

By: Harris

S.B. No. 2466

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Cypress Waters Municipal Management District; providing the authority to impose an assessment, impose a tax, and issue bonds.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3874 to read as follows:

CHAPTER 3874. CYPRESS WATERS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3874.001. DEFINITIONS. In this chapter:

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

(2) "City" means the City of Dallas.

(3) "District" means the Cypress Waters Municipal Management District.

(4) "Improvement project" means a project authorized by Section 3874.102:

(A) inside the boundaries of the district; and

(B) in areas outside but adjacent to the boundaries of the district if the project is for the purpose of extending public infrastructure improvements beyond the district's boundaries to a logical terminus.

Sec. 3874.002. CREATION AND NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution.

1       Sec. 3874.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The  
2 creation of the district is essential to accomplish the purposes of  
3 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
4 Texas Constitution, and other public purposes stated in this  
5 chapter. By creating the district and in authorizing the city and  
6 other political subdivisions to contract with the district, the  
7 legislature has established a program to accomplish the public  
8 purposes set out in Section 52-a, Article III, Texas Constitution.

9       (b) The creation of the district is necessary to promote,  
10 develop, encourage, and maintain employment, commerce,  
11 transportation, housing, tourism, recreation, the arts,  
12 entertainment, economic development, safety, and the public  
13 welfare in the district.

14       (c) The district is created to supplement and not to  
15 supplant city services provided in the district.

16       Sec. 3874.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

17       (a) The district is created to serve a public use and benefit.

18       (b) All land and other property included in the district  
19 will benefit from the improvements and services to be provided by  
20 the district under powers conferred by Sections 52 and 52-a,  
21 Article III, and Section 59, Article XVI, Texas Constitution, and  
22 other powers granted under this chapter.

23       (c) The creation of the district is in the public interest  
24 and is essential to further the public purposes of:

25               (1) developing and diversifying the economy of the  
26 state;

27               (2) eliminating unemployment and underemployment;

1           (3) developing or expanding transportation and  
2 commerce; and

3           (4) providing quality residential housing.

4           (d) The district will:

5           (1) promote the health, safety, and general welfare of  
6 residents, employers, potential employees, employees, visitors,  
7 and consumers in the district, and of the public;

8           (2) provide needed funding for the district to  
9 preserve, maintain, and enhance the economic health and vitality of  
10 the district territory as a residential community and business  
11 center; and

12           (3) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic beauty.

16           (e) Pedestrian ways along or across a street, whether at  
17 grade or above or below the surface, and street lighting, street  
18 landscaping, vehicle parking, and street art objects are parts of  
19 and necessary components of a street and are considered to be an  
20 improvement project that includes a street or road improvement.

21           (f) The district will not act as the agent or  
22 instrumentality of any private interest even though the district  
23 will benefit many private interests as well as the public.

24           Sec. 3874.005. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Section 2 of the Act enacting  
26 this chapter, as that territory may have been modified under:

27           (1) Section 3874.106; or

1           (2) other law.

2           (b) A mistake in the field notes of the district contained  
3 in Section 2 of the Act enacting this chapter or in copying the  
4 field notes in the legislative process does not in any way affect:

5           (1) the district's organization, existence, or  
6 validity;

7           (2) the district's right to contract, including the  
8 right to issue any type of bond or other obligation for a purpose  
9 for which the district is created;

10           (3) the district's right to impose or collect an  
11 assessment, tax, or any other revenue; or

12           (4) the legality or operation of the board.

13           Sec. 3874.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

14           (a) All or any part of the area of the district is eligible to be  
15 included in:

16           (1) a tax increment reinvestment zone created by the  
17 city under Chapter 311, Tax Code;

18           (2) a tax abatement reinvestment zone created by the  
19 city under Chapter 312, Tax Code; or

20           (3) an enterprise zone created by the city under  
21 Chapter 2303, Government Code.

22           (b) If the city creates a tax increment reinvestment zone  
23 described by Subsection (a), the city and the board of directors of  
24 the zone, by contract with the district, may grant money deposited  
25 in the tax increment fund to the district to be used by the district  
26 for the purposes permitted for money granted to a corporation under  
27 Section 380.002(b), Local Government Code, including the right to

pledge the money as security for any bonds issued by the district for an improvement project. A project may not receive public funds under Section 380.002(b), Local Government Code, unless the project has been approved by the governing body of the city by the adoption of a resolution.

(c) A tax increment reinvestment zone created by the city in the district is not subject to the limitations provided by Section 311.006(b), Tax Code.

[Sections 3874.007-3874.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3874.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of nine directors composed of:

(1) six directors appointed by the governing body of the city;

(2) one assistant city manager of the city, appointed by the city manager;

(3) the chief financial officer of the city; and

(4) the economic director of the city.

(b) Directors serve staggered terms of four years, with four or five directors' terms expiring July 1 of each odd-numbered year.

Sec. 3874.052. APPOINTMENT OF DIRECTORS: BOARD MEETINGS.

(a) Directors appointed by the governing body of the city must meet at least one of the qualifications prescribed by Section 3874.053.

(b) A person may not be appointed to the board by the governing body of the city if the appointment of that person would result in fewer than three of the directors being residents of the

1 city and meeting the qualifications prescribed by Section  
2 3874.053(a)(2), (3), (4), (5), or (6).

3 (c) The governing body of the city may remove a member of the  
4 board with or without cause at any time by a majority vote.

5 (d) The board shall hold meetings at a place accessible to  
6 the public. The board shall file a copy of the notice of a meeting  
7 with the city's secretary. The city's secretary shall post the  
8 notice at Dallas City Hall.

9 (e) The board may not create an executive committee to  
10 exercise the powers of the board.

11 (f) If an office described in Section 3874.051(a) is  
12 renamed, changed, or abolished, the governing body of the city may  
13 appoint another city officer or employee who performs duties  
14 comparable to those performed by the officer described by that  
15 subsection.

16 Sec. 3874.053. QUALIFICATIONS OF DIRECTORS APPOINTED BY  
17 CITY. (a) To be qualified to serve as a director appointed by the  
18 governing body of the city, a person must be at least 18 years old  
19 and must be:

20 (1) a resident of the district who is also a registered  
21 voter of the district;

22 (2) an owner of property in the district;

23 (3) an owner of stock or a partnership or membership  
24 interest, whether beneficial or otherwise, of a corporate  
25 partnership, limited liability company, or other entity owner of a  
26 direct or indirect interest in property in the district;

27 (4) an owner of a beneficial interest in a trust, or a

1 trustee in a trust, that directly or indirectly owns property in the  
2 district;

3 (5) an agent, employee, or tenant of a person covered  
4 by Subdivision (2), (3), or (4); or

5 (6) an initial director.

6 (b) Section 49.052, Water Code, does not apply to the  
7 district.

8 Sec. 3874.054. VACANCY. The governing body of the city  
9 shall fill a vacancy on the board by appointing a person who meets  
10 the qualifications prescribed by Section 3874.051(a) or 3874.053 to  
11 serve for the remainder of the unexpired term.

12 Sec. 3874.055. DIRECTOR'S OATH OR AFFIRMATION. A  
13 director's oath or affirmation of office shall be filed with the  
14 district and the district shall retain the oath or affirmation in  
15 the district records. A copy of each director's oath or affirmation  
16 of office shall be filed with the city's secretary.

17 Sec. 3874.056. OFFICERS. The board shall elect from among  
18 the directors a chair, a vice chair, and a secretary. The offices  
19 of chair and secretary may not be held by the same person  
20 concurrently.

21 Sec. 3874.057. COMPENSATION; EXPENSES; LIABILITY INSURANCE  
22 FOR DIRECTORS. (a) The district may compensate each director in  
23 an amount not to exceed \$50 for each board meeting. The total  
24 amount of compensation for each director in one year may not exceed  
25 \$2,000.

26 (b) Directors are entitled to reimbursement for necessary  
27 and reasonable expenses incurred in carrying out the duties and

responsibilities of the board.

(c) The district may obtain and pay for comprehensive general liability insurance coverage from a commercial insurance company or other source that protects and insures a director against personal liability and from any and all claims relating to:

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

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

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

Sec. 3874.058. CONFLICTS OF INTEREST. (a) A director, including a director who qualifies under Section 3874.053(a)(2), (3), (4), or (5), may participate in all board votes and decisions if the director complies with the requirements of Subsection (b).

(b) A director shall comply with Section 171.004, Local Government Code, including the disclosure and abstention requirements of that section. A director must file a copy of the director's disclosure affidavit required by Section 171.004, Local Government Code, with the city's secretary before participating in a board discussion or vote.

Sec. 3874.059. INITIAL DIRECTORS. (a) The initial board consists of the following directors:

(1) Place 1 Lucy Billingsley;

(2) Place 2 Mario Canizares;

(3) Place 3 Sid Grant;

(4) Place 4 Joel Overton, Jr.;

(5) Place 5 Henry Billingsley;



1           (6) Place 6 Lucilo Pena;

2           (7) Place 7 City of Dallas Assistant City Manager

3 A. C. Gonzalez;

4           (8) Place 8 City of Dallas Chief Financial Officer

5 David Cook; and

6           (9) Place 9 City of Dallas Office of Economic

7 Development Director Karl Zavitkovsky.

8           (b) The terms of the initial directors expire on the 180th  
9 day after the date on which the Act enacting this chapter takes  
10 effect.

