

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 15, 2019

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) 1889, as Filed by Senator Pat Fallon - Relating to the creation of the Celina Municipal Management District No. 3; providing authority to issue bonds and impose assessments, fees, and taxes

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 cursive script that reads "Cari-Michel La Caille".

Cari-Michel La Caille, Director
Water Supply Division

cc: Honorable Eddie Lucio, Jr., Chairman, Senate Intergovernmental Relations Committee
Senator Pat Fallon, Texas Senate

Enclosure

**SB 1889, as Filed by Senator Pat Fallon
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 Celina Municipal Management District No. 3 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375.

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

The board may not hold an election to authorize the issuance of bonds until the governing body of the City of Celina (City) by ordinance or resolution consents to the creation of the District and to the inclusion of land in the District; this bill specifies that if all or any part of the territory of the District is annexed by the City into the City's corporate limits, the District retains all of the District's outstanding debt and obligations and continues to operate under this chapter until the District is dissolved; the District is governed by a board of five directors; one director is appointed by the governing body of the City; the bill requires the TCEQ to appoint four initial directors as named in a petition submitted by the owners of a majority of the assessed value of the real property in the District; before the terms of the directors appointed by the TCEQ expire, the TCEQ is to appoint directors recommended by the board; the board may not create an executive committee to exercise the powers of the board; the District may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the District, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service; the District may not construct or finance an improvement project, other than a water, sewer, or drainage facility or road, unless the governing body of the City by ordinance or resolution consents to the construction or financing; the District may issue bonds, notes, or other obligations to maintain or repair an existing improvement project only if the governing body of the City by ordinance or resolution consents to the issuance; the District may not provide retail water or sewer services; the board may add or remove territory as provided by Subchapter J, Chapter 49, Water Code, only if the governing body of the

City by ordinance or resolution consents to the addition; the District and all districts created by division of the District collectively may add a total area of not more than 200 acres; the territory must be located in the corporate limits of the City; the District may not exercise the power of eminent domain; the bill allows the District to divide; the District may not impose an assessment on a municipality, county, or other political subdivision; the governing body of the City may dissolve the District by ordinance; the District may not advertise for an issuance of bonds until the completion of at least 25 percent of the projected value of the improvements, including houses and other buildings, that are liable for District assessments and necessary to support the District bonds; the District may not issue bonds until: the District submits to the TCEQ an engineer's report describing the project for which the bonds will provide funding, including data, profiles, maps, plans, and specifications related to the project and a cash flow analysis to determine the projected rate of assessment; the completion of at least 75 percent of the projected value of the improvements, including houses and other buildings, that are liable for District assessments and necessary to support the District bonds; and the District has obtained an independent market study from a firm recognized in the area of real estate market analysis supporting the development projects for the real property that is liable for District assessments and necessary to support the District bonds; the District may not collect an assessment to be used for the payment of bonds until: the completion of at least 95 percent of the underground water, wastewater, and drainage facilities financed from bond proceeds that are necessary to serve the projected build-out, as certified by the District's engineer; the District or other appropriate party has secured the groundwater, surface water, and water discharge permits that are necessary to secure capacity to support the projected build-out; the completion of at least 95 percent of lift station, water plant, and sewage treatment plant capacity sufficient to serve the connections constructed in the project for a period of not less than 18 months, as certified by the District's engineer; and the completion of at least 95 percent of the streets and roads that are necessary to provide access to the areas served by utilities and financed by the proceeds of bonds issued by the District, as certified by the District's engineer and constructed in accordance with municipal or county standards.

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.

By: Fallon

S.B. No. 1889

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Celina Municipal Management District No. 3; providing authority to issue bonds and impose assessments, fees, and taxes.

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 3965 to read as follows:

CHAPTER 3965. CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 3

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3965.0101. DEFINITIONS. In this chapter:

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

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

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

(4) "Director" means a board member.

(5) "District" means the Celina Municipal Management District No. 3.

Sec. 3965.0102. CREATION AND NATURE OF DISTRICT. The district is a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 3965.0103. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this

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

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

10 (c) This chapter and the creation of the district may not be
11 interpreted to relieve the city from providing the level of
12 services provided to the area in the district as of the effective
13 date of the Act enacting this chapter. The district is created to
14 supplement and not to supplant the city services provided in the
15 district.

16 Sec. 3965.0104. 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 district is created to accomplish the purposes of a
24 municipal management district as provided by general law and
25 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
26 Texas Constitution.

27 (d) The creation of the district is in the public interest

1 and is essential to:

2 (1) further the public purposes of developing and
3 diversifying the economy of the state;

4 (2) eliminate unemployment and underemployment;

5 (3) develop or expand transportation and commerce; and

6 (4) provide quality residential housing.

