

CHAPTER 958

S.B. No. 402

AN ACT

relating to the creation, administration, powers, duties, operations, financing, bond and taxing authority, and dissolution of Lakeview Road Utility District.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. CREATION. (a) Pursuant to Article III, Section 52(b)(3), of the Texas Constitution, the Lakeview Road Utility District is created.

(b) The district is a governmental agency and a body politic and corporate.

SECTION 2. DEFINITIONS. In this Act:

(1) "District" means Lakeview Road Utility District.

(2) "City" means Denton, Texas.

(3) "Board" means the board of directors of the district.

SECTION 3. LEGISLATIVE FINDINGS. The legislature finds that the creation and establishment of the district are essential to the accomplishment of the purposes of Article III, Section 52, of the Texas Constitution.

SECTION 4. BOUNDARIES. (a) The district is composed of all of the territory in the following described area:

All that certain tract or parcel of land situated in the Moreau Forrest Survey, Abstract Number 417, the William D. Durham Survey, Abstract Number 330, and the Gideon Walker Survey, Abstract Number 1330, Denton County, Texas, and being part of the Moreau Forrest Subdivision shown in Volume 236, Page 50, Deed Records, Denton County, Texas and being more fully described as follows:

Beginning for the southern northeast corner of the tract being described herein at a found iron pin, said iron pin also being the northeast corner of a tract shown by deed to Tom Prouty, Trustee and recorded in Volume 1661, Page 415, Real Property Records, said corner also being in Trinity Road (a public right-of-way), and the northeast corner of Lot 13, Block A, of said Moreau Forrest Subdivision;

Thence South 03 degrees 20 minutes 21 seconds West, along the east line of said Prouty tract, said Lot 13, Block A, passing its southeast corner, the same being the northeast corner of Lot 6, Block B, continuing along said course, and along said Trinity Road a distance of 2322.76 feet to a found iron pin for the southeast corner of said Prouty tract, and in the north right-of-way line of Blagg Road (a public right-of-way);

Thence South 03 degrees 10 minutes 11 seconds East, along the east line of said Lot 6, Block B, a distance of 47.63 feet to an angle point;

Thence South 02 degrees 56 minutes 35 seconds West, along the east line of said Lot 6, Block B, a distance of 2237.67 feet to a point in the north line of a tract shown by deed to Gary Miller, Trustee, as recorded in Volume 1677, Page 562 of the Denton County Real Property Records;

Thence South 86 degrees 53 minutes 03 seconds East, a distance of 24.82 feet to a U.S. Army Corps of Engineers Monument Q-318-W; said monument also being in a west line of Garza-Little Elm Reservoir;

Thence South 87 degrees 04 minutes 52 seconds East, along a west line of said Garza-Little Elm Reservoir, a distance of 368.20 feet to a found U.S. Army Corps of Engineers Monument Q-317-W;

Thence South 37 degrees 49 minutes 06 seconds East, along a west line of said Garza-Little Elm Reservoir a distance of 320.15 feet to a found U.S. Army Corps of Engineers Monument Q-316-W;

Thence South 71 degrees 39 minutes 20 seconds East, along a west line of said Garza-Little Elm Reservoir a distance of 421.92 feet to a found U.S. Army Corps of Engineers Monument Q-315-W;

Thence South 67 degrees 03 minutes 16 seconds East, along a west line of said Garza-Little Elm Reservoir a distance of 323.50 feet to a found U.S. Army Corps of Engineers Monument Q-314-W;

Thence South 08 degrees 11 minutes 43 seconds East, along a west line of said Garza-Little Elm Reservoir a distance of 507.43 feet to a found U.S. Army Corps of Engineers Monument Q-313-W for the north corner of a tract shown by deed to Tom Prouty, Trustee and recorded in Volume 1755, Page 495, said Real Property Records, and also being in the easternmost line of said Miller tract (Volume 1677, Page 562), and in the east line of Lot 5, Block E of said Moreau Forrest Subdivision;

Thence South 23 degrees 25 minutes 50 seconds East, departing the east line of said Lot 5, Block E, and along a west line of said Garza-Little Elm Reservoir, a distance of 490.89 feet to a found U.S. Army Corps of Engineers Monument Q-312-W, for the east corner of said Prouty tract (Volume 1755, Page 495);

Thence South 34 degrees 06 minutes 54 seconds West, along a west line of said Garza-Little Elm Reservoir, a distance of 269.93 feet to a found U.S. Army Corps of Engineers Monument Q-311-W; said monument also being the northeast corner of a tract shown by deed to Tom Prouty, Trustee, as recorded in Volume 1770, Page 404 of the Denton County Real Property Records;

Thence South 33 degrees 01 minute 16 seconds East, along the east line of said Prouty tract (Volume 1770, Page 404) and a west line of said Garza-Little Elm Reservoir, a

distance of 281.65 feet to a found U.S. Army Corps of Engineers Monument Q-310-W, for the northernmost southeast corner of said Prouty tract (Volume 1770, Page 404);

Thence South 00 degrees 35 minutes 13 seconds West, passing at 12.77 feet, the southern southeast corner of said Prouty tract, the same being the easternmost northeast corner of a tract shown by deed to Gary Miller, Trustee as recorded in Volume 1654, Page 232 of the Denton County Real Property Records, continuing along said course along a west line of said Garza-Little Elm Reservoir, a total distance of 422.33 feet to a found U.S. Army Corps of Engineers Monument Q-309-W;

Thence South 06 degrees 11 minutes 34 seconds East, along the east line of said Miller tract (Volume 1654, Page 232), and a west line of said Garza-Little Elm Reservoir, a distance of 792.72 feet to a found U.S. Army Corps of Engineers Monument Q-308-W;

Thence South 03 degrees 34 minutes 03 seconds West, along the east line of said Miller tract (Volume 1654, Page 232), and a west line of said Garza-Little Elm Reservoir, a distance of 576.21 feet to a found U.S. Army Corps of Engineers Monument Q-307-W, for the south corner of said Miller tract (Volume 1654, Page 232);

Thence North 54 degrees 56 minutes 58 seconds West, along the southwestern line of said Miller tract (Volume 1654, Page 232), and a northwestern line of said Garza-Little Elm Reservoir, a distance of 437.40 feet to a found U.S. Army Corps of Engineers Monument Q-306-W;

Thence North 45 degrees 20 minutes 17 seconds West, along the southwestern line of said Miller tract (Volume 1654, Page 232), and a northwestern line of said Garza-Little Elm Reservoir, a distance of 306.29 feet to a found U.S. Army Corps of Engineers Monument Q-305-W;

Thence North 57 degrees 15 minutes 14 seconds West, along the southwest line of said Miller tract (Volume 1654, Page 232), and a northwestern line of said Garza-Little Elm Reservoir, a distance of 448.62 feet to a found U.S. Army Corps of Engineers Monument Q-304-W;

Thence North 35 degrees 43 minutes 59 seconds West, continuing along the west line of said Miller tract (Volume 1654, Page 232), and a northwestern line of said Garza-Little Elm Reservoir, passing a U.S. Army Corps of Engineers Monument Q-303-W, in all a total distance 880.95 feet to a found iron pin in the center of Mills Road (a public right-of-way), and also being the western northwest corner of said Miller tract (Volume 1654, Page 232), and in the south line of said Miller tract (Volume 1677, Page 562);

