

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 20, 2017

The Honorable Dan Patrick
Lieutenant Governor of Texas
Capitol Station
PO Box 12068
Austin, Texas 78711

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

Senate Bill (SB) 2244, as Filed by Senator Royce West - Relating to the creation of the Universtiy Hills Municipal Management District; providing authority to issue bonds; providing authority to impose assessments or fees.

Dear Governor Patrick:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

Sincerely,

A handwritten signature in black ink, reading "Cari-Michel LaCaille".

Cari-Michel LaCaille, Director
Water Supply Division

cc: Honorable Eddie Lucio, Jr., Chairman, Senate Intergovernmental Relations Committee
Senator Royce West, Texas Senate

Enclosure

SB 2244, as Filed by Senator Royce West
Texas Commission on Environmental Quality's Comments

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

This bill creates University Hills Municipal Utility District (District) with the powers and duties of a standard municipal utility district (MUD) under Chapters 49 and 54, Water Code.

Comments on Powers/Duties Different from Similar Types of Districts:

The District has the powers and duties of a standard public improvement district under Chapter 372, Local Government Code, and a standard municipal management district (MMD) under Local Government Code Chapter 375; Local Government Code Chapter 375, Subchapter B, relating the creation of a district, and Subchapter O, relating to defense adjustment management authority, do not apply to the District; this bill specifies that if the legislature grants the District a power that is in addition to the powers approved by the initial resolution of the governing body of the City of Dallas (City) consenting to the creation of the District, the District may not exercise that power unless the governing body of the City consents to that change by ordinance or resolution; this bill grants the District authority for road projects; the District may not construct, acquire, maintain, or operate a toll road; the District may not impose an ad valorem tax; the District may not establish, operate, maintain, or finance a police or fire department without the consent of the City by ordinance or resolution; the board may add territory inside the corporate boundaries or the extraterritorial jurisdiction of the City to the District or remove territory inside the corporate boundaries or the extraterritorial jurisdiction of the City from the District; the District may not exercise the power of eminent domain; this bill allows the District to divide only if the District has no outstanding bonded debt; the board may dissolve the District in the manner provided by Section 375.261, Local Government Code, subject to Section 375.264, Local Government Code, relating to bond indebtedness; the governing body of the City may dissolve the district by ordinance; Section 375.262, Local Government Code, relating to dissolution by petition, does not apply to the District.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014.

As a result, TCEQ is unaware of possible overlapping service providers.

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

LETTER OF TRANSMITTAL
TEXAS SENATE
STATE OF TEXAS

SB 2244

Bill Number

TO: The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas.

3/15/2017

Date transmitted to
Governor's Office


Secretary of the Senate

TO: Texas Commission on Environmental Quality
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill.

March 24, 2017

Date transmitted to
Texas Commission on Environmental Quality


Governor

TO: The Honorable President of the Senate
The Honorable Speaker of the House of Representatives
The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.


Texas Commission on Environmental Quality

By: West

S.B. No. 2244

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation of the University Hills Municipal
3 Management District; providing authority to issue bonds; providing
4 authority to impose assessments or fees.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws
7 Code, is amended by adding Chapter 3947 to read as follows:

8 CHAPTER 3947. UNIVERSITY HILLS MUNICIPAL MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3947.001. DEFINITIONS. In this chapter:

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

12 (2) "City" means the City of Dallas, Texas.

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

15 (4) "County" means Dallas County, Texas.

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

17 (6) "District" means the University Hills Municipal
18 Management District.

19 Sec. 3947.002. CREATION AND NATURE OF DISTRICT. The
20 University Hills Municipal Management District is a special
21 district created under Sections 52 and 52-a, Article III, and
22 Section 59, Article XVI, Texas Constitution.

23 Sec. 3947.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
24 creation of the district is essential to accomplish the purposes of

S.B. No. 2244

1 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
2 Texas Constitution, and other public purposes stated in this
3 chapter. By creating the district and in authorizing the city and
4 other political subdivisions to contract with the district, the
5 legislature has established a program to accomplish the public
6 purposes set out in Section 52-a, Article III, Texas Constitution.

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

12 Sec. 3947.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
13 The district is created to serve a public use and benefit.

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

19 (c) The district is created to accomplish the purposes of a
20 municipal management district as provided by general law and
21 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
22 Texas Constitution.

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

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

27 (2) eliminate unemployment and underemployment; and

- 1 (3) develop or expand transportation and commerce.
- 2 (e) The district will:
- 3 (1) promote the health, safety, and general welfare of
4 residents, employers, potential employees, employees, visitors,
5 and consumers in the district, and of the public;
- 6 (2) provide needed funding for the district to
7 preserve, maintain, and enhance the economic health and vitality of
8 the district territory as a community and business center; and
- 9 (3) promote the health, safety, welfare, and enjoyment
10 of the public by providing pedestrian ways and by landscaping and
11 developing certain areas in the district, which are necessary for
12 the restoration, preservation, and enhancement of scenic beauty.
- 13 (f) Pedestrian ways along or across a street, whether at
14 grade or above or below the surface, and street lighting, street
15 landscaping, parking, and street art objects are parts of and
16 necessary components of a street and are considered to be a street
17 or road improvement.
- 18 Sec. 3947.005. INITIAL DISTRICT TERRITORY. (a) The
19 district is initially composed of the territory described by
20 Section 2 of the Act enacting this chapter.
- 21 (b) The boundaries and field notes contained in Section 2 of
22 the Act enacting this chapter form a closure. A mistake in the
23 field notes or in copying the field notes in the legislative process
24 does not affect the district's:
- 25 (1) organization, existence, or validity;
26 (2) right to contract;
27 (3) authority to borrow money or issue bonds or other

