 THENCE N55°35'22"E, 1536.54 feet to an angle point of this tract.

22 THENCE North, 397.96 feet to a point in the South right-of-way line  
23 of Eastlake Drive, for the Northwest corner of this tract.

24 THENCE with the South right-of-way line of Eastlake Drive,  
25 S89°59'51"E, 1146.92 feet to the Northeast corner of this tract.

26 THENCE S00°00'09"W, 32.97 feet to the Point of Curvature of a curve  
27 to the left having a radius of 2739.60 feet and a central angle of

1    28°17'21".  
2    THENCE with the arc of said curve 1352.65 feet, the long chord of  
3    which bears S14°08'31"E, 1338.95 feet to the Point of Tangency of  
4    said curve.  
5    THENCE S28°17'12"E, 783.16 feet to the Point of Curvature of a curve  
6    to the right having a radius of 2009.36 feet and a central angle of  
7    51°11'32".  
8    THENCE with the arc of said curve 1795.31 feet, the long chord of  
9    which bears S02°41'26"E, 1736.18 feet to the Point of Tangency of  
10    said curve.  
11    THENCE S22°54'20"W, 808.67 feet to the Point of Curvature of a curve  
12    to the left having a radius of 2282.92 feet and a central angle of  
13    24°54'28".  
14    THENCE with the arc of said curve 992.43 feet, the long chord of  
15    which bears S10°27'06"W, 984.64 feet to the Point of Tangency of  
16    said curve.  
17    THENCE S02°00'08"E, 400.94 feet to a point in the South line of said  
18    Section 318, being the North line of said Section 323, for the  
19    Southeast corner of this tract.  
20    THENCE with the division line between said Sections 318 and 323,  
21    West, 2670.56 feet to the POINT OF BEGINNING of this tract,  
22    containing 365.657 acres of land, more or less.  
23    Paseo del Este Municipal Utility District No. 7:    FIELD NOTES  
24    DESCRIBING 323.640 acres of land, being a portion of Section 318, C.  
25    D. Stewart Survey, and Section 319, C. D. Stewart Survey, situated  
26    in El Paso County, Texas, and being more particularly described by  
27    metes and bounds as follows:



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1 BEGINNING at the Southeast corner of said Section 318, being the  
2 common corner of Sections 318, 320, 322 and 323, C. D. Stewart  
3 Survey, for the Southeast corner and POINT OF BEGINNING of this  
4 tract.

5 THENCE with the division line between said Sections 318 and 323,  
6 West, 2648.64 feet to an angle point of this tract.

7 THENCE  $N02^{\circ}00'08''W$ , 400.94 feet to the Point of Curvature of a curve  
8 to the right having a radius of 2282.92 feet and a central angle of  
9  $24^{\circ}54'28''$ .

10 THENCE with the arc of said curve 992.43 feet, the long chord of  
11 which bears  $N10^{\circ}27'06''E$ , 984.64 feet to the Point of Tangency of  
12 said curve.

13 THENCE  $N22^{\circ}54'20''E$ , 808.67 feet to the Point of Curvature of a curve  
14 to the left having a radius of 2009.36 feet and a central angle of  
15  $51^{\circ}11'32''$ .

16 THENCE with the arc of said curve 1795.31 feet, the long chord of  
17 which bears  $N02^{\circ}41'26''W$ , 1736.18 feet to the Point of Tangency of  
18 said curve.

19 THENCE  $N28^{\circ}17'12''W$ , 783.16 feet to the Point of Curvature of a curve  
20 to the right having a radius of 2739.60 feet and a central angle of  
21  $28^{\circ}17'21''$ .

22 THENCE with the arc of said curve 1352.65 feet, the long chord of  
23 which bears  $N14^{\circ}08'31''W$ , 1338.95 feet to the Point of Tangency of  
24 said curve.

25 THENCE  $N00^{\circ}00'09''E$ , 32.97 feet to a point in the South right-of-way  
26 line of Eastlake Drive, for the Northwest corner of this tract.

27 THENCE with the South right-of-way line of Eastlake Drive,

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1 S89°59'51"E, 2892.36 feet to a point in the division line between  
2 said Section 319 and Section 22, Block 79, Township 3, Texas and  
3 Pacific Railway Company Survey, for the Northwest corner of this  
4 tract.

5 THENCE with the division line between said Sections 319 and 22,  
6 S00°33'12"E, at a distance of 619.99 feet pass the common corner of  
7 said Sections 318, 319, 320 and 22, and continue along the division  
8 line of said Sections 318 and 320, in all a total distance of  
9 5869.30 feet to the POINT OF BEGINNING of this tract, containing  
10 326.640 acres, SAVE AND EXCEPT that certain 3.000 acre tract of land  
11 conveyed to El Paso County Water Authority by deed recorded in  
12 Volume 559, Page 1585 of the Deed Records of El Paso County, Texas,  
13 for an aggregate total of 323.640 acres of land, more or less.

14 Paseo del Este Municipal Utility District No. 8: FIELD NOTES  
15 DESCRIBING 372.571 acres of land, being a portion of Section 22,  
16 Block 79, Township 3, Texas and Pacific Railway Company Survey, and  
17 a portion of Section 319, C. D. Stewart Survey, situated in El Paso  
18 County, Texas, and being more particularly described by metes and  
19 bounds as follows:

20 BEGINNING at a point in the division line between said Section 22  
21 and Section 21, Block 79, Township 3, Texas and Pacific Railway  
22 Company Survey, from which point the Northeast corner of said  
23 Section 22 bears N00°32'13"W, 1197.24 feet, for the Northeast corner  
24 and POINT OF BEGINNING of this tract.

25 THENCE with the division line between said Sections 21 and 22,  
26 S00°32'13"E, 2227.23 feet to the most Easterly Southeast corner of  
27 this tract.