Thence North 87 degrees 39 minutes 33 seconds West, along the south line of said Miller tract (Volume 1677, Page 562), and with said Mills Road a distance of 196.71 feet to a found iron pin for the northeast corner of a tract shown by deed to Tom Prouty and recorded in Volume 1666, Page 781 and Page 795 said Real Property Records;

Thence South 03 degrees 00 minutes 44 seconds West, along the east line of said Prouty tract (Volume 1666, Page 781 and 795), and a west line of Lot 2, the east line of Lot 1, Block F, of said Moreau Forrest Subdivision, passing a U.S. Army Corps of Engineers Monument Q-302-W, continuing along said course, in all a total distance of 399.96 feet to a found U.S. Army Corps of Engineers Monument Q-301-BW;

Thence South 03 degrees 00 minutes 44 seconds West, along the east line of said Prouty tract (Volume 1666, Page 781 and 795), the west line of Lot 2, the east line of Lot 1, Block F, of said Moreau Forrest Subdivision and a western line of said Garza-Little Elm Reservoir, a distance of 351.35 feet to a found U.S. Army Corps of Engineers Monument Q-301-AW;

Thence South 03 degrees 00 minutes 44 seconds West, along the east line of said Prouty tract (Volume 1666, Page 781 and 795), the west line of Lot 2, the east line of Lot 1, Block F, and a western line of said Garza-Little Elm Reservoir, a distance of 450.00 feet to a found U.S. Army Corps of Engineers Monument Q-301-W; said monument also being the northernmost corner of a tract shown by deed to Tom Prouty, Trustee and recorded in Volume 1589, Page 504, said Real Property Records;

Thence South 60 degrees 20 minutes 34 seconds East, along the northern line of said Prouty tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm

Reservoir, a distance of 532.60 feet to a found U.S. Army Corps of Engineers Monument Q-300-W;

Thence South 37 degrees 11 minutes 33 seconds East, along the northeastern line of said Prouty tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm Reservoir, a distance of 406.29 feet to a found U.S. Army Corps of Engineers Monument Q-299-W;

Thence South 40 degrees 49 minutes 20 seconds East, along the northeastern line of said Prouty Tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm Reservoir, a distance of 551.29 feet to a found U.S. Army Corps of Engineers Monument Q-298-W;

Thence South 33 degrees 46 minutes 57 seconds East, along the northeastern line of said Prouty tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm Reservoir, passing the south line of Lot 2, Block F, the same being the north line of Lot 7, Block F, of said Moreau Forrest Subdivision, in all a total distance of 277.90 feet to a found U.S. Army Corps of Engineers Monument Q-297-W;

Thence South 25 degrees 00 minutes 49 seconds West, along the western east line of said Prouty tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm Reservoir, a distance of 152.09 feet to a found U.S. Army Corps of Engineers Monument Q-296-W;

Thence South 08 degrees 51 minutes 18 seconds West, along the western east line of said Prouty tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm Reservoir, a distance of 296.82 feet to a found U.S. Army Corps of Engineers Monument Q-295-W;

Thence North 48 degrees 15 minutes 12 seconds East, along a western line of said Garza-Little Elm Reservoir, a distance of 258.99 feet to a found U.S. Army Corps of Engineers Monument Q-294-W, for easternmost northeast corner of said Prouty tract (Volume 1589, Page 504);

Thence South 02 degrees 22 minutes 24 seconds West, along the east line of said Prouty tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm Reservoir, a distance of 443.88 feet to a found U.S. Army Corps of Engineers Monument Q-293-BW;

Thence South 02 degrees 23 minutes 05 seconds West, along the east line of said Prouty tract (Volume 1589, Page 504), and a western line of said Garza-Little Elm Reservoir, a distance of 949.52 feet to a found U.S. Army Corps of Engineers Monument Q-293-W;

Thence South 02 degrees 23 minutes 58 seconds West, along the east line of said Prouty tract (Volume 1589, Page 504), and a western line of Garza-Little Elm Reservoir, a distance of 435.35 feet to a found U.S. Army Corps of Engineers Monument Q-292-BW;

Thence South 01 degree 56 minutes 31 seconds West, along the east line of said Prouty tract (Volume 1589, Page 504), and a western line of Garza-Little Elm Reservoir, a distance of 904.09 feet to a found iron pin for the southeast corner of the last mentioned Prouty tract, and in the north line of a tract shown by deed to Tom Prouty, Trustee and recorded in Volume 1578, Page 325, said Real Property Records;

Thence South 83 degrees 27 minutes 55 seconds East, along the north line of said Prouty tract (Volume 1578, Page 325), a distance of 343.26 feet to a found iron pin for the northeast corner of said Prouty tract (Volume 1578, Page 325); said iron pin also being the northwest corner of Vacation Village No. 5 (Revised) as shown of record in Volume 12, Page 19, of the Denton County Plat Records, and the northwest corner of Lot 23, Block H, of said Vacation Village;

Thence South 02 degrees 27 minutes 48 seconds West, along the east line of said Prouty tract (Volume 1578, Page 325), and the west line of said Vacation Village, a distance of 130.26 feet to a found iron pin for corner; said iron pin also being the southwest corner of Lot 23, Block H, of said Vacation Village;

Thence South 81 degrees 13 minutes 32 seconds West, a distance of 86.24 feet to a found iron pin for corner;

Thence South 68 degrees 27 minutes 45 seconds West, a distance of 111.15 feet to a found iron pin for corner;

Thence South 55 degrees 08 minutes 07 seconds West, a distance of 134.14 feet to a found iron pin for corner;

Thence North 83 degrees 40 minutes 48 seconds West, a distance of 78.18 feet to a found iron pin for corner;

Thence North 63 degrees 27 minutes 22 seconds West, a distance of 149.69 feet to a found iron pin for corner;

Thence South 25 degrees 57 minutes 56 seconds West, a distance of 232.50 feet to a fence corner post for corner;

Thence South 63 degrees 27 minutes 22 seconds East, a distance of 149.37 feet to a fence corner post for corner;

Thence North 26 degrees 02 minutes 38 seconds East, a distance of 168.76 feet to a found iron pin for corner;

Thence South 83 degrees 40 minutes 47 seconds East, a distance of 122.65 feet to a found iron pin for corner;

Thence North 55 degrees 08 minutes 07 seconds East, a distance of 150.52 feet to a found iron pin for corner;

Thence North 68 degrees 27 minutes 44 seconds East, a distance of 101.42 feet to a found iron pin for corner;

Thence North 81 degrees 13 minutes 31 seconds East, a distance of 62.77 feet to a found iron pin for corner;

Thence South 87 degrees 32 minutes 12 seconds East, a distance of 15.00 feet to a found iron pin for corner in the east line of said Prouty tract (Volume 1578, Page 325), and the west line of said Vacation Village; said iron pin also being the northwest corner of Lot 6, Block P, of said Vacation Village;

Thence South 02 degrees 27 minutes 48 seconds West, along the east line of said Prouty tract (Volume 1578, Page 325), and the west line of said Vacation Village, a distance of 1800.00 feet to a found iron pin for corner;

Thence South 26 degrees 28 minutes 54 seconds West, along the east line of the last mentioned Prouty tract, and the west line of said Vacation Village, a distance of 274.05 feet to a found iron pin for corner;