1 obligations described by Section 3947.253 or to pay the principal
2 and interest of the bonds or other obligations;
3 (4) right to impose or collect an assessment or
4 collect other revenue; or
5 (5) legality or operation.
6 Sec. 3947.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
7 (a) All or any part of the area of the district is eligible to be
8 included in:
9 (1) a tax increment reinvestment zone created under
10 Chapter 311, Tax Code;
11 (2) a tax abatement reinvestment zone created under
12 Chapter 312, Tax Code; or
13 (3) an enterprise zone created under Chapter 2303,
14 Government Code.
15 (b) If the city creates a tax increment reinvestment zone
16 described by Subsection (a), the city and the board of directors of
17 the zone, by contract with the district, may grant money deposited
18 in the tax increment fund to the district to be used by the district
19 for:
20 (1) the purposes permitted for money granted to a
21 corporation under Section 380.002(b), Local Government Code; and
22 (2) any other district purpose, including the right to
23 pledge the money as security for any bonds or other obligations
24 issued by the district under Section 3947.253.
25 (c) If the city creates a tax increment reinvestment zone
26 described by Subsection (a), the city may determine the percentage
27 of the property in the zone that may be used for residential

1 purposes and is not subject to the limitations provided by Section
2 311.006, Tax Code.

3 Sec. 3947.007. CONFIRMATION AND DIRECTORS' ELECTION
4 REQUIRED. On receipt of a petition signed by the owners of a
5 majority of the acreage and the assessed value of real property in
6 the district according to the most recent certified tax appraisal
7 roll for the county, the initial directors shall hold an election to
8 confirm the creation of the district and to elect five permanent
9 directors as provided by Section 49.102, Water Code.

10 Sec. 3947.008. APPLICABILITY OF MUNICIPAL MANAGEMENT
11 DISTRICT LAW. (a) Except as provided by this chapter, Chapter 375,
12 Local Government Code, applies to the district.

13 (b) Subchapters B and O, Chapter 375, Local Government Code,
14 do not apply to the district.

15 Sec. 3947.009. CONSTRUCTION OF CHAPTER. This chapter shall
16 be construed in conformity with the findings and purposes stated in
17 this chapter.

18 Sec. 3947.010. CONCURRENCE ON ADDITIONAL POWERS. If the
19 legislature grants the district a power that is in addition to the
20 powers approved by the initial resolution of the governing body of
21 the city consenting to the creation of the district, the district
22 may not exercise that power unless the governing body of the city
23 consents to that change by ordinance or resolution.

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 3947.051. GOVERNING BODY; TERMS. (a) The district is
26 governed by a board of five elected directors.

27 (b) Except as provided by Section 3947.054, directors serve

1 staggered four-year terms, with two or three directors' terms
2 expiring June 1 of each odd-numbered year.

3 Sec. 3947.052. BOARD MEETINGS. The board shall hold
4 meetings at a place accessible to the public.

5 Sec. 3947.053. REMOVAL OF DIRECTORS. (a) The board may
6 remove a director by unanimous vote of the other directors if the
7 director has missed at least half of the meetings scheduled during
8 the preceding 12 months.

9 (b) A director removed under this section may file a written
10 appeal with the commission not later than the 30th day after the
11 date the director receives written notice of the board action. The
12 commission may reinstate the director if the commission finds that
13 the removal was unwarranted under the circumstances after
14 considering the reasons for the absences, the time and place of the
15 meetings, the business conducted at the meetings missed, and any
16 other relevant circumstances.

17 Sec. 3947.054. INITIAL DIRECTORS. (a) The initial board
18 consists of:

	<u>Pos. No.</u>	<u>Name of Director</u>
19		
20	<u>1</u>	<u>Michael Beaty</u>
21	<u>2</u>	<u>Curtis Clinesmith</u>
22	<u>3</u>	<u>Susan Larson</u>
23	<u>4</u>	<u>Alan Michlin</u>
24	<u>5</u>	<u>Michael Warner</u>

25 (b) Initial directors serve until the earlier of:

26 (1) the date permanent directors are elected under
27 Section 3947.007; or

1 (2) the fourth anniversary of the effective date of
2 the Act enacting this chapter.

3 (c) If permanent directors have not been elected under
4 Section 3947.007 and the terms of the initial directors have
5 expired, successor initial directors shall be appointed or
6 reappointed as provided by Subsection (d) to serve terms that
7 expire on the earlier of:

8 (1) the date permanent directors are elected under
9 Section 3947.007; or

10 (2) the fourth anniversary of the date of the
11 appointment or reappointment.