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1    THENCE West, 1819.44 feet to an ell corner of this tract.  
2    THENCE S00°30'40"E, 1199.58 feet to a point in the South  
3    right-of-way line of Eastlake Drive, for the most Southerly  
4    Southeast corner of this tract.  
5    THENCE with the South right-of-way line of Eastlake Drive,  
6    N89°59'51"W, 2125.98 feet to the most Southerly Southwest corner of  
7    this tract.  
8    THENCE N00°00'09"E, 1600.03 feet to an interior corner of this  
9    tract.  
10   THENCE S83°59'20"W, 1537.71 feet to an angle point of this tract.  
11   THENCE N89°54'15"W, 1266.23 feet to the most Westerly Southwest  
12   corner of this tract.  
13   THENCE N00°27'28"W, 1436.42 feet to the Northwest corner of this  
14   tract.  
15   THENCE N63°15'39"E, 1565.76 feet to an angle point of this tract.  
16   THENCE N89°59'09"E, 2661.34 feet to an angle point of this tract.  
17   THENCE S45°14'46"E, 996.07 feet to the Point of Curvature of a curve  
18   to the right having a radius of 22758.54 feet and a central angle of  
19   5°06'30".  
20   THENCE with the arc of said curve 2029.04 feet, the sub-chord of  
21   which bears N74°24'25"E, 2028.37 feet to the POINT OF BEGINNING of  
22   this tract, containing 372.571 acres of land more or less.  
23   Paseo del Este Municipal Utility District No. 9: FIELD NOTES  
24   DESCRIBING 260.136 acres of land, being all of the Southwest 1/4 of  
25   Section 20, Block 79, Township 3, Texas and Pacific Railway Company  
26   Survey, and a portion of Section 22, Block 79, Township 3, Texas and  
27   Pacific Railway Company Survey, situated in El Paso County, Texas,

1 and being more particularly described by metes and bounds as PARCEL  
2 A and PARCEL B as follows:

3 PARCEL A (159.920 ACRES)

4 BEGINNING at the Southwest corner of said Section 20, being the  
5 common corner of Sections 19, 20, 21 and 22, Block 79, Township 3,  
6 Texas and Pacific Railway Company Survey, for the Southwest corner  
7 and POINT OF BEGINNING of this tract.

8 THENCE with the division line between said Sections 19 and 20,  
9 N00°33'12"W, 2618.06 feet to the Northwest corner of this tract.

10 THENCE East, 2660.92 feet to the Northeast corner of this tract.

11 THENCE S00°33'12"E, 2618.06 feet to a point in the division line  
12 between said Sections 20 and 21, for the Southeast corner of this  
13 tract.

14 THENCE with the division line between said Sections 20 and 21, West,  
15 2660.92 feet to the POINT OF BEGINNING of this tract, containing  
16 159.920 acres of land, more or less.

17 (b) A mistake in the patents or field notes or in copying the  
18 patents or field notes in the legislative process does not affect  
19 the organization, existence, or validity of a district created  
20 under Section 1.02 of this Act, the right of the district to issue  
21 bonds or refunding bonds or to pay the principal of or interest on  
22 issued bonds, the right of the district to levy and collect taxes,  
23 or the legality or operation of the district or its governing board.

24 ARTICLE 2. ADMINISTRATIVE PROVISIONS

25 SECTION 2.01. BOARD. A board of five directors shall govern  
26 and exercise all powers of a district.

27 SECTION 2.02. DIRECTOR ELIGIBILITY. Except for an initial

1 director or a successor to an initial director who holds office  
2 before the first election is held in a district under Section 11.02  
3 of this Act, a person must meet the requirements of Section 54.102,  
4 Water Code, to be eligible to serve as a director. A person must be  
5 at least 18 years of age and a resident of El Paso County or Travis  
6 County to be eligible to serve as an initial director.  
7 Notwithstanding Section 49.052, Water Code, employment with a state  
8 agency, other than the General Land Office or the School Land Board,  
9 does not disqualify a person from serving as a director. An  
10 employee of any of the districts may not serve as a director.

11 SECTION 2.03. TERMS OF OFFICE OF DIRECTORS; APPOINTMENT OF  
12 INITIAL DIRECTORS. (a) Except for initial directors, directors  
13 serve staggered four-year terms, with the terms of two or three  
14 directors expiring June 1 of each even-numbered year.

15 (b) The board of directors of the Paseo del Este Municipal  
16 Utility District, created by Chapter 443, Acts of the 75th  
17 Legislature, Regular Session, 1997, shall appoint the initial  
18 directors of a district. If a vacancy occurs, the remaining initial  
19 directors shall appoint a person to serve the remainder of the  
20 unexpired term as provided by Section 49.105, Water Code.

21 (c) Initial directors shall serve until the first permanent  
22 directors are elected under Section 11.02 of this Act and qualify  
23 for office.

24 SECTION 2.04. ELECTION OF PERMANENT DIRECTORS. (a) A  
25 director serves until the director's successor has qualified. An  
26 election shall be held for the election of the appropriate number of  
27 permanent directors on the first Saturday in May of each

1 even-numbered year.

2 (b) The board shall publish notice of an election under this  
3 section once a week for two consecutive weeks in a newspaper of  
4 general circulation in the district beginning not later than 14  
5 days before the date of the election.

6 SECTION 2.05. QUALIFICATION OF DIRECTOR. A director shall  
7 take the constitutional oath of office and, except for initial  
8 directors, give bond for the faithful performance of the director's  
9 duties as required by Section 49.055, Water Code. The cost of a  
10 bond under this section shall be paid by the district.

11 SECTION 2.06. MEETINGS AND BOARD ACTIONS. (a) A board may  
12 establish regular meetings to conduct the business of the district  
13 and may hold special meetings if necessary as determined by the  
14 board. The board shall hold a meeting under this section within the  
15 district unless the board, by a majority vote at a public meeting,  
16 decides to hold the meeting outside of the district.

17 (b) A majority of the directors constitutes a quorum of the  
18 board. A vote of a majority of the quorum present is necessary to  
19 take board action. The board may adopt bylaws to govern the affairs  
20 of the district and may adopt a seal for the district. A director  
21 may receive compensation for service on the board as provided by  
22 Section 49.060, Water Code.

23 SECTION 2.07. ORGANIZATION OF BOARD OF DIRECTORS. A board  
24 shall elect a president and vice president from members of the  
25 board. The board may elect other officers considered necessary by  
26 the board. The president is the chief executive officer of the  
27 district and the presiding officer of the board and has the same

1 right to vote as other members of the board. The vice president  
2 shall perform the duties and exercise the powers of the president if  
3 the president is absent, fails to act, or refuses to act. The board  
4 shall appoint a secretary and treasurer. The secretary and  
5 treasurer may be, but are not required to be, members of the board.  
6 One person may serve as both secretary and treasurer. The treasurer  
7 shall give bond in an amount required by the board. The condition  
8 of the bond shall be that the treasurer will faithfully account for  
9 all money that comes into the custody of the treasurer. The board  
10 shall require a bond under this section of at least \$100,000 if the  
11 district has authorized the issuance of bonds. If the district has  
12 not authorized the issuance of bonds, the board shall require a bond  
13 of at least \$5,000.

14 SECTION 2.08. CONFLICT OF INTEREST: CONTRACT. A director  
15 who is financially interested in a contract that is proposed to be  
16 executed by the board for the purchase of property or services or  
17 for the construction of facilities shall disclose the director's  
18 interest to the board and may not vote on the acceptance of the  
19 contract.