Thence South 42 degrees 52 minutes 48 seconds West, along the east line of the last mentioned Prouty tract, and the west line of said Vacation Village, a distance of 220.14 feet to a found iron pin in the northeast right-of-way line of Farm-to-Market Road Number 426 (also known as McKinney Street); said iron pin also being a point in the northwestern line of Lot 6, Block Q, of said Vacation Village;

Thence South 45 degrees 29 minutes 50 seconds West, a distance of 100.13 feet to a point on the south right-of-way line of said Farm-to-Market Road Number 426 (also known as McKinney Street);

Thence South 01 degree 58 minutes 17 seconds West, along the east line of said Prouty tract, the west line of a tract shown by deed to the Blackwell Estate and recorded in Volume 1147, Page 530 of the Denton County Deed Records; and with the general course of a fence a distance of 1472.35 feet to a U.S. Army Corps of Engineers Monument P-250-C-W;

Thence North 86 degrees 55 minutes 27 seconds West, along the south line of said Prouty tract, and a U.S. Army Corps of Engineers line between Monument P-250-C-W, and Monument P-250-W, a distance of 762.14 feet to a point on the east right-of-way line of a proposed 120-foot right-of-way;

Thence South 24 degrees 02 minutes 02 seconds West, along the east line of said proposed right-of-way, and across said Garza-Little Elm Reservoir, a distance of 1494.12 feet to a point for corner; said point also being on the north line of a tract shown by deed to RMB Land Company, Ltd. and recorded in Volume 1851, Page 928 of the Denton County Deed Records;

Thence South 68 degrees 04 minutes 16 seconds East, along a western line of said Garza-Little Elm Reservoir, and the north line of said RMB tract, a distance of 189.96 feet

to a U.S. Army Corps of Engineers Monument P-237-W; said monument also being on the east line of said Gideon Walker Survey and the west line of said W. Durham Survey, the northeast corner of said RMB tract, and the north corner of an additional tract shown by deed to RMB Land Company, Ltd. as recorded in Volume 1820, Page 261 of the Denton County Real Property Records;

Thence South 21 degrees 53 minutes 14 seconds East, along the northernmost east line of said RMB tract (Volume 1820, Page 261), and a western line of said Garza-Little Elm Reservoir, a distance of 1164.14 feet to a U.S. Army Corps of Engineers Monument P-236-W;

Thence North 82 degrees 15 minutes 54 seconds East, along the southern north line of said RMB tract (Volume 1820, Page 261), and a western line of said Garza-Little Elm Reservoir, a distance of 244.92 feet to a U.S. Army Corps of Engineers Monument P-235-W;

Thence South 50 degrees 19 minutes 20 seconds East, along the east line of said RMB tract (Volume 1820, Page 261), and a west line of said Garza-Little Elm Reservoir, a distance of 477.87 feet to a U.S. Army Corps of Engineers Monument P-234-W;

Thence South 38 degrees 21 minutes 16 seconds East, along the east line of said RMB tract (Volume 1820, Page 261), and a west line of said Garza-Little Elm Reservoir, a distance of 385.97 feet to a U.S. Army Corps of Engineers Monument P-233-AW;

Thence South 38 degrees 50 minutes 19 seconds East, a distance of 302.15 feet to a U.S. Army Corps of Engineers Monument P-233-W;

Thence South 33 degrees 07 minutes 57 seconds West, along the east line of said RMB tract (Volume 1820, Page 261), and a west line of said Garza-Little Elm Reservoir, a distance of 359.62 feet to a U.S. Army Corps of Engineers Monument P-232-W;

Thence South 53 degrees 51 minutes 43 seconds West, along the east line of said RMB tract (Volume 1820, Page 261), and a west line of said Garza-Little Elm Reservoir, a distance of 681.09 feet to a U.S. Army Corps of Engineers Monument P-231-W;

Thence South 26 degrees 14 minutes 54 seconds West, along the east line of said RMB tract (Volume 1820, Page 261), and a west line of said Garza-Little Elm Reservoir, a distance of 247.87 feet to a U.S. Army Corps of Engineers Monument Number P-230-W; said monument also being the southeast corner of said RMB tract, and a point in the north line of Hidden Valley Airpark Association, Inc. and recorded in Volume 551, Page 415 of the Denton County Deed Records;

Thence North 87 degrees 30 minutes 55 seconds West, along the south line of said RMB tract, (Volume 1820, Page 261), and the north line of said Hidden Valley tract, a distance of 715.38 feet to an iron pin, said pin being in the west line of said W. Durham Survey and the east line of said Gideon Walker Survey; said pin also being the southwest corner of said RMB tract (Volume 1820, Page 261), the northwest corner of said Hidden Valley tract, and a point in the east line of a tract shown by deed to RMB Land Company, Ltd. and recorded in Volume 1900, Page 50 of the Denton County Real Property Records;

Thence South 01 degrees 35 minutes 48 seconds West, along the east line of said RMB tract (Volume 1900, Page 50), and the west line of said Hidden Valley, the west line of said W. Durham Survey and the east line of said Gideon Walker Survey, a distance of 765.76 feet to an iron pin; said pin being the southeast corner of said RMB tract, and the northernmost northeast corner of a tract shown by deed to RMB Land Company, Ltd. and recorded in Volume 1791, Page 117 of the Denton County Real Property Records;

Thence South 02 degrees 33 minutes 36 seconds West, along the east line of said RMB tract (Volume 1791, Page 117), and the west line of said Hidden Valley tract, and along the west line of said W. Durham Survey and the east line of said Gideon Walker Survey passing at 1737.40 feet a found iron pin for the northwest corner of a tract shown by deed to RMB Land Company, Ltd. and recorded in Volume 1814, Page 365, continuing along said course, a total distance of 1788.55 feet to an iron pin; said iron pin also being the southeast corner of said RMB tract, (Volume 1791, Page 117);

Thence North 88 degrees 12 minutes 20 seconds West, along the south line of said RMB tract (Volume 1791, Page 117), passing at 2.27 feet the northeast corner of Chaparral

Estates (unrecorded), continuing along said course and the north line of said Chaparral Estates, along and near a fence part of the way, in all a total distance of 2676.26 feet to an ell corner; said ell corner also being the northeast corner of a tract shown by deed to John Powell Walker as recorded in Volume 1685, Page 689 of the Real Property Records of Denton County, Texas, and in a north-south public road;

Thence South 02 degrees 57 minutes 33 seconds West, along said road, the east line of said Walker tract, and the west line of said Chaparral Estates, a distance of 1070.37 feet to an angle point;

Thence South 01 degrees 27 minutes 09 seconds West, along said road, and the east line of said Walker tract, a distance of 1150.19 feet to an ell corner; said corner also being the northern southeast corner of said Walker tract;

Thence North 86 degrees 41 minutes 58 seconds West, along the northern south line of said Walker Tract, a distance of 205.16 feet to an ell corner;

Thence South 00 degrees 05 minutes 06 seconds East, along the eastern west line of said Walker tract, a distance of 422.57 feet to an ell corner on the north right-of-way line of Shady Shores Road;

Thence North 86 degrees 31 minutes 21 seconds West, along the south line of said Walker tract, and the north right-of-way line of said Shady Shores Road, a distance of 587.37 feet to a point in the east right-of-way line of the M.K. & T. Railroad; said point also being a point on a curve to the left having a radius of 2387.22 feet, a central angle of 14 degrees 44 minutes 04 seconds, and a chord bearing and distance of North 38 degrees 32 minutes 30 seconds West, 612.22 feet;

