

By: Eiland

H.B. No. 3504

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation of Galveston County Municipal Utility
3 District No. 54; providing authority to impose taxes and standby
4 fees and issue bonds; granting the power of eminent domain.

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

6 SECTION 1. Subtitle F, Title 6, Special District Local Laws
7 Code, is amended by adding Chapter ____ to read as follows:

8 CHAPTER ____ GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 54.

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. ____ .001. DEFINITIONS. In this Chapter:

11 (1) "Board" means the board of directors of the
12 district.

13 (2) "City" means the City of Texas City, Texas.

14 (3) "District" means Galveston County Municipal
15 Utility District No. 54.

16 Sec. ____ .002. CREATION OF DISTRICT. Galveston County
17 Municipal Utility District No. 54 is created as a special district
18 under Section 52, Article III, and Section 59, Article XVI, Texas
19 Constitution.

20 Sec. ____ .003. DECLARATION OF INTENT. The creation of the
21 district is essential to accomplish the purposes of Section 52 and
22 52-a, Article III, and Section 59, Article XVI, Texas Constitution,
23 and other public purposes stated in this Chapter.

24 Sec. ____ .004. INITIAL DISTRICT TERRITORY. (a) The

1 district is initially composed of territory described by Section 2
2 of the Act creating this chapter.

3 (b) The boundaries and field notes of the district form a
4 closure. A mistake in the field notes or in copying the field notes
5 in the legislative process does not in any way affect the
6 district's:

7 (1) organization, existence, or validity;

8 (2) right to issue any type of bond for the purposes
9 for which the district is created or to pay the principal of and
10 interest on a bond;

11 (3) right to impose or collect an assessment or tax; or

12 (4) legality or operation.

13 Sec. ____ .005. APPLICABILITY OF OTHER LAW. (a) Except as
14 otherwise provided by this Chapter, Chapters 49 and 54, Water Code,
15 apply to the district.

16 (b) Chapter 311, Government Code (Code Construction Act),
17 applies to this Chapter.

18 (c) Chapter 1471, Government Code, does not apply to the
19 district.

20 Sec. ____ .006. CONSTRUCTION OF Chapter. (a) This Chapter
21 shall be liberally construed in conformity with the findings and
22 purposes set forth in this Chapter.

23 (b) If any provision of the general law conflicts with this
24 Chapter, this Chapter prevails.

25 (c) If any provision of the general law conflicts with
26 Chapters 49 and 54, Water Code, Chapters 49 and 54, Water Code
27 prevail.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. ____ .051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of five directors.

(b) Except for the initial directors, each director shall be elected and shall serve for the term of office provided for directors under Chapter 49, Water Code, and until his successor is elected and has qualified.

(c) Except for the initial directors, each director shall qualify to serve as director in the manner provided by Chapter 49, Water Code.

Sec. ____ .052. INITIAL DIRECTORS. (a) The initial board consists of the following persons:

- (1) _____;
- (2) _____;
- (3) _____;
- (4) _____; and
- (5) _____.

(b) Of the initial directors, the terms of the first three directors named in Subsection (a) expire on the uniform election date in May 2007, and the terms of the last two directors named in Subsection (a) expire on the uniform election date in May 2009.

(c) On the uniform election date in May 2007, the board shall hold an election for the directors whose terms expire on such date. On the uniform election date in May 2009, the board shall hold an election for the directors whose terms expire on such date.

(d) This section expires September 1, 2009.

Sec. ____ .053. CONFIRMATION ELECTION. The board of

1 directors shall hold an election to confirm the creation of the
2 district as provided by Section 49.102, Water Code.

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. ____ .101. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

5 (a) All land and other property included in the district will
6 benefit from the improvements and services to be provided by the
7 district under powers conferred by Sections 52 and 52-a, Article
8 III, and Section 59, Article XVI, Texas Constitution, and other
9 powers granted under this Chapter.

