

**PETITION FOR CONSENT TO THE CREATION
OF MUNICIPAL UTILITY DISTRICT**

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF AUSTIN,
TEXAS:

The undersigned ("Petitioner"), acting pursuant to the provisions of Chapters 49 and 54, Texas Water Code, respectfully petitions the City Council of the City of Austin, Texas (the "City"), for its written consent to the creation of a municipal utility district over the land described by metes and bounds on Exhibit "A", which is attached hereto and incorporated herein for all purposes (the "Land"), and, in support thereof, would show the following:

I.

The name of the proposed district is SOUTHEAST TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2 (the "District").

II.

The District is proposed to be created and organized under the terms and provisions of Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54, Texas Water Code.

III.

The District will contain approximately 475.159 acres of land, more or less, situated in Travis County, Texas. All of the land proposed to be included in the District is located within the extraterritorial jurisdiction of the City. All of the Land proposed to be included may properly be included in the District.

IV.

Petitioner holds title to and is the owner of a majority in value of the holders of title to the Land as indicated by the tax rolls of Travis County, Texas. There are no lienholders to the Land.

V.

The general nature of the work to be done by the District at the present time is the design, construction, acquisition, maintenance and operation of a waterworks and sanitary sewer system for domestic and commercial purposes; the construction, acquisition, improvement, extension, maintenance and operation of works, improvements, facilities, plants, equipment and appliances helpful or necessary to provide more adequate drainage for the District and to control, abate and amend local storm waters or other harmful excesses of waters; the provision of and construction, acquisition, maintenance and operation of parks and recreational facilities and the construction, acquisition, improvement, maintenance and operation of such other and

additional facilities, systems, plants and enterprises as may be consonant with any or all of the purposes for which the District is created.

VI.

There is a necessity for the above-described work, because there is not now available within the area, which will be developed for single family residential and commercial uses, an adequate waterworks system, sanitary sewer system, drainage and storm sewer system or parks and recreational facilities. The health and welfare of the present and future inhabitants of the area and adjacent areas require the purchase, design, construction, acquisition, ownership, operation, repair, improvement and extension of an adequate waterworks system, sanitary sewer system, drainage and storm sewer system, parks and recreational facilities and other facilities and systems. A public necessity, therefore, exists for the creation of the District in order to provide for the purchase, design, construction, acquisition, ownership, operation, repair, improvement and extension of a waterworks system, sanitary sewer system, drainage and storm sewer system, parks and recreational facilities and other systems to promote the purity and sanitary condition of the State's waters and the public health and welfare of the community.

VII.

A preliminary investigation has been made to determine the cost of the proposed District's project, and it is now estimated by Petitioner, from such information as it has available at this time, that such cost will be approximately \$30,000,000.

VIII.

Petitioner, by submission of this petition, requests the City's consent to the creation of the District and to the inclusion of the Land within the District.

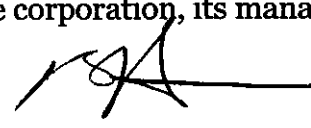
WHEREFORE, Petitioner prays that this petition be heard and that your Honorable Body duly pass and approve an ordinance or resolution granting consent to the creation of the District and authorizing the inclusion of the Land within the District.

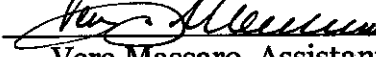
RESPECTFULLY SUBMITTED this 25th day of March, 2011.

QUALICO CR, LP, a Texas limited partnership

By: Qualico CR Management, LLC, a Texas limited liability company, its general partner

By: Qualico Developments (U.S.), Inc., a Delaware corporation, its manager

By: 
Brian Higgins, Vice President

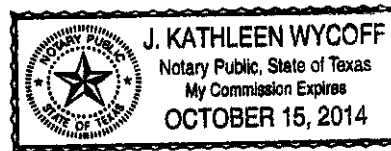
By: 
Vera Massaro, Assistant Secretary

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 25th day of March, 2011, by Brian Higgins, Vice President of Qualico Developments (U.S.), Inc., a Delaware corporation, Manager of Qualico CR Management, LLC, a Texas limited liability company, General Partner of Qualico CR, LP, a Texas limited partnership, on behalf of said corporation, limited liability company and limited partnership.