20 SECTION 2.09. DISTRICT EMPLOYEES. A board is authorized to  
21 employ a general manager and consulting engineers, financial  
22 consultants, attorneys, and auditors. The general manager shall be  
23 responsible for:

- 24 (1) administering the board's directives;  
25 (2) maintaining district records, including minutes  
26 of board meetings;  
27 (3) coordinating with federal, state, and local

1 agencies;

2 (4) developing plans and programs for the board's  
3 approval;

4 (5) hiring, supervising, training, and discharging  
5 the district's employees;

6 (6) obtaining technical, scientific, legal, fiscal,  
7 or other professional services for the district; and

8 (7) performing other duties as assigned by the board.

9 SECTION 2.10. EMPLOYEE BONDS. (a) The general manager and  
10 each employee of a district who is charged with the collection,  
11 custody, or payment of district money shall execute a fidelity bond  
12 in an amount determined by the board and in a form and with a surety  
13 approved by the board.

14 (b) The district shall pay the premium on a bond under this  
15 section.

16 SECTION 2.11. PRINCIPAL OFFICE. (a) If a district has not  
17 issued bonds, the district may maintain its principal office in El  
18 Paso County or Travis County. If the district maintains its  
19 principal office in Travis County, the district shall maintain  
20 duplicates of district records in El Paso County and make the  
21 duplicate records available for inspection during regular business  
22 hours.

23 (b) If a district has issued bonds, the district shall  
24 maintain its principal office in El Paso County.

25 SECTION 2.12. RECORDS. (a) A district shall keep at its  
26 principal office:

27 (1) a complete and accurate account of the district's



1 business transactions in accordance with generally accepted  
2 accounting methods;

3 (2) a complete and accurate record of the minutes of  
4 board meetings; and

5 (3) contracts, documents, and other records of the  
6 district.

7 (b) A district shall permit reasonable public inspection of  
8 the district's records during regular business hours.

9 SECTION 2.13. SUIT. A district may sue and be sued in the  
10 district's corporate name.

11 ARTICLE 3. AUTHORITY OF DISTRICT

12 SECTION 3.01. POWERS AND DUTIES. (a) A district shall:

13 (1) administer and enforce the provisions of this Act;

14 (2) use the facilities and powers of the district to  
15 accomplish the purposes of this Act;

16 (3) coordinate water, wastewater, and drainage  
17 services within the district; and

18 (4) control and abate water pollution within the  
19 district.

20 (b) When designing utility infrastructure and related  
21 systems, a district shall submit for review to a municipality with a  
22 population in excess of 300,000, according to the most recent  
23 federal census, and with a municipal boundary that is contiguous to  
24 any of the districts the district's design plans and specifications  
25 for the utility infrastructure and related systems. The district  
26 shall pay to the municipality a fee for conducting the review if the  
27 municipality has established a fee that has general application for

1 comparable reviews. The municipality shall complete the review of  
2 the design plans and specifications not later than the 60th day  
3 after the date on which the plans and specifications are delivered  
4 to the municipality. In constructing the utility infrastructure,  
5 the district shall meet or exceed the construction standards for  
6 materials and installation specifications of a municipality with a  
7 population in excess of 300,000, according to the most recent  
8 federal census, and with a municipal boundary that is contiguous to  
9 any of the districts.

10 (c) Subject to the authority of the Texas Commission on  
11 Environmental Quality, a district has the authority to control and  
12 abate water pollution within the district. The authority of the  
13 district under this subsection does not reduce or eliminate the  
14 authority of a municipality to control and abate water pollution  
15 within the district under state or federal law.

16 (d) Except as provided by this Act, a district has the  
17 powers, rights, and privileges necessary and convenient for  
18 accomplishing the purposes of this Act as provided by general law  
19 relating to a municipal utility district or water control and  
20 improvement district created under Section 59, Article XVI, Texas  
21 Constitution.

22 (e) The powers granted to a district by this Act are  
23 cumulative of powers granted by other law.

24 SECTION 3.02. DISTRICT RULES. (a) A district may adopt and  
25 enforce rules reasonably required to implement this Act, including  
26 rules governing procedure and practice before the board.

27 (b) A district shall keep a record of the district's rules

1 and provide a copy of the rules to a person on written request.

2       SECTION 3.03.   INSPECTIONS AND INVESTIGATIONS.   In addition  
3 to the powers provided by Section 49.221, Water Code, a district may  
4 enter public or private property located within the district for  
5 purposes of inspecting and investigating conditions of the property  
6 relating to the district's authorized purposes.   The district shall  
7 conduct an inspection or investigation in accordance with  
8 provisions and restrictions applicable to the Texas Commission on  
9 Environmental Quality.

10       SECTION 3.04.   HEARINGS AND ORDERS.   (a) A board may:

11               (1) hold hearings, receive evidence from a party in  
12 interest who appears before the board, compel the attendance of a  
13 witness, and make findings of fact and determinations relating to  
14 the administration of this Act or an order or rule of the board; and

15               (2) delegate the authority to take testimony and  
16 administer oaths in a hearing held by the district to a member of  
17 the board or an employee of the district.

18       (b) An order of the board must:

19               (1) be in the name of the district; and

20               (2) be attested to by the appropriate members of the  
21 board under the district's rules.

22       SECTION 3.05.   CIVIL PENALTY; INJUNCTION.   (a) A person who  
23 violates a rule, permit, or order of a district is subject to a  
24 civil penalty of not less than \$50 and not more than \$1,000 for each  
25 violation or each day of a continuing violation.

26       (b) A district may sue to enjoin a threatened or present  
27 activity or to recover the penalty in a district court in the county

1 in which the violation occurred. A penalty recovered under this  
2 subsection shall be paid to the district.

3 SECTION 3.06. PERMITS; CONTRACTS; COOPERATIVE AGREEMENTS.

4 (a) A district is authorized to obtain water appropriation  
5 permits, construction permits, and other water and wastewater  
6 discharge permits from the Texas Commission on Environmental  
7 Quality or from permit owners. The district is authorized to  
8 acquire water or a water supply from a person, firm, corporation,  
9 municipal corporation, or public agency, the state, the United  
10 States, or any agency of the state or the United States. The board  
11 may contract with one or more substantial users of water to acquire  
12 a water supply under an agreed allocation of storage space between  
13 the district and the user or the district may contract for the  
14 district's water supply independently. The district is authorized  
15 to collect, transport, process, dispose of, and control all  
16 domestic, industrial, and communal wastes, whether in fluid, solid,  
17 or composite state. The district is authorized to contract with a  
18 person, firm, corporation, municipal corporation, or public  
19 agency, the state, the United States, or any agency of the state or  
20 the United States for the collection, transportation, processing,  
21 disposition, and control of all domestic, industrial, and communal  
22 wastes. The authority of the district under this subsection  
23 includes the authority to enter into contracts involving  
24 coordinated infrastructure or regional utility plans. The district  
25 may not unilaterally require a person, firm, corporation, municipal  
26 corporation, public agency, or other entity to fund or construct  
27 utility infrastructure for purposes of extending utilities to the

1 district.