10 (b) The district is created for the following purposes:

11 (1) the purposes of a municipal utility district as
12 provided pursuant to Section 54.012, Water Code;

13 (2) the purposes of a road utility district created
14 pursuant to Section 52, Article III, Texas Constitution, and
15 operating pursuant to Chapter 441, Transportation Code, including
16 the purpose of constructing, acquiring, improving, maintaining and
17 operating road and road facilities as defined in Chapter 441,
18 Transportation Code;

19 (3) the purposes of a municipal management district
20 operating pursuant to Chapter 375, Local Government Code; and

21 (4) the purchase, construction, acquisition,
22 ownership, improvement, maintenance, and operation of the public
23 works and public improvements authorized for a tax increment
24 reinvestment zone operating pursuant to Chapter 311, Tax Code.

25 Sec. ____ .102. POWERS OF DISTRICT. (a) The district shall
26 have the functions, powers, authority, rights and duties which will
27 permit accomplishment of the purposes for which it was created.

1 (b) The district shall have all of the rights, powers,
2 privileges, authority and functions, specifically including but
3 not limited to those relating to the levying of taxes, issuance of
4 bonds, imposition of standby fees, and exercise of the power of
5 eminent domain, conferred by the general laws of this state
6 applicable to municipal utility districts created under Article
7 XVI, Section 59, of the Texas Constitution, including those
8 conferred by Chapters 49 and 54, Water Code.

9 (c) The district shall have all of the rights, powers,
10 privileges, authority and functions, specifically including but
11 not limited to those relating to the levying of taxes and
12 assessments, issuance of bonds, and imposition of standby fees,
13 conferred by the general laws of this state applicable to municipal
14 management districts created under Article XVI, Section 59, of the
15 Texas Constitution, including those conferred by Chapter 375, Local
16 Government Code.

17 Sec. ____ .103. SPECIFIC ROAD POWERS OF DISTRICT. (a) The
18 district may purchase, construct, acquire, own, operate, maintain,
19 improve or extend inside and outside its boundaries roads and road
20 facilities as defined in Chapter 441, Transportation Code, as
21 authorized by Section 52, Article III, of the Texas Constitution.

22 (b) In accordance with Article III, Section 52, of the Texas
23 Constitution, the district has the power and authority to issue
24 bonds, notes, and other obligations or otherwise lend it credit and
25 levy and collect taxes to pay the interest thereon and provide a
26 sinking fund for the redemption thereof for the construction,
27 purchase, maintenance and operation of roads and road facilities.

1 The total amount of bonds issued for such purpose may not exceed
2 one-fourth of the assessed market value of real property of the
3 district as determined by the chief appraiser of the appraisal
4 district that appraises property for the district.

5 (c) The roads and road facilities may include drainage,
6 landscaping and pedestrian improvements and lights, signs, or
7 signals that are incidental thereto and their construction,
8 maintenance, or operation.

9 (d) The roads and road facilities authorized by this section
10 must meet all applicable construction standards, zoning and
11 subdivision requirements, and regulatory ordinances of the city.

12 (e) On completion of a road or road facility authorized by
13 this section, the district, with the consent of the city, may convey
14 that road or road facility to the city, provided the conveyance is
15 free of all indebtedness of the district. If the city becomes the
16 owner of a road or road facility, the city is responsible for all
17 future maintenance and upkeep, and the district has no further
18 responsibility for the road or road facility or its maintenance or
19 upkeep, unless otherwise agreed to by the district and the city.

20 (f) A district may contract with a state agency, political
21 subdivision, or corporation created under Chapter 431,
22 Transportation Code, for a joint road or road facility. The
23 district may issue bonds to pay all or part of the costs of the road
24 or road facility and any other payments required pursuant to the
25 contract. A contract may be a contract under Section 49.108, Water
26 Code. The contract may:

27 (1) provide for joint payment of the costs of the road

1 or road facility; and

2 (2) require the state agency, political subdivision,
3 or corporation to design, construct, or improve a road or road
4 facility as provided by the contract.

5 (g) The district may agree to:

6 (1) reimburse a private person for money spent to
7 construct a road or road facility that has been or will be dedicated
8 or otherwise transferred to public use; or

9 (2) purchase a road or road facility constructed by a
10 private person.