12 (d) If Subsection (c) applies, the owner or owners of a
13 majority of the assessed value of the real property in the district
14 according to the most recent certified tax appraisal rolls for the
15 county may submit a petition to the commission requesting that the
16 commission appoint as successor initial directors the five persons
17 named in the petition. The commission shall appoint as successor
18 initial directors the five persons named in the petition.

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 3947.101. GENERAL POWERS AND DUTIES. The district has
21 the powers and duties necessary to accomplish the purposes for
22 which the district is created.

23 Sec. 3947.102. IMPROVEMENT PROJECTS. The district may
24 provide, or it may enter into contracts with a governmental or
25 private entity to provide, the improvement projects described by
26 Subchapter C-1 or activities in support of or incidental to those
27 projects.

1 Sec. 3947.103. WATER DISTRICT POWERS. The district has the
2 powers provided by the general laws relating to conservation and
3 reclamation districts created under Section 59, Article XVI, Texas
4 Constitution, including Chapters 49 and 54, Water Code.

5 Sec. 3947.104. AUTHORITY FOR ROAD PROJECTS. Under Section
6 52, Article III, Texas Constitution, the district may design,
7 acquire, construct, finance, issue bonds for, improve, operate,
8 maintain, and convey to this state, a county, or a municipality for
9 operation and maintenance macadamized, graveled, or paved roads or
10 improvements, including storm drainage, in aid of those roads.

11 Sec. 3947.105. ROAD STANDARDS AND REQUIREMENTS. (a) A road
12 project must meet all applicable construction standards, zoning and
13 subdivision requirements, and regulations of each municipality in
14 whose corporate limits or extraterritorial jurisdiction the road
15 project is located.

16 (b) If a road project is not located in the corporate limits
17 or extraterritorial jurisdiction of a municipality, the road
18 project must meet all applicable construction standards,
19 subdivision requirements, and regulations of each county in which
20 the road project is located.

21 (c) If the state will maintain and operate the road, the
22 Texas Transportation Commission must approve the plans and
23 specifications of the road project.

24 Sec. 3947.106. NO TOLL ROADS. The district may not
25 construct, acquire, maintain, or operate a toll road.

26 Sec. 3947.107. PUBLIC IMPROVEMENT DISTRICT POWERS. The
27 district has the powers provided by Chapter 372, Local Government

1 Code, to a municipality or county.

2 Sec. 3947.108. CONTRACT POWERS. The district may contract
3 with a governmental or private entity, on terms determined by the
4 board, to carry out a power or duty authorized by this chapter or to
5 accomplish a purpose for which the district is created.

6 Sec. 3947.109. AD VALOREM TAXATION. The district may not
7 impose an ad valorem tax.

8 Sec. 3947.110. LIMITATIONS ON EMERGENCY SERVICES POWERS.
9 The district may not establish, operate, maintain, or finance a
10 police or fire department without the consent of the city by
11 ordinance or resolution.

12 Sec. 3947.111. ADDING OR REMOVING TERRITORY. As provided
13 by Subchapter J, Chapter 49, Water Code, the board may add territory
14 inside the corporate boundaries or the extraterritorial
15 jurisdiction of the city to the district or remove territory inside
16 the corporate boundaries or the extraterritorial jurisdiction of
17 the city from the district, except that:

18 (1) the addition or removal of the territory must be
19 approved by the city;

20 (2) the addition or removal may not occur without
21 petition by the owners of the territory being added or removed; 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 assessments assessed on the territory are outstanding.

25 Sec. 3947.112. ENFORCEMENT OF REAL PROPERTY RESTRICTIONS.
26 The district may enforce a real property restriction in the manner
27 provided by Section 54.237, Water Code, if, in the reasonable

1 judgment of the board, the enforcement of the restriction is
2 necessary.

3 Sec. 3947.113. NO EMINENT DOMAIN POWER. The district may
4 not exercise the power of eminent domain.

5 SUBCHAPTER C-1. IMPROVEMENT PROJECTS AND SERVICES

6 Sec. 3947.151. IMPROVEMENT PROJECTS AND SERVICES. The
7 district may provide, design, construct, acquire, improve,
8 relocate, operate, maintain, or finance an improvement project or
9 service, including water, wastewater, drainage, and roadway
10 projects or services, using any money available to the district, or
11 contract with a governmental or private entity and reimburse that
12 entity for the provision, design, construction, acquisition,
13 improvement, relocation, operation, maintenance, or financing of
14 an improvement project, service, or cost, for the provision of
15 credit enhancement, or for any cost of operating or maintaining the
16 district or the issuance of district obligations authorized under
17 this chapter, Chapter 372 or 375, Local Government Code, or Chapter
18 49 or 54, Water Code.

19 Sec. 3947.152. BOARD DETERMINATION REQUIRED. The district
20 may not undertake an improvement project unless the board
21 determines the project is necessary to accomplish a public purpose
22 of the district.

23 Sec. 3947.153. LOCATION OF IMPROVEMENT PROJECT. An
24 improvement project may be located or provide service inside or
25 outside the district.

26 Sec. 3947.154. CITY REQUIREMENTS. An improvement project
27 in the district must comply with any applicable requirements of the

1 city, including codes and ordinances, unless specifically waived or
2 superseded by agreement with the city.

3 Sec. 3947.155. IMPROVEMENT PROJECT AND SERVICE IN DEFINABLE
4 AREA; BENEFIT BASIS. The district may undertake an improvement
5 project or service that confers a special benefit on a definable
6 area in the district and levy and collect a special assessment on
7 benefited property in the district in accordance with:

8 (1) Chapter 372, Local Government Code; or

9 (2) Chapter 375, Local Government Code.

10 SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

11 Sec. 3947.201. DIVISION OF DISTRICT; PREREQUISITES. (a)
12 Subject to Subsection (b), the district, including territory added
13 to the district under Section 3947.111, may be divided into two or
14 more new districts only if the district has no outstanding bonded
15 debt. Territory previously added to the district under Section
16 3947.111 may be included in a new district.

17 (b) If the board adds territory inside the corporate
18 boundaries or the extraterritorial jurisdiction of the city or any
19 other municipality to the district under Section 3947.111, the
20 district may be divided under Subsection (a) only with the consent
21 by ordinance or resolution of the city and any other municipality
22 whose territory or extraterritorial jurisdiction is included in the
23 district.

24 Sec. 3947.202. LAW APPLICABLE TO NEW DISTRICT. This
25 chapter applies to any new district created by division of the
26 district, and a new district has all the powers and duties of the
27 district.

1 Sec. 3947.203. DIVISION PROCEDURES. (a) The board, on its
2 own motion or on receipt of a petition signed by an owner of real
3 property in the district, may adopt an order proposing to divide the
4 district.

5 (b) If the board decides to divide the district, the board
6 shall:

7 (1) set the terms of the division, including names for
8 the new districts and a plan for the payment or performance of any
9 outstanding district obligations;

10 (2) prepare a metes and bounds description for each
11 proposed district; and

12 (3) appoint initial directors for each new district.

13 Sec. 3947.204. NOTICE AND RECORDING OF ORDER. Not later
14 than the 30th day after the date of an order dividing the district,
15 the district shall:

16 (1) file the order with the commission; and

17 (2) record the order in the real property records of
18 the county.

19 Sec. 3947.205. CONTRACT AUTHORITY OF NEW DISTRICTS. The
20 new districts may contract with each other for any matter the boards
21 of the new districts consider appropriate, including the joint
22 construction or financing of an improvement project and the joint
23 financing of a maintenance obligation.

24 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

25 Sec. 3947.251. DISBURSEMENTS AND TRANSFERS OF MONEY. The
26 board by resolution shall establish the number of directors'
27 signatures and the procedure required for a disbursement or

1 transfer of the district's money.

2 Sec. 3947.252. MONEY USED FOR IMPROVEMENTS OR SERVICES.

3 The district may undertake and provide an improvement project or
4 service authorized by this chapter using any money available to the
5 district.

6 Sec. 3947.253. BORROWING MONEY; OBLIGATIONS. (a) The
7 district may borrow money for a district purpose, including the
8 acquisition or construction of improvement projects authorized by
9 this chapter and the reimbursement of a person who develops or owns
10 an improvement project authorized by this chapter, by issuing
11 bonds, notes, time warrants, or other obligations, or by entering
12 into a contract or other agreement payable wholly or partly from an
13 assessment, a contract payment, a grant, revenue from a zone
14 created under Chapter 311 or 312, Tax Code, other district revenue,
15 or a combination of these sources.

16 (b) An obligation described by Subsection (a):

17 (1) may bear interest at a rate determined by the
18 board; and

19 (2) may include a term or condition as determined by
20 the board.

21 (c) The board may issue an obligation under this section
22 without an election.

23 Sec. 3947.254. ASSESSMENTS. (a) Except as provided by
24 Subsections (b) and (c), the district may impose an assessment on
25 property in the district to pay for an obligation described by
26 Section 3947.253 or an improvement project authorized by Section
27 3947.151 in the manner provided for:

- 1 (1) a district under Subchapters A, E, and F, Chapter
2 375, Local Government Code; or
3 (2) a municipality or county under Subchapter A,
4 Chapter 372, Local Government Code.
5 (b) The district may not impose an assessment on a
6 municipality, county, or other political subdivision.
7 (c) The board may not finance an improvement project or
8 service with assessments unless a written petition requesting that
9 improvement project or service has been filed with the board. The
10 petition must be signed by the owners of a majority of the assessed
11 value of real property in the district subject to assessment
12 according to the most recent certified tax appraisal roll for the
13 county.
14 Sec. 3947.255. RESIDENTIAL PROPERTY NOT EXEMPT. Sections
15 375.161 and 375.164, Local Government Code, do not apply to the
16 district.
17 Sec. 3947.256. COLLECTION OF ASSESSMENTS. The district may
18 contract as provided by Chapter 791, Government Code, with the
19 commissioners court of the county for the assessment and collection
20 of assessments imposed under this subchapter.
21 Sec. 3947.257. RATES, FEES, AND CHARGES. The district may
22 establish, revise, repeal, enforce, and collect rates, fees, and
23 charges for the enjoyment, sale, rental, or other use of:
24 (1) an improvement project;
25 (2) a product resulting from an improvement project;
26 or
27 (3) another district facility, service, or property.