7 (e) The district will:

8 (1) promote the health, safety, and general welfare of
9 residents, employers, potential employees, employees, visitors,
10 and consumers in the district, and of the public;

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

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

18 (f) Pedestrian ways along or across a street, whether at
19 grade or above or below the surface, and street lighting, street
20 landscaping, parking, and street art objects are parts of and
21 necessary components of a street and are considered to be a street
22 or road improvement.

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

26 Sec. 3965.0105. DISTRICT TERRITORY. (a) The district is
27 composed of the territory described by Section 2 of the Act enacting

1 this chapter, as that territory may have been modified under other
2 law.

3 (b) The boundaries and field notes contained in Section 2 of
4 the Act enacting this chapter form a closure. A mistake in the
5 field notes or in copying the field notes in the legislative process
6 does not affect the district's:

7 (1) organization, existence, or validity;

8 (2) right to contract;

9 (3) authority to borrow money or issue bonds or other
10 obligations described by Section 3965.0601 or to pay the principal
11 and interest of the bonds or other obligations;

12 (4) right to impose or collect an assessment, or
13 collect other revenue; or

14 (5) legality or operation.

15 Sec. 3965.0106. APPLICABILITY OF MUNICIPAL MANAGEMENT
16 DISTRICTS LAW. Except as otherwise provided by this chapter,
17 Chapter 375, Local Government Code, applies to the district.

18 Sec. 3965.0107. CONSTRUCTION OF CHAPTER. This chapter
19 shall be liberally construed in conformity with the findings and
20 purposes stated in this chapter.

21 Sec. 3965.0108. CONFLICTS OF LAW. This chapter prevails
22 over any provision of Chapter 375, Local Government Code, that is in
23 conflict or inconsistent with this chapter.

24 Sec. 3965.0109. CONSENT OF MUNICIPALITY REQUIRED. The
25 board may not hold an election to authorize the issuance of bonds
26 until the governing body of the city by ordinance or resolution
27 consents to the creation of the district and to the inclusion of

1 land in the district. The city's consent must be granted in the
2 manner provided by Section 54.016, Water Code, for including land
3 within the corporate limits or extraterritorial jurisdiction of a
4 city.

5 Sec. 3965.0110. EFFECT OF ANNEXATION. Notwithstanding any
6 other law, if all or any part of the territory of the district is
7 annexed by the city into the city's corporate limits, the district
8 retains all of the district's outstanding debt and obligations and
9 continues to operate under this chapter until the district is
10 dissolved under Subchapter G.

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 3965.0201. GOVERNING BODY; TERMS. The district is
13 governed by a board of five directors who serve staggered terms of
14 four years, with two or three directors' terms expiring June 1 of
15 each odd-numbered year. One director is appointed by the city, and
16 four directors are appointed by the commission as provided by
17 Sections 3965.0202 and 3965.0203, respectively.

18 Sec. 3965.0202. APPOINTMENT AND REMOVAL OF DIRECTOR
19 APPOINTED BY CITY. (a) The governing body of the city shall
20 appoint one director who must be:

21 (1) at least 18 years of age; and

22 (2) a resident of the city.

23 (b) At any time the governing body of the city may remove the
24 director appointed by the city and appoint a director to serve the
25 remainder of the removed director's term.

26 Sec. 3965.0203. APPOINTMENT BY COMMISSION. (a) Before the
27 term of a director other than a director appointed under Section

1 3965.0202 expires, the board shall recommend to the commission the
2 appropriate number of persons to serve as successor directors. The
3 commission shall appoint as directors the persons recommended by
4 the board.

5 (b) A person recommended by the board under Subsection (a)
6 must be:

7 (1) at least 18 years of age;

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

9 (3) an owner of stock, whether beneficial or
10 otherwise, of a corporate owner of property in the district;

11 (4) an owner of a beneficial interest in a trust that
12 owns property in the district; or

13 (5) an agent, employee, or tenant of a person
14 described by Subdivision (2), (3), or (4).

15 Sec. 3965.0204. VACANCY. If a vacancy occurs on the board,
16 the remaining directors shall appoint a director for the remainder
17 of the unexpired term.

18 Sec. 3965.0205. DIRECTOR'S OATH OR AFFIRMATION. (a) A
19 director shall file the director's oath or affirmation of office
20 with the district, and the district shall retain the oath or
21 affirmation in the district records.

22 (b) A director shall file a copy of the director's oath or
23 affirmation with the secretary of the city.