11 (h) The amount paid for the reimbursement or purchase of a
12 road or road facility:

13 (1) may include all construction costs, including
14 engineering, legal, financing, and other expenses incident to the
15 construction; or

16 (2) may be at a price not to exceed the replacement
17 cost of the road or road facility as determined by the board; and

18 (3) may be paid with proceeds from the sale of the
19 district's bonds or from any other money available to the district.

20 (i) The district may enter into an agreement to use the
21 proceeds of a subsequent bond sale for reimbursing all construction
22 costs, engineering and other expenses, and financing costs incident
23 to construction or acquisition of a road or an interest in a road to
24 a private person who constructs or acquires a road or road facility
25 that benefits the district pursuant to the agreement. The
26 agreement may provide the terms and conditions under which the road
27 or road facility will be dedicated or transferred for the benefit of

1 the public and to pay or reimburse the cost of constructing or
2 acquiring the road.

3 Sec. ____ .104. TAX INCREMENT REINVESTMENT ZONE. (a) All or
4 any part of the area of the district is eligible, regardless of
5 other statutory criteria, to be included in a tax increment
6 reinvestment zone created pursuant to Chapter 311, Tax Code.

7 (b) The district may enter into a contract with the board of
8 directors of a reinvestment zone created pursuant to Chapter 311,
9 Tax Code, and the governing body of the city for the district to
10 manage or assist in managing the reinvestment zone or implement or
11 assist in implementing the reinvestment zone's project plan and
12 reinvestment zone financing plan for the term of the contract in the
13 same manner as a local government corporation pursuant to Section
14 311.010(f). The contract may provide that the district shall issue
15 bonds, notes or other obligations and pledge the contract revenues
16 to the payment thereof. The district may issue bonds payable in
17 whole or in part from the revenue of the contract to pay for the
18 implementation of the reinvestment zone's project plan and
19 reinvestment zone financing plan.

20 Sec. ____ .105. NONPROFIT CORPORATION. (a) The board by
21 resolution may authorize the creation of a nonprofit corporation to
22 assist and act on behalf of the district in implementing a project
23 or providing a service authorized by this Chapter.

24 (b) The board shall appoint the board of directors of a
25 nonprofit corporation created under this section. The board of
26 directors of the nonprofit corporation shall serve in the same
27 manner as the board of directors of a local government corporation

1 created under Chapter 431, Transportation Code; provided that they
2 need not live in the district.

3 (c) A nonprofit corporation created under this section has
4 the powers of and is considered for purposes of this Chapter to be a
5 local government corporation created under Chapter 431,
6 Transportation Code.

7 (d) A nonprofit corporation created under this section may
8 implement any project and provide any service authorized by this
9 Chapter.

10 Sec. ____ .106. EMINENT DOMAIN. (a) The district may
11 exercise the power of eminent domain in accordance with Section
12 49.222, Water Code.

13 (b) The district shall obtain the written consent of the
14 city prior to exercising its power of eminent domain.

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Sec. ____ .151. ELECTIONS REGARDING TAXES OR BONDS. (b) The
17 district may issue bonds, notes, and other obligations secured by
18 revenues or contract payments from any lawful sources other than ad
19 valorem taxation without an election.

20 (b) The district must hold an election in the manner
21 provided by Chapters 49 and 54, Water Code, to obtain voter approval
22 before the district may impose a maintenance tax or issue bonds
23 payable from ad valorem taxes.

24 (c) The board may include more than one purpose in a single
25 proposition at an election.

26 (d) The district may issue bonds, notes, and other
27 obligations to finance roads and road facilities under Section

1 52(b)(3), Article III, of the Texas Constitution, secured in whole
2 or in part by ad valorem taxation and impose ad valorem taxes to pay
3 the principal of and interest on those obligations and provide a
4 sinking fund for the redemption thereof only if the issuance is
5 approved by a two-thirds majority of the voters of the district
6 voting at an election called and held for that purpose.

