

By: Hegar

S.B. No. 1969

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Las Damas Management District; providing authority to levy an assessment, impose a tax, and issue bonds.

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

SECTION 1. LAS DAMAS MANAGEMENT DISTRICT. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3836 to read as follows:

CHAPTER 3836. LAS DAMAS MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3836.001. DEFINITIONS. In this chapter:

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

(2) "District" means the Las Damas Management District.

Sec. 3836.002. LAS DAMAS MANAGEMENT DISTRICT. The Las Damas Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3836.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Austin County and other political subdivisions to contract with the district, the

1 legislature has established a program to accomplish the public
2 purposes set out in Section 52-a, Article III, Texas Constitution.

3 (b) The creation of the district is necessary to promote,
4 develop, encourage, and maintain employment, commerce,
5 agriculture, viniculture, irrigation, transportation, housing,
6 tourism, recreation, the arts, entertainment, economic
7 development, safety, and the public welfare in the district.

8 (c) This chapter and the creation of the district may not be
9 interpreted to relieve Austin County from providing the level of
10 services provided as of the effective date of the Act enacting this
11 chapter to the area in the district. The district is created to
12 supplement and not to supplant the county or any city services
13 provided in the area in the district.

14 Sec. 3836.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
15 The district is created to serve a public use and benefit.

16 (b) All land and other property included in the district
17 will benefit from the improvements and services to be provided by
18 the district under powers conferred by Sections 52 and 52-a,
19 Article III, and Section 59, Article XVI, Texas Constitution, and
20 other powers granted under this chapter.

21 (c) The creation of the district is in the public interest
22 and is essential to:

23 (1) further the public purposes of developing and
24 diversifying the economy of the state;

25 (2) eliminate unemployment and underemployment;

26 (3) develop or expand transportation and commerce;

27 (4) develop and promote agriculture, irrigation, and

1 viniculture; and

2 (5) develop and promote tourism.

3 (d) The district will:

4 (1) promote the health, safety, and general welfare of
5 residents, employers, potential employees, employees, visitors,
6 and consumers in the district, and of the public;

7 (2) provide needed funding for the district to
8 preserve, maintain, and enhance the economic health and vitality of
9 the district territory as a residential community and business,
10 agricultural, and tourism center;

11 (3) promote the health, safety, welfare, and enjoyment
12 of the public by providing pedestrian ways and by landscaping and
13 developing certain areas in the district, which are necessary for
14 the restoration, preservation, and enhancement of scenic beauty;

15 (4) promote, market, and advertise the district as a
16 tourist and visitor destination; and

17 (5) promote public awareness of the district's
18 agricultural resources and products, including the growing and
19 harvesting of grapes and the production and bottling of wine.

20 (e) Pedestrian ways along or across a street, whether at
21 grade or above or below the surface, and street lighting, street
22 landscaping, parking, and street art objects are parts of and
23 necessary components of a street and are considered to be a street
24 or road improvement.

25 (f) The district will not act as the agent or
26 instrumentality of any private interest even though the district
27 will benefit many private interests as well as the public.

1 Sec. 3836.005. DISTRICT TERRITORY. (a) The district is
2 composed of the territory described by Section 2 of the Act enacting
3 this chapter, as that territory may have been modified under:

4 (1) Subchapter J, Chapter 49, Water Code; or

5 (2) other law.

6 (b) The boundaries and field notes of the district contained
7 in Section 2 of the Act enacting this chapter form a closure. A
8 mistake in the field notes or in copying the field notes in the
9 legislative process does not in any way affect the district's:

10 (1) organization, existence, or validity;

11 (2) right to issue any type of bond for a purpose for
12 which the district is created or to pay the principal of and
13 interest on the bond;

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

15 (4) legality or operation.

16 Sec. 3836.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
17 All or any part of the area of the district is eligible to be
18 included in:

19 (1) a tax increment reinvestment zone created under
20 Chapter 311, Tax Code;

21 (2) a tax abatement reinvestment zone created under
22 Chapter 312, Tax Code; or

23 (3) an enterprise zone created under Chapter 2303,
24 Government Code.

25 Sec. 3836.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
26 DISTRICTS LAW. Except as otherwise provided by this chapter,
27 Chapter 375, Local Government Code, applies to the district.

1 Sec. 3836.008. LIBERAL CONSTRUCTION OF CHAPTER. This
2 chapter shall be liberally construed in conformity with the
3 findings and purposes stated in this chapter.

