```
A BILL TO BE ENTITLED
            AN ACT
    Relating to the creation, administration, powers, duties,
    operation, and financing of Triple Creek Municipal Management
    District within the City of McLendon-Chisholm, Texas, and in
    Rockwall and Kaufman Counties, to the services by the district, and
    to the development of the district's territory, neighboring areas
    within and outside the city's corporate limits, and providing the
    authority to issue bonds, to levy and collect taxes, to levy
    assessments, to collect other revenues, and to provide beneficial
services to the residents of the district and to the city.
    BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
    SECTION 1. Title 4, Special District Local Laws Code is
    amended by adding Chapter XXXX to read as follows:
CHAPTER XXXX. TRIPLE CREEK MUNICIPAL MANAGEMENT DISTRICT
                    SUBCHAPTER A. GENERAL PROVISIONS
    Sec. XXXX.001. DEFINITIONS. In this chapter:
    (1) "Board" means the board of directors of the
    district.
    (2) "City" means the City of McLendon-Chisholm, Texas,
    located partially in Rockwall County and partially in Kaufman
    County, Texas.
```

    (3) "District" means the Triple Creek Municipal
    Management District.
    (4) "Improvement Project" means any program or project
    authorized by this chapter, inside or outside the boundaries of the district that is determined by the board to be necessary to accomplish the public purposes of the district.
(5) "Territory" means the land located within the district's boundaries, as defined in this act.

Sec. XXXX.002. CREATION AND NAMING OF DISTRICT. (a) The Triple Creek Municipal Management District is created as a special district under and pursuant to the provisions of Section 59, Article XVI, Texas Constitution.
(b) The board by resolution may change the district's name and shall give written notice of such change and the new name to the city.
(c) The district is a unit of government for the purposes of Chapter 101, Civil Practice and Remedies Code (the "Texas Tort Claims Act"), and operations of the district are considered to be essential governmental functions and not proprietary functions for all purposes, including the application of the Texas Tort Claims Act.
(d) This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.
(e) If any provision of the general law is in conflict or inconsistent with this chapter, this chapter prevails.

Sec. XXXX.003. INITIAL DISTRICT TERRITORY. (a) The District is initially composed of the territory described in Section 2 of the Act creating this chapter.
(b) A mistake made in the field notes or in copying the field notes in the legislative process does not affect:
(1) the organization, existence, or validity of the
district;
(2) the right and power of the district to impose and collect ad valorem taxes, to levy, collect and enforce assessments, and to impose fees and collect other revenues authorized in this chapter; or
(3) the right or power of the board to enter into any type of contract, including the issuance of bonds or other obligations, for the purposes for which the district is created, or the legality or operations of the board.
(c) The board may add, delete, or exclude territory in the manner provided by Subchapter J, Chapter 49, Water Code, as limited by Section 54.016, Water Code, except that:
(1) No land shall be added to or excluded from the district (A) unless and until such change in the territory is approved by the governing body of the city; and (B) the addition or exclusion is approved by the owners of the land being added or excluded;
(2) For purposes of this subdivision, a reference in Subchapter J, Chapter 49, Water Code, or Section 54.016, Water Code, to a tax means an ad valorem tax;
(3) Section 54.016, Water Code, and Section 42.042, Local Government Code, do not apply to the district's annexation of land restricted primarily to commercial or business use; and
(4) Land may not be removed or de-annexed from the district at any time during which any bonds or other obligations of the district that are payable, in whole or in part, from ad valorem
taxes on such land are outstanding.
Sec. XXXX.004. PURPOSE, DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the City and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.
(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.
(c) This chapter and the creation of the district may not be interpreted to relieve the City or Rockwall and Kaufman Counties from providing the level of services provided as of the effective date of this Act to the area in the district. The district is created to supplement and not to supplant the county or city services provided in the area in the district.

Sec. XXXX.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.
(b) All land and other property included in the district will benefit from the improvement projects and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.
(c) The creation of the district is in the public interest and is essential to further the public purposes of developing and diversifying the economy of the state; eliminate unemployment and underemployment; provide quality residential housing, and develop or expand transportation and commerce.
(d) The district will promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public; will provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a residential community and business center; and will promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.
(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be Improvement Projects that include street or road improvements.
(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

SUBCHAPTER B. GENERAL POWERS AND DUTIES
SEC. XXXX.006. APPLICABLE RIGHTS AND LAWS. (a) The district has all of the powers and duties provided by the following general laws of this state:
(1) the general laws of this state relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code, except that the district's bonds, and other securities are not subject to the jurisdiction or supervision of the commission under Chapter 49, Water Code, or other law;
(2) the general laws of this state relating to road districts and road utility districts created under Section 52(b), Article III, Texas Constitution, including, but not limited to, Chapter 441, Transportation Code;
(3) all of the rights and powers of a district under Subchapters A, E, and F of Chapter 375, Local Government Code, and the provisions of the other Subchapters of Chapter 375 that are not inconsistent with this chapter;
(4) all of the rights and powers of a municipality to impose, levy, and collect special assessments based on benefits to property under Subchapter A of Chapter 372, Local Government Code, except that the power to levy special assessments on property shall be limited to property located within the territory of the district; and
(5) all of the rights and powers of a corporation created under Section 4B, Development Corporation Act of 1979, Article 5190.6, Vernon's Texas Civil Statutes.
(b) Those provisions of Chapter 375, Local Government Code, that relate to the powers and jurisdiction of the Texas Commission on Environmental Quality and to the restrictions applicable to residential property shall not apply to the district.
(c) Any general law that supplements the power and authority of the district, to the extent not in conflict or not inconsistent with this chapter, is adopted and incorporated by reference.
(d) The district, by resolution of the board, may authorize the incorporation of a nonprofit corporation to assist and act on behalf of the district in implementing an improvement project or providing services authorized by this chapter, subject to and in accordance with the following:
(1) The board shall appoint the board of directors of a nonprofit corporation created under this section, and the board of directors of the nonprofit corporation shall serve in the same manner, term, and conditions as a board of directors of a local government corporation created under Chapter 431, Transportation Code;
(2) A nonprofit corporation created under this section has the powers of and is considered for purposes of this chapter to be a local government corporation created under Chapter 431, Transportation Code; and
(3) A nonprofit corporation created under this section may implement any improvement project and provide any service authorized by this chapter and approved by the board.
(e) The district may create economic development programs and exercise the economic development powers and authority that Chapter 380, Local Government Code, provides to a municipality with a population of more than 100,000, and Chapter 1509, Government Code, provides to any municipality.
(f) The board may employ and establish the terms of
employment and compensation of an executive director or general manager, and any other employees of the district the board considers necessary.
(g) The district shall have the power of eminent domain, within and without its territory for its public purposes to the extent and for the purposes provided in this subsection. Such power shall be exercised in the manner permitted for municipalities under the laws of the state, but such power shall not be exercised except with the approval of the governing body of the city. It is provided, however, that the district may not exercise the power of eminent domain for any purpose except to acquire rights-of-way as may be necessary or appropriate for the construction, improvement, repair, or maintenance of streets and highways within or adjacent to the district, and for easements necessary or appropriate for off-site water or wastewater infrastructure.
(h) The district shall have the power to impose impact fees, including an impact fee on residential and/or commercial property. Such impact fees shall be for the purposes of providing capital funding and/or maintenance and operating funds for improvement projects authorized in section XXXX. 007 of this chapter. However, the district is expressly prohibited from levying and imposing such impact fees on the property, equipment, and facilities of a public utility provider within the territory of the district.