7 Sec. ____ .152. AD VALOREM TAX. (a) If authorized at an
8 election held in accordance with Section ____ .151, the district may
9 impose an annual ad valorem tax on taxable property in the district
10 for the acquisition, construction, financing, maintenance and
11 operation of the district and the improvements constructed or
12 acquired by the district or for the provision of services.

13 (b) The board shall determine the tax rate.

14 Sec. ____ .153. ASSESSMENTS. (a) The board by resolution
15 may impose and collect an assessment in all or part of the district
16 for any purpose authorized by this Chapter.

17 (b) Assessments, including assessments resulting from an
18 addition to or correction of the assessment roll by the district,
19 reassessments, penalties and interest on an assessment or
20 reassessment, expenses of collection, and reasonable attorney's
21 fees incurred by the district:

22 (1) are a first and prior lien against the property
23 assessed;

24 (2) are superior to any other lien or claim other than
25 a lien or claim for county, school district, or municipal ad valorem
26 taxes; and

27 (3) are the personal liability of and charge against

1 the owners of the property even if the owners are not named in the
2 assessment proceedings.

3 (c) The lien is effective from the date of the resolution of
4 the board imposing the assessment until the date the assessment is
5 paid. The board may enforce the lien in the same manner that the
6 board may enforce an ad valorem tax lien against real property.

7 (d) Without necessity of notice and hearing in the manner
8 required for additional assessments, the board may make corrections
9 to or deletions from the assessment roll provided that such
10 corrections or deletions do not increase the amount of assessment
11 of any parcel of land.

12 Sec. ____ .154. REQUIREMENTS FOR FINANCING SERVICES AND
13 IMPROVEMENTS. (a) The district may acquire, construct, finance,
14 operate and maintain any improvement or service authorized pursuant
15 to this Chapter, using all funds available to the district. A
16 petition is only required to finance a service or improvement if
17 such service or improvement is to be financed with assessments. In
18 such event, a written petition requesting the improvement or
19 service must have been filed with the board. The petition must be
20 signed by:

21 (1) the owners of a majority of the assessed value of
22 real property in the district subject to assessment as determined
23 by the most recent certified tax appraisal roll for the county; or

24 (2) at least 50 persons who own real property in the
25 district, if more than 50 persons own real property in the district
26 as determined by the most recent certified tax appraisal roll for
27 the county.

1 (b) The required notice of public hearings to be mailed to
2 property owners subject to assessment may be mailed or delivered by
3 certified mail or an equivalent service that can provide a record of
4 delivery or mailing.

5 (c) To the extent it does not conflict with this Chapter,
6 Subchapter F, Chapter 375, Local Government Code, applies to
7 assessments levied by the district.

8 SUBCHAPTER E. BONDS OR OTHER OBLIGATIONS

9 Sec. ____ .201. OBLIGATIONS. (a) The district may issue
10 bonds, notes, or other obligations payable in whole or in part from
11 ad valorem taxes, assessments, impact fees, revenue, grants, or
12 other money of the district, or any combination of those sources of
13 money, to pay for any authorized purpose of the district.

14 (b) In exercising the district's borrowing power, the
15 district may issue a bond or other obligation in the form of a bond,
16 note, certificate of participation or other instrument evidencing a
17 proportionate interest in payments to be made by the district, or
18 other type of obligation.

19 (c) At the time bonds payable in whole or in part from ad
20 valorem taxes are issued, the board shall levy a continuing direct
21 annual ad valorem tax for each year while all or part of the bonds
22 are outstanding on all taxable property within the district in
23 sufficient amount to pay the interest on the bonds as it becomes due
24 and to create a sinking fund for the payment of the principal of the
25 bonds when due or the redemption price at any earlier required
26 redemption date and to pay the expenses of assessing and collecting
27 taxes.

1 (d) Sections 375.16 and 375.207, Local Government Code, do
2 not apply to the district.

3 Sec. ____ .202. AUTHORITY OF TEXAS COMMISSION ON
4 ENVIRONMENTAL QUALITY OVER ISSUANCE OF DISTRICT BONDS.

5 (a) Sections 49.181 and 49.182, Water Code, apply to all water,
6 wastewater, drainage and recreational facility projects of the
7 district and bonds issued therefor.