1 SUBCHAPTER F. DISSOLUTION

2 Sec. 3947.301. DISSOLUTION BY BOARD. The board may
3 dissolve the district in the manner provided by Section 375.261,
4 Local Government Code, subject to Section 375.264, Local Government
5 Code.

6 Sec. 3947.302. DISSOLUTION BY CITY. (a) The city may
7 dissolve the district by ordinance.

8 (b) The city may not dissolve the district until:

9 (1) the district's outstanding debt or contractual
10 obligations have been repaid or discharged; or

11 (2) the city agrees to succeed to the rights and
12 obligations of the district, including an obligation described by
13 Section 3947.304.

14 Sec. 3947.303. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

15 (a) If the dissolved district has bonds or other obligations
16 outstanding secured by and payable from assessments or other
17 revenue, the city succeeds to the rights and obligations of the
18 district regarding enforcement and collection of the assessments or
19 other revenue.

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

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

24 (2) revenue or assessment bonds or other obligations
25 issued by the city to refund the outstanding bonds or obligations of
26 the district.

27 Sec. 3947.304. ASSUMPTION OF ASSETS AND LIABILITIES. (a)

S.B. No. 2244

1 After the city dissolves the district, the city assumes the
2 obligations of the district, including any contractual obligations
3 or bonds or other debt payable from assessments or other district
4 revenue.

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

7 Sec. 3947.305. NO DISSOLUTION BY PETITION. Section
8 375.262, Local Government Code, does not apply to the district.

9 SECTION 2. The University Hills Municipal Management
10 District initially includes all the territory contained in the
11 following area:

12 BEING a 281.112-acres tract or parcel of land out of Abstract
13 Number 1277, Abstract Number 0014 and Abstract Number 0380 situated
14 in the City of Dallas, Dallas County, Texas; and being part of that
15 tract of land conveyed to Patriot Real Estate Holdings RS10 by Deed
16 recorded in Instrument Number 201200385008, Deed Records, Dallas
17 County Texas, and being part of that tract of land conveyed to CADG
18 Property Holdings I, LLC by deed recorded in Instrument Number
19 201600055916, Deed Records, Dallas County, Texas, and being part of
20 that tract of land conveyed to CADG Property Holdings I, LLC by deed
21 recorded in Instrument Number 201500029116, Deed Records, Dallas
22 County, and being part of that tract of land conveyed to CADG
23 Property Holdings SPV, LLC by deed recorded in Instrument Number
24 201400314231, Deed Recorded, Dallas County, Texas, and being part
25 of that tract of land conveyed to St. Marks Believers Temple by deed
26 recorded in Volume 81014, Page 976, Deed Records, Dallas County,
27 Texas; and being more particularly described as follows:

S.B. No. 2244

1 COMMENCING at the northeast corner of a tract of land
2 conveyed to Patriot Real Estate Holdings RS10 by deed recorded in
3 Instrument Number 201200385008, Deed Records, Dallas County,
4 Texas, said point being in the west right-of-way line of Lancaster
5 Road (variable width right-of-way);
6 THENCE South 07 degrees 07 minutes 07 seconds East along the
7 easterly line of said Patriot Real Estate Holdings RS10 tract and
8 along the westerly right-of-way line of said Lancaster Road a
9 distance of 433.04 feet to the POINT OF BEGINNING;
10 THENCE South 07 degrees 25 minutes 01 seconds East,
11 continuing along the easterly line of said Instrument Number
12 201600198606 tract and the westerly right-of-way line of said
13 Lancaster Road, a total distance of 734.79 feet to a point for
14 corner;
15 THENCE South 07 degrees 25 minutes 18 seconds East, following
16 the easterly line of said Instrument Number 201600055154 and the
17 westerly right-of-way line of Lancaster Road, a total distance of
18 583.17 feet to a point for corner;
19 THENCE South 06 degrees 24 minutes 46 seconds East,
20 continuing along said westerly right-of-way line, a total distance
21 of 105.30 feet to a point for corner;
22 THENCE South 07 degrees 54 minutes 14 seconds East,
23 continuing along said westerly right-of-way line, a total distance
24 of 193.87 feet to a point for corner;
25 THENCE South 07 degrees 27 minutes 10 seconds East,
26 continuing along said westerly right-of-way line and following the
27 easterly line of said Instrument Number 201600055916a total

S.B. No. 2244

1 distance of 401.82 feet to a point for corner, said point being the
2 northeast corner of a tract of land conveyed to Yvonne Simmons by
3 deed recorded in Volume 2005121, Page 3183, Deed Records, Dallas
4 County, Texas;

5 THENCE South 82 degrees 29 minutes 50 seconds West,
6 continuing along the easterly line of said Instrument Number
7 201600055916 tract and the northerly line of said Simmons tract, a
8 total distance of 150.00 feet to a point for corner; said point
9 being the northwesterly corner of said Simmons tract;