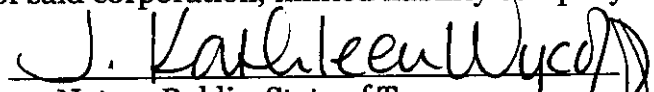
(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §



This instrument was acknowledged before me on the 25th day of March, 2011, by Vera Massaro, Assistant Secretary of Qualico Developments (U.S.), Inc., a Delaware corporation, Manager of Qualico CR Management, LLC, a Texas limited liability company, General Partner of Qualico CR, LP, a Texas limited partnership, on behalf of said corporation, limited liability company and limited partnership.

(SEAL)


Notary Public, State of Texas

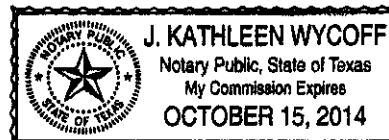


EXHIBIT "A"

475.159 ACRES
JOSE ANTONIO NAVARRO SURVEY, ABSTRACT NUMBER 18
TRAVIS COUNTY, TEXAS
SOUTHEAST TRAVIS COUNTY MUD #2

FIELD NOTES

BEING ALL OF THAT CERTAIN TRACT OF LAND OUT OF AND A PART OF THE JOSE ANTONIO NAVARRO SURVEY, ABSTRACT NUMBER 18, SITUATED IN TRAVIS COUNTY, TEXAS, BEING MORE FULLY DESCRIBED AS BEING A PORTION OF THAT CERTAIN 290.812 ACRE TRACT OF LAND CONVEYED TO QUALICO CR LP IN DOCUMENT NUMBER 2007160468 AND ALSO BEING A PORTION OF THAT CERTAIN 49.020 ACRE TRACT OF LAND CONVEYED TO CENTURY RANCH I, LP IN DOCUMENT NUMBER 2010119927 AND ALSO BEING ALL OF THAT CERTAIN 4.022 ACRE TRACT OF LAND CONVEYED TO QUALICO CR LP IN DOCUMENT NUMBER 2007160468 AND ALSO BEING ALL OF THAT CERTAIN 95.733 ACRE TRACT OF LAND CONVEYED TO QUALICO CR LP IN DOCUMENT NUMBER 2007154323 AND ALSO BEING ALL OF THAT CERTAIN 73.515 ACRE TRACT OF LAND CONVEYED TO QUALICO CR LP IN DOCUMENT NUMBER 2008139824 AND ALSO BEING ALL OF THAT CERTAIN 49.021 ACRE TRACT OF LAND CONVEYED TO QUALICO CR LP IN DOCUMENT NUMBER 2009141318 AND ALSO BEING A PORTION OF THAT CERTAIN 49.021 ACRE TRACT OF LAND CONVEYED TO QUALICO CR LP IN DOCUMENT NUMBER 2010119926 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, SAID TRACT BEING 475.159 ACRES OF LAND BEING MORE FULLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING, at an capped iron rod found at the southeast corner of said 95.733 acre tract, also being the southwest of said 4.022 acre tract also being a point on the northern right-of-way line of Pearce Lane, a varying width public right-of-way, for the southerly line and **POINT OF BEGINNING** of the herein described tract,

THENCE, with the northern right-of-way line of said Pearce Lane and the southern boundary line of said 95.733 acre Qualico CR LP tract the following seven (7) courses and distances, numbered 1 through 7,