24 Sec. 3965.0206. OFFICERS. The board shall elect from among
25 the directors a chair, a vice chair, and a secretary. The offices
26 of chair and secretary may not be held by the same person.

27 Sec. 3965.0207. COMPENSATION; EXPENSES. (a) The district

1 may compensate each director in an amount not to exceed \$150 for
2 each board meeting. The total amount of compensation a director may
3 receive each year may not exceed \$7,200.

4 (b) A director is entitled to reimbursement for necessary
5 and reasonable expenses incurred in carrying out the duties and
6 responsibilities of the board.

7 Sec. 3965.0208. LIABILITY INSURANCE. The district may
8 obtain and pay for comprehensive general liability insurance
9 coverage from a commercial insurance company or other source that
10 protects and insures a director against personal liability and from
11 all claims relating to:

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

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

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

17 Sec. 3965.0209. NO EXECUTIVE COMMITTEE. The board may not
18 create an executive committee to exercise the powers of the board.

19 Sec. 3965.0210. BOARD MEETINGS. The board shall hold
20 meetings at a place that is accessible to the public and located in
21 the district or in the city.

22 Sec. 3965.0211. INITIAL DIRECTORS. (a) On or after
23 September 1, 2019, the owner or owners of a majority of the assessed
24 value of the real property in the district according to the most
25 recent certified tax appraisal rolls for the county may submit a
26 petition to the commission requesting that the commission appoint
27 as initial directors the four persons named in the petition. The

1 commission shall appoint as initial directors the four persons
2 named in the petition.

3 (b) The governing body of the city shall appoint one initial
4 director.

5 (c) The initial directors shall determine by lot which three
6 positions expire June 1, 2021, and which two positions expire June
7 1, 2023.

8 (d) This section expires September 1, 2021.

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 3965.0301. GENERAL POWERS AND DUTIES. The district
11 has the powers and duties necessary to accomplish the purposes for
12 which the district is created.

13 Sec. 3965.0302. IMPROVEMENT PROJECTS AND SERVICES. (a)
14 Subject to Subsection (b), the district may provide, design,
15 construct, acquire, improve, relocate, operate, maintain, or
16 finance an improvement project or service using money available to
17 the district, or contract with a governmental or private entity to
18 provide, design, construct, acquire, improve, relocate, operate,
19 maintain, or finance an improvement project or service authorized
20 under this chapter or Chapter 375, Local Government Code.

21 (b) The district may not construct or finance an improvement
22 project, other than a water, sewer, or drainage facility or road,
23 unless the governing body of the city by ordinance or resolution
24 consents to the construction or financing.

25 (c) The district may issue bonds, notes, or other
26 obligations to maintain or repair an existing improvement project
27 only if the governing body of the city by ordinance or resolution

1 consents to the issuance.

2 Sec. 3965.0303. LOCATION OF IMPROVEMENT PROJECT. A
3 district improvement project may be located inside or outside of
4 the district.

5 Sec. 3965.0304. OWNERSHIP OF IMPROVEMENT PROJECTS. (a)
6 Before a district improvement project may be put into operation,
7 the district must transfer ownership of the project to the city.

8 (b) The transfer of ownership is complete on the city's
9 acceptance of ownership.

10 Sec. 3965.0305. RETAIL WATER AND SEWER SERVICES PROHIBITED.
11 The district may not provide retail water or sewer services.

12 Sec. 3965.0306. ADDING OR REMOVING TERRITORY. (a) Subject
13 to Subsections (b), (c), and (d), the board may add or remove
14 territory as provided by Subchapter J, Chapter 49, Water Code.

15 (b) The district may add territory as described by
16 Subsection (a) only if the governing body of the city by ordinance
17 or resolution consents to the addition.

18 (c) The district and all districts created under Subchapter
19 D collectively may add a total area of not more than 200 acres.

20 (d) Territory added under Subsection (a) must be located in
21 the corporate limits of the city.

22 Sec. 3965.0307. NO EMINENT DOMAIN POWER. The district may
23 not exercise the power of eminent domain.

24 SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

25 Sec. 3965.0401. DIVISION OF DISTRICT; PREREQUISITES. The
26 district, including territory added to the district under Section
27 3965.0306, may be divided into two or more new districts only if the

1 district has no outstanding bonded debt. Territory previously
2 added to the district under Section 3965.0306 may be included in a
3 new district.

4 Sec. 3965.0402. LAW APPLICABLE TO NEW DISTRICT. This
5 chapter applies to any new district created by division of the
6 district, and a new district has all the powers and duties of the
7 district.

8 Sec. 3965.0403. DIVISION PROCEDURES. (a) The board, on its
9 own motion or on receipt of a petition signed by an owner of real
10 property in the district, may adopt an order proposing to divide the
11 district.

12 (b) If the board decides to divide the district, the board
13 shall:

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

17 (2) prepare a metes and bounds description for each
18 proposed district; and

19 (3) appoint four initial directors for each new
20 district.

21 (c) The governing body of the city shall appoint one
22 director for each new district.

23 Sec. 3965.0404. CONTRACT AUTHORITY OF NEW DISTRICTS. The
24 new districts may contract with each other for any matter the boards
25 of the new districts consider appropriate, including the joint
26 construction or financing of a utility improvement.

1 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

2 Sec. 3965.0501. DISBURSEMENTS AND TRANSFERS OF MONEY. The
3 board by resolution shall establish the number of directors'
4 signatures and the procedure required for a disbursement or
5 transfer of the district's money.

6 Sec. 3965.0502. MONEY USED FOR IMPROVEMENTS OR SERVICES.
7 The district may acquire, construct, or finance an improvement
8 project or service authorized by this chapter or Chapter 375, Local
9 Government Code, using any money available to the district.

10 Sec. 3965.0503. METHOD OF NOTICE FOR HEARING. The district
11 may mail the notice required by Section 375.115(c), Local
12 Government Code, by certified or first class United States mail.
13 The board shall determine the method of notice.

14 Sec. 3965.0504. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
15 The board by resolution may impose and collect an assessment for any
16 purpose authorized by this chapter in all or any part of the
17 district.

18 (b) An assessment, a reassessment, or an assessment
19 resulting from an addition to or correction of the assessment roll
20 by the district, penalties and interest on an assessment or
21 reassessment, an expense of collection, and reasonable attorney's
22 fees incurred by the district are:

23 (1) a first and prior lien against the property
24 assessed;

25 (2) superior to any other lien or claim other than a
26 lien or claim for county, school district, or municipal ad valorem
27 taxes; and

1 (3) the personal liability of and a charge against the
2 owners of the property even if the owners are not named in the
3 assessment proceedings.

4 (c) The lien is effective from the date of the board's
5 resolution imposing the assessment until the date the assessment is
6 paid. The board may enforce the lien in the same manner that the
7 board may enforce an ad valorem tax lien against real property.

8 (d) The board may make a correction to or deletion from the
9 assessment roll that does not increase the amount of assessment of
10 any parcel of land without providing notice and holding a hearing in
11 the manner required for additional assessments.

12 (e) The district may not impose an assessment on a
13 municipality, county, or other political subdivision.

14 Sec. 3965.0505. NOTICE OF ASSESSMENTS. Annually, the board
15 shall file with the secretary of the city written notice that
16 specifies the assessments the district will impose in the
17 district's next fiscal year in sufficient clarity to describe the
18 assessments for the operation and maintenance of the district and
19 the assessments for the payment of debt service of obligations
20 issued or incurred by the district.

21 SUBCHAPTER F. TAXES AND BONDS

22 Sec. 3965.0601. BONDS AND OTHER OBLIGATIONS. (a) The
23 district may issue, by public or private sale, bonds, notes, or
24 other obligations payable wholly or partly from ad valorem taxes or
25 assessments in the manner provided by Subchapter A, Chapter 372, or
26 Subchapter J, Chapter 375, Local Government Code. Sections
27 375.207(a) and (b), Local Government Code, do not apply to the

1 district.

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

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

12 (d) Not later than the 30th day before the date the district
13 holds a bond sale, the district shall provide the governing body of
14 the city written notice of the sale.

15 SUBCHAPTER G. DISSOLUTION

16 Sec. 3965.0701. DISSOLUTION BY CITY ORDINANCE. (a) The
17 governing body of the city may dissolve the district by ordinance.

18 (b) The governing body may not dissolve the district until:

19 (1) water, sanitary, sewer, and drainage improvements
20 and roads have been constructed to serve at least 90 percent of the
21 developable territory of the district; and

22 (2) the district has reimbursed each party that has an
23 agreement with the district for all costs advanced to or on behalf
24 of the district.

25 (c) Until the district is dissolved, the district is
26 responsible for all bonds and other obligations of the district.

27 Sec. 3965.0702. COLLECTION OF ASSESSMENTS AND OTHER

1 REVENUE. (a) If the dissolved district has bonds or other
2 obligations outstanding secured by and payable from assessments or
3 other revenue, other than revenue from ad valorem taxes, the city
4 shall succeed to the rights and obligations of the district
5 regarding enforcement and collection of the assessments or other
6 revenue.

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

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

11 (2) special revenue or assessment bonds or other
12 obligations issued by the city to refund the outstanding bonds or
13 obligations.

14 Sec. 3965.0703. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
15 After the city dissolves the district, the city assumes, subject to
16 the appropriation and availability of funds, the obligations of the
17 district, including any bonds or other debt payable from
18 assessments or other district revenue.

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

21 SUBCHAPTER H. SPECIAL BOND PROVISIONS

22 Sec. 3965.0801. APPLICABILITY. This subchapter applies
23 only to bonds payable wholly or partly from revenue derived from
24 assessments on real property in the district.

25 Sec. 3965.0802. CONFLICT OF LAWS. In the event of a
26 conflict between this subchapter and any other law, this subchapter
27 prevails.

1 Sec. 3965.0803. WRITTEN AGREEMENT REGARDING SPECIAL
2 APPRAISALS. Before the district may issue bonds, the district and
3 any person to whom the board intends that proceeds of the bonds be
4 distributed, including the developer, another owner of land in the
5 district, and any entity acting as a lender to the developer or
6 other landowner for the purpose of a project relating to the
7 district, must enter into a written agreement that:

8 (1) waives for the term of the agreement the right to a
9 special appraisal with respect to taxation by the district under
10 Subchapters B, C, D, E, F, and H, Chapter 23, Tax Code; and

11 (2) remains in effect for 30 years and is binding on
12 the parties, on entities related to or affiliated with the parties,
13 and on their successors and assignees.

14 Sec. 3965.0804. REQUIREMENTS FOR ADVERTISING BOND ISSUE. A
15 district may not advertise for an issuance of bonds until the
16 completion of at least 25 percent of the projected value of the
17 improvements, including houses and other buildings, that are liable
18 for district assessments and necessary to support the district
19 bonds.

20 Sec. 3965.0805. REQUIREMENTS FOR BOND ISSUE. The district
21 may not issue bonds until:

22 (1) the district submits to the commission:

23 (A) an engineer's report describing the project
24 for which the bonds will provide funding, including data, profiles,
25 maps, plans, and specifications related to the project; and

26 (B) a cash flow analysis to determine the
27 projected rate of assessment, which includes the following

1 assumptions:

2 (i) each ending balance for debt service in
3 the analysis is not less than 25 percent of the following year's
4 debt service requirement;

5 (ii) interest income is only shown on the
6 ending balance for debt service for the first two years; and

7 (iii) the projected rate of assessment is
8 level or decreasing for the life of the bonds issued by the
9 district;

10 (2) the completion of at least 75 percent of the
11 projected value of the improvements, including houses and other
12 buildings, that are liable for district assessments and necessary
13 to support the district bonds; and

14 (3) the district has obtained an independent market
15 study from a firm recognized in the area of real estate market
16 analysis supporting the development projects for the real property
17 that is liable for district assessments and necessary to support
18 the district bonds.

19 Sec. 3965.0806. REQUIREMENTS FOR COLLECTION OF REVENUE TO
20 PAY BONDS. The district may not collect an assessment to be used
21 for the payment of bonds until:

22 (1) the completion of at least 95 percent of the
23 underground water, wastewater, and drainage facilities financed
24 from bond proceeds that are necessary to serve the projected
25 build-out, as certified by the district's engineer;

26 (2) the district or other appropriate party has
27 secured the groundwater, surface water, and water discharge permits

1 that are necessary to secure capacity to support the projected
2 build-out;

3 (3) the completion of at least 95 percent of lift
4 station, water plant, and sewage treatment plant capacity
5 sufficient to serve the connections constructed in the project for
6 a period of not less than 18 months, as certified by the district's
7 engineer; and

8 (4) the completion of at least 95 percent of the
9 streets and roads that are necessary to provide access to the areas
10 served by utilities and financed by the proceeds of bonds issued by
11 the district, as certified by the district's engineer and
12 constructed in accordance with municipal or county standards.

