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NATALIE B. SCOTT DIRECTOR NSCOTT@COATSROSE.COM DIRECT: (512) 541-3846 FAX: (512) 469-9408

February 22, 2019

The Honorable Chris Hill Collin County Judge Members of Commissioners Court Collin County Administration Building 2300 Bloomdale Rd., Suite 4192 McKinney, Texas 75071

Re: Legislation regarding Collin County Municipal Utility District No. 2

Dear Judge Hill and Commissioners Court:

Enclosed please find a copy of legislation proposing to amend the provisions of the Collin County Municipal Utility District No. 2 (the "District").

By this correspondence, we formally give you notice of our intent to offer the referenced legislation in the form of a bill to be filed in the presently pending 86th Legislature of the State of Texas. Please feel free to contact the undersigned should you have any questions or comments.

Very truly yours,

Matalie B Acott

Natalie B. Scott

NBS:mp Enclosure

> BARTON OAKS PLAZA, 901 S. MOPAC EXPWY, BLDG 1, STE 500, AUSTIN, TEXAS 78746 PHONE: (512) 469-7987 FAX: (512) 469-9408 WEB: <u>www.coatsrose.com</u>

HOUSTON | AUSTIN | DALLAS | SAN ANTONIO | NEW ORLEANS | CINCINNATI 4823-5041-6264.v1

### NOTICE OF INTENT TO INTRODUCE A BILL

Pursuant to the Constitution and the 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 addition of road powers to Collin County Municipal Utility District No. 2 (the "District").

The Act proposes to authorize the District to provide for the construction, maintenance and operation of roads.

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.



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## 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	02/15/19	02/15/19	1
Internet	02/15/19	02/15/19	1

LEGAL: INTENT TO INTRODUCE BILL

\$123.75

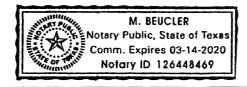
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Inside Sales Manager of the Celina Record, Internet

Subscribed and sworn on this

18th day of Aebruary, 2019



Surel

Notary Public, State of Texas

Ξ.

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LEGAL NOTICE

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\_\_\_.B. No. \_\_\_\_

#### A BILL TO BE ENTITLED

#### AN ACT

relating to the powers and duties of Collin County Municipal Utility District No. 2; providing authority to impose a tax and issue bonds.

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

SECTION 1. Subtitle F, Title 6, Special District Local Laws

Code, is amended by adding Chapter \_\_\_\_\_ to read as follows:

CHAPTER . COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

#### SUBCHAPTER A. GENERAL PROVISIONS

Sec. . DEFINITIONS. In this chapter:

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

(2) "District" means the Collin County Municipal Utility District No. 2.

Sec. .002. NATURE AND PURPOSES OF DISTRICT. (a) The

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district is a municipal utility district in Collin County created under Section 59, Article XVI, Texas Constitution.

(b) The district is created to accomplish the purposes of: (1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

SUBCHAPTER B. POWERS AND DUTIES

Sec. .051. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. .052. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article

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XVI, Texas Constitution.

Sec. .053. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. Notwithstanding the number of acres within the district's territory, the district may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole as set forth in Texas Water Code, Chapter 54, Subchapter J. Sec. .054. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. .055. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

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

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

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

Sec. .101. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. (a) In addition to its authority to issue bonds for other purposes, the district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for a road project authorized by Section .053.

(b) The district may not issue bonds payable from ad valorem

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taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

(c) At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed onefourth of the assessed value of real property in the district.

Sec. .102. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding.

SECTION 2. Collin County Municipal Utility District of No. 2 retains all the rights, powers, privileges, authority, duties, and functions that it had before the effective date of this Act.

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

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

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

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

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SECTION 4. This Act takes effect immediately if it receives a

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vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect \_\_\_\_\_, 2019.

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