4 [Sections 3836.009-3836.050 reserved for expansion]

5 SUBCHAPTER B. BOARD OF DIRECTORS

6 Sec. 3836.051. GOVERNING BODY; TERMS. (a) The district is
7 governed by a board of five voting directors who serve staggered
8 terms of four years, with two or three directors' terms expiring
9 June 1 of each odd-numbered year.

10 (b) The board by resolution may change the number of voting
11 directors on the board, but only if the board determines that the
12 change is in the best interest of the district. The board may not
13 consist of fewer than five or more than 15 voting directors.

14 (c) Sections 375.069 and 375.070, Local Government Code, do
15 not apply to the district.

16 Sec. 3836.052. APPOINTMENT OF DIRECTORS. The Texas
17 Commission on Environmental Quality shall appoint voting directors
18 from persons recommended by the board.

19 Sec. 3836.053. NONVOTING DIRECTORS. The board may appoint
20 nonvoting directors to serve at the pleasure of the voting
21 directors.

22 Sec. 3836.054. QUORUM. For purposes of determining the
23 requirements for a quorum, the following are not counted:

24 (1) a board position vacant for any reason, including
25 death, resignation, or disqualification;

26 (2) a director who is abstaining from participation in
27 a vote because of a conflict of interest; or

1 (3) a nonvoting director.

2 Sec. 3836.055. INITIAL VOTING DIRECTORS. (a) The initial
3 board consists of the following voting directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Scott E. Greene</u>
<u>2</u>	<u>Martin H. Miles</u>
<u>3</u>	<u>Robert Kelly</u>
<u>4</u>	<u>Patrick Magill</u>
<u>5</u>	<u>Stephen Laney</u>

10 (b) Of the initial voting directors, the terms of directors
11 appointed for positions 1 through 3 expire June 1, 2009, and the
12 terms of directors appointed for positions 4 and 5 expire June 1,
13 2011.

14 (c) Section 3836.052 does not apply to this section.

15 (d) This section expires September 1, 2012.

16 [Sections 3836.056-3836.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 3836.101. AGRICULTURAL DEVELOPMENT DISTRICT POWERS.

19 The district may exercise the powers given to an agricultural
20 development district created under Chapter 60, Agriculture Code.

21 Sec. 3836.102. AGREEMENTS; GRANTS. (a) The district may
22 make an agreement with or accept a gift, grant, or loan from any
23 person.

24 (b) The implementation of a project is a governmental
25 function or service for the purposes of Chapter 791, Government
26 Code.

27 Sec. 3836.103. AUTHORITY TO CONTRACT FOR PUBLIC SAFETY

1 SERVICES. To protect the public interest, the district may
2 contract with a qualified party, including Austin County or any
3 municipality, to provide law enforcement, public safety, fire, or
4 emergency medical services in the district for a fee.

5 Sec. 3836.104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
6 district may join and pay dues to a nonprofit or charitable
7 organization that performs a service or provides an activity
8 consistent with the furtherance of a district purpose.

9 Sec. 3836.105. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
10 district may establish and provide for the administration of one or
11 more programs to promote state or local economic development and to
12 stimulate business and commercial activity in the district,
13 including programs to:

14 (1) make loans and grants of public money; and

15 (2) provide district personnel and services.

16 (b) For purposes of this section, the district has all of
17 the powers of a municipality under Chapter 380, Local Government
18 Code.

19 Sec. 3836.106. NO EMINENT DOMAIN. The district may not
20 exercise the power of eminent domain.

21 [Sections 3836.107-3836.150 reserved for expansion]

22 SUBCHAPTER D. FINANCIAL PROVISIONS

23 Sec. 3836.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
24 board by resolution shall establish the number of directors'
25 signatures and the procedure required for a disbursement or
26 transfer of the district's money.

27 Sec. 3836.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.

1 The district may acquire, construct, finance, operate, or maintain
2 any improvement or service authorized under this chapter or Chapter
3 375, Local Government Code, using any money available to the
4 district.

5 Sec. 3836.153. PETITION REQUIRED FOR FINANCING SERVICES AND
6 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
7 service or improvement project with assessments under this chapter
8 unless a written petition requesting that service or improvement
9 has been filed with the board.