13 SECTION 2. The Celina Municipal Management District No. 3
14 initially includes all the territory contained in the following
15 area:

16 All that certain tract or parcel of land lying and being situated in
17 Denton County, Texas, a part of the Texas & Pacific Railway Survey,
18 Abstract No. 1299, and being and including all that same tract said
19 to contain 61.58 acres, more or less, as described in a deed to
20 Godwin Family Investments, Ltd., recorded under Clerk's File
21 No. 04-0035436, said tract or parcel of land is herein described as
22 follows to wit:

23 BEGINNING at an 1/2 inch iron rod set in Smiley Road (a County Road
24 running in a Northerly and Southerly direction) for the Northeast
25 corner of said Texas & Pacific Railway Survey and the Northeast
26 corner of the premises here described, said corner being the
27 Southeast corner of WILLOW WOOD, an addition to Denton County

1 according to the plat thereof recorded in Cabinet M, page 260 of the
2 Denton County Plat Records, an 1/2 inch iron rod found for witness
3 bears North 89 degrees 44 minutes 31 seconds West 27.56 feet;
4 THENCE with Smiley Road and the East line of said Texas & Pacific
5 Railway Survey, South 00 degrees 30 minutes 10 seconds West 1321.66
6 feet to an 1/2 inch iron rod found for corner, said corner being the
7 Northeast corner of a record 62.35 acre tract described in a deed to
8 Sekine Saraj, et al, recorded under Clerk's File No. 04-0005473;
9 THENCE North 89 degrees 25 minutes 27 seconds West at 28.05 feet
10 passing an 1/2 inch iron rod set for witness on the West margin of
11 Smiley Road and in all a total distance of 2040.69 feet to a 3/4 inch
12 iron rod found for the Northwest corner of said 62.35 acre tract and
13 the Southeast corner hereof;
14 THENCE North 01 degrees 05 minutes 30 seconds East 18.26 feet to an
15 1/2 inch iron rod found for corner, same being an angle point in the
16 East line of a record 324.61 acre tract described in a Deed to Rita
17 A. Sorrells, recorded in Volume 4381, Page 1 of the Real Property
18 Records of Denton County;
19 THENCE North 00 degrees 44 minutes 22 seconds East 856.37 feet to an
20 1/2 inch iron rod found at an angle point of said 324.61 acre tract;
21 THENCE North 00 degrees 43 minutes 49 seconds East 435.74 feet to an
22 1/2 inch iron rod found for corner on the North line of said Texas &
23 Pacific Railway Survey, said corner being a Northeasterly corner of
24 said 324.61 acre tract, said corner also being the Southwest corner
25 of said WILLOW Wood Addition;
26 THENCE along the South line of WILLOW WOOD addition, South 89
27 degrees 44 minutes 31 seconds East a distance of 2035.25 feet to the

1 Place of BEGINNING and containing 61.57 acres of land.

2 All that certain tract or parcel of land lying and being situated in
3 Denton County, Texas, a part of the W.S. Ray Survey, Abstract
4 No. 1105, the A.E. Norwood Survey, Abstract No. 969, the J. Ray
5 Survey, Abstract No. 1104, the T. & P. Railroad Survey, Abstract
6 No. 1299 and the Thomas B. Cox Survey, Abstract No. 309, and being
7 and including all that same land conveyed to Rita L. Sorrells in a
8 Correction Substitute Trustee's Deed recorded in Volume 4381, page
9 1 of the Real Property Records of Denton County, said tract or
10 parcel of land is herein described as follows; to wit:

11 BEGINNING at an 1/2 inch iron rod found on the Southeast
12 right-of-way line of F.M. Highway No. 428 at the Northerly
13 termination corner of a boundary line described in a Boundary Line
14 Agreement recorded under Denton County Clerk's File
15 No. 98-R0022137, said corner being the Northwest corner of the
16 premises herein described,

17 THENCE along the Southeast right-of-way line of said F.M. Highway
18 as follows:

19 1) North 48 degrees 43 minutes 38 seconds East 1792.49 feet to an
20 1/2 inch iron rod found;

21 2) North 48 degrees 44 minutes 09 seconds East 248.64 feet to an
22 1/2 inch iron rod found;

23 3) North 45 degrees 58 minutes 51 seconds East 100.06 feet to an
24 1/2 inch iron rod found, and

25 4) North 48 degrees 43 minutes 17 seconds East 673.75 feet to an
26 1/2 inch iron rod found for the Northeast corner hereof, said corner
27 being the Northwest corner of the Willow Wood, an addition to Denton