SEC. XXXX. 007 . POWER TO PROVIDE IMPROVEMENT PROJECTS. (a) The district may provide, conduct and authorize, or it may enter into contracts with any governmental entity or private party to provide, the following activities and services and the following types of
improvement projects or activities in support of or incidental to its improvement projects:
(1) retail or wholesale water treatment, supply and distribution facilities and systems for the purpose of providing potable and non-potable water to the residents and businesses of the district, and including wastewater and sewerage collection and treatment facilities and systems, provided that treated effluent water resulting from any sewerage treatment facilities operated by or within the boundaries of the district may be used by the district for irrigation purposes within the district;
(2) the provision of septic tank maintenance services within the district and without the district and of solid waste disposal services if the board determines such action to be necessary and appropriate to protect the district;
(3) macadamized, graveled, or paved roads, streets, and turnpikes, inside and outside the district's territory to the full extent authorized by Section 52, Article III, Texas Constitution;
(4) the planning, design, construction, improvement, and maintenance of landscaping; highway right-of-way or transit corridor beautification and improvements; lighting, banners, and signs; streets or sidewalks; hiking and cycling paths and trails, pedestrian walkways, skywalks, crosswalks, or tunnels; parks, lakes, gardens, recreational and sports facilities, open space, scenic areas, and related exhibits and preserves; fountains, plazas, and pedestrian malls; drainage or storm water detention improvements;
(5) protection and improvement of storm water quality that flows through the district;
(6) the planning, design, construction, improvement, maintenance, and operation of solid waste, water, sewer, or power facilities or services, including electrical, gas, steam, and chilled water facilities; or off-street parking facilities and heliports;
(7) the planning and acquisition of public art and sculpture and related exhibits and facilities, including educational and cultural exhibits and facilities;
(8) the planning, design, construction, acquisition, lease, rental, improvement, maintenance, installation, and management of and provision of furnishings for facilities for conferences, conventions, or exhibitions; manufacturer, consumer, or trade shows; civic, community, or institutional events; and exhibits, displays, attractions, special events, and seasonal or cultural celebrations and holidays;
(9) the removal, razing, demolition, or clearing of land or improvements in connection with any improvement project;
(10) the acquisition and improvement of land and other property for the mitigation of the environmental effects of any improvement project;
(11) the acquisition of real or personal property or an interest in real or personal property in connection with an authorized improvement project;
(12) any special or supplemental services for the improvement and promotion of the district or the areas adjacent to
the district or for the protection of public health and safety within or adjacent to the district, including advertising, promotion, tourism, health and sanitation, telecommunications and cable services to residents and businesses in the district, public safety, security, fire protection or emergency medical services, business recruitment, development, elimination of traffic congestion, and recreational, educational, or cultural improvements, enhancements, and services; and
(13) any similar public improvements, facilities, or services.
(b) Any and all of the improvement projects described and authorized in subsection (a) of this section are subject to, and must comply with, the applicable codes and ordinances of the city. The district may not provide, conduct or authorize any improvement project on or within the city streets, highways, rights-of-way, or easements without the consent of the governing body of the city.
(c) Subject to the terms and provisions of the Interlocal Project Development Agreement required by section XXXX.011(a)(2) hereof, the city may:
(1) require that title to all or any portion of improvement projects shall vest in the city in accordance with the codes and ordinances of the city; or
(2) by ordinance or other directive authorize the district to own, encumber, maintain, and operate any portion or all of the improvement projects, upon, after and from the date of completion thereof, subject to the right of the city to order subsequent conveyances of such properties to the city on dates set

```
by the city.
    (d) All or any part of the territory of the district is
eligible to be included in:
    (1) a tax increment reinvestment zone created by the
city under Chapter 311, Tax Code;
    (2) a tax abatement reinvestment zone created by the
    city under Chapter 312, Tax Code; and/or
    (3) an enterprise zone created by the city under
    Chapter 2303, Government Code.
    SEC. XXXX.008. POWERS RELATED GENERALLY TO CONTRACTS AND
    FINANCIAL MATTERS. (a) The district may:
    (1) impose an ad valorem tax on all taxable property
    within the district, and/or special assessments on property within
    the district in accordance with Subchapters A, E, and F of Chapter
    375, and special assessments in accordance with this chapter and
    with Subchapter A of Chapter 372, Local Government Code, including
    industrial, commercial, and residential property, in order to
    finance and provide improvement projects, subject to the
    requirements and limitations contained in this chapter;
```

    (2) impose rates, fees, including impact fees, and
    other charges for the use of any improvement project or the
    consumption of any product accruing therefrom;
    (3) borrow money for district purposes by issuing or
        executing bonds, notes; credit agreements or other obligations of
        any kind found by the board to be necessary or appropriate to the
        purposes and powers of the district, the same to be secured by and
        payable from ad valorem taxes, and/or special assessments, and/or
    an other revenues of the district;
(4) enter into a contract with the city and/or either or both of Rockwall County and Kaufman County, or with any retail water provider or provider of wastewater services, for the accomplishment of any district purpose, including a contract for:
(A) the sharing of specified revenues and income of the district, and/or the payment, repayment, or reimbursement of any costs incurred by that person for or on behalf of the district, including all or part of the costs of any improvement project and interest on the reimbursed cost; and/or
(B) the use, occupancy, lease, rental, operation, maintenance, or management of all or part of a proposed or existing improvement project; and/or
(C) the performance of any governmental service, such as, but not limited to, law enforcement services and/or fire protection services.
(5) apply for and contract with any person to receive, administer, and perform any duty or obligation of the district under any federal, state, local, or private gift, grant, loan, conveyance, transfer, bequest, donation, or other financial assistance arrangement relating to the investigation, planning, analysis, study, design, acquisition, construction, improvement, completion, implementation, or operation by the district or others of a proposed or existing improvement project;
(6) establish, revise, repeal, enforce, collect, and apply the proceeds from user fees or charges for the enjoyment, sale, rental, or other use of the district's facilities, services,
properties, or improvement projects;
(7) provide or secure the payment or repayment of the
costs and expenses of the establishment, administration, and
operation of the district and the district's costs or share of the
costs of, and/or the revenues from, any improvement project or
district contractual obligation or indebtedness by or through a
lease, installment purchase contract, or other agreement with any
person, or the levy and collection of taxes, and/or assessments,
user fees, concessions, rentals, or other revenues or other
resources of the district;
(8) establish user charges related to the operation of
various public services, including public water supply services,
for the collection and treatment of wastewater, and for the
operation of stormwater facilities, including the regulation of
stormwater for the protection of water quality in the district, and
for the provision of septic tank maintenance services within and
without the district;
(9) undertake separately or jointly with other persons, including the city and/or Rockwall County or Kaufman County, all or part of the cost of an improvement project, including an improvement project:
(A) for improving, enhancing, and supporting public safety and security, fire protection and emergency medical services, and law enforcement within and adjacent to the district; or
(B) that confers a general benefit on the entire district or a special benefit on a definable part of the district; and
(10) enter into tax abatement agreements in accordance with the general laws of the state authorizing and applicable to such agreements by municipalities.
(b) A contract the district enters into to carry out a purpose of this chapter may be on any terms and for any period of time as the board may determine; provided, however, that any contract payable from ad valorem taxes for a period longer than one year must be approved by the governing body of the city. Notwithstanding any other law, rule or regulation, a state agency, the city and any other municipality, Rockwall County, Kaufman County, and any other political subdivision, any corporation, individual, or other entity may contract with the district to carry out the purposes of this chapter without any further authorization.