11           (c) The terms of the directors appointed to succeed the  
12 initial directors appointed for places 1, 2, 3, and 4 expire July 1,  
13 2011, and the terms of the directors appointed to succeed the  
14 initial directors appointed for places 5, 6, 7, 8, and 9 expire July  
15 1, 2013.

16           (d) This section expires December 31, 2009.

17           [Sections 3874.060-3874.100 reserved for expansion]

18                   SUBCHAPTER C. POWERS AND DUTIES

19           Sec. 3874.101. GENERAL POWERS AND DUTIES. The district has  
20 the powers and duties provided by this chapter and by:

21           (1) the general laws relating to conservation and  
22 reclamation districts created under Section 59, Article XVI, Texas  
23 Constitution, including Chapters 49 and 54, Water Code, except that  
24 the district's bonds and other securities are not subject to the  
25 jurisdiction or supervision of the Texas Commission on  
26 Environmental Quality under Chapter 49, Water Code, or other law;

27           (2) the general laws relating to road districts and

road utility districts created under Section 52(b), Article III, Texas Constitution, including Chapter 441, Transportation Code, except that the district may exercise any power granted by this chapter without regard to any provision or requirement of or procedure prescribed by Chapter 441, Transportation Code;

(3) Subchapter A, Chapter 372, Local Government Code, in the same manner as a municipality or a county;

(4) Chapter 1371, Government Code;

(5) Chapter 375, Local Government Code; and

(6) Chapter 311, Tax Code.

Sec. 3874.102. IMPROVEMENT PROJECTS. (a) The district may provide, or it may enter into contracts with a governmental or private entity to provide, the following types of improvement projects located in the district or activities in support of or incidental to those projects:

(1) a supply and distribution facility or system to provide potable and nonpotable water to the residents and businesses of the district, including a wastewater collection facility;

(2) a paved, macadamized, or graveled road, street, or turnpike, inside and outside the district, to the full extent authorized by Section 52, Article III, Texas Constitution;

(3) the planning, design, construction, improvement, and maintenance of:

(A) landscaping;

(B) highway right-of-way or transit corridor beautification and improvement;

1                    (C) lighting, banners, and signs;

2                    (D) a street or sidewalk;

3                    (E) a hiking and cycling path or trail;

4                    (F) a pedestrian walkway, skywalk, crosswalk, or  
5 tunnel;

6                    (G) a park, lake, garden, recreational facility,  
7 community activities center, dock, wharf, sports facility, open  
8 space, scenic area, or related exhibit or preserve;

9                    (H) a fountain, plaza, or pedestrian mall; or

10                   (I) a drainage or storm-water detention  
11 improvement;

12                   (4) protection and improvement of the quality of storm  
13 water that flows through the district;

14                   (5) the planning, design, construction, improvement,  
15 maintenance, and operation of:

16                   (A) a water or sewer facility; or

17                   (B) an off-street parking facility or heliport;

18                   (6) the planning and acquisition of:

19                   (A) public art and sculpture and related exhibits  
20 and facilities; or

21                   (B) an educational facility, and a cultural  
22 exhibit or facility;

23                   (7) the planning, design, construction, acquisition,  
24 lease, rental, improvement, maintenance, installation, and  
25 management of and provision of furnishings for a facility for:

26                   (A) a conference, convention, or exhibition;

27                   (B) a manufacturer, consumer, or trade show;

1                    (C) a civic, community, or institutional event;

2 or

3                    (D) an exhibit, display, attraction, special  
4 event, or seasonal or cultural celebration or holiday;

5                    (8) the removal, razing, demolition, or clearing of  
6 land or improvements in connection with improvement projects;

7                    (9) the acquisition and improvement of land or other  
8 property for the mitigation of the environmental effects of an  
9 improvement project if those costs are incurred in accordance with  
10 a development agreement and reimbursement of those costs is  
11 conditioned on the completion of substantial vertical development,  
12 or the costs are related to a transit or mobility project;

13                    (10) the acquisition of property or an interest in  
14 property in connection with one or more authorized improvement  
15 projects, including a project authorized by Subchapter A, Chapter  
16 372, Local Government Code;

17                    (11) a special or supplemental service for the  
18 improvement and promotion of the district or an area adjacent to the  
19 district or for the protection of public health and safety in or  
20 adjacent to the district, including:

21                    (A) advertising;

22                    (B) promotion;

23                    (C) tourism;

24                    (D) health and sanitation;

25                    (E) public safety;

26                    (F) security;

27                    (G) fire protection or emergency medical

1 services;

2 (H) business recruitment;

3 (I) elimination of traffic congestion, including  
4 by use of rail services; and

5 (J) recreational, educational, or cultural  
6 improvements, enhancements, and services; or

7 (12) any similar public improvement, facility, or  
8 service.

9 (b) The district may not undertake an improvement project  
10 under this section unless the board determines the project to be  
11 necessary to accomplish a public purpose of the district and has  
12 received the approval of the city under Section 3874.160.

13 (c) An improvement project must comply with any applicable  
14 codes and ordinances of the city.

15 (d) The district may not provide, conduct, or authorize an  
16 improvement project on the city streets, highways, rights-of-way,  
17 or easements without the consent of the governing body of the city.

18 (e) Subject to an agreement between the district and the  
19 city, the city may:

20 (1) by ordinance, order, or resolution require that  
21 title to all or any portion of an improvement project vest in the  
22 city; or

23 (2) unless prohibited by Subsection (h), by ordinance,  
24 order, resolution, or other directive, authorize the district to  
25 own, encumber, maintain, and operate an improvement project,  
26 subject to the right of the city to order a conveyance of the  
27 improvement project to the city on a date determined by the city.

1       (f) The district shall immediately comply with any city  
2 ordinance, order, or resolution adopted under Subsection (e).

3       (g) For the purposes of this section, planning, design,  
4 construction, improvement, and maintenance of a lake includes work  
5 done for drainage, reclamation, or recreation.

6       (h) Waterworks and sanitary sewer improvements may be  
7 undertaken by the district inside or outside the boundaries of the  
8 district, subject to the following conditions:

9           (1) the city shall request that waterworks or sanitary  
10 sewer improvements be funded by the district;

11           (2) the city shall construct, own, operate, and  
12 maintain the improvements; and

13           (3) the district shall comply with Sections 3874.152,  
14 3874.157, and 3874.160 as a condition for the district to fund the  
15 improvements.

16       Sec. 3874.103. GENERAL POWERS REGARDING CONTRACTS.

17       (a) The district may:

18           (1) contract with any person to accomplish any  
19 district purpose, including a contract for:

20                   (A) the payment, repayment, or reimbursement of  
21 costs incurred by that person on behalf of the district, including  
22 all or part of the costs of any improvement project and interest on  
23 the reimbursed cost; or

24                   (B) the use, occupancy, lease, rental,  
25 operation, maintenance, or management of all or part of a proposed  
26 or existing improvement project; and

27           (2) apply for and contract with any person to receive,

1 administer, and perform a duty or obligation of the district under a  
2 federal, state, local, or private gift, grant, loan, conveyance,  
3 transfer, bequest, or other financial assistance arrangement  
4 relating to the investigation, planning, analysis, study, design,  
5 acquisition, construction, improvement, completion,  
6 implementation, or operation by the district or others of a  
7 proposed or existing improvement project.

8 (b) A contract the district enters into to carry out a  
9 purpose of this chapter may be on any terms and for any period the  
10 board determines, including a negotiable or nonnegotiable note or  
11 warrant payable to the city, Dallas County, or any other person.

12 (c) Any person may contract with the district to carry out  
13 the purposes of this chapter without further statutory or other  
14 authorization.

15 Sec. 3874.104. RULES; ENFORCEMENT. (a) The district may  
16 adopt rules:

- 17 (1) to administer or operate the district;  
18 (2) for the use, enjoyment, availability, protection,  
19 security, and maintenance of the district's property and  
20 facilities; or  
21 (3) to provide for public safety and security in the  
22 district.

23 (b) The district may enforce its rules by injunctive relief.

24 (c) To the extent a district rule conflicts with a city  
25 rule, order, or regulation, the city rule, order, or regulation  
26 controls.

27 (d) The district shall provide the city with written notice

1 not later than the 30th day before the date of a meeting at which the  
2 board will adopt rules. The district may not adopt a rule affecting  
3 the use of a municipally owned asset, such as a public park, street,  
4 sidewalk, transit facility, or public right-of-way, unless the  
5 governing body of the city has approved the rule by ordinance,  
6 order, or resolution.

7 Sec. 3874.105. NAME CHANGE. The board by resolution may  
8 change the district's name. The board shall give written notice of  
9 the change to the city.

10 Sec. 3874.106. ADDING OR REMOVING TERRITORY. The board may  
11 add or remove territory under Subchapter J, Chapter 49, Water Code,  
12 and Section 54.016, Water Code, except that:

13 (1) the addition or removal of the territory must be  
14 approved by:

15 (A) the governing body of the city by ordinance,  
16 order, or resolution; and

17 (B) the owners of the territory being added or  
18 removed;

19 (2) a reference to a tax in Subchapter J, Chapter 49,  
20 Water Code, or Section 54.016, Water Code, means an ad valorem tax;  
21 and

22 (3) territory may not be removed from the district if  
23 bonds or other obligations of the district payable wholly or partly  
24 from ad valorem taxes or assessments levied or assessed on the  
25 territory are outstanding.