10 THENCE South 07 degrees 27 minutes 10 seconds East,
11 continuing along the easterly line of said Instrument Number
12 201600055916 tract and the westerly line of said Simmons tract, a
13 total distance of 68.00 feet to a point for corner, said point being
14 the southwest corner of said Simmons tract;

15 THENCE North 82 degrees 29 minutes 50 seconds East,
16 continuing along the easterly line of said Instrument Number
17 201600055916 tract and the southerly line of said Simmons tract, a
18 total distance of 150.00 feet to a point for corner, said point
19 being the southeast corner of said Simmons tract;

20 THENCE South 07 degrees 27 minutes 10 seconds East, following
21 said westerly right-of-way line of Lancaster Road, a total distance
22 of 251.73 feet to a point for corner, said point being the beginning
23 of a tangent curve to the left;

24 THENCE in a southeasterly direction along a curve to the
25 left, having a central angle of 00 degrees 23 minutes 50 seconds, a
26 radius of 8654.40 feet, and a chord bearing and distance of South 07
27 degrees 39 minutes 05 seconds East, 60.00 feet, a total arc length

S.B. No. 2244

1 of 60.00 feet to a point for corner, said point being in an easterly
2 corner of a tract of land conveyed to King E. Rhodes, by deed
3 recorded in Volume 2002187, Page 0125, Deed Records, Dallas County,
4 Texas;

5 THENCE South 77 degrees 25 minutes 31 seconds West, along the
6 southerly line of said Instrument Number 201600055916 tract and the
7 easterly line of said Rhodes tract, a total distance of 323.66 feet
8 to a point for corner, said point being the southwest corner of said
9 Instrument Number 201600055916 tract, said point also being a
10 easterly corner of said Rhodes tract;

11 THENCE North 07 degrees 22 minutes 14 seconds West, along the
12 westerly line of said Instrument Number 201600055916 tract and the
13 easterly line of said Rhodes tract, a total distance of 890.11 feet,
14 to a point for corner, said point being the northwest corner of said
15 Instrument Number 20160055916 tract and the northeast corner of
16 said Rhodes tract, said point also being in a call centerline of
17 Wheatland Road;

18 THENCE South 58 degrees 38 minutes 34 seconds West, following
19 the centerline of said Wheatland Road, a total distance of 287.40
20 feet to a point for corner;

21 THENCE South 58 degrees 50 minutes 23 seconds West,
22 continuing along the centerline of said Wheatland Road, a total
23 distance of 834.11 feet to a point for corner, said point being the
24 northwest corner of said Rhodes tract;

25 THENCE South 37 degrees 05 minutes 08 seconds East, following
26 the westerly line of said Rhodes tract and the easterly line of said
27 Instrument Number 201400314231, a total distance of 1206.46 feet to

S.B. No. 2244

1 a point for corner, said point being the southwest corner of said
2 Rhodes tract;

3 THENCE North 52 degrees 54 minutes 29 seconds East, following
4 the southerly line of said Rhodes tract, a total distance of 492.84
5 feet to a point for corner;

6 THENCE North 07 degrees 22 minutes 14 seconds West, following
7 the southeasterly line of said Rhodes tract, a total distance of
8 235.91 feet to a point for corner;

9 THENCE North 77 degrees 25 minutes 15 seconds East,
10 continuing along said southeasterly line of said Rhodes tract, a
11 total distance of 323.99 feet to a point for corner, said point
12 being in said westerly right-of-way line of Lancaster Road, said
13 point also being the beginning of a non-tangent curve to the left;

14 THENCE in a southeasterly direction along said curve to the
15 left and following said westerly right-of-way line, having a
16 central angle of 05 degrees 25 minutes 56 seconds, a radius of
17 8654.40 feet, and a chord bearing and distance of South 11 degrees
18 25 minutes 46 seconds East, 820.22 feet, a total arc length of
19 820.53 feet, to a point for corner, said point being in the
20 southerly line of said Instrument Number 201600055916 tract, said
21 point also being the most northeasterly corner of a tract of land
22 conveyed to DFW Oil Inc. as recorded in Instrument #2008038074,
23 Deed Records, Dallas County, Texas;

24 THENCE South 75 degrees 57 minutes 36 seconds West, along the
25 southerly line of said Instrument Number 201600055916 tract and the
26 northerly line of said DFW Oil Inc. tract, a total distance of
27 225.00 feet to a point for corner;

S.B. No. 2244

1 THENCE South 15 degrees 36 minutes 40 seconds East,
2 continuing along the southerly line of Instrument Number
3 201600055916 tract and the northerly line of said DFW Oil Inc.
4 tract, a total distance of 385.17 feet, to a point for corner, said
5 point being the northeast corner of a tract of land conveyed to All
6 Saints Inc., as recorded Instrument Number 200900059010, Deed
7 Records, Dallas County, Texas, said point being in the southerly
8 line of said Instrument Number 201600055916 tract;

9 THENCE South 69 degrees 59 minutes 35 seconds West, along the
10 southerly line of said Instrument Number 201600055916 tract and the
11 northerly line of said All Saints Inc. tract, a total distance of
12 295.42 feet, a point for corner, said point being in the southerly
13 line of said Instrument #201600055916 tract and the northwesterly
14 corner of said All Saints Inc. tract;