SEC. XXXX.009. RULES AND REGULATIONS; ZONING; AND SECURITY. (a) The district may adopt, amend, and enforce by ordinary civil remedies, including but not limited to injunctive relief, reasonable rules and regulations:
(1) for the administration and operation of the district;
(2) for the use, enjoyment, availability, protection, security, and maintenance of the district's properties and facilities; and
(3) to provide for public safety and security within the district.
(b) The board by rule may regulate the private use of public roadways, open spaces, parks, sidewalks, and similar public areas within the district. To the extent the rules of the district conflict with a rule, order, or regulation of the city, the rule, order, or regulation of the city controls. The rules may provide for the safe and orderly use of public roadways, open spaces, parks, sidewalks, and similar public areas or facilities.
(c) The board may require a permit for a parade, demonstration, celebration, entertainment event, or a similar non-governmental activity in or on the public roadways, open spaces, parks, sidewalks, and similar public areas or facilities. The board may charge a fee for the permit application and for public safety or security services in an amount the board considers necessary.
(d) The board may require a permit or franchise agreement with a vendor, concessionaire, exhibitor, or similar private or commercial person or organization for the limited use of the area or facilities on terms and conditions and on payment of a permit or franchise fee the board may impose.

SUBCHAPTER C. SELECTION AND QUALIFICATIONS OF BOARD OF DIRECTORS; CONFIRMATION ELECTION

SEC. XXXX.010. BOARD OF DIRECTORS. (a) The district is governed by a board of five directors. The initial directors shall serve from the effective date of this Chapter until November 30, 2008, and until their successors shall be elected and shall qualify. Thereafter, directors serve staggered terms of four years and until their respective successors are elected and shall qualify. The first election shall be held on the uniform election day in November, 2008. Persons elected to Positions 1 and 2 on that
day shall serve terms expiring on November 30 2010, and until their respective successors shall be elected and shall qualify. Persons elected to Positions 3, 4, and 5 on that day shall serve terms expiring on November 30, 2012, and until their respective successors shall be elected and shall qualify. At an election held on the uniform election day in November, 2010, and during November of each second year thereafter, an election shall be held at which directors shall be elected for terms of four years in each Position held by a director whose term is expiring on the following November 30, and until their respective successors shall be elected and shall qualify.
(b) Section 49.052, Water Code, does not apply to directors qualified as initial directors. To be qualified to serve as a director other than the initial directors a person must be at least 18 years of age, a citizen of the United States and a resident of the State of Texas, and be at least one of the following:
(1) a resident, qualified voter of the district;
(2) an owner of real property in the district; or
(3) a person who served as an initial director.
(c) A vacancy in the office of director, including the initial directors, shall be filled by appointment of a qualified individual by the board.
(d) As soon as practicable after a director is elected or appointed, the elected director shall execute a bond for $\$ 10,000$ payable to the district and conditioned on the faithful performance of the director's duties. All of the directors' bonds must be approved by the governing body of the city. Each director shall take
the oath of office prescribed by the constitution for public office. The bond and oath shall be filed with the district and the district shall retain the bond and oath in its records. The cost of such bonds shall be the responsibility of the district.
(e) The directors shall elect a chair, a vice chair, and a secretary.
(f) A position on the board may not be construed to be a civil office of emolument for any purpose, including those purposes described in Section 40, Article XVI, Texas Constitution.
(g) A director is not entitled to compensation for service on the board but is entitled to be reimbursed for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of a director.
(h) Three directors constitute a quorum for the consideration of matters pertaining to the district, and a concurrence of a majority (at least two directors if only three are present) of a quorum of directors shall be required for any official action of the district.
(i) Chapters 551 and 552, Government Code, apply to the District.

SEC. XXXX.011. DISTRICT CONFIRMATION ELECTION. (a) As soon as practicable after all initial directors have qualified for office, the initial directors shall hold an organizational meeting. The initial directors shall then call a confirmation election to be held on a date that is not later than the second following and available uniform election date after satisfying the following conditions, to-wit:
(1) Prior to calling the election, the governing body of the city must, by resolution, give its consent to such action; and
(2) The district and the City shall have executed a mutually approved and accepted Interlocal Project Development Agreement regarding the development plans and rules for development of the district.
(b) The confirmation election shall be called and held to confirm the establishment of the district in the manner provided by Subchapter D, Chapter 49, Water Code. In the event a majority of the votes cast at a confirmation election is against the creation of the district, the board may call succeeding elections on uniform election dates, but it may not call another confirmation election for six months after the date the former confirmation election is held. Before a successful confirmation election, the district:
(1) may not borrow money or impose a tax or an assessment of any kind for any purpose; and
(2) may carry on any business as the board may determine except as provided by subdivision (1) of this subsection.

SUBCHAPTER D. OPERATION AND MAINTENANCE TAX; BONDS AND OTHER OBLIGATIONS

SEC. XXXX.012. OPERATION AND MAINTENANCE TAX. (a) The district may levy and collect a tax for operation and maintenance purposes, including funds for planning, constructing, acquiring, maintaining, repairing, and operating all necessary land, plants, works, facilities, improvements, appliances, and equipment of the district and for paying costs of proper services, engineering and
legal fees, and organization and administrative expenses.
(b) An operation and maintenance tax may not be levied by a district until it is approved by the governing body of the city and by a majority of the qualified voters in the district voting at an election held for that purpose. After such a tax has been authorized by the governing body of the city and by the district's voters, the board shall be authorized to levy the tax and have it assessed and collected as other district taxes.
(c) An operation and maintenance tax election may be held at the same time and in conjunction with any other district election, including the election to confirm the creation of the district. The election may be called by a separate election order or as part of any other election order.
(d) The proposition in an operation and maintenance tax election may be for a specific maximum rate or for an unlimited rate.
(e) If the district has any surplus operation and maintenance tax funds that are not needed for the purposes for which they were collected, the funds may be used for any lawful purpose.
(f) Sections $26.04,26.05$ and 26.07, Tax Code, do not apply to a tax levied and collected under this section or an ad valorem tax levied and collected for the payment of the interest on and principal of bonds issued by the district.