Thence in a northwesterly direction, along said curve to the left, the southern line of said Walker tract, and the northeastern right-of-way of said M.K. & T. Railroad, an arc length of 613.91 feet to end of said curve;

Thence North 45 degrees 54 minutes 32 seconds West, along the southern line of said Walker tract, and the northeastern right-of-way line of said M.K. & T. Railroad, a distance of 276.93 feet to a point of curvature of a tangent curve to the left, having a radius of 1542.93 feet, a central angle of 12 degrees 17 minutes 39 seconds, and a chord bearing and distance of North 52 degrees 03 minutes 22 seconds West, 330.44 feet;

Thence in a northwesterly direction, along said curve to the left; the southern line of said Walker tract, and the northeastern line of said M.K. & T. Railroad, an arc length of 331.07 feet to an angle point;

Thence South 14 degrees 38 minutes 30 seconds West, crossing said railroad, a distance of 644.49 feet to a point of curvature of a tangent curve to the right having a radius of 1017.00 feet, a central angle of 01 degrees 25 minutes 05 seconds, and a chord bearing and distance of South 15 degrees 21 minutes 02 seconds West, 25.17 feet;

Thence in a southwesterly direction, along said curve to the right, an arc length of 25.17 feet to a point in the north right-of-way line of said Shady Shores Road;

Thence South 03 degrees 18 minutes 33 seconds West, crossing said Shady Shores Road, a distance of 66.62 feet to a found right-of-way marker; said right-of-way marker also being the northwest corner of Tract 2 shown by deed to Shady Shores Limited Partnership as recorded in Volume 1877, Page 753 of the Denton County Real Property Records;

Thence in a southwesterly direction, along the west line of said Shady Shores Tract 2, the following three (3) courses and distances:

1. South 05 degrees 57 minutes 35 seconds West, a distance of 136.80 feet to a found right-of-way marker;
2. South 89 degrees 36 minutes 11 seconds West, a distance of 29.93 feet to a found right-of-way marker;
3. South 44 degrees 33 minutes 10 seconds West, a distance of 132.32 feet to a point of curvature of a curve to the right having a radius of 1017.00 feet, a central angle of 09 degrees 43 minutes 46 seconds, and a chord bearing and distance of South 39 degrees 31 minutes 37 seconds West, 172.49 feet;

Thence in a southwesterly direction, along said curve to the right, leaving said Shady Shores Tract 2, an arc length of 172.70 feet to the end of said curve;

Thence South 44 degrees 23 minutes 30 seconds West, a distance of 168.90 feet to an angle point;

Thence South 02 degrees 55 minutes 23 seconds East, a distance of 69.95 feet to a point on the northeastern right-of-way line of Interstate Highway No. 35E, and in the south line of said Shady Shores Tract 2;

Thence North 52 degrees 51 minutes 16 seconds West, along the south line of said Shady Shores Tract 2, and the northeastern right-of-way line of said Interstate Highway No. 35E, a distance of 19.60 feet to a found iron pin; said iron pin also being the southwest corner of said Shady Shores Tract 2;

Thence North 53 degrees 00 minutes 01 second West, a distance of 187.85 feet to a found right-of-way marker; said marker also being the southernmost corner of Tract 3 shown by deed to Shady Shores Limited Partnership, as recorded in Volume 1877, Page 753 of the Denton County Real Property Records, and at a right-of-way flare of said Interstate Highway No. 35E;

Thence North 52 degrees 56 minutes 33 seconds West, along the southwestern line of said Shady Shores Tract 3, and the northeastern right-of-way line of said Interstate Highway No. 35E, a distance of 22.27 feet to an angle point;

Thence North 84 degrees 43 minutes 11 seconds East, leaving the southwestern line of said Shady Shores Tract 3, and the northeastern line of said 35E, a distance of 87.16 feet to an angle point;

Thence North 44 degrees 23 minutes 30 seconds East, a distance of 179.36 feet to a point of curvature of a curve to the left having a radius of 897.00 feet, a central angle of 19 degrees 20 minutes 40 seconds, and a chord bearing and distance of North 34 degrees 43 minutes 10 seconds East, 301.41 feet;

Thence in a northeasterly direction, along said curve to the left, an arc length of 302.85 feet to the end of said curve; said point also being in the east line of said Shady Shores Tract 3;

Thence North 05 degrees 41 minutes 57 seconds East, along the east line of said Shady Shores Tract 3, a distance of 53.39 feet to a found right-of-way marker; said marker also being the northeast corner of said Shady Shores Tract 3, and in the south right-of-way line of said Shady Shores Road;

Thence North 31 degrees 28 minutes 59 seconds East, crossing said Shady Shores Road; a distance of 77.14 feet to a point for corner; said point also being a point on curve of a tangent curve to the left having a radius of 897.00 feet, a central angle of 02 degrees 15 minutes 51 seconds, and a chord bearing and distance of North 15 degrees 46 minutes 26 seconds East, 35.45 feet;

Thence in a northeasterly direction, along said curve to the left, an arc distance of 35.45 feet to the point of tangency of said curve;

Thence North 14 degrees 38 minutes 30 seconds East, crossing said railroad, a distance of 676.31 feet to a point on the northeastern right-of-way line of said M.K. & T. Railroad and the southern line of said Walker tract; said point also being a point on curve of a tangent curve to the left, having a radius of 1542.93 feet, a central angle of 11 degrees 34 minutes 39 seconds, and a chord bearing and distance of North 68 degrees 36 minutes 12 seconds West, 311.24 feet;

Thence in a northwesterly direction, along said curve to the left, the northeastern right-of-way line of said M.K. & T. Railroad, and the southern line of said Walker tract, an arc distance of 311.77 feet to a found iron pin for the point of tangency of said curve;

Thence North 74 degrees 23 minutes 31 seconds West, a distance of 215.79 feet to the southwest corner of said Walker tract;

Thence North 02 degrees 12 minutes 19 seconds East, along the west line of said Walker tract, a distance of 1586.69 feet to a found iron pin for the northwest corner of said Walker tract;

Thence South 87 degrees 30 minutes 19 seconds East, along the north line of said Walker tract, a distance of 1077.59 feet to an angle point;

Thence South 88 degrees 23 minutes 13 seconds East, along the north line of said Walker tract, a distance of 310.85 feet to an ell corner; said corner also being in the center of Swisher Road, and the west line of said RMB tract (Volume 1791, Page 117);

Thence North 02 degrees 48 minutes 22 seconds East, with the center of Swisher Road and the west line of said RMB tract (Volume 1791, Page 117) a distance of 1504.82 feet to an iron pin; said pin also being the westernmost northwest corner of said RMB tract;

Thence South 87 degrees 26 minutes 44 seconds East, along and near a fence, and the southern north line of said RMB tract (Volume 1791, Page 117), passing the southwest corner of a tract shown by deed to L.F. Powell and recorded in Volume 853, Page 114 of the Denton County Deed Records, continuing along said course, in all a total distance of 1655.56 feet to a fence corner; said fence corner also being an ell corner of said RMB tract, and the southeast corner of said Powell tract;

Thence North 03 degrees 23 minutes 53 seconds East, along the northernmost west line of said RMB tract (Volume 1791, Page 117), and the east line of said Powell tract, a distance of 320.18 feet to a 20-inch Post Oak tree; said tree also being the northernmost northwest corner of said RMB tract (Volume 1791, Page 117), and the southwest corner of a tract shown by deed to RMB Land Company, Ltd. as recorded in Volume 1811, Page 546 of the Denton County Real Property Records;