10 (b) A petition filed under Subsection (a) must be signed by:

11 (1) the owners of a majority of the assessed value of
12 real property in the district subject to assessment according to
13 the most recent certified tax appraisal roll for Austin County; or

14 (2) at least 25 persons who own real property in the
15 district, if more than 25 persons own real property in the district
16 according to the most recent certified tax appraisal roll for
17 Austin County.

18 Sec. 3836.154. METHOD OF NOTICE FOR HEARING. The district
19 may mail the notice required by Section 375.115(c), Local
20 Government Code, by certified or first-class United States mail.
21 The board shall determine the method of notice.

22 Sec. 3836.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
23 The board by resolution may impose and collect an assessment for any
24 purpose authorized by this chapter in all or any part of the
25 district.

26 (b) An assessment, a reassessment, or an assessment
27 resulting from an addition to or correction of the assessment roll

1 by the district, penalties and interest on an assessment or
2 reassessment, an expense of collection, and reasonable attorney's
3 fees incurred by the district:

4 (1) are a first and prior lien against the property
5 assessed;

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

9 (3) are the personal liability of and a charge against
10 the owners of the property even if the owners are not named in the
11 assessment proceedings.

12 (c) The lien is effective from the date of the board's
13 resolution imposing the assessment until the date the assessment is
14 paid. The board may enforce the lien in the same manner that the
15 board may enforce an ad valorem tax lien against real property.

16 (d) The board may make a correction to or deletion from the
17 assessment roll that does not increase the amount of assessment of
18 any parcel of land without providing notice and holding a hearing in
19 the manner required for additional assessments.

20 Sec. 3836.156. AD VALOREM TAX. (a) If authorized at an
21 election held in accordance with Section 3836.160, the district may
22 impose an annual ad valorem tax on taxable property in the district
23 for any district purpose, including to:

24 (1) maintain and operate the district;

25 (2) construct or acquire improvements; or

26 (3) provide a service.

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

1 Sec. 3836.157. UTILITY PROPERTY EXEMPT FROM IMPACT FEES OR
2 ASSESSMENTS. The district may not impose an impact fee or
3 assessment on the property, including the equipment,
4 rights-of-way, facilities, or improvements, of:

5 (1) an electric utility or a power generation company
6 as defined by Section 31.002, Utilities Code;

7 (2) a gas utility as defined by Section 101.003 or
8 121.001, Utilities Code;

9 (3) a telecommunications provider as defined by
10 Section 51.002, Utilities Code; or

11 (4) a person who provides to the public cable
12 television or advanced telecommunications services.

13 Sec. 3836.158. BONDS AND OTHER OBLIGATIONS. (a) The
14 district may issue by competitive bid or negotiated sale bonds or
15 other obligations payable wholly or partly from taxes, assessments,
16 impact fees, revenue, grants, or other money of the district, or any
17 combination of those sources of money, to pay for any authorized
18 purpose of the district.

19 (b) In addition to any other terms authorized by the board
20 by bond order or resolution, the proceeds of the district's bonds
21 may be used for a reserve fund, credit enhancement, or capitalized
22 interest for the bonds.

23 Sec. 3836.159. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
24 the time bonds or other obligations payable wholly or partly from ad
25 valorem taxes are issued:

26 (1) the board shall impose a continuing direct annual
27 ad valorem tax, without limit as to rate or amount, for each year

1 that all or part of the bonds are outstanding; and

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

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

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

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

11 Sec. 3836.160. TAX AND BOND ELECTIONS. (a) The district
12 shall hold an election in the manner provided by Subchapter L,
13 Chapter 375, Local Government Code, to obtain voter approval before
14 the district imposes an ad valorem tax or issues bonds payable from
15 ad valorem taxes.

16 (b) Section 375.243, Local Government Code, does not apply
17 to the district.

18 Sec. 3836.161. BIDDING REQUIREMENTS. Section 375.221,
19 Local Government Code, and Sections 49.273(d), (e), (f), and (g),
20 Water Code, do not apply to the district.

21 Sec. 3836.162. TAX AND ASSESSMENT ABATEMENTS. The district
22 may grant in the manner authorized by Chapter 312, Tax Code, an
23 abatement for a tax or assessment owed to the district.

24 [Sections 3836.163-3836.200 reserved for expansion]

25 SUBCHAPTER E. SALES AND USE TAX

26 Sec. 3836.201. MEANINGS OF WORDS AND PHRASES. Words and
27 phrases used in this subchapter that are defined by Chapters 151 and

1 321, Tax Code, have the meanings assigned by Chapters 151 and 321,
2 Tax Code.

3 Sec. 3836.202. APPLICABILITY OF CERTAIN TAX CODE
4 PROVISIONS. (a) Except as otherwise provided by this subchapter,
5 Subtitles A and B, Title 2, Tax Code, and Chapter 151, Tax Code,
6 apply to taxes imposed under this subchapter and to the
7 administration and enforcement of those taxes in the same manner
8 that those laws apply to state taxes.

9 (b) The provisions of Subchapters B, C, and D, Chapter 321,
10 Tax Code, relating to municipal sales and use taxes apply to the
11 application, collection, change, and administration of a sales and
12 use tax imposed under this subchapter to the extent consistent with
13 this chapter, as if references in Chapter 321, Tax Code, to a
14 municipality referred to the district and references to a governing
15 body referred to the board.

16 (c) Sections 321.401-321.406 and 321.506-321.508, Tax Code,
17 do not apply to a tax imposed under this subchapter.

18 Sec. 3836.203. AUTHORIZATION; ELECTION. (a) The district
19 may adopt a sales and use tax to serve the purposes of the district
20 after an election in which a majority of the district voters voting
21 in the election authorize the adoption of the tax.

22 (b) The board by order may call an election to authorize a
23 sales and use tax. The election may be held with any other district
24 election.

25 (c) The district shall provide notice of the election and
26 shall hold the election in the manner prescribed by Section
27 3836.160.

1 (d) The ballots shall be printed to provide for voting for
2 or against the proposition: "Authorization of a sales and use tax
3 in the Las Damas Management District at a rate not to exceed _____
4 percent."

5 Sec. 3836.204. ABOLISHING SALES AND USE TAX. (a) Except as
6 provided in Subsection (b), the board may abolish the sales and use
7 tax without an election.

8 (b) The board may not abolish the sales and use tax if the
9 district has outstanding debt or other obligations secured by the
10 tax.

11 Sec. 3836.205. SALES AND USE TAX RATE. (a) On adoption of
12 the tax authorized by this subchapter, there is imposed a tax on the
13 receipts from the sale at retail of taxable items within the
14 district, and an excise tax on the use, storage, or other
15 consumption within the district of taxable items purchased, leased,
16 or rented from a retailer within the district during the period that
17 the tax is in effect.

18 (b) The board shall determine the rate of the tax, which may
19 be in increments of one-eighth of one percent and may not exceed the
20 maximum rate authorized by the voters.

21 (c) The rate of the excise tax is the same as the rate of the
22 sales tax portion of the tax and is applied to the sales price of the
23 taxable item.

24 [Sections 3836.206-3836.250 reserved for expansion]

25 SUBCHAPTER F. HOTEL OCCUPANCY TAXES

26 Sec. 3836.251. HOTEL OCCUPANCY TAX. (a) In this section,
27 "hotel" has the meaning assigned by Section 156.001, Tax Code.

1 (b) For purposes of this section, a reference in Subchapter
2 A, Chapter 352, Tax Code, to a county is a reference to the district
3 and a reference in Subchapter A, Chapter 352, Tax Code, to the
4 county's officers or governing body is a reference to the board.

5 (c) Except as inconsistent with this section, Subchapter A,
6 Chapter 352, Tax Code, governs a hotel occupancy tax authorized by
7 this section, including the collection of the tax, subject to the
8 limitations prescribed by Sections 352.002(b) and (c), Tax Code.

9 (d) The district may impose a hotel occupancy tax for any
10 district purpose, including to:

- 11 (1) maintain and operate the district;
12 (2) construct or acquire improvements; and
13 (3) provide a service.

14 (e) The board by order may impose, repeal, increase, or
15 decrease the rate of a tax on a person who, under a lease,
16 concession, permit, right of access, license, contract, or
17 agreement, pays for the use or possession or for the right to the
18 use or possession of a room that:

- 19 (1) is in a hotel located in the district's boundaries;
20 (2) costs \$2 or more each day; and
21 (3) is ordinarily used for sleeping.

22 (f) The amount of the tax may not exceed seven percent of the
23 price paid for a room in a hotel.

24 (g) The district may examine and receive information
25 related to the imposition of hotel occupancy taxes to the same
26 extent as if the district were a county.