SEC. XXXX.013. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may issue bonds that are payable in whole or in part from ad valorem taxes in the manner provided by Subchapter J of Chapter 375, Local Government Code, and subject to
the other provisions of this chapter. Sections 375.207 and 375.208 of Chapter 375, Local Government Code, do not apply to bonds issued under this chapter.
(b) The district may issue bonds that are payable from assessments against property within the district in the manner provided by either Subchapter J of Chapter 375, Local Government Code, or Subchapter A of Chapter 372, Local Government Code.
(c) In addition to the sources of money described by Subchapter $J$ of Chapter 375, Local Government Code, and/or Subchapter A of Chapter 372, Local Government Code, the District may issue bonds that are secured and made payable, wholly or partly, by a pledge of any part of the net proceeds the district receives from the hotel occupancy tax authorized by this chapter and from any other revenues of the district.
(d) None of the bonds described in subsection (a) of this section shall be issued by the district unless such bonds are first approved by the governing body of the city. Notwithstanding any provisions of this chapter or other law, the city shall not be obligated to pay, repay, or guarantee any bonds, notes or other obligations of the district unless the city dissolves the district under subchapter E of this chapter.
(e) The district may issue bonds or other obligations, by competitive bid or negotiated sale.
(f) In exercising the district's powers under this section, the district may issue or execute a bond or other obligation in the form of a bond, a negotiable or non-negotiable note, a certificate of participation, a reimbursement agreement or note, or an
instrument evidencing a proportionate interest in payments to be made by the district, or other type of obligation. The term of a bond or other obligation executed or issued under this chapter may not exceed 40 years from the date of issuance.

SEC. XXXX.014. BOND ELECTIONS; TAXES AND; ASSESSMENTS. (a) Bonds and other obligations that are secured by and payable in whole or in part from ad valorem taxes may not be issued unless the bonds and the levy of the taxes are first approved by a majority of the qualified voters in the district voting at an election held for that purpose, and are first approved by the governing body of the city.
(b) At the time bonds or other obligations that are payable in whole or in part from ad valorem taxes are issued, the board shall levy a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year while all or part of the bonds are outstanding, and the district shall annually assess and collect an ad valorem tax, on all taxable property within the district in sufficient amount to pay the interest on the bonds or other obligations as it becomes due and to create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date and to pay the expenses of assessing and collecting the taxes.
(c) An election required by this section shall be conducted in accordance with the appropriate provisions of Chapter 54, Water Code.

SEC. XXXX.015. HOTEL OCCUPANCY TAX. (a) In this section, "hotel" has the meaning assigned by Section 156.001, Tax Code.
(b) The board by order may impose, repeal, or increase or
decrease the rate of $a$ tax on $a$ person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays two dollars (\$2.00) or moreper day for the use or possession or for the right to use or possess a room that is in a hotel located in the boundaries of the district, and if said room is ordinarily used for sleeping. The amount of the tax may not exceed seven percent of the price paid for a room in a hotel.
(c) Subchapter A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized under this section, including the collection of the tax, except as inconsistent with this section, subject to the limitations prescribed by Sections $352.002(\mathrm{~b})$ and (c), Tax Code.
(d) The district may examine and receive information related to the imposition, assessment, and collection of hotel occupancy taxes to the same extent as if the district were a municipality.
(e) For purposes of this section, a reference in Subchapter A, Chapter 352, Tax Code, to a county is a reference to the district and a reference in Subchapter A., Chapter 352, Tax Code, to the county's officers or governing body is a reference to the board.
(f) The district shall apply the proceeds from a hotel occupancy tax imposed under this section for any of the district's purposes and for the purposes described by Section 352.1015, Tax Code, to the extent considered appropriate by the board.
(g) During each interval of three calendar years following the date on which a hotel occupancy tax imposed under this section is initially collected, the board may not apply an annual average of
more than 10 percent of the amount of tax collected under this section, excluding any interest earnings or investment profits and after a deduction for the costs of imposing and collecting the taxes, for the administrative expenses of the district or a district purpose other than:
(1) the costs of advertising and promoting tourism, or
(2) the costs of business development and commerce, including the costs of planning, designing, constructing, acquiring, leasing, financing, owning, operating, maintaining, managing, improving, repairing, rehabilitating, or reconstructing improvement projects for conferences, conventions, and exhibitions, manufacturer, consumer, or trade shows, and civic, community, or institutional events.
(h) For purposes of this section, a reference in Subchapter B, Chapter 352, Tax Code, to a county is a reference to the district and a reference in Subchapter B, Chapter 352, Tax Code, to the county's officers or governing body is a reference to the board.

SEC. XXXX.016. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter and by and in accordance with Subchapters $F$ of Chapter 375, Local Government Code, and/or Subchapter A of Chapter 372, Local Government Code, to the extent not inconsistent with this chapter.
(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's
fees incurred by the district are superior to any other lien or claim against the assessed property other than a lien or claim for county, school district, district, or city ad valorem taxes.
(c) The assessment lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid, and said lien runs with the land, continues until paid in full, and is not eliminated by any foreclosure of an ad valorem tax lien. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.
(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

SUBCHAPTER E. DISSOLUTION OF DISTRICT
SEC. XXXX.017. DISSOLUTION. (a) Subject to the conditions and the other provisions of this section and to the terms, provisions, and conditions of any applicable agreement between the district and the city, the city by ordinance duly adopted by at least a two-thirds (2/3rds) majority vote of its governing body, may dissolve the district.
(b) The city may not dissolve the district until the district's outstanding indebtedness or contractual obligations that are payable from ad valorem taxes, if any, have been repaid or discharged.
(c) After the city dissolves the district, the city shall assume the obligations of the district with respect to any bonds or
other indebtedness that are payable from assessments or other sources of revenues of the district, and the city shall succeed to and may exercise any and all powers of the district with respect thereto.
(d) Upon dissolution of the district, the board shall transfer ownership of all property and assets of the district to the city.