15 THENCE South 20 degrees 24 minutes 03 seconds East, along the
16 southerly line of said Instrument Number 201600055916 tract and the
17 westerly line of said All Saints Inc. tract a total distance of
18 231.52 feet to a point for corner, said point being the southwest
19 corner of said All Saints Inc. tract and the southerly line of said
20 Instrument Number 201600055916 tract and the northerly line of said
21 DFW Oil Inc. tract;

22 THENCE South 69 degrees 51 minutes 21 seconds West, along the
23 southerly line of said Instrument Number 201600055916 tract and the
24 northerly line of said DFW Oil Inc. tract a total distance of 221.74
25 feet to a point for corner, said point being the southerly line of
26 said Instrument Number 201600055916 tract and the northwest corner
27 of said DFW Oil Inc. tract;

S.B. No. 2244

1 THENCE South 20 degrees 08 minutes 39 seconds East, along the
2 southerly line of said Instrument Number 201600055916 tract and the
3 west line of said DFW Oil Inc. tract, a total distance of 250.00
4 feet to a point for corner, said point being the most southerly
5 corner of said Instrument Number 201600055916 tract and being the
6 southwest corner of said DFW Oil Inc. tract, said point also being
7 in the northerly line of Interstate Highway 20 (LBJ Freeway a
8 variable width right-of-way);

9 THENCE South 69 degrees 51 minutes 21 seconds West, along the
10 southerly line of said Instrument Number 201600055916 tract and the
11 northerly right-of-way line of said Interstate Highway 20, a total
12 distance of 315.04 feet;

13 THENCE South 71 degrees 39 minutes 35 seconds West,
14 continuing along the southerly line of said Instrument Number
15 201600055916 tract with the northerly line of said Interstate
16 Highway 20, a total distance of 1338.56 feet;

17 THENCE South 55 degrees 12 minutes 20 seconds West,
18 continuing along the southerly line of said Instrument Number
19 201600055916 tract with the northerly line of said Interstate
20 Highway 20, a total distance of 39.62 feet said point being the
21 southwest corner of said Instrument #201600055916 tract and the
22 southeast corner of a tract of land conveyed to Susan Wright Key, by
23 deed recorded in Volume 88021, Page 1852, Deed Records, Dallas
24 County, Texas;

25 THENCE North 30 degrees 14 minutes 08 seconds West, along the
26 westerly line of said Instrument Number 201600055916 tract and
27 along the easterly line of said Susan Wright Key tract and the

S.B. No. 2244

1 easterly line of a tract of land conveyed to Wycliff Bible
2 Translators, Inc. as recorded in Volume 74198, Page 104, Deed
3 Records, Dallas County, Texas and the easterly line of a tract of
4 land conveyed to George P. Shropulos Family Limited Partnership as
5 recorded in Volume 94043, Page 2846, Deed Records, Dallas County,
6 Texas, a total distance of 2132.27 feet to a point for corner, said
7 point being in the south right-of-way line of Wheatland Road (a
8 variable width right-of-way), said point being the northwest corner
9 of said Instrument Number 201600055916 tract;

10 THENCE with the westerly line of said Instrument
11 #201500029116 tract and the easterly line of said RKCJ LLC tract the
12 following courses and distances:

13 South 58 degrees 50 minutes 23 seconds West, a total
14 distance of 22.99 feet to a point for corner;

15 North 30 degrees 26 minutes 17 seconds West, a total
16 distance of 472.69 feet to a point for corner;

17 North 62 degrees 56 minutes 00 seconds East, a total
18 distance of 17.96 feet to a point for corner;

19 North 31 degrees 11 minutes 24 seconds West, a total
20 distance of 1205.27 feet to a point for corner, said point being
21 approximately the center line of a creek;

22 THENCE along said approximately centerline of creek the
23 following courses and distances;

24 North 18 degrees 56 minutes 06 seconds East, a total
25 distance of 154.49 feet to a point for corner;

26 North 53 degrees 46 minutes 06 seconds East, a total
27 distance of 203.00 feet to a point for corner;

S.B. No. 2244

1 South 68 degrees 22 minutes 54 seconds East, a total
2 distance of 133.72 feet to a point for corner;
3 North 86 degrees 02 minutes 06 seconds East, a total
4 distance of 111.50 feet to a point for corner;
5 North 10 degrees 48 minutes 06 seconds East, a total
6 distance of 107.15 feet to a point for corner;
7 North 35 degrees 39 minutes 06 seconds East, a total
8 distance of 141.00 feet to a point for corner;
9 North 78 degrees 20 minutes 06 seconds East, a total
10 distance of 97.05 feet to a point for corner;
11 North 28 degrees 27 minutes 54 seconds West, a total
12 distance of 140.57 feet to a point for corner;
13 North 47 degrees 08 minutes 06 seconds East, a total
14 distance of 150.88 feet to a point for corner;
15 North 31 degrees 12 minutes 06 seconds East, a total
16 distance of 130.56 feet to a point for corner;
17 North 63 degrees 34 minutes 36 seconds East, a total
18 distance of 134.95 feet to a point for corner;
19 North 87 degrees 41 minutes 36 seconds East, a total
20 distance of 129.10 feet to a point for corner;
21 North 03 degrees 13 minutes 36 seconds East, a total
22 distance of 132.20 feet to a point for corner;
23 North 34 degrees 51 minutes 36 seconds East, a total
24 distance of 164.10 feet to a point for corner;
25 North 11 degrees 51 minutes 36 seconds East, a total
26 distance of 124.70 feet to a point for corner;
27 THENCE North 23 degrees 47 minutes 24 seconds West, a total