8 (b) Section 49.181, Water Code, applies to all road and road
9 facility projects and bonds issued therefor; however, the review of
10 the Texas Commission on Environmental Quality of such projects
11 shall be limited to the financial feasibility of such projects and
12 bonds, and shall not include the review or approval of the design
13 and construction of such projects or the engineering feasibility of
14 such projects, and the requirements of written applications for
15 investigation of feasibility shall be adjusted accordingly.

16 (c) Section 49.182, Water Code, does not apply to any road
17 and road facility projects and bonds issued therefor.

18 (d) Projects and bonds of the district are not subject to
19 the review and approval of the Texas Transportation Commission or
20 the rules promulgated by the Texas Transportation Commission.

21 (e) To the extent that the district issues bonds secured
22 solely by revenues provided under a contract described in Section
23 ____ .104(b), Sections 49.181, 49.182, and 49.4645, Water Code,
24 shall not apply to the issuance of such bonds and shall not restrict
25 the types of facilities or improvements that may be financed with
26 such bonds.

27 SECTION 2. Galveston County Municipal Utility District No.

1 54 initially includes all the territory contained in the following
2 area:

3 BEING 2,033.03 acres of land situated in the Alexander Farmer
4 League, Abstract No. 11 and the Mary Austin League, Abstract No. 1,
5 Galveston County, Texas, being out of a called 2,052.761 acre tract
6 of land recorded under Galveston County Clerk's File No.
7 2000027987, comprised of a 1,997.05 acre tract and a 35.98 acre
8 tract and being more particularly described by metes and bounds as
9 follows with the basis of bearings being the Texas State Plane
10 Coordinate System, South Central Zone:

11 Tract 1 - 1,997.05 ACRE TRACT

12 BEGINNING at a 5/8-inch iron rod with cap stamped "Hovis
13 Surveying" found in the northerly line of Mark 45 Business Park as
14 recorded in Volume 18, Page 548 of the Galveston County Map Records
15 for the most southerly southwesterly corner of a called 18.205 acre
16 tract of land described as Annex B - Excepted Tract recorded under
17 Galveston County Clerk's File No. 2000027987;

18 THENCE S 88° 02' 38" W, a distance of 10,199.67 feet with the
19 northerly line of said Mark 45 Business Park, with the northerly
20 line of Orchard Place as recorded in Volume 92, Page 462 of the
21 Galveston County Map Records and with the northerly line of Alta
22 Loma as recorded in Volume 113, Page 9 of the Galveston County Map
23 Records to a 5/8-inch iron rod found for the most southerly
24 southwesterly corner of this tract;

25 THENCE N 01° 59' 20" W, a distance of 2,032.80 feet with the
26 easterly line of a called 70 acre tract of land recorded in Volume
27 261, Page 665 of the Galveston County Deed Records to a 5/8-inch

1 iron rod with cap stamped "Hovis Surveying" found for an interior
2 corner of this tract;

3 THENCE S 88° 02' 23" W, a distance of 1,500.46 feet with the
4 northerly line of said 70 acre tract to a 5/8-inch iron rod found
5 for the most westerly southwesterly corner of this tract;

6 THENCE N 01° 59' 44" W, a distance of 246.96 feet with the
7 easterly line of Opposing K, a subdivision recorded in Volume 18,
8 Page 709 of the Galveston County Map Records to a 5/8-inch iron rod
9 with cap stamped "Brown & Gay" set for an angle point of this tract;

10 THENCE N 01° 57' 50" W, a distance of 1,859.95 feet with the
11 easterly line of MacGregors Subdivision as recorded in Volume 92B,
12 Page 467 of the Galveston County Map Records to a 1/2-inch iron rod
13 found for corner from which a found 5/8-inch iron rod with a cap
14 stamped "Hovis Surveying", bears S 76° 54' W, 0.73 feet and from
15 which a found 5/8-inch iron rod bears S 44° 41' W, 2.73 feet;

16 THENCE S 88° 00' 16" W, a distance of 514.36 feet to a 5/8-inch
17 iron rod with cap stamped "Hovis Surveying" found for corner from
18 which a found 1/2-inch pinched top pipe which bears S 18° 04' E, 3.96
19 feet;

20 THENCE N 01° 59' 44" W, a distance of 816.75 feet to a 5/8-inch
21 iron rod with cap stamped "Hovis Surveying" found for corner from
22 which a found 5/8-inch iron rod bears S 20° 29' W, 1.11 feet;

23 THENCE N 88° 00' 16" E, a distance of 513.33 feet to a 5/8-inch
24 iron rod with cap stamped "Hovis Surveying" found for corner from
25 which a found 1/2-inch iron rod bears S 85° 27' W, 0.92 feet and from
26 which a found 5/8-inch iron rod bears S 24° 13' E, 1.70 feet;

27 THENCE N 01° 59' 44" W, a distance of 1,496.6.3 feet to a

1 5/8-inch iron rod with cap stamped "Brown & Gay" set for corner from
2 which a found 5/8-inch iron rod with a cap stamped "Hovis
3 Surveying", bears S 66° 03' E, 0.56 feet and a found 5/8-inch iron
4 rod which bears S 85° 42' W, 1.68 feet;

5 THENCE N 88° 01' 42" E, a distance of 3,892.86 feet to a 5/8"
6 iron rod found for corner along the south line of Interurban Gardens
7 Subdivision recorded in Volume 223, Page 207 of the Galveston
8 County Map Records;

9 THENCE N 01° 58' 11" W, a distance of 4,584.40 feet along the
10 west line of said Interurban Gardens Subdivision to a 5/8-inch iron
11 rod with cap stamped "Brown & Gay" set in the south right-of-way
12 line of Holland Road (60-foot width) dedicated by instrument
13 recorded in Volume 1199, Page 407 of the Galveston County Deed
14 Records for the northwest corner of this tract;

15 THENCE N 87° 54' 50" E, a distance of 1,063.95 feet, with the
16 south right-of-way line of said Holland Road to a 5/8-inch iron rod
17 with cap stamped "Brown & Gay" set in the southwesterly
18 right-of-way line of said Interstate Highway 45 (Width Varies) for
19 the northeast corner of this tract;

20 THENCE with the southwesterly right-of-way line of said
21 Interstate Highway 45 (Width Varies) as follows:

22 S 01° 26' 48" E, a distance of 10.19 feet to a TxDOT monument
23 found for corner;

24 S 59° 51' 01" E, a distance of 99.95 feet to a TxDOT monument
25 found for corner;

26 S 29° 02' 56" E, a distance of 38.17 feet to a TxDOT monument
27 found for corner and point of curve from which a found 5/8-inch iron

1 rod bears S 09° 48' E, 5.28 feet;

2 in a southeasterly direction, 480.47 feet, with the arc of a
3 curve to the left, having a radius of 423.06 feet, a central angle
4 of 65° 04' 17" and chord which bears S 60° 14' 11" E, 455.06 feet to a
5 TxDOT monument found at the point of tangency from which a 5/8-inch
6 iron rod bears N 16° 14' W, 3.45 feet;

7 N 87° 26' 16" E, a distance of 291.31 feet to a broken TxDOT
8 monument found for corner and point of curve;

9 in a southeasterly direction, 464.90 feet, with the arc of a
10 curve to the right, having a radius of 533.69 feet, a central angle
11 of 49° 54' 39" and chord which bears S 67° 36' 31" E, 450.34 feet to a
12 disturbed TxDOT monument found at the end of curve from which a
13 found 5/8-inch iron rod bears N 08° 38' E, 2.55 feet;

14 S 42° 40' 24" E, a distance of 4811.23 feet to a TxDot
15 monument, and a 5/8-inch iron rod with cap stamped "Hovis
16 Surveying" found for corner;

17 N 47° 19' 36" E, a distance of 40.00 feet to a 5/8-inch iron
18 rod with cap stamped "Hovis Surveying" found for corner from which a
19 found broken TxDot monument which bears N 53° 47' W, 0.78 feet, and
20 from which a found broken TxDot monument bears N 44° 02' W, 5.46
21 feet;

22 S 42° 40' 24" E, a distance of 70.00 feet to a 5/8-inch iron
23 rod with cap stamped "Hovis Surveying" found for corner;

24 S 47° 19' 36" W, a distance of 40.00 feet to a 5/8-inch iron rod
25 with cap stamped "Hovis Surveying" found for corner from which a
26 found TxDot monument bears N 41° 18' W, 7.38 feet;

27 S 42° 40' 24" E, a distance of 3,695.12 feet to a 5/8-inch iron

1 rod with cap stamped "Hovis Surveying" found in a northerly line of
2 said 18.205 acre Excepted Tract for a northeasterly corner of this
3 tract;

4 THENCE with the lines of said 18.205 acre Excepted Tract as
5 follows:

6 S 88° 09' 37" W, a distance of 331.52 feet to a 5/8-inch iron
7 rod with cap stamped "Brown & Gay" set for corner of this tract;

8 S 01° 50' 23" E, a distance of 361.50 feet to a 5/8-inch iron
9 rod found for corner of this tract;

10 N 88° 09' 37" E, a distance of 303.09 feet to a 5/8-inch iron
11 rod found for corner of this tract;

12 S 01° 50' 23" E, a distance of 654.38 feet to a 5/8-inch iron
13 rod with cap stamped "Brown & Gay" set for corner of this tract;

14 S 88° 09' 37" W, a distance of 301.50 feet to a 5/8-inch iron
15 rod with cap stamped "Brown & Gay" set for corner of this tract;

16 S 01° 50' 23" E, a distance of 361.50 feet to a 5/8-inch iron
17 rod with cap stamped "Brown & Gay" set for corner of this tract;

18 N 88° 09' 37" E, a distance of 301.50 feet to a 5/8-inch iron
19 rod with cap stamped "Brown & Gay" set for corner of this tract;

20 S 01° 50' 23" E, a distance of 886.42 feet to a 5/8-inch iron
21 rod with cap stamped "Hovis Surveying" found for corner of this
22 tract;

23 S 88° 09' 37" W, a distance of 228.10 feet to a 5/8-inch iron
24 rod found for corner of this tract;

25 N 01° 50' 23" W, a distance of 70.07 feet to a 5/8-inch iron
26 rod found for corner of this tract;

27 S 88° 09' 37" W, a distance of 361.50 feet to a 5/8-inch iron

1 rod found for corner of this tract;

2 S 01° 50' 23" E, a distance of 361.50 feet to a 5/8-inch iron
3 rod with cap stamped "Hovis Surveying" found for corner of this
4 tract;

5 N 88° 09' 37" E, a distance of 361.50 feet to a 5/8-inch iron
6 rod with cap stamped "Hovis Surveying" found for corner of this
7 tract;

8 N 01° 50' 23" W, a distance of 231.43 feet to a 5/8-inch iron
9 rod with cap stamped "Hovis Surveying" found for corner of this
10 tract;

11 N 88° 09' 37" E, a distance of 228.10 feet to a 5/8-inch iron
12 rod with cap stamped "Hovis Surveying" found for corner of this
13 tract;

14 S 01° 50' 23" E, a distance of 1,442.19 feet to a 5/8-inch iron
15 rod with cap stamped "Hovis Surveying" found for corner of this
16 tract;

17 S 88° 09' 37" W, a distance of 433.49 feet to a 5/8-inch iron
18 rod with cap stamped "Hovis Surveying" found for corner of this
19 tract;

20 N 01° 50' 23" W, a distance of 391.95 feet to a 5/8-inch iron
21 rod with cap stamped "Hovis Surveying" found for corner of this
22 tract;

23 S 88° 09' 37" W, a distance of 361.50 feet to a 5/8-inch iron
24 rod with cap stamped "Hovis Surveying" found for corner of this
25 tract;