Thence North 02 degrees 33 minutes 27 seconds East, along the west line of said RMB tract (Volume 1811, Page 546), and the east line of said Powell tract, a distance of 1166.92 feet to an iron pin; said pin also being the northwest corner of said RMB tract, the northeast corner of said Powell tract, the southwest corner of a tract shown by deed to Virginia Lee Vaughn Fowler and recorded in Volume 1636, Page 840, of the said Real Property Records, and the southeast corner of a tract shown by deed to M. R. Jacobs and L. S. Willard and recorded in Volume 1310, Page 110 of the Denton County Real Property Records;

Thence North 02 degrees 28 minutes 41 seconds East, along the west line of said Fowler tract, and the east line of said Jacobs & Willard tract, a distance of 373.85 feet to a fence corner post; said fence corner post also being the northwest corner of said Fowler tract, the northeast corner of said Jacobs & Willard tract, the southeast corner of Green Tree Estates as recorded in Volume 6, Page 30 of the Denton County Plat Records, and the northern southwest corner of a tract shown by deed to RMB Land Company, Ltd. as recorded in Volume 1876, Page 190 of the Denton County Real Property Records;

Thence North 01 degree 59 minutes 53 seconds East, along the west line of said RMB tract (Volume 1876, Page 190), the east line of said Green Tree Estates, the same being the east right-of-way line of Ash Lane, passing its northeast corner, the same being the southeast corner of a tract shown by deed to George Stanton, conveyed on 01 March 1974, continuing along said course, passing said Stanton's northeast corner, the same being the southeast corner of a tract shown by deed to Robert W. Beene, conveyed on 20 March 1969, continuing along said course, a total distance of 806.45 feet to an x-tie for fence corner; said x-tie also being the northeast corner of said Beene tract, the northwest corner of said RMB tract, and in the south line of a tract shown by deed to Raymond Lee Grimes as recorded in Volume 1411, Page 654 of the Denton County Real Property Records;

Thence South 87 degrees 48 minutes 39 seconds East, along the north line of said RMB tract (Volume 1876, Page 190), passing its northeast corner, the same being the northwest corner of RMB tract (Volume 1876, Page 190), and along the south line of said Grimes tract, a distance of 1201.48 feet to a point in the west right-of-way line of said proposed road; said point also being North 87 degrees 48 minutes 39 seconds West, 60.00 feet from the southeast corner of the remainder of said Grimes tract, the same being the southwest corner of said RMB tract (Volume 1851, Page 928);

Thence North 02 degrees 02 minutes 02 seconds East, 60 feet westerly of and parallel with the west line of said RMB tract (Volume 1851, Page 928), the same being the east line of the remainder of said Grimes tract, and along the west right-of-way line of said proposed road, a distance of 83.39 feet to a point of curvature of a tangent curve to the

right having a radius of 1500.00 feet, a central angle of 22 degrees 00 minutes 00 seconds, and a chord bearing and distance of North 13 degrees 02 minutes 02 seconds East, 572.43 feet;

Thence in a northeasterly direction, along said curve to the right, an arc length of 575.96 feet to the point of tangency of said curve;

Thence North 24 degrees 02 minutes 02 seconds East, along the west line of said proposed road, passing the north line of said Grimes tract, the same being a line between U.S. Army Corps of Engineers Monuments P-239-W and P-238-W, a distance of 2149.05 feet to an angle point; said point also being on a line between U.S. Army Corps of Engineers Monuments P-250-C-W and P-250-W, and in the south line of said Prouty tract (Volume 1578, Page 325);

Thence North 86 degrees 55 minutes 27 seconds West, along the south line of said Prouty tract (Volume 1578, Page 325), and the aforementioned U.S. Army Corps of Engineers line, a distance of 220.43 feet to the southeast corner of said Prouty tract (Volume 1578, Page 325); said point also being a point in the east line of a tract shown by deed to L.L. Farris and recorded in Volume 253, Page 389 of the Denton County Deed Records;

Thence North 03 degrees 58 minutes 25 seconds East, along the west line of said Prouty tract (Volume 1578, Page 325), and the east line of said Farris tract, a distance of 2340.84 feet to a point in the south line of Farm-to-Market Road Number 426 (also known as McKinney Street);

Thence North 12 degrees 51 minutes 09 seconds West, a distance of 137.12 feet to an angle point on the northern right-of-way line of Farm-to-Market Road Number 426; said point also being a point on the south line of a tract shown by deed to A.L. Vaughn and recorded in Volume 188, Page 591 of the Denton County Deed Records;

Thence North 03 degrees 12 minutes 57 seconds East, along the west line of the last mentioned Prouty tract, and the east line of said Vaughn tract, a distance of 1566.45 feet to a fence corner post for the northwest corner of said Prouty tract (Volume 1578, Page 325), and in the south line of said Prouty tract (Volume 1589, Page 504), and the northern northwest corner of said W.D. Durham Survey, and in the east line of said Gideon Walker Survey;

Thence North 64 degrees 49 minutes 18 seconds West, along the south line of said Prouty tract (Volume 1589, Page 504), and the northeastern line of said Vaughn tract, a distance of 411.15 feet to a found iron pin for the southwest corner of said Prouty tract (Volume 1589, Page 504); said iron pin also being in the east line of Lot 6, Block F, the same being the west line of Lot 7, Block F of said Moreau Forrest Subdivision, and the southeast corner of a tract shown by deed to J.M. Kelsoe and recorded in Volume 756, Page 651 of the Denton County Deed Records;

Thence North 01 degree 58 minutes 28 seconds East, along the west line of said Prouty tract (Volume 1589, Page 504), the east line of said Kelsoe tract, and said Lot 6, and the west line of said Lot 7, Block F, a distance of 706.01 feet to a found iron pin for corner;

Thence North 02 degrees 39 minutes 15 seconds East, continuing along the west line of the last mentioned Prouty tract; also passing the northeast corner of said Kelsoe tract, the same being the southeast corner of a tract shown by deed to J.M. Skinner and recorded 21 June 1947, County Clerk's File Number 2981, in all a total distance of 2126.97 feet to a fence corner post for an ell corner of said Prouty tract (Volume 1589, Page 504); said fence corner post also being the northeast corner of said Skinner tract; the northeast corner of said Lot 6, Block F, the northwest corner of Lot 7, Block F, the southwest corner of Lot 2, Block F, and the southeast corner of Lot 1, Block F;

Thence North 84 degrees 52 minutes 05 seconds West, along the southern north line of said Prouty tract (Volume 1589, Page 504), and the north line of said Skinner tract, a distance of 554.33 feet to a fence corner post for corner;

Thence North 05 degrees 49 minutes 09 seconds West, a distance of 10.33 feet to a fence corner post for corner;

Thence North 88 degrees 40 minutes 39 seconds West, along the southern north line of said Prouty tract (Volume 1589, Page 504), and the north line of said Skinner tract, a distance of 834.09 feet to a found iron pin for corner in Trinity Road, (a public road), and also being the southern northwest corner of said Prouty tract (Volume 1589, Page 504);

Thence North 00 degrees 26 minutes 24 seconds East, in said Trinity Road, and the west line of said Prouty tract (Volume 1589, Page 504), a distance of 525.40 feet to a found iron pin for the northwest corner of the last mentioned Prouty tract;

Thence South 86 degrees 27 minutes 23 seconds East, along the western north line of said Prouty tract, (Volume 1589, Page 504), a distance of 669.42 feet to a found iron pin for corner; said iron pin also being in the south line of said Prouty tract (Volume 1666, Page 781 and 795);

Thence North 16 degrees 46 minutes 31 seconds East, a distance of 146.41 feet to a found iron pin for corner;

Thence North 82 degrees 28 minutes 58 seconds West, along the northwestern south line of said Prouty tract (Volume 1666, Page 781), a distance of 710.75 feet to a found iron pin for southwest corner of said Prouty tract, (Volume 1666, Page 781), and also being in said Trinity Road, and in the west line of said Lot 1, Block F;

Thence North 02 degrees 40 minutes 47 seconds East, along the west line of said Prouty tract (Volume 1666, Page 781), and the west line of said Lot 1, Block F, and along said Trinity Road, a distance of 561.45 feet to a found iron pin;

Thence South 86 degrees 14 minutes 56 seconds East, a distance of 194.01 feet to a fence corner post;

Thence North 48 degrees 23 minutes 42 seconds East, a distance of 28.64 feet to a fence corner post;

Thence North 09 degrees 18 minutes 16 seconds West, a distance of 72.59 feet to a fence corner post;

Thence North 39 degrees 19 minutes 49 seconds West, a distance of 87.11 feet to a fence corner post;

Thence North 75 degrees 08 minutes 37 seconds West, a distance of 144.36 feet to a found iron pin; said found iron pin also being in the west line of said Prouty tract (Volume 1666, Page 781 and 795), and in said Trinity Road;

Thence North 02 degrees 40 minutes 47 seconds East, along the west line of the last mentioned Prouty tract, the west line of said Lot 1, Block F, and along said Trinity Road part of the way, a distance of 848.67 feet to a found iron pin for the northwest corner of said Prouty tract; said iron pin also being in Mills Road and the northwest corner of Lot 1, Block F, the southwest corner of Lot 12, Block B, the southeast corner of Lot 11, Block B, and the northeast corner of Lot 5, Block C of said Moreau Forrest Subdivision;

Thence South 87 degrees 09 minutes 19 seconds East, along the north line of said Prouty tract (Volume 1666, Page 781 and 795), the north line of said Lot 1, Block F, the south line of Lot 12, Block B, and along said Mills Road, a distance of 187.88 feet to the point in a west line of Trinity Road; said point also being the southernmost southwest corner of said Miller tract (Volume 1677, Page 562);

Thence North 43 degrees 30 minutes 22 seconds East, with the west line of said Trinity Road and the eastern west line of said Miller tract (Volume 1677, Page 562), a distance of 733.41 feet to a point for corner;

Thence North 06 degrees 01 minute 34 seconds East, with the west line of said road and the eastern west line of said Miller tract (Volume 1677, Page 562), a distance of 626.53 feet to a point for corner; said point also being an ell corner of said Miller tract;

Thence North 86 degrees 56 minutes 06 seconds West, with the northern south line of said Miller tract, (Volume 1677, Page 562), a distance of 2139.55 feet to a found iron pin for the northern southwest corner of said Miller tract;

Thence North 02 degrees 47 minutes 21 seconds East, along the west line of said Miller tract (Volume 1677, Page 562), and the west line of Lot 11, Block B, passing its northwest corner, the same being the southwest corner of Lot 5, Block B of said Moreau Forrest

Subdivision, continuing along said course and the west line of said Lot 5, in all a total distance of 3638.93 feet to a fence corner post for the northwest corner of said Miller tract in the south right-of-way line of Blagg Road; said fence corner post also being the northwest corner of said Lot 5, Block B, and the southwest corner of Lot 12, Block A;

Thence South 86 degrees 56 minutes 06 seconds East, along the north line of said Miller tract (Volume 1677, Page 562), the north line of said Lot 5, Block B, the south line of said Lot 12, Block A, and the south right-of-way line of said Blagg Road, a distance of 518.02 feet to a point for corner; said point also being the southern southwest corner of said Prouty tract (Volume 1661, Page 415);

Thence North 29 degrees 47 minutes 07 seconds East, along the eastern west line of said Prouty tract (Volume 1661, Page 415), a distance of 504.13 feet to a fence corner post;

Thence North 59 degrees 52 minutes 24 seconds West, along the southwestern line of said Prouty tract (Volume 1661, Page 415), a distance of 828.29 feet to a fence corner post, in the west line of said Prouty tract; said point also being in the west line of said Lot 12, Block A;

Thence North 02 degrees 42 minutes 45 seconds East, along the west line of said Prouty tract (Volume 1661, Page 415), and the west line of said Lot 12, Block A, a distance of 1229.83 feet to a fence corner post for the northwest corner of said Prouty tract (Volume 1661, Page 415); said fence corner post also being the northwest corner of said Lot 12, Block A, and the southwest corner of said Lot 6, Block A;

Thence South 87 degrees 10 minutes 50 seconds East, along the north line of said Prouty tract (Volume 1661, Page 415), the north line of said Lot 12, Block A, and the south line of said Lot 6, Block A, a distance of 55.24 feet to a fence corner post; said fence corner post also being the southwest corner of a tract shown by deed to RMB Land Company, Ltd. and recorded in Volume 1783, Page 780, of the Denton County Real Property Records, and the southeast corner of the remainder of a tract shown by deed to Ralph T. Bullard and recorded in Volume 1521, Page 948 of the Denton County Real Property Records;

Thence North 02 degrees 49 minutes 10 seconds East, along the west line of said RMB tract, and the east line of the remainder of said Bullard tract, a distance of 923.60 feet to a found iron pin for the northwest corner of said RMB tract, and in the south right-of-way line of U.S. Highway Number 380;

Thence North 81 degrees 59 minutes 26 seconds East, along the north line of said RMB tract and the south line of said right-of-way, a distance of 183.18 feet to a concrete monument for corner;

Thence North 87 degrees 27 minutes 34 seconds East, along the north line of said RMB tract and the south line of said right-of-way, a distance of 100.06 feet to a concrete monument for corner;

Thence North 82 degrees 05 minutes 20 seconds East, along the north line of said RMB tract and the south line of said right-of-way, a distance of 415.73 feet to a concrete monument for corner;

Thence South 02 degrees 57 minutes 37 seconds West, a distance of 100.20 feet to a found iron pin for corner in the southern north line of said RMB tract;

Thence South 86 degrees 59 minutes 42 seconds East, along the north line of said RMB tract a distance of 308.34 feet to a found iron pin;

Thence South 86 degrees 58 minutes 11 seconds East, along the north line of said RMB tract a distance of 577.65 feet to a found iron pin;

Thence South 87 degrees 02 minutes 30 seconds East, along the north line of said RMB tract, a distance of 129.21 feet to a found iron pin;

Thence South 86 degrees 32 minutes 52 seconds East, along the north line of said RMB tract, a distance of 195.94 feet to a found iron pin;

Thence South 87 degrees 35 minutes 38 seconds East, along the north line of said RMB tract, a distance of 113.57 feet to a found iron pin;

Thence South 86 degrees 49 minutes 13 seconds East, along the north line of said RMB tract, a distance of 315.97 feet to a found iron pin;

Thence South 87 degrees 14 minutes 43 seconds East, along the north line of said RMB tract, a distance of 100.75 feet to a found iron pin;

Thence South 86 degrees 46 minutes 40 seconds East, along the north line of said RMB tract, a distance of 320.56 feet to a found iron pin; said iron pin also being the northeast corner of said RMB tract, and in the west right-of-way line of Trinity Road;

Thence South 02 degrees 35 minutes 45 seconds West, along the east line of said RMB tract, and the west line of said Trinity Road, a distance of 930.72 feet to a found iron pin;

Thence South 87 degrees 23 minutes 14 seconds East, a distance of 24.75 feet to the Point of Beginning and containing 1261.107 acres of land.

LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT

All that certain tract or parcel of land situated in the Gideon Walker Survey, Abstract Number 1330, Denton County, Texas; said tract being shown by deed recorded in Volume 1636, Page 840, Real Property Records of Denton County, Texas, and being more fully described as follows:

Beginning for the southeast corner of the tract being described herein and being the southeast corner of said Volume 1636, Page 840, Real Property Records;

Thence North 87 degrees 04 minutes 54 seconds West a distance of 225.51 feet to the southwest corner of said Volume 1636, Page 840, Real Property Records;

Thence North 02 degrees 24 minutes 40 seconds East a distance of 386.75 feet to the northwest corner of said Volume 1636, Page 840, Real Property Records;

Thence South 84 degrees 47 minutes 20 seconds East a distance of 225.59 feet to the northeast corner of said Volume 1636, Page 840, Real Property Records;

Thence South 02 degrees 23 minutes 02 seconds West a distance of 377.72 feet to the Point of Beginning and containing 1.978 acres of land, and leaving an area of 1259.129 acres of land.

(b) The legislature finds and determines that the boundaries and field notes of the district form a closure. If any mistake is made in copying the field notes in the deed records or in the legislative process or otherwise a mistake is made in the field notes, that mistake does not affect the organization, existence, and validity of the district, the authority of the district to issue bonds, notes, or other obligations for the purposes for which the district is created or to pay the principal of and interest on those bonds, notes, or other obligations, the authority of the district to levy and collect taxes, the validity of any contracts, agreements, or obligations of the district, or in any other manner affect the legality of the operations or proceedings of the district or its board.

SECTION 5. FINDING OF BENEFIT. The legislature finds and determines that all of the land and other property included in the district will be benefited by the improvements, works, and projects that are to be accomplished by the district under this Act and that the district is created to serve a public use and benefit.

SECTION 6. GENERAL AUTHORITY. (a) Subject to and in addition to the specific provisions of this Act, the district may exercise the rights, powers, privileges, authority, and functions provided by Article III, Section 52, of the Texas Constitution and the general laws made applicable to the district by this Act.

(b) If any general law is in conflict or inconsistent with this Act, this Act prevails.

SECTION 7. ACQUISITION OF PROPERTY. The district may acquire by gift, grant, devise, purchase, or lease land, easements, rights-of-way, or other property or improvements within the district or within one-half mile of the boundary of the district that are needed to carry out the powers, purposes, and functions of the district.

SECTION 8. PROJECTS. (a) The district may construct, maintain, and operate macadamized, graveled, or paved roads and turnpikes that serve or are intended to serve as arterial or main feeder roads, or works, facilities, or improvements in aid of those

roads and turnpikes, within the boundaries of the district, to the extent authorized and contemplated by Article III, Section 52(b)(3), of the Texas Constitution.

(b) The works, facilities, or improvements may include drainage and landscaping improvements and lights, signs, and signals that are incidental to those roads and turnpikes and their construction, maintenance, and operation.

(c) A project authorized by this section must meet all applicable construction standards, zoning and subdivision requirements, and regulatory ordinances of the city. A project may not be constructed by the district unless and until the project is approved by the city council of the city.

(d) On completion of any project authorized by this Act, the district, with the consent of the city, may convey that project to the city or other governmental entity, provided the conveyance is free of all indebtedness of the district. Any debt incurred by the district is not a debt of the city, and the city is not required to assume the district's debt unless the city affirmatively acts to dissolve the district and assume the district's debt as provided by Section 27 of this Act. If the city or other governmental entity becomes the owner of a project, that owner is responsible for all future maintenance and upkeep, and the district has no further responsibility for the project, its maintenance, or upkeep.

SECTION 9. BOARD OF DIRECTORS. (a) The district is governed by a board of five directors.

(b) On the effective date of this Act, the following persons are the initial directors of the district:

- (1) Bert Moore;
- (2) Charles Hopkins;
- (3) Ken Stockdale;
- (4) Jesse Coffey; and
- (5) George Hopkins.

(c) Except for the initial directors and directors subject to Subsection (g) of this section, each director shall be elected and shall serve for a term of two years. The initial directors serve until directors elected at the directors' election on the third Saturday in May, 1988, have qualified for office.

(d) All directors shall qualify to serve as directors by taking the oath of office and executing a bond.

(e) To be qualified to serve as a director a person must be:

- (1) a resident of the state; and
- (2) at least 18 years of age.

(f) If a vacancy occurs in the office of director, the remaining directors shall appoint a person to fill the vacancy for the unexpired term. However, if the number of qualified directors by reason of vacancies is less than three, the city council of the city, on petition of any landowner in the district, shall appoint the necessary number of directors to fill all vacancies on the board.

(g) The two directors who receive the fewest number of votes at the directors' election held in May, 1988, shall serve until the first regular meeting of directors following the election in 1989. The three remaining directors shall serve until the first regular meeting of directors in 1990.

(h) After the directors' election in 1988, a directors' election shall be held on the third Saturday in May in each year to elect the appropriate number of directors.

(i) A person who desires to have his name printed on the ballot at a directors' election as a candidate for director shall file a petition with the secretary of the district before the 30th day preceding the date of the election.

(j) Except as specifically provided by this Act, district elections are governed by the Election Code.

SECTION 10. BOARD PROCEDURES. (a) The board may adopt bylaws for the district.

(b) A majority of the members of the board constitutes a quorum for transaction of business of the district, and approval of at least a majority of the members of the board is necessary for approval of any matter before the board.

(c) The board shall provide the method of execution on all contracts, for the signing of checks, and for the handling of any other matters approved by the board, as shown in the official minutes of the district.

(d) The board shall select from its membership a person to serve as chairman, a person to serve as vice-chairman, and a person to serve as secretary. The chairman, and in his absence the vice-chairman, shall preside at board meetings. The board shall designate a treasurer who need not be a member of the board. The board may designate one or more assistant secretaries and an assistant treasurer who are not required to be members of the board. The secretary of the board or one of the assistant secretaries shall be responsible for keeping the minutes of the meetings of the board and all official records of the board and may certify as to the accuracy or authenticity of any actions, proceedings, minutes, or records of the board or of the district.

SECTION 11. COMPENSATION. (a) Each member of the board is entitled to receive compensation in an amount not to exceed \$50 for each meeting of the board as determined by the board.

(b) The amount that may be paid to a director in a single month may not exceed \$250.

(c) Directors may be reimbursed for actual expenses incurred on behalf of the district or in the discharge of their duties.

SECTION 12. MEETINGS OF BOARD. The board shall hold regular meetings and may hold special meetings as provided by the district's bylaws.