SECTION 2. The district initially includes all of the three (3) tracts of land located in the corporate limits of the city, partially within Rockwall County, and partially within Kaufman County and described by metes and bounds, as follows, to-wit: TRACT ONE: 352.817 Acres Located in Rockwall County and Kaufman County, Texas: BEING all that certain lot, tract or parcel of land situated in the King Latham Survey, Abstract Number 133, located in Rockwall County, Texas and King Latham Survey, Abstract Number 622, located in Kaufman County, Texas, and being a portion of a called 203.728 acre tract of land described in deed to WED Limited Partnership, as recorded in Volume 2053, Page 273 of the Deed Records of Rockwall County, Texas, and also being a portion of Tract No. 1, a called 850.14 acre tract of land described in deed to The McLendon-Chisholm Ranch, L.P., as recorded in Volume 4492, Page 101 of the Deed Records of Rockwall County, Texas and being more particularly described by metes and bounds as follows: BEGINNING at a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set in the west right of way line of State Highway No. 205 (a variable width right of way); THENCE South 44 degrees 36 minutes 15 seconds East, along said west right of way line, a distance of 2208.26 feet to a $1 / 2$ inch iron rod with cap stamped "Weir \& Associates" found for the most northerly corner of Lot 27, Block A, Chisholm Ranch Estates Addition, an addition to Rockwall County, according to the plat recorded in Cabinet F , Page 247, of the Plat Records of Rockwall County, Texas; THENCE South 45 degrees 14 minutes 10 seconds West, along the northwest line of Block A, of said Chisholm Ranch Estates Addition, a distance of 3117.04 feet to a $1 / 2$ inch iron rod found for corner; THENCE South 44 degrees 27 minutes 13 seconds East, along the southwest line of Block A, of said Chisholm Ranch Estates Addition, a distance of 923.44 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set, from which a $1 / 2$ inch iron rod found in the northwest right of way line of Farm to Market Road No. 548 bears South 44 degrees 27 minutes 13 seconds East, a distance of $\underline{2260.45 \mathrm{feet} ;}$

THENCE South 44 degrees 18 minutes 39 seconds West, along the northwest line of a tract of land described in deed to Dorothy Lynn Sulling, Martha Nell McAllister, Mary Elizabeth Awanessian \& William Dewey Samuels, Jr., as recorded in Volume 579, Page 86 of the Deed Records of Rockwall County, Texas, a distance of 1159.29 feet to a $1 / 2$ inch iron rod found for corner; THENCE South 45 degrees 50 minutes 06 seconds West, continuing along said northwest line, a distance of 1874.24 feet to a $1 / 2$ inch iron rod found in the northeast line of said WED Limited Partnership Tract;

THENCE South 44 degrees 02 minutes 51 seconds East, along the

```
southwest line of said Dorothy Lynn Sulling, Martha Nell
McAllister, Mary Elizabeth Awanessian & William Dewey Samuels, Jr.
Tract, a distance of 2229.61 feet to a 1/2 inch iron rod found in the
northwest right of way line of said Farm to Market Road No. 548, for
the beginning of a non-tangent curve to the right having a radius of
1395.90 feet, a central angle of 19 degrees 43 minutes 37 seconds, a
chord bearing of South 65 degrees 19 minutes 10 seconds West, and a
chord distance of 478.24 feet;
THENCE along said northwest right of way line, the following
courses and distances:
    Southwesterly along said curve for an arc length of 480.61
    feet to a concrete monument found for corner;
    South 75 degrees 19 minutes 35 seconds West, a distance of
    511.95 feet to a concrete monument found for corner by a
    wooden right of way marker, for the beginning of a tangent
    curve to the left having a radius of 1481.35 feet, a central
    angle of 30 degrees 01 minutes 03 seconds, a chord bearing of
    South 60 degrees 20 minutes 50 seconds West, and a chord
    distance of 767.24 feet;
    Southwesterly along said curve for an arc length of 776.09
    feet to a concrete monument found for corner by a wooden right
    of way marker;
    South 45 degrees 23 minutes 00 seconds West, a distance of
    190.29 feet to a 1/2 inch iron rod found for the most
    southerly corner of said WED Limited Partnership Tract;
THENCE North 44 degrees 39 minutes 33 seconds West, along the
southwest line of said WED Limited Partnership Tract, a distance of
```

2082.11 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for corner;
THENCE over and across said WED Limited Partnership Tract and said
Tract No. 1, the following courses and distances:
North 45 degrees 20 minutes 27 seconds East, a distance of
400.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for the beginning of a tangent curve
to the left having a radius of 600.00 feet, a central angle of
18 degrees 00 minutes 00 seconds, a chord bearing of North 36
degrees 20 minutes 44 seconds East, and a chord distance of
187.72 feet;
Northeasterly along said curve for an arc length of 188.50
feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for the beginning of a reverse curve
to the right having a radius of 600.00 feet, a central angle
of 10 degrees 00 minutes 00 seconds, a chord bearing of North
32 degrees 20 minutes 44 seconds East, and a chord distance of
104.59 feet;
Northeasterly along said curve for an arc length of 104.72
feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for corner;
North 37 degrees 20 minutes 44 seconds East, a distance of
250.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for the beginning of a tangent curve
to the left having a radius of 600.00 feet, a central angle of
15 degrees 00 minutes 00 seconds, a chord bearing of North 29
degrees 50 minutes 44 seconds East, and a chord distance of
156.63 feet;

Northeasterly along said curve for an arc length of 157.08 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 22 degrees 20 minutes 44 seconds East, a distance of 350.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 600.00 feet, a central angle of 25 degrees 23 minutes 21 seconds, a chord bearing of North 35 degrees 02 minutes 24 seconds East, and a chord distance of 263.70 feet;

Northeasterly along said curve for an arc length of 265.87 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a reverse curve to the left having a radius of 500.00 feet, a central angle of 55 degrees 58 minutes 53 seconds, a chord bearing of North 19 degrees 44 minutes 38 seconds East, and a chord distance of 469.33 feet;

Northeasterly along said curve for an arc length of 488.53 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;
North 08 degrees 14 minutes 48 seconds West, a distance of 47.60 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 800.00 feet, a central angle of 56 degrees 31 minutes 24 seconds, a chord bearing of North 20 degrees 00 minutes 54 seconds East, and a chord distance of

### 757.60 feet;

Northeasterly along said curve for an arc length of 789.21 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 48 degrees 16 minutes 36 seconds East, a distance of 100.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 400.00 feet, a central angle of 33 degrees 15 minutes 03 seconds, a chord bearing of North 31 degrees 39 minutes 05 seconds East, and a chord distance of 228.89 feet;

Northeasterly along said curve for an arc length of 232.13 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 16 degrees 51 minutes 30 seconds East, a distance of $\underline{205.87}$ feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 900.00 feet, a central angle of 27 degrees 31 minutes 30 seconds, a chord bearing of North 30 degrees 37 minutes 15 seconds East, and a chord distance of 428.22 feet;

Northeasterly along said curve for an arc length of 432.36 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 44 degrees 23 minutes 00 seconds East, a distance of 100.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve
to the left having a radius of 300.00 feet, a central angle of 08 degrees 50 minutes 10 seconds, a chord bearing of North 39 degrees 57 minutes 55 seconds East, and a chord distance of 46.22 feet; Northeasterly along said curve for an arc length of 46.27 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; North 35 degrees 32 minutes 50 seconds East, a distance of 100.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 800.00 feet, a central angle of 12 degrees 12 minutes 45 seconds, a chord bearing of North 41 degrees 39 minutes 12 seconds East, and a chord distance of 170.20 feet;