26 Sec. 3874.107. ECONOMIC DEVELOPMENT. (a) The district may  
27 create economic development and other programs under Section 52-a,



1 Article III, Texas Constitution, and may impose and collect ad  
2 valorem taxes for those purposes. The district has the economic  
3 development powers that Chapter 380, Local Government Code,  
4 provides to a municipality with a population of more than 100,000.  
5 Each economic development program and each project that will  
6 receive public funds under an economic development program must be  
7 approved by the governing body of the city by ordinance, order, or  
8 resolution.

9 (b) The district shall provide the city written notice not  
10 later than the 30th day before the date of a meeting at which the  
11 board will adopt terms of an economic development program. The  
12 district may not adopt an economic development program or  
13 improvement project to be funded under an economic development  
14 program unless the governing body of the city has approved the  
15 program or improvement project by ordinance, order, or resolution.

16 Sec. 3874.108. NO EMINENT DOMAIN POWER. The district may  
17 not exercise the power of eminent domain.

18 Sec. 3874.109. TERMS OF EMPLOYMENT; COMPENSATION. The  
19 board may employ and establish the terms of employment and  
20 compensation of an executive director or general manager and any  
21 other district employees the board considers necessary. An  
22 employee may not receive annual compensation of more than \$150,000  
23 from public funds of the district.

24 Sec. 3874.110. NOTICE TO PROPERTY OWNERS. (a) The board  
25 shall annually provide owners of real property in the district  
26 written notice that specifies the tax of the district for the  
27 district's next fiscal year in sufficient clarity to describe the

1 tax rate for the operation and maintenance of the district and the  
2 tax rate for the payment of debt service of obligations issued or  
3 incurred by the district. The written notice must be sent by first  
4 class United States mail, postage prepaid, to the current address  
5 of the property owner as reflected on the tax rolls of the appraisal  
6 district.

7 (b) The notice must clearly state that the tax rates on real  
8 property imposed in the district are in addition to the ad valorem  
9 taxes imposed by other taxing units that tax real property in the  
10 boundaries of the district.

11 (c) The district shall generate and implement a program to  
12 provide notification to a prospective purchaser of property in the  
13 district of the rates of tax and assessments that have been approved  
14 and are imposed by the district.

15 [Sections 3874.111-3874.150 reserved for expansion]

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 3874.151. GENERAL POWERS REGARDING FINANCIAL MATTERS.

18 (a) Except as provided by Section 3874.160, the district may:

19 (1) impose an ad valorem tax on all taxable property in  
20 the district to pay for any improvement projects of the types  
21 authorized by Section 52(b), Article III, and Section 59, Article  
22 XVI, Texas Constitution, and to secure the payment of bonds issued  
23 for those purposes;

24 (2) impose an assessment on property in the district  
25 to pay the cost of any authorized improvement project and the cost  
26 of the maintenance of the project in the manner provided for:

27 (A) a district under Subchapters A, E, and F,

1 Chapter 375, Local Government Code; or

2 (B) a municipality or county under Subchapter A,  
3 Chapter 372, Local Government Code;

4 (3) provide or secure the payment or repayment of any  
5 bond, note, or other temporary or permanent obligation or  
6 reimbursement or other contract with any person, the costs and  
7 expenses of the establishment, administration, and operation of the  
8 district, and the district's costs or share of the costs or revenue  
9 of an improvement project or district contractual obligation or  
10 indebtedness by or through:

11 (A) the imposition of an ad valorem tax,  
12 assessment, user fee, concession fee, or rental charge; and

13 (B) any other revenue or resources of the  
14 district, or other revenue authorized by the city, including  
15 revenue from a tax increment reinvestment zone created by the city  
16 under applicable law;

17 (4) establish user charges related to the operation of  
18 storm-water facilities, including the regulation of storm water for  
19 the protection of water quality in the district;

20 (5) establish user charges for the use of nonpotable  
21 water for irrigation purposes, subject to the approval of the  
22 governing body of the city;

23 (6) undertake separately or jointly with other  
24 persons, including the city or Dallas County, all or part of the  
25 cost of any improvement project, including an improvement project:

26 (A) for improving, enhancing, and supporting  
27 public safety and security, fire protection and emergency medical

1 services, and law enforcement in and adjacent to the district; or

2 (B) that confers a general benefit on the entire  
3 district or a special benefit on a definable part of the district;  
4 and

5 (7) enter into a tax abatement agreement in accordance  
6 with the general laws of this state authorizing and applicable to  
7 tax abatement agreements by municipalities.

8 (b) The district may not impose an ad valorem tax to pay for  
9 an improvement project under this chapter unless the imposition is  
10 approved by the voters of the district voting at an election held  
11 for that purpose. The board may call an election to approve the  
12 imposition of an ad valorem tax to pay for an improvement project  
13 under this chapter only if the board receives a petition requesting  
14 the election signed by:

15 (A) more than 65 percent of the record owners of  
16 real property in the district subject to taxation; or

17 (B) owners representing more than 65 percent of  
18 the appraised value of real property in the district subject to  
19 taxation, as determined by the tax rolls of the appraisal district.

20 Sec. 3874.152. BORROWING MONEY. (a) The district may  
21 borrow money for a district purpose by issuing or executing bonds,  
22 notes, credit agreements, or other obligations of any kind found by  
23 the board to be necessary or appropriate for any district purpose.  
24 The bond, note, credit agreement, or other obligation may be  
25 secured by and payable from ad valorem taxes, assessments, a  
26 combination of ad valorem taxes and assessments, or other district  
27 revenue. The governing body of the city must approve the issuance

1 of bonds, notes, credit agreements, or other obligations of the  
2 district, in general terms before the preparation of preliminary  
3 official statements or loan closing documents, as provided by the  
4 development and operating agreement approved by the city in  
5 accordance with Section 3874.160, or by separate action.

6 (b) The governing body of the city must approve the final  
7 terms of the bond issuance, note, or credit facility, including the  
8 principal amount, note amount, interest rate or rates, redemption  
9 provisions, and other terms and conditions relating to the  
10 issuance.

11 (c) The district shall file annual audited financial  
12 statements with the city's secretary.

13 Sec. 3874.153. ASSESSMENTS; EXEMPTION. (a) The district  
14 may impose an assessment on property in the district, including an  
15 assessment on residential or commercial property, only in the  
16 manner provided by Subchapter A, Chapter 372, Local Government  
17 Code, or Subchapter F, Chapter 375, Local Government Code, for a  
18 municipality, county, or public improvement district, according to  
19 the benefit received by the property.

20 (b) An assessment on property must be for the limited  
21 purpose of providing capital funding for:

22 (1) public water and wastewater facilities;  
23 (2) drainage and storm-water facilities;  
24 (3) streets and alleys; and  
25 (4) any authorized project under Chapter 372, Local  
26 Government Code.

27 (c) An assessment, a reassessment, or an assessment

1 resulting from an addition to or correction of the assessment roll  
2 by the district, penalties and interest on an assessment or  
3 reassessment, an expense of collection, and reasonable attorney's  
4 fees incurred by the district:

5 (1) are a first and prior lien against the property  
6 assessed; and

7 (2) are superior to any other lien or claim other than  
8 a lien or claim for county, school district, or municipal ad valorem  
9 taxes.

10 (d) A lien of an assessment against property under this  
11 chapter runs with the land, and the portion of an assessment payment  
12 obligation that has not yet come due is not eliminated by the  
13 foreclosure of an ad valorem tax lien. Any purchaser of property in  
14 a foreclosure of an ad valorem tax lien takes the property subject  
15 to the assessment payment obligations that have not yet come due and  
16 to the lien and terms of payment under the applicable assessment  
17 ordinance or order.

18 (e) The board may make a correction to or deletion from the  
19 assessment roll that does not increase the amount of assessment of  
20 any parcel of land without providing notice and holding a hearing in  
21 the manner required for additional assessments.

22 (f) The district shall file notice of any tax or assessment  
23 imposed by the district with the county clerk of Dallas County and  
24 post the notice on the district's Internet website.

25 Sec. 3874.154. RESIDENTIAL PROPERTY EXEMPT. Section  
26 375.161, Local Government Code, does not apply to the district.

27 Sec. 3874.155. MAINTENANCE AND OPERATION TAX; ELECTION.

1 (a) The district may impose a tax for maintenance and operation  
2 purposes, including for:

3 (1) planning, constructing, acquiring, maintaining,  
4 repairing, and operating all improvement projects, including land,  
5 plants, works, facilities, improvements, appliances, and equipment  
6 of the district; and

7 (2) paying costs of services, engineering and legal  
8 fees, and organization and administrative expenses, including  
9 expenses of the city payable under the terms of the project  
10 development agreement described by Section 3874.160.

11 (b) The district may not impose a maintenance and operation  
12 tax for improvement projects under this chapter unless the  
13 imposition of the tax is approved by the voters of the district  
14 voting at an election held for that purpose. An election may be  
15 called only on receipt of a petition as provided by Section  
16 3874.151(b).

17 (c) A maintenance and operation tax election may be held at  
18 the same time and in conjunction with any other district election.  
19 The election may be called by a separate election order or as part  
20 of any other election order.

