

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, Carma Easton, Inc., has filed special legislation that would create five municipal utility districts (“MUDs”) in the City’s preferred growth area; and

**WHEREAS**, the proposed MUDs encompass approximately 2,214 acres of land that is located east of IH 35 between McKinney Falls Parkway and US 183 South; and

**WHEREAS**, the proposed legislation would provide for the five MUDs to be enabled only if the City and Carma 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 MUD are ultimately paid for by those who most benefit from them – the owners of property in the MUD, 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 MUDs 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 Pilot Knob MUD Nos. 1-5 in the City's preferred growth area, such consent being conditioned on inclusion of the following terms in the legislation creating the MUDs:

1. Execution of an agreement ("Consent Agreement") consenting to the creation of the districts and the inclusion of land within the districts before permanent MUD board directors are elected;
2. The Consent Agreement is deemed valid and enforceable;
3. The MUDs 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 board director;
5. The MUD boards' elected directors shall serve no more than 2 four-year terms; and
6. The districts' ad valorem tax rates are authorized to be set at an amount no less than the City's tax rate.

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

**APPROVED:** \_\_\_\_\_, 2011

**ATTEST:** \_\_\_\_\_

Shirley A. Gentry  
City Clerk