2 (b) A district may enter into a contract with the state, a  
3 municipality, an entity created under Section 59, Article XVI,  
4 Texas Constitution, or another entity to supply water or to provide  
5 services relating to domestic, industrial, or commercial waste.  
6 The district is authorized to contract with a person, a  
7 municipality, or an entity created under Section 59, Article XVI,  
8 Texas Constitution, to rent, lease, or operate water production,  
9 water supply, water filtration or purification, and water supply  
10 facilities and facilities to provide services relating to the  
11 wastes of the person, municipality, or entity for a consideration  
12 as agreed to by the district and the person, municipality, or  
13 entity. A contract under this subsection may provide that the  
14 contract continues in effect until specified bonds or notes and  
15 refunding bonds issued in lieu of the bonds or notes are paid. A  
16 municipality or entity described by this subsection is authorized  
17 to enter into a contract with a district to fix, charge, and collect  
18 fees, rates, charges, rentals, or other amounts for a service or  
19 facility provided under a contract with the district and may pledge  
20 amounts that are sufficient to make the payments required under the  
21 contract.

22 (c) For purposes of land use planning, a district shall  
23 encourage owners and developers of land located within the district  
24 to use and develop the land and buildings in compliance with  
25 building, housing, and fire codes, subdivision and zoning  
26 regulations, thoroughfare, water conservation, and land use plans,  
27 and other land development and safety regulations of an adjacent

1 municipality with a population in excess of 300,000, according to  
2 the most recent federal census.

3 SECTION 3.07. FACILITIES. (a) In addition to the authority  
4 provided by Sections 49.218 and 54.201, Water Code, a district may  
5 purchase, construct, acquire, own, lease, operate, maintain,  
6 repair, improve, and extend, at any location within or outside of  
7 the district, land, or an interest in land, a work, an improvement,  
8 a facility, a plant, equipment, or an appliance that is incident,  
9 helpful, or necessary to provide for:

10 (1) the control, storage, preservation, transmission,  
11 treatment, and distribution and use of storm water and floodwater,  
12 the water of rivers and streams, and underground water for  
13 municipal, domestic, industrial, and other beneficial uses; and

14 (2) the collection, transportation, processing,  
15 disposition, and control of domestic, industrial, or commercial  
16 wastes.

17 (b) A district may:

18 (1) enter into a contract with a person, firm,  
19 corporation, municipality, entity created under Section 59,  
20 Article XVI, Texas Constitution, municipal corporation, public  
21 agency, or other political subdivision of the state; and

22 (2) perform any other act consistent with the powers  
23 of the district and necessary to fulfill the purposes of this Act.

24 SECTION 3.08. ACQUISITION AND DISPOSITION OF PROPERTY. A  
25 district may use a public roadway, street, alley, or easement in the  
26 county to accomplish the purposes of the district. The district is  
27 not required to obtain a franchise or other governmental agreement

1 to use a roadway, street, alley, or easement that is owned by a  
2 municipality, with a population in excess of 300,000, according to  
3 the most recent federal census, that is adjacent to any of the  
4 districts if, before using the roadway, street, alley, or easement,  
5 the district obtains written consent of the municipality to the  
6 particular use. The district shall pay a fee to a municipality for  
7 the use of the roadway, street, alley, or easement that equals the  
8 lesser of the district's pro rata share, based on actual area  
9 encumbered, of the fair market value or the initial purchase price  
10 for the roadway, street, alley, or easement.

11 SECTION 3.09. RELOCATION OF FACILITIES. A district may  
12 relocate, raise, reroute, or change the grade of, or alter the  
13 construction of, a highway, railroad, electric transmission line,  
14 pipeline, canal, or drainage ditch, if deemed necessary by the  
15 board. The district shall pay for any relocation, raising,  
16 rerouting, changing, or altering under this section, unless  
17 otherwise agreed in writing by the interested parties. The cost of  
18 replacement is limited to the comparable replacement of any  
19 replaced facility, less the replaced facility's net salvage value.

20 ARTICLE 4. GENERAL FISCAL PROVISIONS

21 SECTION 4.01. DISBURSEMENT OF MONEY. A district may  
22 disburse money only by check, draft, order, or other instrument  
23 signed by a person authorized in the bylaws of the district or by  
24 board resolution.

25 SECTION 4.02. FEES AND CHARGES. A district may establish  
26 fees and charges not to exceed the amounts necessary to enable the  
27 district to fulfill the obligations of the district as provided by

1 this Act.

2 SECTION 4.03. LOANS AND GRANTS. (a) A district may apply  
3 for and receive a loan or grant from the state or the United States,  
4 or any agency of the state or the United States, or from a private  
5 entity, for purposes of exercising the powers of the district.

6 (b) A district may not enter into an agreement under this  
7 section that violates state or federal law.

8 SECTION 4.04. FISCAL YEAR. A board shall establish a fiscal  
9 year for the district.

10 SECTION 4.05. DEPOSITORY BANKS. (a) A board, as provided  
11 by this section, shall designate at least one bank to serve as a  
12 depository for the funds of the district. Subject to Section  
13 49.156, Water Code, the funds of the district shall be deposited in  
14 a depository bank designated under this subsection.

15 (b) Before designating a depository bank, the board shall  
16 publish notice at least once in a newspaper of general circulation  
17 in the district to solicit applications from banks interested in  
18 serving as a depository for the district. The notice shall include  
19 the time and place of the board meeting at which the board proposes  
20 to designate a depository bank. The board shall prescribe the term  
21 of service of a depository bank designated under Subsection (a) of  
22 this section.

23 (c) The board shall review an application received under  
24 Subsection (b) of this section, including examining the management  
25 and condition of each bank submitting an application. In reviewing  
26 an application under this subsection, the board may consider:

27 (1) the terms and conditions proposed by a bank for



1 handling the district's money;

2 (2) the management of the bank; and

3 (3) the ability of the bank to handle the district's  
4 money.

5 (d) A bank is not disqualified from being a depository under  
6 this section because an officer or director of the bank is a member  
7 of the board.

8 (e) An officer or director of a bank is not disqualified  
9 from being a member of the board.

10 (f) If the board does not receive an application under this  
11 section, the board may designate a bank as depository on terms that  
12 the board finds proper.

