

1 AN ACT

2 relating to the creation of the Galveston County Municipal Utility  
3 District No. 60; providing authority to impose taxes and issue  
4 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 8137 to read as follows:

8 CHAPTER 8137. GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT

9 NO. 60

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8137.001. DEFINITIONS. In this chapter:

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

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

15 (3) "Director" means a member of the board.

16 (4) "District" means the Galveston County Municipal  
17 Utility District No. 60.

18 Sec. 8137.002. NATURE OF DISTRICT. The district is a  
19 municipal utility district in Galveston County created under and  
20 essential to accomplish the purposes of Section 59, Article XVI,  
21 Texas Constitution.

22 Sec. 8137.003. CONFIRMATION ELECTION REQUIRED. The board  
23 shall hold an election to confirm the creation of the district as  
24 provided by Section 49.102, Water Code.

1       Sec. 8137.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

2       (a) All land and other property included in the district will  
3 benefit from the improvements and services to be provided by the  
4 district under powers conferred by Section 52, Article III, and  
5 Section 59, Article XVI, Texas Constitution.

6       (b) The district is created to accomplish:

7           (1) the same purposes as a municipal utility district  
8 as provided by Section 54.012, Water Code;

9           (2) the same purposes as a navigation district created  
10 under Section 59, Article XVI, Texas Constitution, and operating  
11 under Chapters 60 and 62, Water Code; and

12           (3) to the extent authorized by Section 52, Article  
13 III, Texas Constitution, the construction, acquisition,  
14 improvement, maintenance, or operation of macadamized, graveled,  
15 or paved roads or turnpikes, or improvements in aid of those roads  
16 or turnpikes, inside the district.

17       Sec. 8137.005. INITIAL DISTRICT TERRITORY. (a) The  
18 district is initially composed of the territory described by  
19 Section 2 of the Act creating this chapter.

20       (b) The boundaries and field notes contained in Section 2 of  
21 the Act creating this chapter form a closure. A mistake made in the  
22 field notes or in copying the field notes in the legislative process  
23 does not affect the district's:

24           (1) organization, existence, or validity;

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

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

2           (4) legality or operation.

3           [Sections 8137.006-8137.050 reserved for expansion]

4                           SUBCHAPTER B. BOARD OF DIRECTORS

5           Sec. 8137.051. DIRECTORS; TERMS. (a) The district is  
6 governed by a board of five directors.

7           (b) Except as provided by Section 8137.053, directors serve  
8 staggered four-year terms.

9           Sec. 8137.052. ELECTION OF DIRECTORS. On the uniform  
10 election date in May of each even-numbered year, the appropriate  
11 number of directors shall be elected.

12           Sec. 8137.053. INITIAL DIRECTORS. (a) The initial board  
13 consists of:

14                   (1) Oscar De La Rosa;

15                   (2) Patrick Bourgoyne;

16                   (3) Greg Young;

17                   (4) James Radford; and

18                   (5) Nikki Dickens.

19           (b) The terms of the first three directors named in  
20 Subsection (a) expire on the uniform election date in May of 2006,  
21 and the terms of the last two directors named in Subsection (a)  
22 expire on the uniform election date in May of 2008.

23           (c) This section expires September 1, 2009.

24           [Sections 8137.054-8137.100 reserved for expansion]

25                           SUBCHAPTER C. GENERAL POWERS AND DUTIES

26           Sec. 8137.101. GENERAL POWERS AND DUTIES. The district has  
27 the powers and duties necessary to accomplish the purposes for

1 which the district is created.

2 Sec. 8137.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
3 DUTIES. The district has the powers and duties provided by the  
4 general law of this state, including Chapters 49 and 54, Water Code,  
5 applicable to municipal utility districts created under Section 59,  
6 Article XVI, Texas Constitution.

7 Sec. 8137.103. NAVIGATION POWERS. The district may  
8 purchase, construct, acquire, own, operate, maintain, improve, or  
9 extend, inside and outside the district, canals, waterways,  
10 bulkheads, docks, and any other improvements or facilities  
11 necessary or convenient to accomplish the navigation purposes of  
12 the district authorized by Section 59, Article XVI, Texas  
13 Constitution.

14 Sec. 8137.104. ROAD PROJECTS. (a) The district may  
15 construct, acquire, improve, maintain, or operate macadamized,  
16 graveled, or paved roads or turnpikes, or improvements in aid of  
17 those roads or turnpikes, inside the district.

18 (b) A road project must meet all applicable construction  
19 standards, zoning and subdivision requirements, and regulatory  
20 ordinances of the municipality or county in whose jurisdiction the  
21 district is located.

22 (c) The district may not undertake a road project unless  
23 each municipality or county in whose jurisdiction the district is  
24 located consents by ordinance or resolution.

25 Sec. 8137.105. COMPLIANCE WITH MUNICIPAL CONSENT  
26 ORDINANCES OR RESOLUTIONS. Subject to the limitations of Section  
27 54.016, Water Code, the district shall comply with all applicable

1 requirements of any ordinance or resolution adopted by the city  
2 council that consents to the creation of the district or to the  
3 inclusion of lands within the district.