1. N64°40'44"W, a distance of 1194.42 feet to an iron rod found,
2. N85°36'44"W, a distance of 13.29 feet to an iron rod found,
3. N07°39'01"E, a distance of 5.00 feet to an iron rod found,
4. N64°36'43"W, a distance of 245.18 feet to an iron rod found at a point of curvature to the right,
5. With said curve to the right having a radius of 9757.39 feet, an arc length of 498.25 feet and whose chord bears, N62°54'51"W, a distance of 498.19 feet to an iron rod found,
6. N61°02'28"W, a distance of 1090.04 feet to a capped iron rod found at a point of curvature to the right,
7. With said curve to the right having a radius of 5314.70 feet, an arc length of 79.60 feet and whose chord bears, N60°39'14"W, a distance of 79.60 feet to a capped iron rod found at the southeast boundary corner of a 2.92 acre tract of land conveyed to Pablo T. Rodriguez and Ana M. Rodriguez recorded with ID Number 297631 of the Official Public Records of Travis County, Texas for the southeast corner of the herein described tract,

THENCE, leaving the northern right-of-way line of said Pearce Lane and along the common boundary line of said 95.733 acre Qualico CR LP tract, said 73.515 acre tract and said 2.92 acre tract, N22°16'28"E, a distance of 1672.61 feet to an iron rod found at the southeast property corner of a 230.56 acre tract of land conveyed to AE Johanson LTD., recorded with ID Number 297614 of the Official Public Records of Travis County, Texas,

THENCE, with the common boundary line said 230.56 acre tract and said 73.515 acre Qualico CR LP tract the following two (2) courses and distances, numbered 1 and 2,

1. N27°20'48"E, a distance of 492.76 feet to an iron rod found,
2. N27°20'09"E, a distance of 493.30 feet to an pipe found at the southwest property corner of a 4.288 acre tract of land conveyed to Heliodoro Reyes and Aquilino Cruz recorded with ID Number 297656 of the Official Public Records of Travis County, Texas,

THENCE, with the common boundary line of said 73.515 acre Qualico CR LP tract and said 4.288 acre tract and a 4.549 acre tract of land conveyed to Raymundo Constancio recorded with ID Number 297638 of the Official Public Records of Travis County, Texas, S62°41'21"E, a distance of 1053.43 feet to an iron rod found at the westerly boundary line of a 149.50 acre tract of land conveyed to Danlandco, LTD., recorded in Volume 12849, Page 602 of the Official Public Records of Travis County, Texas,

THENCE, with the common boundary line of said 73.515 acre Qualico CR LP tract and said 149.50 acre tract, S27°16'12"W, a distance of 420.94 feet to a point at the westerly property corner of said 49.021 acre Qualico CR LP tract, recorded in Document No. 2009141318 of the Official Public Records of Travis County, Texas,

THENCE, with the common boundary line of said 149.50 acre tract and said 49.021 acre Qualico CR LP tract and meanders with the creek the following twenty (20) courses and distances, numbered 1 through 20,

1. S65°52'11"E, a distance of 146.51 feet to a point,
2. S78°52'45"E, a distance of 183.75 feet to a point,
3. S87°04'30"E, a distance of 94.84 feet to a point,
4. N74°52'33"E, a distance of 228.09 feet to a point,
5. S71°55'39"E, a distance of 35.48 feet to a point,
6. N65°28'54"E, a distance of 109.08 feet to a point,
7. S85°58'17"E, a distance of 118.84 feet to a point,
8. N79°36'57"E, a distance of 55.58 feet to a point,
9. S76°05'41"E, a distance of 184.39 feet to a point,
10. N42°02'49"E, a distance of 91.77 feet to a point,
11. N70°25'47"E, a distance of 76.81 feet to a point,
12. N85°41'37"E, a distance of 87.02 feet to a point,
13. S66°58'18"E, a distance of 134.03 feet to a point,
14. N62°00'42"E, a distance of 35.56 feet to a point,
15. N04°49'48"E, a distance of 83.72 feet to a point,
16. N24°49'58"E, a distance of 69.43 feet to a point,
17. N63°40'55"E, a distance of 65.81 feet to a point,
18. N83°34'57"E, a distance of 59.77 feet to a point,
19. S57°51'02"E, a distance of 89.45 feet to a point,
20. S81°54'18"E, a distance of 212.36 feet to a point on the easterly boundary line of said 149.50 acre tract and at the south westerly property corner of said 49.021 acre Qualico CR LP tract recorded in Document No. 2010119926 same being the most northerly property corner of said 49.021 acre Qualico CR LP tract recorded in Document No. 2008139824 all of the Official Public Records of Travis County, Texas,

THENCE, with the common boundary line of said 49.021 acre Qualico CR LP tract recorded in Document No. 2010119926 of the Official Public Records of Travis County, Texas and said 149.50 acre tract, N89°48'04"E, a distance of 79.85 feet to a point on the easterly boundary line of a 115.00 acre tract of land conveyed to Danlandco, LTD., recorded in Volume 12839, Page 791 of the Official Public Records of Travis County, Texas,

THENCE, with the common boundary line of said 149.50 acre tract and said 49.020 acre Century Ranch I, LP tract and said 49.021 acre Qualico CR LP tract recorded in Document No. 2010119926 of the Official Public Records of Travis County, Texas and meanders with the creek the following twenty six (26) courses and distances, numbered 1 through 26,

1. N68°48'09"E, a distance of 70.70 feet to a point,
2. N32°18'18"E, a distance of 58.65 feet to a point,
3. S83°08'38"E, a distance of 68.94 feet to a point,
4. N59°25'36"E, a distance of 100.62 feet to a point,
5. N30°36'04"E, a distance of 128.12 feet to a point,
6. N16°59'56"E, a distance of 108.76 feet to a point,

Exhibit "A" - 2

7. N00°18'16"E, a distance of 73.73 feet to a point,
8. N28°22'18"W, a distance of 98.35 feet to a point,
9. N50°03'12"E, a distance of 134.33 feet to a point,
10. N17°07'53"W, a distance of 104.77 feet to a point,
11. N17°58'32"E, a distance of 100.64 feet to a point,
12. N62°01'43"E, a distance of 80.07 feet to a point,
13. N23°05'24"E, a distance of 52.33 feet to a point,
14. N02°42'46"W, a distance of 142.46 feet to a point,
15. N23°29'54"W, a distance of 96.37 feet to a point,
16. N32°44'57"E, a distance of 103.55 feet to a point,
17. N24°04'26"E, a distance of 321.89 feet to a point,
18. N56°22'04"E, a distance of 270.51 feet to a point,
19. N79°08'51"E, a distance of 138.45 feet to a point,
20. S60°42'38"E, a distance of 61.41 feet to a point,
21. S80°00'53"E, a distance of 190.79 feet to a point,
22. S48°03'50"E, a distance of 24.33 feet to a point,
23. S79°48'01"E, a distance of 65.40 feet to a point,
24. S67°01'03"E, a distance of 186.92 feet to a point,
25. S09°51'34"E, a distance of 47.71 feet to a point,
26. S20°33'35"W, a distance of 28.59 feet to a point at the southeast property corner of said 115.00 acre tract same being the northerly boundary line of said 49.020 acre tract and the westerly boundary line of said 290.812 acre tract,

THENCE, with the common boundary line of said 115.00 acre tract and said 290.812 acre tract, N27°39'15"E, a distance of 152.76 feet to a point at the southwest property corner of a 130.50 acre tract of land conveyed to John Richards Jr., recorded in Volume 2807, Page 382 of the Official Public Records of Travis County, Texas,

THENCE, with the common boundary line of said 290.812 acre Qualico CR LP tract and said 130.50 acre tract the following seven (7) courses and distances, numbered 1 through 7,