Northeasterly along said curve for an arc length of 170.52 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 47 degrees 45 minutes 35 seconds East, a distance of 120.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 400.00 feet, a central angle of 82 degrees 26 minutes 29 seconds, a chord bearing of North 06 degrees 32 minutes 21 seconds East, and a chord distance of 527.17 feet;

Northeasterly along said curve for an arc length of 575.55 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 34 degrees 40 minutes 54 seconds West, a distance of 22.07 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 66 degrees 13 minutes 45 seconds East, a distance of 580.20 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; North 23 degrees 56 minutes 15 seconds East, a distance of 330.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; North 66 degrees 13 minutes 45 seconds West, a distance of 1030.80 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a non-tangent curve to the right having a radius of 800.00 feet, a central angle of 64 degrees 07 minutes 58 seconds, a chord bearing of North 16 degrees 54 minutes 14 seconds East, and a chord distance of 849.44 feet;

Northeasterly along said curve for an arc length of 895.46 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 48 degrees 58 minutes 13 seconds East, a distance of 114.18 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; South 74 degrees 46 minutes 50 seconds East, a distance of 655.54 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 15 degrees 13 minutes 10 seconds East, a distance of 295.16 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur

Surveying Company" set for corner;
North 74 degrees 46 minutes 50 seconds West, a distance of 567.55 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 21 degrees 58 minutes 38 seconds East, a distance of 374.09 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 1500.00 feet, a central angle of 14 degrees 24 minutes 59 seconds, a chord bearing of North 29 degrees 11 minutes 07 seconds East, and a chord distance of 376.42 feet;

Northeast along said curve for an arc length of 377.42 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 36 degrees 23 minutes 36 seconds East, a distance of 334.54 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 800.00 feet, a central angle of 28 degrees 16 minutes 07 seconds, a chord bearing of North 50 degrees 31 minutes 40 seconds East, and a chord distance of 390.71 feet;

Northeasterly along said curve for an arc length of 394.70 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 64 degrees 39 minutes 43 seconds East, a distance of 302.18 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 400.00 feet, a central angle of 19 degrees 15 minutes 58 seconds, a chord bearing of North 55 degrees 01 minutes 44 seconds East, and a chord distance of 133.87 feet; Northeasterly along said curve for an arc length of 134.50 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; North 45 degrees 23 minutes 45 seconds East, a distance of 190.11 feet to the POINT OF BEGINNING and containing 352.817 acres of land, more or less, and being subject to any and all easements that may affect.

TRACT TWO: 424.915 Acres Located in Rockwall County, Texas:
BEING all that certain lot, tract or parcel of land situated in the King Latham Survey, Abstract Number 133, located in Rockwall County, Texas, and being all of a called 159.4006 acre tract of land described in deed to Tyrone E. Davenport, as recorded in Volume 1374, Page 302 of the Deed Records of Rockwall County, Texas, a portion of a called 10.03 acre tract of land described in deed to Tyrone Davenport, as recorded in Volume 3742, Page 268 of the Deed Records of Rockwall County, Texas, and being all of a 89.00 acre tract of land described in deed to T. A. Lewis, as recorded in Volume 30, Page 306, Deed Records of Rockwall County, Texas, and also being all of the First and Second Tracts, as described in deed to D. E. Lewis, Thomas Eugene Lewis, Dorothy Dee Lewis, and David Arden Lewis, as recorded in Volume 63, Page 436, Deed Records of Rockwall County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a $1 / 2$ inch iron rod found in the southeast right of way line of Farm to Market Road No. 550 (a variable width right of way) same being the most westerly corner of a called 18.274 acre tract of land described in deed to Garin Reetz and Linda Reetz, as recorded in Volume 2231, Page 142 of the Deed Records of Rockwall County, Texas, from which a $1 / 2$ inch iron rod found for the most northerly corner of said Reetz Tract bears North 45 degrees 34 minutes 28 seconds East, a distance of 873.50 feet; THENCE South 44 degrees 30 minutes 02 seconds East, along the southwest line of said Reetz Tract, a distance of 916.53 feet to a 1/2 inch iron rod found for corner; THENCE North 44 degrees 36 minutes 22 seconds East, along the southeast line of said Reetz Tract, a distance of 876.61 feet to a 3/8 inch iron rod found in the southwest line of Tract IV, a called 215.607 acre tract of land described in deed to Mariah Bay Development, Inc., as recorded in Volume 2245, Page 278 of the Deed Records of Rockwall County, Texas; THENCE along the south lines of said Mariah Bay Development Tract, the following courses and distances:

South 44 degrees 41 minutes 25 seconds East, a distance of 1673.16 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;
North 45 degrees 40 minutes 12 seconds East, a distance of 1558.33 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;
South 45 degrees 01 minutes 57 seconds East, a distance of 375.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur

Surveying Company" set for corner;
North 44 degrees 58 minutes 03 seconds East, a distance of 413.26 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the most westerly corner of a called 79.335 acre tract of land described in deed to Albert Meyers, as recorded in Volume 153, Page 699 of the Deed Records of Rockwall County, Texas;

THENCE South 43 degrees 51 minutes 51 seconds East, along the southwest line of said Meyers Tract, a distance of 1434.52 feet to a 1/2 inch iron rod with a can stamped "Arthur Surveying Company" set for the northerly corner of a Second Tract, a called 53.446 acre tract of land described in deed to Jerry L. Klutts and wife Rita C. Klutts. as recorded in Volume 1119, Page 22 of the Deed Records of Rockwall County, Texas;