26 S 01° 50' 23" E, a distance of 451.95 feet to a 5/8-inch iron
27 rod found for corner of this tract;

1 N 88° 09' 37" E, a distance of 794.99 feet to a 5/8-inch iron
2 rod with cap stamped "Hovis Surveying" found for corner of this
3 tract;

4 THENCE S 01° 50' 23" E, a distance of 195.46 feet to the POINT
5 OF BEGINNING and containing 1,997.05 acres of land.

6 Tract 2 - 35.98 ACRE TRACT

7 BEGINNING at a 5/8-inch iron rod with cap stamped "Brown &
8 Gay" set in the east line of Holland Road Estates Section Two, a
9 subdivision recorded in Volume 18, Page 442 of the Galveston County
10 Map Records, the west line of said called 2,052.761 acre tract and
11 in the north right-of-way line of Holland Road (60-foot width)
12 dedicated by instrument recorded in Volume 1199, Page 407 of the
13 Galveston County Deed Records for the southwest corner and POINT OF
14 BEGINNING of this tract;

15 THENCE N 01° 58' 11" W, a distance of 2,045.75 feet to a
16 5/8-inch iron rod with cap stamped "Hovis Surveying" found in the
17 southwesterly right-of-way line of Interstate Highway 45 (Width
18 Varies) for the north corner of this tract;

19 THENCE with the southwesterly right-of-way line of
20 Interstate Highway 45 (Width Varies) as follows:

21 S 42° 38' 35" E, a distance of 1,594.72 feet to a 5/8-inch iron
22 rod with cap stamped "Brown & Gay" set for corner and point of
23 curve;

24 In a southeasterly direction, 558.46 feet, with the arc of a
25 curve to the right, having a radius of 533.69 feet, a central angle
26 of 59° 57' 19" and chord which bears S 12° 26' 02" E, 533.33 feet to a
27 broken TxDot monument found for corner;

1 S 17° 32' 12" W, a distance of 51.06 feet to a TxDot monument
2 found for corner and point of curve, from which a found 5/8-inch
3 iron rod bears S 73° 23' W, 2.05 feet;

4 in a southeasterly direction, 185.89 feet, with the arc of a
5 curve to the left, having a radius of 423.06 feet, a central angle
6 of 25° 10' 32" and chord which bears S 04° 30' 42" W, 184.40 feet to a
7 TxDot monument found at the point of tangency from which a found
8 5/8-inch iron rod bears S 89° 02' W, 0.98 feet;

9 S 07° 34' 27" E, a distance of 35.11 feet to a broken TxDot
10 monument found for corner;

11 S 46° 19' 11" W, a distance of 49.82 feet to a broken TxDot
12 monument found for corner from which a found 5/8-inch iron rod bears
13 N66° 13' W, 0.70 feet;

14 S 01° 26' 48" E, a distance of 10.19 feet to a 5/8-inch iron
15 rod with cap stamped "BROWN & GAY" set in the north right-of-way
16 line of Holland Road for the northeast corner of this tract;

17 THENCE S 87° 54' 50" W, a distance of 1,064.50 feet, with the
18 north right-of-way line of Holland Road the POINT OF BEGINNING and
19 containing 35.98 acres of land.

20 SECTION 3. The legislature finds that: (1) proper and
21 legal notice of the intention to introduce this Act, setting forth
22 the general substance of this Act, has been published as provided by
23 law, and the notice and a copy of this Act have been furnished to all
24 persons, agencies, officials, or entities to which they are
25 required to be furnished by the constitution and laws of this state,
26 including the governor, who has submitted the notice and Act to the
27 Texas Commission on Environmental Quality;

1 (2) the Texas Commission on Environmental Quality has
2 filed its recommendations relating to this Act with the governor,
3 lieutenant governor, and speaker of the house of representatives
4 within the required time;

5 (3) the general law relating to consent by political
6 subdivisions to the creation of districts with conservation,
7 reclamation, and road powers and the inclusion of land in those
8 districts has been complied with; and

9 (4) all requirements of the constitution and laws of
10 this state and the rules and procedures of the legislature with
11 respect to the notice, introduction, and passage of this Act have
12 been fulfilled and accomplished.

13 SECTION 4. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2005.