4 Sec. 8137.106. LIMITATION ON USE OF EMINENT DOMAIN. The  
5 district may exercise the power of eminent domain outside the  
6 district only to acquire an easement necessary for underground  
7 water, sewage, or drainage facilities that serve the district.

8 [Sections 8137.107-8137.150 reserved for expansion]

9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

10 Sec. 8137.151. ELECTIONS REGARDING TAXES OR BONDS.

11 (a) Except as provided by Section 8137.201(c), the district may  
12 issue, without an election, bonds and other obligations secured by  
13 revenue or contract payments from any lawful source other than ad  
14 valorem taxation.

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

19 Sec. 8137.152. AD VALOREM TAX. (a) If authorized at an  
20 election held under Section 8137.151, the district may impose an  
21 annual ad valorem tax on taxable property in the district for the  
22 provision of services or for the maintenance and operation of the  
23 district, including the construction, acquisition, maintenance,  
24 and operation of improvements.

25 (b) The board shall determine the tax rate. The rate may not  
26 exceed the rate approved at the election.

27 [Sections 8137.153-8137.200 reserved for expansion]

1                   SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

2                   Sec. 8137.201. AUTHORITY TO ISSUE BONDS AND OTHER  
3 OBLIGATIONS. (a) The district may issue bonds or other  
4 obligations payable wholly or partly from ad valorem taxes, impact  
5 fees, revenue, grants, or other district money, or any combination  
6 of those sources, to pay for any authorized district purpose.

7                   (b) In exercising the district's borrowing power, the  
8 district may issue a bond or other obligation in the form of a bond,  
9 note, certificate of participation, or other instrument evidencing  
10 a proportionate interest in payments to be made by the district, or  
11 other type of obligation.

12                   (c) The district may not issue bonds to finance projects  
13 authorized by Section 8137.104 unless the issuance is approved by a  
14 vote of a two-thirds majority of the voters of the district voting  
15 at an election called for that purpose.

16                   (d) Bonds or other obligations issued or incurred to finance  
17 projects authorized by Section 8137.104 may not exceed one-fourth  
18 of the assessed value of the real property in the district.

19                   (e) Sections 49.181 and 49.182, Water Code, do not apply to  
20 a project undertaken by the district under Section 8137.104 or to  
21 bonds issued by the district to finance the project.

22                   Sec. 8137.202. TAXES FOR BONDS AND OTHER OBLIGATIONS. At  
23 the time bonds or other obligations payable wholly or partly from ad  
24 valorem taxes are issued:

25                   (1) the board shall impose a continuing direct annual  
26 ad valorem tax, without limit as to rate or amount, for each year  
27 that all or part of the bonds are outstanding; and

1           (2) the district annually shall impose an ad valorem  
2 tax on all taxable property in the district in an amount sufficient  
3 to:

4           (A) pay the interest on the bonds or other  
5 obligations as the interest becomes due;

6           (B) create a sinking fund for the payment of the  
7 principal of the bonds or other obligations when due or the  
8 redemption price at any earlier required redemption date; and

9           (C) pay the expenses of imposing the taxes.

10           SECTION 2. The Galveston County Municipal Utility District  
11 No. 60 initially includes all the territory contained in the  
12 following area:

13           TRACT 1

14           Description of 201.0931 acres of land being part of  
15 Subdivisions O, P, Q, H, F, and G, of the KOHFELDTS RESUBDIVISION  
16 according to the map or plat thereof recorded in Volume 10, Page 35  
17 of the Deed Records of Galveston County, Texas. Said 201.0931 acres  
18 being part of the tracts of land conveyed by deed dated March 22,  
19 2004 from Kohfeldt family Limited Partnership, to Texas Gulf Coast  
20 Holdings I LP., as recorded in Galveston County Clerk's File No. GAC  
21 2004020691, of the Deed Records of Galveston County, Texas, Said  
22 201.0931 acres being situated in the Thomas W. Johnson Survey and  
23 the James Smith Survey, Galveston County, Texas, and being more  
24 particularly described by metes and bounds as follows; (Bearings  
25 based plat calls of said Kohfeldts Resubdivision)

26           COMMENCING at a point for corner at the intersection of the  
27 north line of F.M. 1764 with the northeasterly line of the G.H. & H.