THENCE South 44 degrees 59 minutes 05 seconds West, along the northwest line of said Second Tract and a called 199.719 acre tract of land described in deed to Beverly Farrar, as recorded in Volume 1150, Page 112 of the Deed Records of Rockwall County, Texas, a distance of 4480.56 feet to a $1 / 2$ inch iron rod found for the most easterly corner of a called 98.730 acre tract of land described in deed to G. H. Development, Inc., as recorded in Volume 4061, Page 257 of the Deed Records of Rockwall County, Texas; THENCE North 43 degrees 20 minutes 06 seconds West, along the northeast line of said G. H. Development Tract, a distance of 1451. 15 feet to a Fence Post found in the southeast line of said Davenport Tract, from which a $1 / 2$ inch iron rod found for the east corner of said 159.4006 acre tract bears North 45 degrees 37 minutes
38 seconds East, a distance of 761.57 feet;
THENCE South 45 degrees 37 minutes 38 seconds West, along the
northwest line of said G. H. Development Tract, a distance of
1482.10 feet to a $3 / 8$ inch iron rod found for the most easterly
corner of said 10.03 acre tract;
THENCE South 46 degrees 00 minutes 41 seconds West, continuing
along the northwest line of said G. H. Development Tract, same being
the southeast line of said 10.03 acre tract, a distance of 510.00
feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying
Company" set for corner;
THENCE North 46 degrees 13 minutes 43 seconds West, over and across
said Davenport Tract, a distance of 299.71 feet to a 1/2 inch iron
rod with a cap stamped "Arthur Surveying Company" set in the
northwest line of said 10.03 acre tract, same being in the southeast
line of a called 10.00 acre tract of land described in deed to
Robert G. Vernon, as recorded in Volume 1547, Page 91 of the Deed
Records of Rockwall County, Texas;
THENCE North 46 degrees 01 minutes 08 seconds East, along said
southeast line, a distance of 520.00 feet to a $3 / 4$ inch iron pipe
found for the most easterly corner of said Vernon Tract;
THENCE North 44 degrees 19 minutes 00 seconds West, along a
southwest line of said 159.4006 acre tract, a distance of 1195.42
feet to a 3/4 inch iron pipe found for corner;
THENCE South 45 degrees 30 minutes 07 seconds West, continuing
along said 159.4006 acre tract, a distance of 213.27 feet to a $1 / 2$
inch iron rod with a cap stamped "Arthur Surveying Company" set for
the most easterly corner of a called 50 acre tract of land described
in deed to Mary E. Young, as recorded in Volume 547. Page 322 of the Deed Records of Rockwall County Texas; THENCE North 44 degrees 23 minutes 02 seconds West, along the northeast line of said Young Tract, a distance of 1478.44 feet to a $1 / 2$ inch iron rod found in the southeast right of way line of said Farm to Market Road No. 550; THENCE North 45 degrees 24 minutes 42 seconds East, along said southeast right of way line, a distance of 2421.45 feet to a $1 / 2$ inch iron rod found for the most northerly corner of said 159.4006 acre tract; THENCE North 45 degrees 48 minutes 18 seconds East, continuing along said southeast right of way line, a distance of 875.84 feet to the POINT OF BEGINNING and containing 424.915 acres of land, more or less, and being subject to any and all easements that may affect. TRACT THREE: 802.220 Acres Located in Rockwall County and Kaufman County, Texas: BEING all that certain lot, tract or parcel of land situated in the King Latham Survey, Abstract Number 133, located in Rockwall County, Texas and the King Latham Survey, Abstract Number 622, located in Kaufman County, Texas, and being a portion of a called 203.728 acre tract of land described in deed to WED Limited Partnership, as recorded in Volume 2053, Page 273 of the Deed Records of Rockwall County, Texas, and also being a portion of Tract No. 1, a called 850.14 acre tract of land and a all of Tract No. 2, a called 150 acre tract of land described in deed to The McLendon-Chisholm Ranch, L.P., as recorded in Volume 4492, Page 101 of the Deed Records of Rockwall County, Texas and being more
particularly described by metes and bounds as follows:
BEGINNING at a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set in the west right of way line of State
Highway No. 205 (a variable width right of way) from which a $1 / 2$
inch iron rod with cap stamped "Weir \& Associates" found for the
most northerly corner of Lot 27, Block A, Chisholm Ranch Estates
Addition, an addition to Rockwall County, according to the plat
recorded in Cabinet $F$, Page 247, of the Plat Records of Rockwall
County, Texas, bears South 44 degrees 36 minutes 15 seconds East, a
distance of 2208.26 feet;
THENCE over and across said Tract No. 1 and said WED Limited
Partnership Tract, the following courses and distances:
South 45 degrees 23 minutes 45 seconds West, a distance of
190.11 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for the beginning of a tangent curve
to the right having a radius of 400.00 feet, a central angle
of 19 degrees 15 minutes 58 seconds, a chord bearing of South
55 degrees 01 minutes 44 seconds West, and a chord distance of
133.87 feet;
Southwesterly along said curve for an arc length of 134.50
feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for corner;
South 64 degrees 39 minutes 43 seconds West, a distance of
302.18 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur
Surveying Company" set for the beginning of a tangent curve
to the left having a radius of 800.00 feet, a central angle of
28 degrees 16 minutes 07 seconds, a chord bearing of South 50
degrees 31 minutes 40 seconds West, and a chord distance of 390.71 feet;

Southwesterly along said curve for an arc length of 394.70 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; South 36 degrees 23 minutes 36 seconds West, a distance of 334.54 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 1500.00 feet, a central angle of 14 degrees 24 minutes 59 seconds, a chord bearing of South 29 degrees 11 minutes 07 seconds West, and a chord distance of 376.42 feet;

Southwesterly along said curve for an arc length of 377.42 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 21 degrees 58 minutes 38 seconds West, a distance of 374.09 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 74 degrees 46 minutes 50 seconds East, a distance of 567.55 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; South 15 degrees 13 minutes 10 seconds West, a distance of 295.16 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 74 degrees 46 minutes 50 seconds West, a distance of 655.54 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 48 degrees 58 minutes 13 seconds West, a distance of 114.18 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 800.00 feet, a central angle of 64 degrees 07 minutes 58 seconds, a chord bearing of South 16 degrees 54 minutes 14 seconds West, and a chord distance of 849.44 feet;

Southwesterly along said curve for an arc length of 895.46 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 66 degrees 13 minutes 45 seconds East, a distance of 1030.80 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 23 degrees 56 minutes 15 seconds West, a distance of 330.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 66 degrees 13 minutes 45 seconds West, a distance of 580.20 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 34 degrees 40 minutes 54 seconds East, a distance of 22.07 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 400.00 feet, a central angle of 82 degrees 26 minutes 29 seconds, a chord bearing of South 06 degrees 32 minutes 21 seconds West, and a chord distance of 527.17 feet;

Southwesterly along said curve for an arc length of 575.55
feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 47 degrees 45 minutes 35 seconds west, a distance of 120.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 800.00 feet, a central angle of 12 degrees 12 minutes 45 seconds, a chord bearing of South 41 degrees 39 minutes 12 seconds West, and a chord distance of 170.20 feet;

Southwesterly along said curve for an arc length of 170.52 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 35 degrees 32 minutes 50 seconds west, a distance of 100.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 300.00 feet, a central angle of 08 degrees 50 minutes 10 seconds, a chord bearing of South 39 degrees 57 minutes 55 seconds West, and a chord distance of 46.22 feet;

Southwesterly along said curve for an arc length of 46.27 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 44 degrees 23 minutes 00 seconds west, a distance of 100.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 900.00 feet, a central angle of 27 degrees 31 minutes 30 seconds, a chord bearing of south 30
degrees 37 minutes 15 seconds West, and a chord distance of 428.22 feet;

Southwesterly along said curve for an arc length of 432.36 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; South 16 degrees 51 minutes 30 seconds West, a distance of 205.87 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a non-tangent curve to the right having a radius of 400.00 feet, a central angle of 33 degrees 15 minutes 03 seconds, a chord bearing of South 31 degrees 39 minutes 05 seconds West, and a chord distance of 228.89 feet;