21 Sec. 3874.156. USE OF SURPLUS MAINTENANCE AND OPERATION  
22 MONEY. If the district has surplus maintenance and operation tax  
23 money that is not needed for the purposes for which it was  
24 collected, the money may be used for any authorized purpose.

25 Sec. 3874.157. BONDS AND OTHER OBLIGATIONS. (a) Subject  
26 to the requirements of Sections 3874.159 and 3874.160, the district  
27 may issue by public or private sale bonds, notes, or other

1 obligations payable wholly or partly from ad valorem taxes, or by  
2 assessments in the manner provided by Subchapter A, Chapter 372,  
3 Local Government Code, or Subchapter J, Chapter 375, Local  
4 Government Code.

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

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

16 Sec. 3874.158. BOND MATURITY. Bonds may mature not more  
17 than 40 years from their date of issue.

18 Sec. 3874.159. TAXES FOR BONDS AND OTHER OBLIGATIONS. At  
19 the time bonds or other obligations payable wholly or partly from ad  
20 valorem taxes are issued:

21 (1) the board shall impose a continuing direct annual  
22 ad valorem tax for each year that all or part of the bonds are  
23 outstanding; and

24 (2) the district annually shall impose an ad valorem  
25 tax on all taxable property in the district in an amount sufficient  
26 to:

27 (A) pay the interest on the bonds or other



1 obligations as the interest becomes due; and

2 (B) create a sinking fund for the payment of the  
3 principal of the bonds or other obligations when due or the  
4 redemption price at any earlier required redemption date.

5 Sec. 3874.160. DEVELOPMENT AND OPERATING AGREEMENT  
6 REQUIRED. (a) After the district's board is organized, but before  
7 the district may undertake any improvement project, issue bonds,  
8 impose taxes, levy assessments or fees, or borrow money, the  
9 district and the city must negotiate and execute a mutually  
10 approved and accepted development and operating agreement,  
11 including any limitations imposed by the city, regarding the plans  
12 and rules for:

13 (1) the exercise of the powers granted to the district  
14 under this chapter, including the organization, development, and  
15 operation of the district;

16 (2) the selection and description of improvement  
17 projects that may be undertaken and financed by the district and the  
18 ownership, operation, and maintenance of those projects;

19 (3) the terms, conditions, methods, means, and amounts  
20 of financing authorized by this chapter that the district may use in  
21 providing improvement projects; and

22 (4) the amounts, methods, and times of reimbursement  
23 to the city for costs and expenses, if any, incurred by the city  
24 with respect to the development and operation of the district and  
25 the financing of improvement projects by the district.

26 (b) An agreement authorized by this section is not effective  
27 until its terms and execution are approved by the board and the

1 governing body of the city by resolution.

2 [Sections 3874.161-3874.250 reserved for expansion]

3 SUBCHAPTER E. DISSOLUTION

4 Sec. 3874.251. DISSOLUTION BY CITY ORDINANCE. (a) The  
5 city by ordinance may dissolve the district.

6 (b) The city may not dissolve the district until the  
7 district's outstanding indebtedness or contractual obligations  
8 that are payable from ad valorem taxes have been repaid or  
9 discharged, or the city has affirmatively assumed the obligation to  
10 pay the outstanding indebtedness from the city's lawfully available  
11 revenue.

12 (c) The city may not dissolve the district until the  
13 agreement under Section 3874.160 has been executed and the  
14 district's performance under the agreement has been fulfilled,  
15 including any right or obligation the district has to reimburse a  
16 developer or owner for the costs of improvement projects.

17 Sec. 3874.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

18 (a) If the dissolved district has bonds or other obligations  
19 outstanding secured by and payable from assessments or other  
20 revenue, other than ad valorem taxes, the city shall succeed to the  
21 rights and obligations of the district regarding enforcement and  
22 collection of the assessments or other revenue.

23 (b) The city shall have and exercise all district powers to  
24 enforce and collect the assessments or other revenue to pay:

25 (1) the bonds or other obligations when due and  
26 payable according to their terms; or

27 (2) special revenue or assessment bonds or other

1 obligations issued by the city to refund the outstanding bonds or  
2 obligations.

3 Sec. 3874.253. CONCURRENCE ON ADDITIONAL POWERS. If the  
4 legislature grants the district a power that is in addition to the  
5 powers approved by the initial resolution of the governing body of  
6 the city consenting to the creation of the district, the district  
7 may not exercise that power unless the governing body of the city  
8 consents to that change by resolution.

9 Sec. 3874.254. ASSUMPTION OF ASSETS AND LIABILITIES.  
10 (a) After the city dissolves the district, the city assumes,  
11 subject to the appropriation and availability of funds, the  
12 obligations of the district, including any bonds or other  
13 indebtedness payable from assessments or other district revenue.

14 (b) If the city dissolves the district, the board shall  
15 transfer ownership of all district property to the city.

16 SECTION 2. The Cypress Waters Municipal Management District  
17 shall include the land described in Subsections (a), (b), and (c) as  
18 follows:

19 (a) TRACT 1:

20 BEING a tract of land situated in the John L. Whitman Survey,  
21 Abstract No. 1521, the Samuel Layton Survey, Abstract No. 784, the  
22 Nancy Cousey Survey, Abstract No. 318, the Granbury Hendricks  
23 Survey, Abstract No. 630, the Frances Jones Survey, Abstract No.  
24 674, the G.W. Laws Survey, Abstract No. 843, the McKinney F.  
25 Williams Survey, Abstract No. 1054, the S.T. Brown Survey, Abstract  
26 No. 50, and the I.&G.N.R.R. CO. Survey, Abstract No. 1624 in the  
27 City of Dallas, Dallas County, Texas, and being a portion of those

1 tracts of land described in deed to Luminant Generation Company,  
2 LLC, formerly TXU Generation Company LP, recorded in Volume  
3 2001248, Page 11540 of the Deed Records of Dallas County, Texas,  
4 (D.R.D.C.T.) and being more particularly described as follows:

5 POINT OF BEGINNING at a 5/8" iron rod with cap found in the  
6 northerly right-of-way line of Hackberry Road (a variable width  
7 public right-of-way), said point bears North 89°41'06" East, 590.00  
8 feet along the northerly right-of-way line of said Hackberry Road  
9 from a corner clip at the intersection of the easterly right-of-way  
10 line of Belt Line Road (a variable width public right-of-way);

11 THENCE North 00°18'56" West, a distance of 1976.12 feet,  
12 leaving the northerly right-of-way line of said Hackberry Road to a  
13 5/8" iron rod with cap found for corner;

14 THENCE South 89°44'36" West, a distance of 620.83 feet, to a  
15 5/8" iron rod with cap found in the easterly right-of-way line of  
16 Belt Line Road;

17 THENCE along the easterly right-of-way line of said Belt Line  
18 Road, the following courses and distances to wit:

19 --North 00°30'48" West, a distance of 1294.82 feet to a 5/8"  
20 iron rod with cap found for corner;

21 --North 05°11'50" East, a distance of 402.00 feet to a 5/8"  
22 iron rod with cap found for corner;

23 --North 00°30'48" West, a distance of 96.02 feet to a 5/8"  
24 iron rod with cap found for corner;

25 --North 00°30'45" West, a distance of 303.98 feet to a point  
26 for corner;

27 --North 05°11'50" East, a distance of 100.50 feet to a point

1 for corner;  
2 --North 00°30'48" West, a distance of 200.00 feet to a point  
3 for corner;  
4 --North 08°01'03" East, a distance of 202.23 feet to a point  
5 for corner;  
6 --North 00°30'48" West, a distance of 34.77 feet to a point  
7 for beginning of a curve to the left;  
8 THENCE leaving the easterly right-of-way line of said Belt  
9 Line Road, the following courses and distances to wit:  
10 --Easterly, with said curve to the left, through a central  
11 angle of 29°17'33", having a radius of 800.00 feet, and a chord  
12 bearing and distance of North 72°20'38" East, 404.56 feet, an arc  
13 length of 409.00 feet to a point for corner;  
14 --North 57°41'51" East, a distance of 391.61 feet to a point  
15 for the beginning of a curve to the right;  
16 --Easterly, with said curve to the right, through a central  
17 angle of 37°49'32", having a radius of 400.00 feet, and a chord  
18 bearing and distance of North 76°36'37" East, 259.30 feet, an arc  
19 length of 264.07 feet to a point for the beginning of a curve to the  
20 left;  
21 --Easterly, with said curve to the left, through a central  
22 angle of 47°38'09", having a radius of 1392.55 feet, and a chord  
23 bearing and distance of North 65°38'40" East, 1124.71 feet, an arc  
24 length of 1157.76 feet to a point for corner;  
25 --North 41°53'27" East, a distance of 203.89 feet to a point  
26 for the beginning of a curve to the right;  
27 --Easterly, with said curve to the right, through a central

1 angle of  $11^{\circ}23'28''$ , having a radius of 668.73 feet, and a chord  
2 bearing and distance of North  $55^{\circ}13'43''$  East, 132.73 feet, an arc  
3 length of 132.95 feet to the beginning of a curve to the right;

4 --Easterly with said curve to the right, through a central  
5 angle of  $47^{\circ}34'24''$ , having a radius of 652.00 feet, and a chord  
6 bearing and distance of South  $89^{\circ}52'05''$  East, 525.94 feet, an arc  
7 length of 541.36 feet to the beginning of a curve to the left;

8 --Eastlery, with said curve to the left, through a central  
9 angle of  $74^{\circ}20'01''$ , having a radius of 209.47 feet, and a chord  
10 bearing and distance of North  $83^{\circ}12'19''$  East, 253.10 feet, an arc  
11 length of 271.76 feet to a point for corner;

12 --North  $65^{\circ}57'43''$  East, a distance of 180.40 feet to a point  
13 for the beginning of a curve to the right;

14 --Easterly, with said curve to the right, through a central  
15 angle of  $98^{\circ}01'46''$ , having a radius of 150.00 feet, and a chord  
16 bearing and distance of South  $65^{\circ}01'24''$  East, 226.46 feet, an arc  
17 length of 256.64 feet to a point for corner;

18 --South  $16^{\circ}00'31''$  East, a distance of 320.31 feet to a point  
19 for the beginning of a curve to the right;

20 --Southerly, with said curve to the right, through a central  
21 angle of  $53^{\circ}30'19''$ , having a radius of 400.00 feet, and a chord  
22 bearing and distance of South  $10^{\circ}44'39''$  West, 360.11 feet, an arc  
23 length of 373.54 feet to a point for corner;

24 --South  $37^{\circ}29'48''$  West, a distance of 128.31 feet to a point  
25 for the beginning of a curve to the left;

26 --Southerly, with said curve to the left, through a central  
27 angle of  $25^{\circ}35'51''$ , having a radius of 500.00 feet, and a chord

1 bearing and distance of South 24°41'53" West, 221.53 feet, an arc  
2 length of 223.38 feet to a point for corner;  
3       --South 11°53'58" West, a distance of 296.88 feet to a point  
4 for corner;  
5       --South 14°48'07" West, a distance of 94.75 feet to a point  
6 for corner;  
7       --South 30°35'42" West, a distance of 135.14 feet to a point  
8 for corner;  
9       --South 58°12'25" East, a distance of 38.46 feet to a point  
10 for corner;  
11       --South 56°10'00" East, a distance of 98.02 feet to a point  
12 for corner;  
13       --South 58°34'37" East, a distance of 513.21 feet to a point  
14 for corner;  
15       --North 30°35'42" East, a distance of 169.61 feet to a point  
16 for corner for the beginning of a non-radial curve to the right;  
17       --Easterly, with said non-radial curve to the right, through  
18 a central angle of 42°01'18", having a radius of 1900.00 feet, and a  
19 chord bearing and distance of North 42°56'22" East, 1362.47 feet, an  
20 arc length of 1393.49 feet to a point for corner;  
21       --North 63°57'01" East, a distance of 107.71 feet to a point  
22 for the beginning of curve to the right;  
23       --Easterly, with said curve to the right, through a central  
24 angle of 92°23'27", having a radius of 600.00 feet, and a chord  
25 bearing and distance of South 69°51'15" East, 866.05 feet, an arc  
26 length of 967.52 feet to a point for corner;  
27       --South 23°39'31" East, a distance of 295.48 feet to a point

1 for the beginning of a curve to the left;

2 --Easterly, with said curve to the left, through a central  
3 angle of  $102^{\circ}53'22''$ , having a radius of 543.45 feet, and a chord  
4 bearing and distance of South  $80^{\circ}52'54''$  East, 849.96 feet, an arc  
5 length of 975.90 feet for the beginning of a curve to the right;

6 --Easterly, with said curve to the right, through a central  
7 angle of  $45^{\circ}50'08''$ , having a radius of 403.98 feet, and a chord  
8 bearing and distance of North  $70^{\circ}35'29''$  East, 314.62 feet, an arc  
9 length of 323.17 feet to a point for corner;

10 --South  $86^{\circ}45'34''$  East, a distance of 611.56 feet to a  $5/8''$   
11 iron rod with cap found for corner;

12 --North  $89^{\circ}59'58''$  East, a distance of 386.45 feet to a  $5/8''$   
13 iron rod with cap found for corner;

14 --South  $00^{\circ}12'41''$  East, a distance of 809.16 feet to a "PK"  
15 nail found for corner;

16 --South  $00^{\circ}46'21''$  East, a distance of 3604.12 feet to a  $5/8''$   
17 iron rod with cap found for corner, said point being the northwest  
18 corner of a called 4997 square feet tract, as described in deed to  
19 Ensearch Corporation, recorded in Volume 84064, Page 1370,  
20 D.R.D.C.T.;

21 --North  $89^{\circ}08'31''$  West, a distance of 80.00 feet to a  $5/8''$   
22 iron rod with cap found for corner;

23 --South  $00^{\circ}46'21''$  East, a distance of 62.53 feet to a  $5/8''$   
24 iron rod with cap found for corner, said point being in the  
25 northerly right-of-way line of Ranch Trail, (a variable width  
26 public right-of-way);

27 THENCE along the northerly right-of-way line of said Ranch



Trail, the following courses and distances to wit:

--North 89°08'30" West, a distance of 1284.00 feet to a 5/8" iron rod with cap found for corner;

--North 87°59'44" West, a distance of 200.25 feet to a 5/8" iron rod with cap found for corner;

--North 89°08'31" West, a distance of 209.36 feet to a 5/8" iron rod with cap found for corner;

THENCE leaving the northerly right-of-way line of said Ranch Trail, the following courses and distances to wit:

--North 00°51'29" East, a distance of 443.28 feet to a 5/8" iron rod with cap found for corner;

--North 29°25'57" West, a distance of 323.94 feet to a 5/8" iron rod with cap found for corner;

--North 89°08'31" West, a distance of 591.20 feet to a 5/8" iron rod with cap found for corner;

--South 00°51'29" West, a distance of 723.00 feet to a 5/8" iron rod with cap found for corner, said point being in the northerly right-of-way line of said Ranch Trail;

THENCE along the northerly right-of-way line of said Ranch Trail, the following courses and distances to wit:

--North 89°08'31" West, a distance of 1216.91 feet to a 5/8" iron rod with cap found for corner;

--North 89°18'32" West, a distance of 172.18 feet to a 5/8" iron rod with cap found for corner;

THENCE leaving the northerly right-of-way line of said Ranch Trail, along the westerly line of a Transmission Easement, recorded in Volume 2001248, Page 11540, D.R.D.C.T., the following courses

and distances to wit:

--North 27°40'25" East, a distance of 906.98 feet to a point for corner;

--North 21°52'30" East, a distance of 576.98 feet to a point for corner;

--North 55°19'47" West, a distance of 602.33 feet to a point for corner;

--North 58°18'20" West, a distance of 1662.99 feet to a point for corner;

THENCE South 00°41'28" West, a distance of 2541.69 feet, leaving the westerly line of said Transmission Easement, to a 5/8" iron rod with cap found for corner, said point being in the northerly right-of-way line of said Hackberry Road;

THENCE North 89°08'11" West, a distance of 2065.95 feet, along the northerly right-of-way line of said Hackberry Road to the POINT OF BEGINNING, and containing a Gross Area of 759.35 acres (33,077,408 square feet) of land, more or less;

SAVE AND EXCEPT THEREFROM THE FOLLOWING 4 TRACTS:

SAVE AND EXCEPT ( #1 ) a portion of land being more particularly described as follows:

POINT OF COMMENCING at a 5/8" iron rod with cap found for corner, said point being in the northerly right-of-way line of said Ranch Trail, said point also being the southwest corner of said called 4997 square feet tract;

THENCE North 89°08'30" West, a distance of 638.81 feet, along the northerly right-of-way line of said Ranch Trail;

THENCE North 00°51'30" East, a distance of 681.35 feet,

1 departing the northerly right-of-way line of said Ranch Trail, to  
2 an iron rod found for corner, said point being the POINT OF  
3 BEGINNING;

4       THENCE North 84°32'23" West, a distance of 851.35 feet to a  
5 point for corner;

6       THENCE North 05°50'00" East, a distance of 648.19 feet to an  
7 iron rod found for corner;

8       THENCE South 84°09'37" East, a distance of 849.39 feet to an  
9 iron rod found for corner;

10       THENCE South 05°39'37" West, a distance of 642.56 feet to the  
11 POINT OF BEGINNING, and containing 12.60 acres (548,801 square  
12 feet) of land, more or less.

13       SAVE AND EXCEPT ( #2 ) a portion of land being more  
14 particularly described as follows:

15       POINT OF COMMENCING at a 5/8" iron rod with cap found for  
16 corner, said point being in the northerly right-of-way line of said  
17 Ranch Trail, said point also being the southwest corner of said  
18 called 4997 square feet tract;

19       THENCE North 89°08'30" West, a distance of 311.43 feet, along  
20 the northerly right-of-way line of said Ranch Trail;

21       THENCE North 00°51'30" East, a distance of 391.56 feet,  
22 departing the northerly right-of-way line of said Ranch Trail, to  
23 the POINT OF BEGINNING;

24       THENCE North 89°59'58" West, a distance of 667.90 feet to a  
25 point for corner;

26       THENCE North 00°48'46" East, a distance of 327.21 feet to a  
27 point for corner;

1           THENCE South 84°32'23" East, a distance of 341.81 feet to an  
2 iron rod found for corner;

3           THENCE North 05°39'37" East, a distance of 51.68 feet to a  
4 point for corner;

5           THENCE South 49°50'24" East, a distance of 371.29 feet to a  
6 point for corner;

7           THENCE South 17°45'24" East, a distance of 111.97 feet to the  
8 POINT OF BEGINNING, and containing 4.00 acres (174,236 square feet)  
9 of land, more or less.

10          SAVE AND EXCEPT ( #3 ) a portion of land being more  
11 particularly described as follows:

12          POINT OF COMMENCING at a 5/8" iron rod with cap found for  
13 corner, said point being in the northerly right-of-way line of said  
14 Ranch Trail, said point also being the southwest corner of said  
15 called 4997 square feet tract;

16          THENCE along the northerly right-of-way line of said Ranch  
17 Trail, the following courses and distances to wit:

18          -- North 89°08'30" West, a distance of 1284.00 feet, to a  
19 point for corner;

20          -- North 87°59'44" West, a distance of 200.25 feet, to a point  
21 for corner;

22          -- North 89°08'31" West, a distance of 1265.07 feet, to a  
23 point for corner;

24          THENCE North 00°51'29" East, a distance of 680.57 feet,  
25 departing the northerly right-of-way line of said Ranch Trail, to  
26 the POINT OF BEGINNING;

27          THENCE North 84°46'39" West, a distance of 453.47 feet to a

1 point for corner;  
2       THENCE North 32°46'18" East, a distance of 682.55 feet to a  
3 point for corner;  
4       THENCE South 84°46'39" East, a distance of 330.77 feet to a  
5 point for corner;  
6       THENCE South 20°06'59" East, a distance of 227.25 feet to a  
7 point for corner;  
8       THENCE South 32°46'18" West, a distance of 369.20 feet to a  
9 point for corner;  
10       THENCE South 63°59'50" West, a distance of 139.72 feet to the  
11 POINT OF BEGINNING, and containing 6.89 acres (299,912 square feet)  
12 of land, more or less.  
13       SAVE AND EXCEPT ( #4 ) a portion of land being more  
14 particularly described as follows:  
15       POINT OF COMMENCING at a 5/8" iron rod with cap found for  
16 corner, said point being in the easterly right-of-way line of said  
17 Belt Line Road, said point also being the northerly most southwest  
18 corner of Tract 1;  
19       THENCE North 00°30'48" West, a distance of 1192.95 feet, along  
20 the easterly right-of-way line of said Belt Line Road;  
21       THENCE North 89°29'12" East, a distance of 984.48 feet,  
22 departing the easterly right-of-way line of said Belt Line Road, to  
23 the POINT OF BEGINNING;  
24       THENCE North 13°18'20" West, a distance of 186.88 feet to a  
25 point for corner;  
26       THENCE North 31°41'40" East, a distance of 277.00 feet to a  
27 point for corner;

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1           THENCE South 58°18'20" East, a distance of 575.00 feet to a  
2 point for corner;

3           THENCE South 31°41'40" West, a distance of 277.00 feet to a  
4 point for corner;

5           THENCE South 76°41'40" West, a distance of 186.88 feet to a  
6 point for corner;

7           THENCE North 58°18'20" West, a distance of 310.71 feet to the  
8 POINT OF BEGINNING, and containing 5.00 acres (217,798 square feet)  
9 of land, more or less, and leaving TRACT 1 with a Net Area of 730.86  
10 acres (31,836,661 square feet) of land, more or less.

11           (b) TRACT 2:

12           BEING a tract of land situated in the Jacob G. Carlock Survey,  
13 Abstract No. 312, the Nancy Cousey Survey, Abstract No. 318, and the  
14 McKinney F. Williams Survey, Abstract No. 1054, in the City of  
15 Dallas, Dallas County, Texas, and being a portion of those tracts of  
16 land described in deed to Luminant Generation Company, LLC,  
17 formerly TXU Generation Company LP, recorded in Volume 2001248,  
18 Page 11540 of the Deed Records of Dallas County, Texas, and being  
19 more particularly described as follows:

20           POINT OF COMMENCING at a 5/8" iron pipe with cap found at a  
21 corner clip at the intersection of the southerly right-of-way line  
22 of East Belt Line Road (a variable width public right-of-way) and  
23 the easterly right-of-way line of Sanders Loop (a 60-foot width  
24 right-of-way);

25           THENCE along the southerly right-of-way line of said East  
26 Belt Line Road, the following courses and distances to wit:

27           --North 89°41'24" East, a distance of 666.55 feet, to a 1/2"

1 iron pipe with cap found for corner for the beginning of a curve to  
2 the left;

3 --Easterly, with said curve to the left, through a central  
4 angle of  $14^{\circ}45'11''$ , having a radius of 1684.45 feet, and a chord  
5 bearing and distance of North  $82^{\circ}18'48''$  East, 432.53 feet, an arc  
6 length of 433.73 feet to a  $1/2''$  iron pipe with cap found for corner  
7 for the POINT OF BEGINNING, said point being the beginning of a  
8 curve to the left;

9 THENCE continuing along the southerly right-of-way line of  
10 said East Belt Line Road, the following courses and distances to  
11 wit:

12 --Easterly, with said curve to the left, through a central  
13 angle of  $44^{\circ}20'08''$ , having a radius of 1492.40 feet, and a chord  
14 bearing and distance of North  $51^{\circ}48'48''$  East, 1126.23 feet, an arc  
15 length of 1154.82 feet to a point for corner;

16 --North  $29^{\circ}38'44''$  East, a distance of 579.43 feet, to a 1"  
17 iron rod found for corner for the beginning of a curve to the right;

18 --Easterly, with said curve to the right, through a central  
19 angle of  $37^{\circ}43'34''$ , having a radius of 1849.85 feet, and a chord  
20 bearing and distance of North  $48^{\circ}30'31''$  East, 1196.14 feet, an arc  
21 length of 1218.02 feet to a  $1/2''$  iron rod found for corner;

22 --North  $67^{\circ}22'17''$  East, a distance of 1490.05 feet, to a  $3/4''$   
23 iron pipe found for corner for the beginning of a curve to the  
24 right;

25 --Easterly, with said curve to the right, through a central  
26 angle of  $41^{\circ}16'11''$ , having a radius of 2804.79 feet, and a chord  
27 bearing and distance of North  $87^{\circ}58'47''$  East, 1976.88 feet, an arc

1 length of 2020.27 feet to a point for corner at a corner clip at the  
2 intersection of the southerly right-of-way line of said East Belt  
3 Line Road and the westerly right-of-way line of South Northlake  
4 Road (an 80-foot width right-of-way);

5       THENCE along the westerly right-of-way line of said South  
6 Northlake Road, the following courses and distances to wit:

7       --South 26°07'21" East, a distance of 57.54 feet, to a point  
8 for corner for the beginning of a non-tangent curve to the left;

9       --Southerly, with said non-tangent curve to the left, through  
10 a central angle of 17°15'16", having a radius of 858.51 feet, and a  
11 chord bearing and distance of South 08°09'10" West, 257.56 feet, an  
12 arc length of 258.54 feet to a point for corner;

13       --South 00°28'28" East, a distance of 331.72 feet, to a point  
14 for corner;

15       --South 01°03'30" East, a distance of 446.34 feet, to a mag  
16 nail found for corner;

17       THENCE leaving the westerly right-of-way line of said South  
18 Northlake Road, the following courses and distances to wit:

19       --South 00°41'14" West, a distance of 59.74 feet, to a point  
20 for corner;

21       --North 89°38'49" East, a distance of 37.29 feet, to a 1/2"  
22 iron pipe with cap found for corner;

23       --South 00°34'34" East, a distance of 663.61 feet, to a point  
24 for corner;

25       --South 89°59'58" West, a distance of 907.02 feet, to a point  
26 for corner;

27       --South 27°05'01" East, a distance of 128.90 feet, to a point



1 for corner;  
2 --North 69°14'19" West, a distance of 61.87 feet, to a point  
3 for corner;  
4 --North 89°29'16" West, a distance of 799.56 feet, to a point  
5 for corner;  
6 --North 87°02'10" West, a distance of 844.03 feet, to a point  
7 for corner for the beginning of a curve to the right;  
8 --Westerly, with said curve to the right, through a central  
9 angle of 17°19'38", having a radius of 100.00 feet, and a chord  
10 bearing and distance of North 78°22'21" West, 30.13 feet, an arc  
11 length of 30.24 feet to a point for corner;  
12 --North 69°42'32" West, a distance of 118.61 feet, to a point  
13 for corner;  
14 --South 31°17'57" West, a distance of 427.71 feet, to a point  
15 for corner for the beginning of a curve to the left;  
16 --Southerly, with said curve to the left, through a central  
17 angle of 28°51'04", having a radius of 1375.75 feet, and a chord  
18 bearing and distance of South 12°00'33" West, 685.46 feet, an arc  
19 length of 692.75 feet to a point for corner for the beginning of a  
20 reverse curve to the right;  
21 --Southerly, with said reverse curve to the right, through a  
22 central angle of 12°36'46", having a radius of 1738.86 feet, and a  
23 chord bearing and distance of South 08°31'33" West, 382.01 feet, an  
24 arc length of 382.78 feet to a point for corner;  
25 --South 15°30'32" West, a distance of 34.97 feet, to a point  
26 for corner for the beginning of a curve to the left;  
27 --Southerly, with said curve to the left, through a central

1 angle of  $74^{\circ}33'21''$ , having a radius of 50.00 feet, and a chord  
2 bearing and distance of South  $21^{\circ}46'08''$  East, 60.57 feet, an arc  
3 length of 65.06 feet to a point for corner;

4 --South  $59^{\circ}02'48''$  East, a distance of 9.59 feet, to a point  
5 for corner for the beginning of a curve to the right;

6 --Southerly, with said curve to the right, through a central  
7 angle of  $126^{\circ}19'40''$ , having a radius of 25.00 feet, and a chord  
8 bearing and distance of South  $04^{\circ}07'02''$  West, 44.62 feet, an arc  
9 length of 55.12 feet to a point for corner;

10 --South  $67^{\circ}16'52''$  West, a distance of 57.30 feet, to a point  
11 for corner for the beginning of a curve to the left;

12 --Southerly, with said curve to the left, through a central  
13 angle of  $45^{\circ}03'15''$ , having a radius of 50.00 feet, and a chord  
14 bearing and distance of South  $44^{\circ}45'14''$  West, 38.31 feet, an arc  
15 length of 39.32 feet to a point for corner;

16 --South  $22^{\circ}13'36''$  West, a distance of 51.27 feet, to a point  
17 for corner for the beginning of a curve to the right;

18 --Southerly, with said curve to the right, through a central  
19 angle of  $12^{\circ}52'49''$ , having a radius of 1738.86 feet, and a chord  
20 bearing and distance of South  $29^{\circ}30'27''$  West, 390.08 feet, an arc  
21 length of 390.90 feet to a point for corner;

22 --South  $37^{\circ}34'26''$  West, a distance of 135.48 feet, to a point  
23 for corner for the beginning of a curve to the left;

24 --Southerly, with said curve to the left, through a central  
25 angle of  $51^{\circ}13'26''$ , having a radius of 50.00 feet, and a chord  
26 bearing and distance of South  $11^{\circ}57'43''$  West, 43.23 feet, an arc  
27 length of 44.70 feet to a point for corner;

1       --South 13°39'00" East, a distance of 151.04 feet, to a point  
2 for corner for the beginning of a curve to the right;

3       --Southwesterly, with said curve to the right, through a  
4 central angle of 121°16'27", having a radius of 50.00 feet, and a  
5 chord bearing and distance of South 46°59'14" West, 87.15 feet, an  
6 arc length of 105.83 feet to a point for corner;

7       --North 72°22'33" West, a distance of 242.60 feet, to a point  
8 for corner for the beginning of a curve to the left;

9       --Westerly, with said curve to the left, through a central  
10 angle of 33°20'29", having a radius of 200.00 feet, and a chord  
11 bearing and distance of North 89°02'47" West, 114.75 feet, an arc  
12 length of 116.38 feet to a point for corner;

13       --South 74°16'58" West, a distance of 575.84 feet, to a point  
14 for corner for the beginning of a curve to the right;

15       --Southwesterly, with said curve to the right, through a  
16 central angle of 07°56'12", having a radius of 100.00 feet, and a  
17 chord bearing and distance of South 78°15'04" West, 13.84 feet, an  
18 arc length of 13.85 feet to a point for corner;

19       --South 82°13'10" West, a distance of 348.79 feet, to a point  
20 for corner for the beginning of a curve to the left;

21       --Southwesterly, with said curve to the left, through a  
22 central angle of 20°16'51", having a radius of 100.00 feet, and a  
23 chord bearing and distance of South 72°04'44" West, 35.21 feet, an  
24 arc length of 35.40 feet to a point for corner;

25       --South 61°56'19" West, a distance of 104.25 feet, to a point  
26 for corner for the beginning of a non-tangent curve to the left;

27       --Southwesterly, with said non-tangent curve to the left,

1 through a central angle of  $35^{\circ}48'44''$ , having a radius of 451.03  
2 feet, and a chord bearing and distance of South  $47^{\circ}33'03''$  West,  
3 277.34 feet, an arc length of 281.91 feet to a point for corner for  
4 the beginning of a non-tangent reverse curve to the right;

5 --Southwesterly, with said non-tangent reverse curve to the  
6 right, through a central angle of  $21^{\circ}43'25''$ , having a radius of  
7 1682.82 feet, and a chord bearing and distance of South  $48^{\circ}00'48''$   
8 West, 634.22 feet, an arc length of 638.04 feet to a point for  
9 corner for the beginning of a compound curve to the right;

10 --Southwesterly, with said compound curve to the right,  
11 through a central angle of  $33^{\circ}31'06''$ , having a radius of 1000.00  
12 feet, and a chord bearing and distance of South  $75^{\circ}38'03''$  West,  
13 576.70 feet, an arc length of 585.00 feet to a point for corner for  
14 the beginning of a reverse curve to the left;

15 --Southwesterly, with said reverse curve to the left, through  
16 a central angle of  $57^{\circ}11'43''$ , having a radius of 100.00 feet, and a  
17 chord bearing and distance of South  $63^{\circ}47'45''$  West, 95.73 feet, an  
18 arc length of 99.82 feet to a point for corner for the beginning of a  
19 reverse curve to the right;

20 --Southwesterly, with said reverse curve to the right,  
21 through a central angle of  $55^{\circ}20'21''$ , having a radius of 849.05  
22 feet, and a chord bearing and distance of South  $62^{\circ}52'04''$  West,  
23 788.55 feet, an arc length of 820.05 feet to a point for corner;

24 --West, a distance of 187.74 feet, to a point for corner, said  
25 point being in the easterly right-of-way line of South Belt Line  
26 Road (a variable width public right-of-way);

27 THENCE along the easterly right-of-way line of said South

1 Belt Line Road, the following courses and distances to wit:

2 --North 00°34'47" West, a distance of 41.91 feet, to a point  
3 for corner;

4 --North 00°34'57" West, a distance of 283.17 feet, to a 5/8"  
5 iron rod with cap found for corner;

6 --North 00°32'02" West, a distance of 1232.51 feet, to an "X"  
7 found for corner at a corner clip at the intersection of the  
8 easterly right-of-way line of said South Belt Line Road and the  
9 southerly right-of-way line of said Sanders Loop;

10 THENCE along the southerly and easterly right-of-way line of  
11 said Sanders Loop, the following courses and distances to wit:

12 --North 44°43'45" East, a distance of 28.28 feet, to an "X"  
13 found for corner;

14 --North 89°37'59" East, a distance of 521.23 feet, to a 5/8"  
15 iron pipe with cap found for corner;

16 --North 00°41'00" West, a distance of 506.40 feet, to a point  
17 for corner;

18 THENCE departing the easterly right-of-way line of said  
19 Sanders Loop, the following courses and distances to wit:

20 --North 89°59'58" East, a distance of 1023.17 feet, to a point  
21 for corner, said point being in the westerly line of a 170-foot wide  
22 Electric Transmission Easement (Tract 1) in Special Warranty Deed  
23 recorded in Volume 2001248, Page 11540, D.R.D.C.T.;

24 --North 20°08'20" East, a distance of 633.78 feet, along the  
25 westerly line of a said Electric Transmission Easement, to a point  
26 for corner;

27 --North 38°46'45" East, a distance of 245.52 feet, continuing

1 along the westerly line of a said Electric Transmission Easement,  
2 to a point for corner;

3 --South 89°59'58" West, a distance of 278.55 feet, departing  
4 the westerly line of a said Electric Transmission Easement, to the  
5 POINT OF BEGINNING, and containing a Gross Area of 338.88 acres  
6 (14,761,616 square feet) of land, more or less;

7 SAVE AND EXCEPT THEREFROM THE FOLLOWING 3 TRACTS:

8 SAVE AND EXCEPT ( #1 ) a portion of land being more  
9 particularly described as follows:

10 POINT OF COMMENCING at a 5/8" iron pipe with cap found at a  
11 corner clip at the intersection of the southerly right-of-way line  
12 of said East Belt Line Road and the easterly right-of-way line of  
13 said Sanders Loop;

14 THENCE along the southerly right-of-way line of said East  
15 Belt Line Road, the following courses and distances to wit:

16 --North 89°41'24" East, a distance of 666.55 feet, to a 1/2"  
17 iron pipe with cap found for corner for the beginning of a curve to  
18 the left;

19 --Easterly, with said curve to the left, through a central  
20 angle of 14°45'11", having a radius of 1684.45 feet, and a chord  
21 bearing and distance of North 82°18'48" East, 432.53 feet, an arc  
22 length of 433.73 feet to a 1/2" iron pipe with cap found for corner  
23 for the POINT OF BEGINNING, said point being the beginning of a  
24 curve to the left;

25 THENCE continuing along the southerly right-of-way line of  
26 said East Belt Line Road, the following courses and distances to  
27 wit:

1       --Easterly, with said curve to the left, through a central  
2 angle of  $44^{\circ}20'08''$ , having a radius of 1492.40 feet, and a chord  
3 bearing and distance of North  $51^{\circ}48'48''$  East, 1126.23 feet, an arc  
4 length of 1154.82 feet to a point for corner;

5       --North  $29^{\circ}38'44''$  East, a distance of 579.43 feet, to a 1"  
6 iron rod found for corner for the beginning of a curve to the right;

7       --Easterly, with said curve to the right, through a central  
8 angle of  $37^{\circ}43'34''$ , having a radius of 1849.85 feet, and a chord  
9 bearing and distance of North  $48^{\circ}30'31''$  East, 1196.14 feet, an arc  
10 length of 1218.02 feet to a 1/2" iron rod found for corner;

11       --North  $67^{\circ}22'17''$  East, a distance of 1490.05 feet, to a 3/4"  
12 iron pipe found for corner for the beginning of a curve to the  
13 right;

14       --Easterly, with said curve to the right, through a central  
15 angle of  $04^{\circ}15'22''$ , having a radius of 2804.79 feet, and a chord  
16 bearing and distance of North  $69^{\circ}28'23''$  East, 208.30 feet, an arc  
17 length of 208.35 feet to a point for corner;

18       THENCE departing the southerly right-of-way line of said East  
19 Belt Line Road, the following courses and distances to wit:

20       --South  $10^{\circ}37'36''$  East, a distance of 152.65 feet, to a point  
21 for corner;

22       --South  $07^{\circ}57'55''$  East, a distance of 246.27 feet, to a point  
23 for corner;

24       --North  $77^{\circ}48'47''$  East, a distance of 1000.02 feet, to a point  
25 for corner;

26       --South  $62^{\circ}02'11''$  East, a distance of 263.63 feet, to a point  
27 for corner;

--South 77°48'46" East, a distance of 549.80 feet, to a point for corner;

--South 00°00'02" East, a distance of 219.19 feet, to a point for corner;

--North 89°59'58" East, a distance of 1036.92 feet, to a point for corner;

--South 07°57'55" East, a distance of 246.27 feet, to a point for corner, said point being in the westerly right-of-way line of said South Northlake Road;

THENCE South 01°03'30" East, a distance of 446.34 feet, along the westerly right-of-way line of said South Northlake Road, to a mag nail found for corner;

THENCE South 00°41'14" West, a distance of 59.74 feet, departing the westerly right-of-way line of said South Northlake Road, to a point for corner;

THENCE North 89°38'49" East, a distance of 37.29 feet, to a 1/2" iron pipe with cap found for corner;

THENCE South 00°34'34" East, a distance of 663.61 feet, to a point for corner;

THENCE South 89°59'58" West, a distance of 907.02 feet, to a point for corner;

THENCE South 27°05'01" East, a distance of 128.90 feet, to a point for corner;

THENCE North 69°14'19" West, a distance of 61.87 feet, to a point for corner;

THENCE South 89°29'16" West, a distance of 799.56 feet, to a point for corner;



1           THENCE North 87°02'10" West, a distance of 844.03 feet, to a  
2 point for corner for the beginning of a curve to the left;  
3           THENCE westerly, with said curve to the left, through a  
4 central angle of 17°19'38", having a radius of 100.00 feet, and a  
5 chord bearing and distance of North 78°22'21" West, 30.13 feet, an  
6 arc length of 30.24 feet to a point for corner;  
7           THENCE North 69°42'32" West, a distance of 118.61 feet, to a  
8 point for corner;  
9           THENCE North 73°57'13" West, a distance of 50.94 feet, to a  
10 point for corner;  
11          THENCE North 67°29'55" West, a distance of 376.50 feet, to a  
12 point for corner;  
13          THENCE North 71°24'21" West, a distance of 478.92 feet, to a  
14 point for corner;  
15          THENCE South 60°19'57" West, a distance of 469.83 feet, to a  
16 point for corner;  
17          THENCE South 51°57'35" West, a distance of 476.83 feet, to a  
18 point for corner;  
19          THENCE South 51°29'18" West, a distance of 450.28 feet, to a  
20 point for corner;  
21          THENCE South 55°18'30" West, a distance of 202.63 feet, to a  
22 point for corner;  
23          THENCE South 36°33'51" West, a distance of 258.05 feet, to a  
24 point for corner;  
25          THENCE South 89°59'58" West, a distance of 465.27 feet, to the  
26 POINT OF BEGINNING, and containing 132.11 acres (5,754,834 square  
27 feet) of land, more or less.

1           SAVE AND EXCEPT ( #2 ) a portion of land being more  
2 particularly described as follows:

3           POINT OF COMMENCING at a corner clip at the intersection of  
4 the southerly right-of-way line of said East Belt Line Road and the  
5 westerly right-of-way line of said South Northlake Road;

6           THENCE along the westerly right-of-way line of said South  
7 Northlake Road, the following courses and distances to wit:

8           --South 26°07'21" East, a distance of 57.54 feet, to a point  
9 for corner for the beginning of a non-tangent curve to the left;

10          --Southerly, with said non-tangent curve to the left, through  
11 a central angle of 17°15'16", having a radius of 858.51 feet, and a  
12 chord bearing and distance of South 08°09'10" West, 257.56 feet, an  
13 arc length of 258.54 feet to a point for corner;

14          --South 00°28'28" East, a distance of 331.72 feet, to a point  
15 for corner;

16          THENCE South 89°59'58" West, a distance of 205.12 feet,  
17 departing the westerly right-of-way line of said South Northlake  
18 Road, to the POINT OF BEGINNING;

19          THENCE South 89°59'58" West, a distance of 230.05 feet, to a  
20 point for corner;

21          THENCE North 39°28'39" West, a distance of 118.02 feet, to a  
22 point for corner;

23          THENCE South 88°59'00" West, a distance of 115.21 feet, to a  
24 point for corner;

25          THENCE North 26°46'14" West, a distance of 221.20 feet, to a  
26 point for corner;

27          THENCE North 77°48'46" East, a distance of 505.54 feet, to a

1 point for corner;

2       THENCE South 03°44'54" East, a distance of 394.11 feet, to the  
3 POINT OF BEGINNING, and containing 3.23 acres

4       (140,525 square feet) of land, more or less.

5       SAVE AND EXCEPT ( #3 ) a portion of land being more  
6 particularly described as follows:

7       POINT OF BEGINNING at a point in the southerly right-of-way  
8 line of said Sanders Loop, said point bears North 44°43'45" East,  
9 172.76 feet along the southerly right-of-way line of said Sanders  
10 Loop from a corner clip at the intersection of the easterly  
11 right-of-way line of said Belt Line Road;

12       THENCE North 89°37'59" East, a distance of 278.85 feet, along  
13 the southerly right-of-way line of said Sanders Loop, to a point for  
14 corner, said point being the beginning of a non-tangent curve to the  
15 left;

16       THENCE departing the southerly right-of-way line of said  
17 Sanders Loop, the following courses and distances to wit:

18       --Southeasterly, with said non-tangent curve to the left,  
19 through a central angle of 32°38'41", having a radius of 510 feet,  
20 and a chord bearing and distance of South 52°55'29" East, 286.66  
21 feet, an arc length of 290.58 feet to a point for corner;

22       --South 00°22'01" East, a distance of 302.72 feet, to a point  
23 for corner;

24       --South 89°37'59" West, a distance of 506.45 feet, to a point  
25 for corner;

26       --North 00°22'01" West, a distance of 477.00 feet, to the  
27 POINT OF BEGINNING, and containing 5.00 acres (217,799 square feet)

of land, more or less, and leaving Net Areas as follows:

Tract 2A containing 178.98 acres (7,796,183 square feet) of land, more or less,

Tract 2B containing 17.01 acres (740,901 square feet) of land, more or less,

Tract 2C containing 2.56 acres (111,374 square feet) of land, more or less.

(c) TRACT 3:

BEING a tract of land situated in the Jacob G. Carlock Survey, Abstract No. 312, in the City of Dallas, Dallas County, Texas, and being a portion of those tracts of land described in deed to Luminant Generation Company, LLC, formerly TXU Generation Company LP, recorded in Volume 2001248, Page 11540 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

POINT OF COMMENCING at the southeast corner of Tract 2;

THENCE South 00°34'34" East, a distance of 145.00 feet, to a 3" fence post found for corner for the POINT OF BEGINNING;

THENCE North 89°31'11" East, a distance of 538.69 feet, to a 3" fence post found for corner;

THENCE South 00°35'34" East, a distance of 689.26 feet, to a 3" fence post found for corner;

THENCE North 89°32'29" West, a distance of 201.09 feet, to a 1/2" iron pipe with cap found for corner;

THENCE North 30°30'42" West, a distance of 676.98 feet, to a 1/2" iron pipe with cap found for corner;

THENCE North 00°34'34" West, a distance of 99.87 feet, to the

1 POINT OF BEGINNING, and containing 6.22 acres (270,922 square feet)  
2 of land, more or less.

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

10 (b) The governor, one of the required recipients, has  
11 submitted the notice and Act to the Texas Commission on  
12 Environmental Quality.

13 (c) The Texas Commission on Environmental Quality has filed  
14 its recommendations relating to this Act with the governor, the  
15 lieutenant governor, and the speaker of the house of  
16 representatives within the required time.

17 (d) All requirements of the constitution and laws of this  
18 state and the rules and procedures of the legislature with respect  
19 to the notice, introduction, and passage of this Act are fulfilled  
20 and accomplished.

21 SECTION 4. This Act takes effect immediately if it receives  
22 a vote of two-thirds of all the members elected to each house, as  
23 provided by Section 39, Article III, Texas Constitution. If this  
24 Act does not receive the vote necessary for immediate effect, this  
25 Act takes effect September 1, 2009.