13 ARTICLE 5. BOND AND TAX PROVISIONS

14 SECTION 5.01. TAXES; REVENUE BONDS. (a) For purposes of  
15 exercising the authority of the district as provided by this Act, a  
16 district may issue bonds or other obligations that are:

17 (1) secured by ad valorem taxes;

18 (2) secured by a pledge of all or part of the revenues  
19 accruing to the district, including revenues received from the sale  
20 of water or other products, the rendition of service, tolls,  
21 charges, and any other source of revenue, other than ad valorem  
22 taxes; and

23 (3) secured by both a pledge of all or part of the  
24 revenues described by Subdivision (2) of this subsection and ad  
25 valorem taxes.

26 (b) An obligation issued by a district shall be authorized  
27 by resolution of the board, issued in the name of the district,

1 signed by the president or vice president, attested to by the  
2 secretary, and bear the seal of the district. The signatures of the  
3 president or vice president and the secretary may be printed or  
4 lithographed on the obligation. The seal of the district may be  
5 impressed, printed, or lithographed on the obligation. An  
6 obligation issued by the district:

7 (1) shall be in a form prescribed by the board;

8 (2) may be in any denomination;

9 (3) shall mature serially or otherwise not later than  
10 50 years from the date of issuance;

11 (4) may bear any interest rate;

12 (5) may be sold at a price and under terms determined  
13 by the board to be the most advantageous available;

14 (6) may, in the discretion of the board, be made  
15 callable before maturity at times and prices as provided in the  
16 obligation;

17 (7) may be made registrable as to principal or  
18 principal and interest; and

19 (8) may be secured by an indenture of trust with a  
20 corporate trustee.

21 (c) An obligation under this section may be issued in more  
22 than one series as required to carry out the purposes of this Act. A  
23 pledge of revenue may reserve the right to issue additional  
24 obligations under conditions specified on the pledge. An  
25 additional obligation is on a parity with or subordinate to the  
26 original obligation.

27 (d) A board resolution authorizing an obligation or a trust

1 indenture under this section may include additional terms to  
2 provide for a corporate trustee or receiver to take possession of  
3 facilities of the district in the event of default by the district  
4 relating to the obligation or trust indenture. The additional  
5 terms, if any, constitute a contract between the district and the  
6 owner of the obligation.

7 (e) A district may not issue bonds that are secured by or  
8 otherwise encumber permanent school fund land located within the  
9 district.

10 SECTION 5.02. BOND ANTICIPATION NOTES. A district may  
11 issue bond anticipation notes for purposes of exercising the powers  
12 of the district. Bond anticipation notes may be secured by a pledge  
13 of all or part of the revenues of the district. The district may  
14 authorize the issuance of bonds to pay the principal of and interest  
15 on bond anticipation notes issued under this section. Bond  
16 anticipation notes shall be secured by a pledge of all or part of  
17 the revenues of the district and may be issued on a parity with or  
18 subordinate to outstanding bonds of the issuer. If the resolution  
19 or trust agreement authorizing the issuance of bond anticipation  
20 notes contains a covenant that the notes are payable from the  
21 proceeds of subsequently issued bonds, the district is not required  
22 to demonstrate that the revenues that may be pledged to the notes  
23 are sufficient to pay the principal of and interest on the notes for  
24 purposes of receiving approval of the attorney general or  
25 registration by the comptroller.

26 SECTION 5.03. REFUNDING BONDS. (a) A district may issue  
27 refunding bonds to refund outstanding bonds and interest as

1 authorized by this Act.

2 (b) Refunding bonds may:

3 (1) be issued to refund one or more series of  
4 outstanding bonds;

5 (2) combine the pledges for the outstanding bonds for  
6 the security of the refunding bonds; or

7 (3) be secured by additional revenues.

8 (c) Refunding bonds may be issued without holding an  
9 election to authorize the issuance of the bonds. The provisions of  
10 this Act relating to the issuance of other bonds by the district,  
11 security for the bonds, approval by the attorney general, and  
12 remedies of the holders of the bonds apply to refunding bonds.

13 (d) Refunding bonds shall be registered by the comptroller  
14 on surrender and cancellation of the bonds to be refunded or, if the  
15 resolution authorizing the issuance of refunding bonds provides  
16 that the bonds shall be sold and the proceeds deposited in the bank  
17 where the bonds to be refunded are payable, the refunding bonds may  
18 be issued in an amount sufficient to pay the principal and interest  
19 of the bonds to be refunded to their option or maturity date. The  
20 comptroller shall register the refunding bonds without concurrent  
21 surrender and cancellation of the bonds to be refunded.

22 SECTION 5.04. APPROVAL AND REGISTRATION OF BONDS. District  
23 bond review and approval is governed by Subchapter F, Chapter 49,  
24 Water Code.

25 SECTION 5.05. BONDS ARE AUTHORIZED INVESTMENTS. All bonds  
26 and notes of a district are legal and authorized investments for  
27 banks, savings banks, trust companies, savings and loan

1 associations, insurance companies, fiduciaries, trustees, and  
2 guardians and for the sinking funds of municipalities, counties,  
3 school districts, or other political corporations or subdivisions  
4 of the state. Bonds and notes of a district are eligible to secure  
5 the deposit of any and all public funds of the state and any and all  
6 public funds of municipalities, counties, school districts, or  
7 other political corporations or subdivisions of the state. Bonds  
8 and notes of the district are lawful and sufficient security for the  
9 deposits to the extent of their value.

10 SECTION 5.06. TAXATION. (a) Except for land owned by the  
11 permanent school fund, a board may levy and collect ad valorem taxes  
12 on land within the district for maintenance, improvements, and  
13 administration relating to the district in amounts approved by the  
14 qualified voters of the district in an election held for that  
15 purpose.

16 (b) A maintenance tax or an administration tax shall not  
17 exceed the maximum approved rate and an approved rate shall remain  
18 in effect unless a different rate is approved by the qualified  
19 voters in a subsequent election.

20 SECTION 5.07. PROPERTY: RENDITION; VALUATION; LEVY. (a)  
21 Except as provided by this section, the rendition and assessment of  
22 property for taxation, the equalization of values, and the  
23 collection of taxes for the benefit of a district shall be conducted  
24 in accordance with the law applicable to counties to the extent  
25 possible.

26 (b) The tax assessor-collector of the county shall act as  
27 the tax assessor-collector for a district for district property

1 located in the county. The tax assessor-collector in the county  
2 shall place on the county tax rolls a column or columns as necessary  
3 to show the taxes, including the amount of taxes, levied by the  
4 district, based on the value of the property as approved and  
5 equalized. The fee charged by the county tax assessor-collector  
6 for assessing and collecting taxes is one percent of the taxes  
7 collected and shall be paid and disbursed by the district in the  
8 same manner as other fees of office.

9 (c) The mechanisms available to enforce the collection of  
10 state and county taxes may be used by a district to enforce the  
11 collection of taxes levied by the district. The district is  
12 entitled to require the officers of the county to enforce and  
13 collect the taxes due to the district in the county as provided for  
14 the enforcement of state and county taxes.

15 (d) Taxes assessed and levied for the benefit of a district  
16 shall be payable and shall become delinquent at the same time, in  
17 the same manner, and subject to the same discount for advance  
18 payment as taxes levied by and for the benefit of the county in  
19 which the property is taxable. The fee for collecting delinquent  
20 taxes through prosecution of suit is 15 percent of the taxes  
21 collected by the suit, to be paid and disbursed by the district in  
22 the same manner as other fees of office.

23 (e) At the same time that the commissioners court levies  
24 county taxes, the board shall levy a tax on all taxable property in  
25 the district that is subject to taxation. The board shall  
26 immediately certify the tax rate to the tax assessor-collector of  
27 the county.

ARTICLE 6. ADDITION OF LAND TO DISTRICT

SECTION 6.01. ANNEXATION. Notwithstanding any other law, additional territory may be added to a district as provided by this article.

SECTION 6.02. PETITION. (a) An owner or owners of land, whether or not contiguous to the territory of a district, may file with the board a petition requesting that the land described in the petition by metes and bounds or by lot and block number, if there is a recorded plat of the area, be included in the district.

(b) A petition under Subsection (a) of this section shall be signed and executed in the manner provided by law for the conveyance of real estate.

(c) The board shall hear and consider a petition received under Subsection (a) of this section and may add to the district the land described in the petition if:

(1) the board determines that adding the land to the district is advantageous to the district; and

(2) the water system and other improvements of the district are sufficient or will be sufficient to provide service to the land added to the district without injuring the land in the district before the petition is granted.

SECTION 6.03. NOTICE AND HEARING. (a) A petition requesting that a district annex a defined area shall be filed with the secretary of the board and shall be signed by:

(1) a majority in value of the owners of land in the defined area, as shown by the tax rolls of the county or counties in which the defined area is located, if the number of landowners in

1 the defined area is 50 or less; or

2 (2) 50 landowners if the number of landowners in the  
3 defined area is more than 50.

4 (b) The board shall issue an order setting a time and place  
5 to hear a petition filed under Subsection (a) of this section. The  
6 hearing shall be held not earlier than the 15th day after the date  
7 on which the board issues the order.

8 (c) The secretary shall issue a notice providing the time  
9 and place of the hearing set under Subsection (b) of this section  
10 and describing the area proposed to be annexed. Notice of the  
11 hearing shall be given by:

12 (1) posting copies of the notice in three public  
13 places in the district and in one public place in the area proposed  
14 to be annexed for at least seven days before the date of the  
15 hearing; and

16 (2) publishing a copy of the notice in a newspaper of  
17 general circulation in the county or counties in which the area  
18 proposed to be annexed is located at least seven days before the  
19 date of the hearing.

20 (d) If the board finds that the proposed annexation is  
21 feasible and practicable and would benefit the district and the  
22 area proposed to be added to the district, the board may by order  
23 receive all or a part of the proposed area as an addition to and part  
24 of the district. An order issued by the board under this subsection  
25 shall describe the area added to the district and be entered in the  
26 minutes.

27 SECTION 6.04. ANNEXATION ORDER. (a) A copy of the order



1 adding land to a district shall be signed by a majority of the  
2 members of the board, attested to by the secretary of the board, and  
3 filed and recorded in the deed records of the county or counties in  
4 which the district is located.

5 (b) On the date that the order is recorded as required by  
6 Subsection (a) of this section, the area described in the order is  
7 included in the territory of the district.

8 ARTICLE 7. EXCLUSION OF LAND FROM DISTRICT

9 SECTION 7.01. PETITION. (a) Notwithstanding any other  
10 law, a board may, if there is no outstanding board order relating to  
11 an election for the authorization of bonds payable in whole or in  
12 part from taxes and the district does not have outstanding  
13 indebtedness secured by taxes or net revenues of the district,  
14 order a hearing to be held to exclude land from the district on  
15 petition of a landowner or on motion of the board.

16 (b) A petition to exclude land from a district must  
17 specifically describe the land to be excluded by metes and bounds or  
18 by reference to a plat recorded in the plat records of the county or  
19 counties in which the land is located. The petition must be signed  
20 by at least 10 percent of the owners of land in the area to be  
21 excluded or, if the number of owners of land is more than 50, by at  
22 least five of the owners of land. The petition must be filed with  
23 the district before the seventh day preceding the date the hearing  
24 is held to consider the petition. The petition must clearly state  
25 the grounds supporting the exclusion of the land from the district.  
26 The board may consider only the grounds stated in the petition.

27 SECTION 7.02. NOTICE AND HEARING. (a) A board shall hold a

1 hearing on petition of a landowner to exclude land from the  
2 district.

3 (b) Notice of hearing under this section shall be published  
4 by the board once a week for two consecutive weeks in one or more  
5 newspapers of general circulation in the district. The first  
6 notice shall be published not earlier than the 40th day or later  
7 than the 14th day preceding the date of the hearing.

8 (c) The board may not exclude land from the district unless  
9 the board determines that:

10 (1) the district has no obligations that will be  
11 impaired by the exclusion of the land;

12 (2) the district will incur no obligations as a result  
13 of the exclusion; and

14 (3) the exclusion is in the best interests of the  
15 district.

16 (d) The board, after considering all engineering data and  
17 other evidence presented at the hearing and making the  
18 determinations required by Subsection (c) of this section, shall  
19 enter an order excluding the land from the district and redefining  
20 the boundaries of the district as appropriate. If land proposed to  
21 be excluded contains water or wastewater customers of the district,  
22 the customers remain customers of the district. Owners of lots  
23 within the land proposed to be excluded in which water and  
24 wastewater facilities have been extended retain the right to  
25 connect to the district's water and wastewater system and become  
26 district customers.

27 SECTION 7.03. EFFECTIVE DATE OF ORDER EXCLUDING LAND. (a)

1 Except as provided by Subsection (c) of this section, an order of a  
2 board excluding land from the district on petition signed by the  
3 owner or owners of land that is proposed to be excluded takes effect  
4 on the date on which the board enters the order.

5 (b) Except as provided by Subsection (c) of this section, an  
6 order excluding land from a district on petition signed by less than  
7 all the owners of land that is proposed to be excluded takes effect:

8 (1) on the day immediately following the date on which  
9 a petition under Section 7.04 of this Act must be received by the  
10 board if the district does not receive a petition under that  
11 section; or

12 (2) on the day immediately following the date on which  
13 the election returns are canvassed if the exclusion is ratified at  
14 an election under Section 7.04 of this Act.

15 (c) An order excluding land from the district under this  
16 section may not take effect unless all taxes levied and assessed by  
17 the district within the land that is proposed to be excluded are  
18 paid in full.

19 SECTION 7.04. PETITION FOR RATIFICATION ELECTION. (a) If a  
20 board issues an order excluding land on petition signed by less than  
21 all the owners of land in the area proposed to be excluded, the  
22 board shall publish a notice that describes the excluded land and  
23 states that the exclusion will become final unless the board  
24 receives, not later than the 25th day after the date on which the  
25 board issues the order, a petition requesting a ratification  
26 election. A petition under this subsection must be signed by at  
27 least 10 percent of the qualified voters residing in the area that

1 is proposed to be excluded from the district.

2 (b) If the board receives a petition under Subsection (a) of  
3 this section, the order excluding land from the district is not  
4 effective unless the exclusion is approved by a majority vote of the  
5 residents of the district at a ratification election held for that  
6 purpose.

7 (c) A ratification election, including notice of the  
8 election and the qualifications of the voters, shall be conducted  
9 as provided by Subchapter J, Chapter 49, Water Code.

10 ARTICLE 8. DIVISION OF DISTRICT

11 SECTION 8.01. CONDITIONS OF DIVISION. (a) A board may, if  
12 the district does not have outstanding indebtedness secured by  
13 taxes or net revenues, divide the territory of the district into two  
14 or more districts. The board may not divide the territory of the  
15 district if the division results in a district with territory of  
16 less than 100 acres. On petition of a landowner or on motion of the  
17 board, the board may consider a proposal to divide the original  
18 district or any district subsequently created by division.

19 (b) A board may not divide territory of the district if the  
20 division results in numerous utility providers within the original  
21 territory of the district. The board may divide territory of the  
22 district for purposes of encouraging and promoting orderly  
23 development within the original territory of the district and  
24 facilitating dependable and efficient utility service at  
25 affordable rates to customers of the district.

26 SECTION 8.02. PROVISIONS RELATING TO NEW DISTRICTS. (a)  
27 Before a board may divide territory of the district or any district

1 resulting from a division under this article, the board shall:

2 (1) determine the terms of the division, including a  
3 plan to pay and perform the outstanding obligations of the  
4 district; and

5 (2) prepare a metes and bounds description of the  
6 proposed division.

7 (b) Except as provided by Section 8.03 of this Act, if a  
8 board divides territory under this article, the board shall be  
9 divided in an appropriate manner consistent with the division of  
10 the district.

11 (c) Districts resulting from a division under this article  
12 shall be designated in an appropriate manner.

13 (d) A district resulting from a division under this article  
14 shall obtain authorization for the issuance of bonds payable wholly  
15 or partially from ad valorem taxes by a majority vote of the  
16 qualified voters of the district voting in an election called and  
17 held for that purpose.

18 (e) A district resulting from a division under this article  
19 shall be required to obtain authorization for a maintenance tax by a  
20 majority vote of the qualified voters of the district voting in an  
21 election called and held for that purpose.

22 SECTION 8.03. APPOINTMENT AND ELECTION OF DIRECTORS. (a) A  
23 district resulting from a division under this article is a separate  
24 district and shall be governed as a separate district.

25 (b) The board shall continue to act on behalf of the  
26 district for 90 days after the date on which a division under this  
27 article is approved for purposes of closing the district's affairs.

1           (c) The board shall appoint two initial directors for a  
2 district resulting from a division under this article to serve  
3 terms expiring on the first June 1 of an even-numbered year after  
4 creation of the district, and three initial directors to serve  
5 terms expiring on the second June 1 of an even-numbered year after  
6 creation of the district. A member of the board may be appointed as  
7 a director of a district resulting from a division under this  
8 article.

9           (d) If a vacancy occurs on the board of directors of a  
10 district resulting from a division under this article, the board of  
11 directors of that district shall appoint a successor to serve for  
12 the remainder of the unexpired term.

13           (e) A successor to the board of directors of a district  
14 resulting from a division under this article shall be elected as  
15 provided by Section 2.04 of this Act.

16           SECTION 8.04. PAYMENT OF DISTRICT DEBTS. A division of  
17 territory of a district under this article may not impair the  
18 current obligations or bond authorizations of the district. The  
19 debts of the district may be paid by taxes, revenues, or assessments  
20 levied on land in the district or by contributions from the district  
21 resulting from a division under this article on terms stated in the  
22 division proposed by the board under Section 8.02 of this Act.

23           SECTION 8.05. AUTHORITY OF DISTRICTS RESULTING FROM A  
24 DIVISION. A district resulting from a division under this article  
25 shall have the power to incur and pay debts created by that  
26 district, the power and authority granted to a district created  
27 under this Act, and the authority to enter into contracts with other

1 districts resulting from a division under this article for purposes  
2 of providing water and wastewater services or another appropriate  
3 purpose.

4 SECTION 8.06. ASSUMPTION OF OBLIGATIONS. A district  
5 resulting from a division under this article shall assume the  
6 obligations of the divided district under an agreement or  
7 resolution consenting to the creation of the district unless the  
8 agreement or resolution imposes obligations that limit the powers  
9 and authority of the district to issue bonds for a purpose  
10 authorized by this Act. The remaining obligations of the divided  
11 district shall be divided on a pro rata basis among the new  
12 districts resulting from a division under this article based on the  
13 number of acres in a district or on terms agreed to by the districts  
14 resulting from a division under this article.

15 SECTION 8.07. NOTICE TO TEXAS COMMISSION ON ENVIRONMENTAL  
16 QUALITY. A district shall provide written notice of a plan to  
17 divide the district under this article to the Texas Commission on  
18 Environmental Quality not later than the 30th day after the date on  
19 which the board of the district decides to divide the district.

20 ARTICLE 9. ANNEXATION AND DISSOLUTION OF DISTRICT

21 SECTION 9.01. ANNEXATION. (a) Notwithstanding any other  
22 law, a municipality may annex a district, including a district  
23 resulting from a division under Article 8 of this Act, only if the  
24 municipality:

25 (1) assumes the outstanding indebtedness of the  
26 district;

27 (2) dissolves the district not later than six months

1 after the date of annexation;

2 (3) assumes the assets, including all accounts  
3 receivable and the right to collect outstanding taxes, delinquent  
4 taxes, and other indebtedness of the district;

5 (4) refrains from imposing municipal taxes on property  
6 located within the district before the dissolution of the district;

7 (5) provides municipal utility, emergency medical,  
8 fire, police, garbage collection, and other standard municipal  
9 services to the residents of the district at the same rate as is  
10 charged to residents within the municipality, or residents of  
11 similar developments; and

12 (6) complies with regional land use planning within  
13 the district.