S.B. No. 2244

1 distance of 139.58 feet to a point for corner, said point being in
2 the northerly line of said Instrument Number 201500029116 tract and
3 the southerly line of a tract of land conveyed to the City of Dallas
4 as recorded in Volume 95095, Page 5779, Deed Records, Dallas
5 County, Texas;

6 THENCE North 54 degrees 24 minutes 43 seconds East, along the
7 northerly line of said Instrument Number 201500029116 tract and
8 along the southerly line of said City of Dallas tract a total
9 distance of 537.89 feet to a point for corner;

10 THENCE North 32 degrees 43 minutes 59 seconds West,
11 continuing along said common line a total distance of 1.62 feet;

12 THENCE North 58 degrees 51 minutes 51 seconds East,
13 continuing along said common line and passing along the southerly
14 line of a tract of land conveyed to 154 Lancaster Ltd., as recorded
15 in Volume 98055, Page 0435, Deed Records, Dallas County, Texas, a
16 total distance of 471.29 feet to a point for corner, said point
17 being the northeasterly corner of said Instrument #201500029116
18 tract;

19 THENCE South 31 degrees 05 minutes 57 seconds East, departing
20 the southerly line of said 154 Lancaster Ltd. tract along the
21 easterly line of said Instrument Number 201500029116 tract passing
22 along the westerly line of a tract of land conveyed to Camplanc
23 Investments as recorded in Instrument Number 201100097436, Deed
24 Records, Dallas County, Texas and passing along the westerly line
25 of said Proton Properties LLC tract, a total distance of 634.03 feet
26 to a point for corner, said point being the southwesterly corner of
27 said Proton Properties LLC tract, and being a northerly corner of

S.B. No. 2244

1 said Instrument Number 201500029116 tract;

2 THENCE along the northerly line of said Instrument Number
3 201500029116 tract and the southerly line of said Proton Properties
4 LLC tract the following courses and distances:

5 North 58 degrees 57 minutes 36 seconds East, a total
6 distance of 894.69 feet to a point for corner;

7 South 07 degrees 25 minutes 01 seconds East, a total
8 distance of 277.11 feet to a point for corner;

9 North 82 degrees 34 minutes 59 seconds East, a total
10 distance of 439.00 feet to the POINT OF BEGINNING and containing a
11 total area of 12,245,246.54 square feet, or 281.112 acres of land,
12 more or less.

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

20 (b) The governor, one of the required recipients, has
21 submitted the notice and Act to the Texas Commission on
22 Environmental Quality.

23 (c) The Texas Commission on Environmental Quality has filed
24 its recommendations relating to this Act with the governor,
25 lieutenant governor, and speaker of the house of representatives
26 within the required time.

27 (d) The general law relating to consent by political

S.B. No. 2244

1 subdivisions to the creation of districts with conservation,
2 reclamation, and road powers and the inclusion of land in those
3 districts has been complied with.

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

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

AFFIDAVIT OF PUBLICATION

THE STATE OF TEXAS

COUNTY OF Dallas

§
§
§

BEFORE ME, the undersigned authority on this day personally appeared David Ferster of The Dallas Morning News, who, being by me duly sworn, upon oath deposes and says:

That Dallas Morning News is a newspaper published for the County of Dallas, Texas and is of general circulation within Dallas, County, Texas, and that the attached "NOTICE OF INTENT TO INTRODUCE LEGISLATION" was published in said newspaper in its issue of

12/29/2016.

and said newspaper is a newspaper that complies with the provisions of Section 2051.044, Texas Government Code, in that:

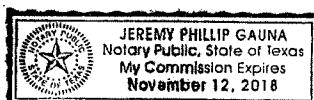
- (1) it devotes not less than twenty-five percent (25%) of its total column lineage to general interest items,
- (2) it is published not less frequently than once each week,
- (3) it is entered as second-class postal matter in the county where it is published, and
- (4) it has been published regularly and continuously for not less than twelve (12) months prior to the date of the first publication of the "NOTICE OF INTENT TO INTRODUCE LEGISLATION."

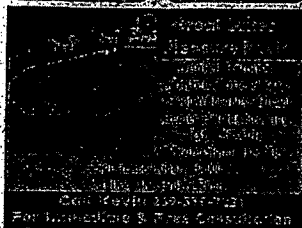
[Signature]
Title: Sales Rep.

SWORN TO AND SUBSCRIBED BEFORE ME, this the 30th day of December 2016.

(Notary Seal)

[Signature]
Notary Public, State of Texas



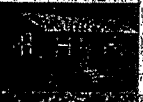


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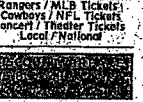


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