1. S69°10'47"E, a distance of 687.67 feet to a point,
2. S62°30'03"E, a distance of 161.88 feet to a point,
3. S61°10'38"E, a distance of 87.12 feet to a point,
4. S59°53'21"E, a distance of 223.25 feet to a point,
5. S51°14'10"E, a distance of 323.72 feet to a point,
6. S50°08'52"E, a distance of 97.37 feet to a point,
7. S52°41'23"E, a distance of 263.41 feet to a point at the southeast property corner of said 130.50 acre tract and also being on the westerly boundary line of a 93.26 acre tract of land conveyed to Amye Haws recorded in Volume 6499, Page 1532, of the Official Public Records of Travis County, Texas,

THENCE, crossing said 290.812 acre Qualico CR LP tract and said 49.020 acre Century Ranch I, LP tract the following nineteen (19) courses and distances, numbered 1 through 19,

1. S27°26'16"E, a distance of 785.97 feet to a point of curvature to the right,
2. With said curve to the right having a radius of 1143.00 feet, an arc length of 397.93 feet and whose chord bears, S37°24'41"W, a distance of 395.93 feet to an capped iron rod found,
3. S20°32'37"W, a distance of 151.41 feet to a point,
4. S22°14'54"W, a distance of 56.10 feet to a point,
5. S40°50'46"E, a distance of 58.27 feet to a point,
6. S08°11'43"W, a distance of 668.26 feet to a point,
7. S16°31'07"W, a distance of 26.41 feet to a point,
8. S14°09'53"W, a distance of 488.10 feet to a point,
9. S50°01'31"W, a distance of 223.20 feet to a point,

10. S80°38'54"W, a distance of 302.42 feet to a capped iron rod found,
11. S56°53'58"W, a distance of 523.33 feet to a capped iron rod found continuing a total distance of 865.12 feet to a capped iron rod found,
12. S40°56'29"W, a distance of 382.51 feet to a capped iron rod found continuing a total distance of 469.43 feet to a capped iron rod found, at a point of curvature to the right,
13. With said curve to the right having a radius of 1143.00 feet, an arc length of 152.95 feet and whose chord bears, S30°08'09"W, a distance of 152.84 feet to a capped iron rod found,
14. S33°58'10"W, a distance of 25.37 feet to an capped iron rod found and point of curvature to the left,
15. With said curve to the left having a radius of 20.00 feet, an arc length of 31.42 feet and whose chord bears, S11°01'50"E, a distance of 28.28 feet to an capped iron rod found,
16. S56°01'50"E, a distance of 475.38 feet to a point of curvature to the right,
17. With said curve to the right having a radius of 535.00 feet, an arc length of 228.96 feet and whose chord bears, S43°46'14"E, a distance of 227.21 feet to a point,
18. S31°30'38"E, a distance of 170.81 feet to a point,
19. S28°02'07"W, a distance of 720.75 feet to a point on the northern right-of-way line of said Pearce Lane,

THENCE, with the common boundary line of said 290.812 acre Qualico CR LP tract and the northern right-of-way line of said Pearce Lane, the following six (6) courses and distances, numbered 1 through 6,

1. N61°59'58"W, a distance of 136.87 feet to a point of curvature to the right,
2. With said curve to the right having a radius of 7861.27 feet, an arc length of 292.21 feet and whose chord bears, N60°55'19"W, a distance of 292.20 feet to a point,
3. N59°52'27"W, a distance of 419.81 feet to an capped iron rod found and point of curvature to the left,
4. With said curve to the left having a radius of 6565.50 feet, an arc length of 553.32 feet and whose chord bears, N62°17'18"W, a distance of 553.15 feet to an iron rod found,
5. N64°43'45"W, a distance of 536.71 feet to an iron rod found at the southeast property corner of said 4.022 acre tract and
6. N64°43'44"W, a distance of 394.63 feet to the **POINT OF BEGINNING** and containing 475.159 acres of land,