14 (b) Notwithstanding Subsection (a)(5) of this section, a  
15 municipality that annexes and dissolves a district may impose water  
16 supply fees, impact fees, and other assessments allowed by state  
17 law on property previously located within the district, except for  
18 property that has received a utility service allocation by the  
19 district or property in which site development has been authorized  
20 or commenced.

21 (c) A district shall transfer all assets of the district to  
22 a municipality that annexes and dissolves the district, as provided  
23 by instruments approved by the municipality and district.

24 ARTICLE 10. AFFORDABLE HOUSING

25 SECTION 10.01. AFFORDABLE HOUSING. (a) It is in the best  
26 interest of the state to encourage the development of affordable  
27 housing for the citizens of the state. To the extent that territory



1 of the districts can be used to accomplish this purpose in a manner  
2 that is consistent with the constitutional and statutory provisions  
3 relating to the management of lands dedicated to the permanent  
4 school fund, the legislature directs that 15 percent of all  
5 residential development within the territory that includes all of  
6 the districts shall be developed to provide affordable housing. A  
7 minimum of five percent of the residential housing units within the  
8 territory that includes all of the districts shall be used to  
9 provide affordable housing, to be located in different residential  
10 areas within the territory that includes all of the districts. The  
11 affordable housing shall be located throughout the territory that  
12 includes all of the districts to the extent possible and may not be  
13 concentrated in one district that consists primarily of affordable  
14 housing units.

15 (b) On the sale of permanent school fund land in the  
16 districts that may be used for residential purposes, the School  
17 Land Board shall, through the imposition of restrictive covenants  
18 or by deed restriction, restrict property use in a manner that  
19 requires construction of affordable housing in a percentage  
20 sufficient to satisfy the requirements of this section.

21 (c) In this section, "affordable housing" means housing  
22 initially constructed to qualify for residents having low or very  
23 low income levels, as determined periodically by the United States  
24 Department of Housing and Urban Development, based on the El Paso  
25 Standard Metropolitan Statistical Area.

26 ARTICLE 11. MISCELLANEOUS PROVISIONS

27 SECTION 11.01. TAX EXEMPTION. The purposes stated in this

1 Act are for the benefit of the people of the state, including the  
2 improvement of property and industry. A district, in carrying out  
3 the purposes of this Act, is performing an essential public  
4 function under the constitution and is not required to pay a tax or  
5 assessment on a project of the district or on the bonds or notes  
6 issued by the district under this Act, including the transfer of,  
7 the income from, and the profits made on the sale of issued bonds  
8 and notes.

9 SECTION 11.02. INITIAL ELECTION. (a) Notwithstanding  
10 Section 2.04 of this Act, the district shall hold its first election  
11 for permanent directors on the first Saturday in May of the first  
12 even-numbered year in which, at least 45 days before the date of the  
13 election, there are registered voters in the district.

14 (b) Directors elected at the initial election under this  
15 section shall draw lots to determine which two directors' terms  
16 expire on June 1 of the first even-numbered year after the election  
17 and which three directors' terms expire on June 1 of the second  
18 even-numbered year after the election.

19 SECTION 11.03. FINDINGS RELATING TO PROCEDURAL  
20 REQUIREMENTS. (a) The proper and legal notice of the intention to  
21 introduce this Act, setting forth the general substance of this  
22 Act, has been published as provided by law, and the notice and a  
23 copy of this Act have been furnished to all persons, agencies,  
24 officials, or entities to which they are required to be furnished by  
25 the constitution and other laws of this state, including the  
26 governor, who has submitted the notice and Act to the Texas  
27 Commission on Environmental Quality.

1           (b) The Texas Commission on Environmental Quality has filed  
2 its recommendations relating to this Act with the governor,  
3 lieutenant governor, and speaker of the house of representatives  
4 within the required time.

5           (c) All requirements of the constitution and laws of this  
6 state and the rules and procedures of the legislature with respect  
7 to the notice, introduction, and passage of this Act are fulfilled  
8 and accomplished.

9           SECTION 11.04. SEVERABILITY. If any word, phrase, clause,  
10 sentence, paragraph, section, or other part of this Act or the  
11 application of this Act to any person or circumstance is ever held  
12 to be invalid or unconstitutional by a court of competent  
13 jurisdiction in this state, the remainder of the Act and the  
14 application of that word, phrase, clause, sentence, paragraph,  
15 section, or other part of this Act to other persons or circumstances  
16 are not affected by that holding. To the extent of a conflict  
17 between a provision of this Act and any other law or statute, this  
18 Act controls.

19           SECTION 11.05. VALIDATION. (a) In this section, "original  
20 district" means the Paseo del Este Municipal Utility District,  
21 created by Chapter 443, Acts of the 75th Legislature, Regular  
22 Session, 1997.

23           (b) An act or proceeding taken by or on behalf of the  
24 original district by the General Land Office, the School Land  
25 Board, or any of their respective officers, agents, or  
26 representatives before the effective date of this Act is  
27 conclusively presumed, as of the date it occurred, to be valid and

1 to have occurred in accordance with all applicable laws, and all  
2 actions and proceedings of the district are in all things  
3 validated, ratified, and confirmed in all respects by this section.

4 (c) This section does not:

5 (1) validate an act or proceeding that, under the law  
6 of this state at the time the act or proceeding occurred, was a  
7 misdemeanor or felony; or

8 (2) apply to or affect litigation pending on the  
9 effective date of this section in a court in this state to which the  
10 original district is a party.

11 SECTION 11.06. DISSOLUTION OF ORIGINAL DISTRICT; REPEAL.

12 (a) In this section, "original district" means the Paseo del Este  
13 Municipal Utility District, created by Chapter 443, Acts of the  
14 75th Legislature, Regular Session, 1997.

15 (b) The board of directors of the original district shall  
16 dissolve the original district by resolution as soon as possible  
17 after:

18 (1) the initial boards of directors of the new  
19 districts created by Section 1.02 of this Act have been appointed  
20 under Section 2.03(b) of this Act;

21 (2) any debts, contractual obligations, or assets of  
22 the original district have been assumed by the new districts in an  
23 equitable fashion by agreement of the boards of directors of the  
24 original district and the new districts; and

25 (3) any civil action to which the original district is  
26 a party on the effective date of this Act is finally adjudicated or  
27 settled.

1           (c) The directors of the original district shall deliver a  
2     copy of the dissolution resolution to the secretary of state. The  
3     secretary of state shall publish the resolution in the Texas  
4     Register as soon as practicable after the date on which the  
5     resolution is received.

6           (d) Chapter 443, Acts of the 75th Legislature, Regular  
7     Session, 1997, is repealed on the date on which the original  
8     district is dissolved.

9           SECTION 11.07. EFFECTIVE DATE.     This Act takes effect  
10    September 1, 2003.