SECTION 13. DISTRICT OFFICE; MEETING PLACE. The board shall designate one or more offices for the district and one or more meeting places of the board inside or outside the district but within the boundaries of Denton County. Any meeting place of the district is a public place for matters pertaining to the district's business.

SECTION 14. TAX COLLECTOR. (a) The board shall appoint a person as tax collector for the district and may appoint deputy tax collectors as considered necessary.

(b) Each person appointed under this section shall qualify by executing a bond in the amount of \$10,000 payable to the district, approved by the board, and conditioned on the faithful performance of his duties.

(c) The board shall determine the compensation for the tax collector and his deputies.

SECTION 15. DEPOSITORY. (a) The board shall name one or more banks or savings and loan associations to serve as depository for district funds.

(b) District funds, other than those transmitted to a bank of payment for bonds issued by the district, shall be deposited as received with the depository bank or savings and loan association and shall remain on deposit. This section does not limit the power of the board to invest the district's funds as provided by Section 16 of this Act.

(c) If the district deposits funds in a bank in an amount that exceeds the maximum amount secured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, those funds must be secured in the manner provided by law for security of county funds.

SECTION 16. INVESTMENT OF FUNDS. Funds of the district may be invested and reinvested at the direction of the board or its authorized representative in:

(1) direct or indirect obligations of the United States, including obligations of agencies and corporations that are guaranteed by the United States, the state, any county, city, school district, or other political subdivision of the state;

(2) certificates of deposit of state or national banks or savings and loan associations within the state, if those funds are secured in the manner provided by law for the security of funds of counties in this state;

(3) investment agreements with any financial institution the unsecured debt of which is rated in either of the two highest letter rating categories by a nationally recognized securities rating agency; or

(4) other obligations that are rated "A" or higher by a nationally recognized rating agency.

SECTION 17. DISTRICT ELECTIONS. (a) Elections required to be held by the district shall be called and the results canvassed by the board.

(b) Unless otherwise provided by this Act, elections shall be held as provided by the Election Code.

(c) An election held by the district for any purpose under this Act may be held separately or may be held at the same time as elections of the district for other purposes. An election held for more than one purpose may be called by the board in a single election order.

SECTION 18. ADDITION OF LAND. The board may add land to the district in the manner provided by Section 5, Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes).

SECTION 19. GENERAL FINANCIAL AUTHORITY. (a) The board may spend funds, borrow money, and issue bonds and bond anticipation notes and tax anticipation notes for any purpose for which bonds of the district may have been authorized and may refund any previously issued bond anticipation notes or tax anticipation notes.

(b) The board may issue short-term obligations as provided by Chapter 656, Acts of the 68th Legislature, Regular Session, 1983 (Article 717q, Vernon's Texas Civil Statutes), except that the district may pledge its taxes to secure those short-term obligations.

(c) Bonds to finance the projects under Section 8 of this Act may be issued by the district only on approval of a two-thirds majority of the voters of the district voting at an election called and held for that purpose. Bonds, notes, and other obligations of the district issued or incurred for projects under Section 8 of this Act may not exceed one-fourth of the assessed valuation of the real property of the district.

(d) Except as specifically otherwise provided by this Act, the financial activities of the district are governed by Sections 42 through 46 and 49, Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes).

SECTION 20. BONDS. (a) The board may issue and sell bonds in the name of the district as provided by this Act to carry out the purposes of this Act.

(b) The board may provide for the payment of the principal of and interest on the bonds from the levy and collection of taxes on all taxable property within the district.

(c) The proceeds of bonds may be used to provide for the improvements contemplated by this Act and to pay not more than three years' interest on the bonds, notes, and other obligations of the district.

(d) A bond election may be called and held subject to the election requirements of this Act and Subsections (a) through (e), Section 53, Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes).

(e) Bonds may mature serially or otherwise not more than 25 years from their date of issue.

(f) The district is authorized to sell its bonds, notes, or other evidences of indebtedness at a price and at public or negotiated sale, all as may be determined by the board.

(g) The district shall give notice to the city of any proposed issuance of bonds, notes, or other obligations of the district at least 14 days before their sale.

(h) Except as specifically otherwise provided by this Act, the district's bonds are subject to the conditions and procedures provided by Sections 54 through 61, Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes).

SECTION 21. MAINTENANCE TAX. (a) On the approval of a majority of the voters in the district voting at an election called and held for that purpose, the district may levy and collect a maintenance tax in an amount not to exceed the amount approved by those voters.

(b) The board may use and pledge the proceeds received from all or any designated portion of the district's maintenance taxes for any purpose, other than the payment of the principal of or interest on bonds.

(c) If the city assumes the maintenance of all or a portion of the roads or turnpikes constructed or improved by the district, the district may not levy or collect the maintenance tax authorized under this section for maintenance of those roads or turnpikes for which maintenance is assumed by the city.

SECTION 22. BOND TAX. (a) The board may annually levy taxes to pay the principal of and interest on bonds issued by the district and the expense of assessing and collecting the taxes.

(b) The tax for bonds must be levied separately from the levy of a maintenance tax.

SECTION 23. TAX LEVY. Except as specifically provided by this Act, the district shall levy taxes pursuant to Sections 68 and 69, Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes).

SECTION 24. TAX PROCEDURE. The Tax Code governs the appraisal, assessment, and collection of district taxes.

SECTION 25. DISTRICT CONTRACTS. (a) Contracts for the purchase of construction materials, machinery, and other items that constitute the works, improvements, facilities, equipment, and appliances of the district shall be advertised, let, and awarded as provided by Chapter 770, Acts of the 66th Legislature, Regular Session, 1979 (Article 2368a.3, Vernon's Texas Civil Statutes).

(b) After a contract has been awarded and the district determines that additional work is needed or that the character or type of the work or facilities should be changed, the board may authorize change orders to the contract on terms the board may approve, provided the change does not increase the total cost of the contract by more than 25 percent.

(c) If the estimated amount of a proposed construction contract is more than \$5,000, but less than \$25,000, or the duration of the contract is more than two years, informal competitive bids or proposals shall be asked from at least three bidders. Those contracts shall be written and shall be awarded to the lowest and best bidder.

SECTION 26. OTHER CONTRACTS. (a) The district may enter into contracts with the United States, the state, the city, any other public agency or entity, individuals and corporations, or any other entity for the operation and maintenance or the construction of any facility or improvement authorized by this Act.

(b) Any contract obligating the district to make payments in whole or in part from taxes is subject to approval at an election held under the same procedures required for the issuance of bonds payable from taxes.

SECTION 27. DISSOLUTION OF DISTRICT. The city may dissolve the district and assume the assets, properties, bonds, and other obligations of the district in the manner provided by Chapter 128, Acts of the 50th Legislature, Regular Session, 1947 (Article 1182c-1, Vernon's Texas Civil Statutes).

SECTION 28. REGULATORY AUTHORITY. (a) The board may adopt rules for the district but may not adopt rules that conflict or are inconsistent with any ordinance of general application in the city.

(b) The board may not adopt or enforce any rule relating to the city's streets or roads constructed by the district and conveyed to the city.

SECTION 29. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Ch. 958, § 29

70th LEGISLATURE--REGULAR SESSION

Passed the Senate on April 2, 1987, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 1987, by the following vote: Yeas 29, Nays 0. Passed the House, with amendment, on May 22, 1987, by the following vote: Yeas 148, Nays 0, one present not voting.

Approved June 20, 1987.

Effective June 20, 1987.