Southwesterly along said curve for an arc length of 232.13 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 48 degrees 16 minutes 36 seconds West, a distance of 100.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the left having a radius of 800.00 feet, a central angle of 56 degrees 31 minutes 24 seconds, a chord bearing of South 20 degrees 00 minutes 54 seconds West, and a chord distance of 757.60 feet;

Southwesterly along said curve for an arc length of 789.21
feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 08 degrees 14 minutes 48 seconds East, a distance of 47.60 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur

Surveying Company" set for the beginning of a tangent curve to the right having a radius of 500.00 feet, a central angle of 55 degrees 58 minutes 53 seconds, a chord bearing of South 19 degrees 44 minutes 38 seconds West, and a chord distance of 469.33 feet;

Southwesterly along said curve for an arc length of 488.53 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a reverse curve to the left having a radius of 600.00 feet, a central angle of 25 degrees 23 minutes 21 seconds, a chord bearing of South 35 degrees 02 minutes 24 seconds West, and a chord distance of 263.70 feet;

Southwesterly along said curve for an arc length of 265.87 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 22 degrees 20 minutes 44 seconds West, a distance of 350.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a tangent curve to the right having a radius of 600.00 feet, a central angle of 15 degrees 00 minutes 00 seconds, a chord bearing of South 29 degrees 50 minutes 44 seconds West, and a chord distance of 156.63 feet;

Southwesterly along said curve for an arc length of 157.08
feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 37 degrees 20 minutes 44 seconds West, a distance of 250.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur

Surveying Company" set for the beginning of a tangent curve to the left having a radius of 600.00 feet, a central angle of 10 degrees 00 minutes 00 seconds, a chord bearing of south 32 degrees 20 minutes 44 seconds West, and a chord distance of 104.59 feet;

Southwesterly along said curve for an arc length of 104.72 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a reverse curve to the right having a radius of 600.00 feet, a central angle of 18 degrees 00 minutes 00 seconds, a chord bearing of south 36 degrees 20 minutes 44 seconds West, and a chord distance of 187.72 feet;

Southwesterly along said curve for an arc length of 188.50 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

South 45 degrees 20 minutes 27 seconds West, a distance of 400.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set in the southwest line of said WED Limited Partnership Tract, from which a $1 / 2$ inch iron rod found for the most westerly corner of a called One Acre tract of land, bears South 44 degrees 39 minutes 33 seconds East, a distance of 1167.10 feet;

THENCE North 44 degrees 39 minutes 33 seconds West, along said southwest line, a distance of 250.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner, same being the east corner of the remainder of a called 165.695 acre tract of land described in deed to Max B. Chapman and wife Beverly

Ann Chapman, as recorded in Volume 643, Page 838 of the Deed Records of Rockwall County, Texas, THENCE North 44 degrees 39 minutes 16 seconds West, along the northeast line of said Chapman Tract, and a called 95.6 acre tract of land described in deed to Glenn R. Rash, as recorded in Volume 421, Page 353 of the Deed Records of Kaufman County, Texas, a distance of 1647.27 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the most southerly corner of the aforementioned Tract No. 2; THENCE North 44 degrees 39 minutes 20 seconds West, along the northeast line of said Rash Tract, and a called 207.46 acre tract of land described in deed to Janice Sue Mann, as recorded in Volume 2991, Page 290 of the Deed Records of Rockwall County, Texas, a distance of 2740.97 feet to a $1 / 2$ inch iron rod found for corner; THENCE South 45 degrees 20 minutes 40 seconds West, along the northwest line of said Mann Tract, a distance of 967.65 feet to a 1/2 inch iron rod with a cap stamped "Arthur Surveying Company" set for corner in Smith Road;

THENCE North 44 degrees 58 minutes 53 seconds West, along or near the centerline of said Smith Road, a distance of 1548.75 feet to a 1/2 inch iron rod with a cap stamped "Arthur Surveying Company" set in or near the centerline of Klutts Road, same being the most southerly corner of a called 199.719 acre tract of land described in deed to Beverly Farrar, as recorded in Volume 1150, Page 112 of the Deed Records of Rockwall County, Texas; THENCE North 45 degrees 07 minutes 33 seconds East, along the southeast line of said Farrar Tract, same being in or near the
centerline of said road, a distance of 2129.15 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

THENCE North 44 degrees 57 minutes 36 seconds East, continuing along said southeast line, a distance of 2894.76 feet to a $1 / 2$ inch iron rod found for the west corner of a called 25.337 acre tract of land described in deed to Jerry L. Klutts and Rita C. Klutts, as recorded in Volume 1119, Page 22 of the Deed Records of Rockwall County, Texas;
THENCE South 45 degrees 35 minutes 10 seconds East, along the southwest line of said Klutts Tract, a distance of 932.43 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

THENCE North 45 degrees 00 minutes 08 seconds East, along the southeast line of said Klutts Tracts, and a called 12.000 acre tract of land described in deed to Veterans Land Board of the State of Texas, as recorded in Volume 181, Page 567 of the Deed Records of Rockwall County, Texas, a distance of 2400.54 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the most easterly corner of said Veterans Land Board of the State of Texas Tract; THENCE over and across said Tract No. 1, the following courses and distances:

South 44 degrees 25 minutes 26 seconds East, a distance of 1103.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 31 degrees 56 minutes 53 seconds East, a distance of
400.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;

North 34 degrees 36 minutes 26 seconds East, a distance of 400.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; North 37 degrees 36 minutes 23 seconds East, a distance of 400.00 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner; North 37 degrees 04 minutes 25 seconds East, a distance of 284.94 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set in the west right of way line of said State Highway No. 205, from which a $1 / 2$ inch iron rod found bears North 48 degrees 15 minutes 04 seconds West, a distance 109.00 feet;

THENCE South 48 degrees 15 minutes 04 seconds East, along said west right of way line, a distance of 1071.21 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for the beginning of a non-tangent curve to the right having a radius of 10555.41 feet, a central angle of 03 degrees 38 minutes 18 seconds, a chord bearing of South 46 degrees 09 minutes 03 seconds East, and a chord distance of 670.16 feet;

THENCE Southeasterly along said curve for an arc length of 670.27 feet to a $1 / 2$ inch iron rod with a cap stamped "Arthur Surveying Company" set for corner;
THENCE South 44 degrees 36 minutes 15 seconds East, continuing along said west right of way line, a distance of 44.68 feet to the POINT OF BEGINNING and containing 802.220 acres of land, more or
less, and being subject to any and all easements that may affect.
Section 3. On the effective date of this Act, the initial board of directors is composed of the following persons:
(1) Position One: David Owen Butler
(2) Position Two: Harry Allen Starkweather
(3) Position Three: Stephen Wilson Griffin
(4) Position Four: Andrew E. Kidd
(5) Position Five: R. Edward Noble

Section 4. The Legislature finds that:
(1) proper and legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and laws of this state, including the governor, who has submitted the notice and Act to the commission;
(2) the commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time;
(3) the general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with; and
(4) all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

Section 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided in Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2007.