1 R.R. railroad right-of-way adjacent to State Highway 3;

2       THENCE North  $87^{\circ} 48' 00''$  East, along the north line of said  
3 F.M. 1764, for a distance of 1,474.34 feet to a to a point for the  
4 beginning of a curve to the right;

5       THENCE along said curve to the right having a radius of  
6 2,906.79 feet, a central angle of  $22^{\circ} 11' 55''$ , a chord bearing and  
7 distance of S  $83^{\circ} 06' 06''$  E, 1,119.17 feet, an arc length of 1,126.20  
8 feet to a to a point for tangent;

9       THENCE North  $89^{\circ} 53' 00''$  East, continuing along the north line  
10 of said F.M. 1764, for a distance of 338.57 feet to a to a point for  
11 corner;

12       THENCE North, for a distance of 865.06 feet to the most  
13 westerly southwest corner of and PLACE of BEGINNING of the herein  
14 described tract;

15       THENCE North, for a distance of 1,155.00 feet to a point for  
16 corner;

17       THENCE East, for a distance of 1,320.00 feet to a point for  
18 corner;

19       THENCE North, for a distance of 1,155.00 feet to a point for  
20 corner;

21       THENCE East, for a distance of 2,451.45 feet to a point for  
22 corner;

23       THENCE South, for a distance of 1,155.00 feet to a point for  
24 corner;

25       THENCE East, for a distance of 377.15 feet to a point for  
26 corner;

27       THENCE South, for a distance of 1,155.00 feet to a point for

1 corner;

2 THENCE West, for a distance of 1,508.60 feet to a point for  
3 corner;

4 THENCE South, for a distance of 859.68 feet to a point for  
5 corner in the north line of said F.M. 1764;

6 THENCE South 89° 53' 00" West, along the north line of said  
7 F.M. 1764, for a distance of 1,320.00 feet to a to a to a point for  
8 corner;

9 THENCE North, for a distance of 862.37 feet to a to a point  
10 for corner;

11 THENCE West, for a distance of 1,320.00 feet to the PLACE OF  
12 BEGINNING of herein described tract of land and containing within  
13 these calls 8,759,616 square feet or 201.0931 acres of land.

14 TRACT 2

15 Description of 20.5734 acres of land being part of  
16 Subdivision "0" of the KOHFELDT'S RESUBDIVISION according to the map  
17 or plat thereof recorded in Volume 10, Page 35 of the Deed Records  
18 of Galveston County, Texas. Said 20.5734201.0931 acres being part  
19 of the tracts of land conveyed by deed dated March 22, 2004 from  
20 Kohfeldt family Limited Partnership, to Texas Gulf Coast Holdings I  
21 LP., as recorded in Galveston County Clerk's File No. GAC  
22 2004020691, of the Deed Records of Galveston County, Texas, Said  
23 20.5734 acres being situated in the Thomas W. Johnson Survey,  
24 Galveston County, Texas, and being more particularly described by  
25 metes and bounds as follows; (Bearings based plat calls of said  
26 Kohfeldts Resubdivision)

27 COMMENCING at a point for corner at the intersection of the

1 north line of F.M. 1764 with the northeasterly line of the G.H. & H.  
2 R.R. railroad right-of-way adjacent to State Highway 3;

3 THENCE North  $87^{\circ} 48' 00''$  East, along the north line of said  
4 F.M. 1764, for a distance of 1,474.34 feet to a to a point for the  
5 beginning of a curve to the right;

6 THENCE along said curve to the right having a radius of  
7 2,906.79 feet, a central angle of  $22^{\circ} 11' 55''$ , a chord bearing and  
8 distance of S  $83^{\circ} 06' 06''$  E, 1,119.17 feet, an arc length of 1,126.20  
9 feet to a to a point for tangent;

10 THENCE North  $89^{\circ} 53' 00''$  East, continuing along the north line  
11 of said F.M. 1764, for a distance of 338.57 feet to a to a point for  
12 corner;

13 THENCE North, for a distance of 865.06 feet to the northeast  
14 corner and PLACE of BEGINNING of the herein described tract;

15 THENCE South, for a distance of 865.06 feet to a point for  
16 corner in the north line of said F.M. 1764;

17 THENCE South  $89^{\circ} 53' 00''$  West, continuing along the north line  
18 of said F.M. 1764, for a distance of 338.57 feet to a to a point for  
19 the beginning of a curve to the right;

20 THENCE along said curve to the right having a radius of  
21 2,816.93 feet, a central angle of  $06^{\circ} 33' 25''$ , a chord bearing and  
22 distance of N  $86^{\circ} 54' 43''$  W, 412.52 feet, an arc length of 322.38  
23 feet to a to a point for corner;

24 THENCE North, for a distance of 353.39 feet to a point for  
25 corner;

26 THENCE West, for a distance of 660.00 feet to a point for  
27 corner;

1           THENCE North, for a distance of 495.00 feet to a point for the  
2 northwest corner of the herein described tract;

3           THENCE East, for a distance of 1,320.00 feet to a point for  
4 the northeast corner of the herein described tract;

5           THENCE South, for a distance of 856.06 feet to a point for  
6 corner to the PLACE OF BEGINNING of herein described tract of land  
7 and containing within these calls 896,176 square feet or 20.5734  
8 acres of land.

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

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

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

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

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

1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2005.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1800 passed the Senate on May 10, 2005, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 24, 2005, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1800 passed the House, with amendment, on May 20, 2005, by the following vote: Yeas 139, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor