

RESOLUTION NO. _____

WHEREAS, TXI Operations, LP (“TXI”), has filed special legislation that would create a municipal utility district (“special district”) in the City’s Desired Development Zone; and

WHEREAS, the proposed special district encompasses approximately 2,130 acres of land that is located along the east and west sides of SH 130 between FM 969 and the Colorado River; and

WHEREAS, the proposed special district would be authorized as a municipal utility district under applicable statutes but would be granted additional powers; and

WHEREAS, the proposed legislation would provide for the special district to be enabled only if the City and TXI successfully negotiate and execute a Consent Agreement that is approved by the City Council within a specified time; and

WHEREAS, the improvements and services funded through a special district are ultimately paid for by those who most benefit from them – the owners of property in the special district, and it is these owners who petition the City to form a district; and

WHEREAS, this resolution is based upon the City Council’s policy priorities as provided in Resolution 20110217-030 in considering the establishment of municipal utility districts and is not intended to limit the authority of the City Council to consider or approve any particular

landowner's request or limit City Council's authority to deviate from Resolution 20110217-30; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council consents to special legislation that would create the Rio de Vida municipal utility district in the City's preferred growth area, such consent being conditioned on inclusion of the following terms in the legislation creating the district:

1. Execution of an agreement ("Consent Agreement") consenting to the creation of the special district and the inclusion of land within the special district before permanent special district board directors are elected;
2. The Consent Agreement is deemed valid and enforceable;
3. The districts will dissolve automatically on September 1, 2012, if a Consent Agreement is not executed between the districts and the City;
4. The City may appoint one permanent special district board director;
5. The special district board's elected directors shall serve no more than 2 four-year terms; and
6. The special district's combined tax rate is authorized to be set at an amount no less than City's tax rate.

This City Council resolution consents only to the legislation and is not authorization for the special district to become operational, exercise powers, or hold elections for permanent directors of the special district.

APPROVED: _____, 2011

ATTEST: _____

Shirley A. Gentry
City Clerk

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