1 County according to the plat thereof recorded in Cabinet M, page 260
2 of the Plat Records of Denton County;
3 THENCE South 22 degrees 31 minutes 00 seconds East 1066.49 feet to
4 an 1/2 inch iron rod found at an angle corner hereof, said corner
5 being a Southwesterly corner of said Willow Wood;
6 THENCE South 46 degrees 49 minutes 39 seconds East 640.13 feet to an
7 1/2 inch iron rod found for corner, said corner being the Southwest
8 corner of Willow Wood;
9 THENCE South 00 degrees 45 minutes 11 seconds West 436.11 feet to an
10 1/2 inch iron rod found for corner;
11 THENCE South 00 degrees 44 minutes 22 seconds West 856.37 feet to an
12 1/2 inch iron rod found for corner;
13 THENCE South 01 degrees 05 minutes 30 seconds West 18.26 feet to a
14 3/4 inch iron rod found at the Southwest corner of a record 61.58
15 acre tract described in a Deed recorded in Volume 1554, page 883 of
16 the Real Property Records of Denton County;
17 THENCE South 00 degrees 33 minutes 36 seconds West 1324.91 feet to
18 an 1/2 inch iron rod found for corner;
19 THENCE South 89 degrees 51 minutes 55 seconds West 704.96 feet to an
20 1/2 inch iron rod found for a re-entrant corner hereof;
21 THENCE South 00 degrees 26 minutes 35 seconds West 1810.06 feet to
22 an 1/2 inch iron rod found for corner;
23 THENCE South 00 degrees 00 minutes 58 seconds West 865.64 feet to an
24 1/2 inch iron rod found in the center of an unimproved lane known as
25 Crutchfield Road;
26 THENCE North 89 degrees 36 minutes 31 seconds West along a line
27 following the approximate center of said unimproved lane a distance

1 of 1947.13 feet to a point for the Southeast corner of a record
2 40.00 acre tract described in a Deed to Frisco West, LTD., recorded
3 under Denton County Clerk's File No. 97-R0090325, said corner being
4 the Southwest corner hereof;

5 THENCE North 00 degrees 13 minutes 01 seconds East 4017.88 feet to
6 an 1/2 inch iron rod found at the Northeast corner of said record
7 40.00 acre tract for a re-entrant corner hereof;

8 THENCE North 88 degrees 52 minutes 02 seconds West 310.88 feet to an
9 1/2 inch iron rod found for a corner of said boundary line described
10 in said Boundary Line Agreement;

11 THENCE North 00 degrees 17 minutes 43 seconds East a distance of
12 838.26 feet to the Place of BEGINNING and containing 324.64 acres of
13 land.

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

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

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

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

5 SECTION 4. This Act takes effect September 1, 2019.

STAR LOCAL MEDIA

Celina Record, Internet

AFFIDAVIT OF LEGAL NOTICE

I, Nick Souders, Inside Sales Manager of the Celina Record, Internet a newspaper printed in the English language in Collin County, State of Texas, do hereby certify that this notice was Published in the Celina Record, Internet on the following dates, to-wit

Celina Record	12/07/18	12/07/18	1
Internet	12/07/18	12/07/18	1

LEGAL: INTENT TO INTRODUCE BILL NOTICE

\$170.88

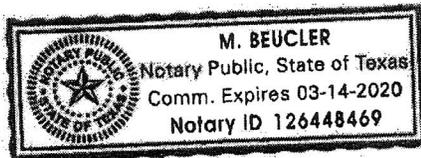
(Description)

(Cost)

Inside Sales Manager of the Celina Record, Internet

Subscribed and sworn on this

7th day of December, 2018



M. Beucler

Notary Public, State of Texas

**CITY OF ALLEN
PUBLIC NOTICE**

The Allen City Council adopted the following meeting held on Tuesday, November 27,

18: AN ORDINANCE OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING CHAPTER 105, ARTICLES I, II AND III "MANAGEMENT OF THE CITY, REGARDING THE USE OF THE PUBLIC UTILITIES, AMENDING THE MASTER FEE SCHEDULE, A SAVINGS CLAUSE, PROVIDING A PENALTY FOR PENALTY OF A FINE NOT TO EXCEED TWO HUNDRED DOLLARS (\$2,000); AND PROVIDING

may be read or purchased in the Office of the City Secretary, 305 Century Parkway, Allen, Texas at www.cityofallen.org.

/s/ Shelley B. George, City Secretary

NOTICES

NOTICES

LEGAL NOTICE

**Best Value Bid #1911-025
Street Signs and Blanks
By the City of Frisco, Texas**

The City of Frisco ("City") is accepting bids for Street Signs and Blanks.

The City will receive responses to this Best Value Bid (BVB) at Frisco City Hall, Attention: Daniel Ford, Purchasing Manager, 6101 Frisco Square Blvd., Frisco, Texas 75034 until 2:00 PM CST on January 10, 2019. The deadline for questions is December 20, 2018 at 4:00 PM CST. All questions should be emailed to purchasing@friscotexas.gov. The BVB Documents may be obtained in person at Frisco City Hall or downloaded from the purchasing page of the website www.frisco.texas.gov/bids or from Bonfire at <https://frisco.texas.bonfire.com/>. The bids will be publicly opened and read aloud at Frisco City Hall located at 6101 Frisco Square Blvd., Frisco, Texas on January 10, 2019 at 2:05 PM CST in C116.

Receipt of responses does not bind the City to any contract for said products or services, nor does it give any guarantee that a contract for the BVB will be awarded.

NOTICES

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LEGAL NOTICE

**CITY OF FRISCO
PUBLIC NOTICE**

The Frisco City Council adopted the following scheduled meeting held on Tuesday, December 11, 2018 at 7:00 PM.

AN ORDINANCE OF THE CITY COUNCIL OF FRISCO, TEXAS, AMENDING FRISCO'S ZONING ORDINANCE NO. 11-04-09, AS AMENDED, TO REZONE A TRACT CONSISTING OF 60.1± ACRES, SITUATED IN FRISCO, TEXAS, HERETOFORE ZONED AGRICULTURAL (A), THAT THE TRACT IS REZONED AND CLASSIFIED AS PLANNED DEVELOPMENT RESIDENTIAL (PD-O-2/R/RES); DEPENDENT REZONED; PROVIDING A PENALTY SAVINGS CLAUSE, SEVERABILITY CLAUSE AND PROVIDING FOR THE PUBLICATION OF THE ORDINANCE.

may be read or purchased in the Office of the City Secretary, 6101 Frisco Square Blvd., Frisco, Texas at www.frisco.texas.gov.

NOTICES

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LEGAL NOTICE

NOTICE OF INTENT TO INTRODUCE A BILL

Pursuant to the Constitution and laws of the State of Texas, notice is hereby given of the intention to apply to the 86th Legislature of the State of Texas at its regular session in Austin, Texas for the introduction of a bill, the substance of the contemplated law being as follows:

An act relating to the creation, administration powers, duties, operation, and financing of Celina Municipal Management District No. 3.

The Act proposes to create a special district to be known as Celina Municipal Management District No. 3, being approximately 386 acres of land in the extra-territorial jurisdiction of Celina, Texas, more particularly described as follows:

Adjacent to F.M. 428 on the southeast side, east of F.M. 1385 and south of the proposed Collin County Outer Loop

All interested persons will, therefore, take notice of the matters and facts set out in the foregoing statement of the substance of the contemplated laws as required by the Constitution and laws of the State of Texas.

NOTICES

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LEGAL NOTICE

**CITY OF ALLEN
REQUEST FOR BIDDERS**

The City of Allen (Owner) will be receiving bids for the purchase of a Chiller #1 Replacement. Bids may be obtained in person at the City of Allen, 305 Century Parkway, Allen, Texas 75013 until 2:00 PM CST on December 18, 2018. No late bids will be accepted for the purchase of a Chiller #1 Replacement.

**NOTICE OF INTENTION TO PURCHASE
CHILLER #1 REPLACEMENT**

The purchase of a Chiller #1 Replacement will be held in the Council Conference Room, 305 Century Parkway, Allen, Texas 75013.

The purchase of a Chiller #1 Replacement will be held December 17, 2018 at 10:00 AM in the Engineering Conference room at 305 Century Parkway, Allen, Texas 75013.

Bids may be accessed through the City of Allen's e-procurement system. To register as a supplier and to receive electronic notifications will be sent to you, visit: <https://allen.tx.ionwave.net>. For more information on bidding opportunities, contact the Purchasing Department at 214-509-4631.

LEGAL NOTICE

**Request for Proposal #1910-013
Electronic Plan Review Software Solution
By the City of Frisco, Texas**

The City of Frisco ("City") is accepting proposals for an Electronic Plan Review Software Solution.

The City will receive responses to this RFP at Frisco City Hall, Attention: Daniel Ford, Purchasing Manager, 6101 Frisco Square Blvd., Frisco, Texas 75034 until 2:00 PM CST on January 10, 2019. The deadline for questions is December 19, 2018 at 4:00 PM CST. A pre-proposal teleconference will be held on December 13, 2018 at 10:00am CST. Vendors that are interested in participating in the Pre-Proposal Vendor Teleconference shall contact the City in writing, purchasing@friscotexas.gov, to request the teleconference information.

All questions should be emailed to purchasing@friscotexas.gov. The Bid Documents may be obtained in person at Frisco City Hall or downloaded from our website www.frisco.texas.gov/bids. The bids will be publicly opened and read at Frisco City Hall located at 6101 Frisco Square Blvd., Frisco, Texas on January 10, 2019 at 2:05 PM CST in City Hall Executive Conference Room - C130.

Receipt of responses does not bind the City to any contract for said products or services, nor does it give any guarantee that a contract for the Bid will be awarded.