27 [Sections 3836.252-3836.300 reserved for expansion]

1 SUBCHAPTER G. DISSOLUTION

2 Sec. 3836.301. DISSOLUTION OF DISTRICT WITH OUTSTANDING
3 DEBT. (a) The board may dissolve the district regardless of
4 whether the district has debt. Section 375.264, Local Government
5 Code, does not apply to the district.

6 (b) If the district has debt when it is dissolved, the
7 district shall remain in existence solely for the purpose of
8 discharging its debts. The dissolution is effective when all debts
9 have been discharged.

10 SECTION 2. BOUNDARIES. As of the effective date of this
11 Act, the Las Damas Management District includes all territory
12 located in Austin County that is contained in the following
13 described area:

14 All that certain tract or parcel of land, lying and being
15 situated in Austin County, Texas, and partly in Washington County,
16 Texas, being part of the Geo. Gaskins Survey, A-176 (Austin County)
17 and A-137 (Washington County) and part of the C. R. Perry Survey,
18 A-275 (Austin County) and A-174 (Washington County), being all of
19 the same land described as 316.670 acres in the deed from Estelle
20 Garrow Perlitz to Elsa Perlitz Hudson, et al, dated May 7, 1992, as
21 recorded in Volume 661, Page 351, in the Official Records of Austin
22 County, Texas; being all of the same land described as 88.840 acres
23 in the deed from Estelle Garrow Perlitz to Charles A. Perlitz, III,
24 et al, dated October 21, 1991, as recorded in Volume 650, Page 120,
25 in the Official Records of Austin County, Texas, and being a portion
26 of the same land described as 172.320 acres in the deed from Estelle
27 Garrow Perlitz to Charles A. Perlitz, III, et al, dated May 14,

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1 1990, as recorded in Volume 626, Page 382, in the Official Records
2 of Washington County, Texas, and being more fully described by
3 metes and bounds as follows, To-Wit:

4 BEGINNING at a 1/2 inch iron rod found at the base of a 6 inch
5 Cedar fence corner post on the North margin of Sempronius Road for
6 the Southeast corner of said original 316.670 acres tract, Volume
7 661, Page 351, being on the division line of said Gaskins Survey and
8 the F. Grimes Survey, A-43 (Austin County), A-51 (Washington
9 County), also being on the occupied West line of the Arista Felker
10 Walters (Harry Dodd) tract called 152 1/2 acres as described in
11 Volume 60, Page 534, in the Deed Records of Austin County, Texas;

12 THENCE along a portion of the North margin of said Sempronius
13 Road for the South lines hereof, being along the South lines of said
14 original 316.670 acres and said original 88.840 acres tract, Volume
15 650, Page 120, being along or near an existing fence, as follows: S
16 79°36'24" W 1721.91 feet to a 1/2 inch iron rod set at the base of a 8
17 inch treated fence corner post on said road margin, S 79°04'19" W
18 1976.74 feet to a 1/2 inch iron rod found at the base of a railroad
19 tie fence corner post on said road margin on the division line of
20 said Gaskins Survey and said Perry Survey for the division corner of
21 said original 316.670 acres and said original 88.840 acres tract,
22 and S 79°12'28" W 1056.23 feet to a 1/2 inch iron rod set at the base
23 of a 12 inch treated fence corner post on said road margin for the
24 Southwest corner hereof and of said original 88.840 acres tract,
25 being the occupied Southeast corner of the George William Wehrung,
26 III, et ux, tract called 90.25 acres (Tract 3) as described in
27 Volume 160, Page 331, in said Austin County Deed Records;

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1 THENCE along the East line of said Wehrung tract called 90.25
2 acres, and along the East line of the George William Wehrung, III,
3 et ux, tract called 90 1/4 acres (Tract 2) as described in Volume
4 160, Page 331, in said Austin County Deed Records, being along or
5 near an existing fence, N 10°46'35" W 3671.32 feet to a 1/2 inch iron
6 rod found at the base of a 6 inch treated fence corner post for the
7 Northwest corner hereof and of said original 88.840 acres tract,
8 Volume 650, Page 120, being the occupied Northeast corner of said
9 Wehrung, III, et ux tract called 90 1/4 acres and described as Tract
10 2, also being on the South line of the Charles A. Perlitz, III, et al
11 original 172.320 acres tract as described in Vol. 626, Page 382, in
12 said Official Records of Washington County, Texas;

13 THENCE along a North line hereof, N 76°32'58" E 1053.25 feet
14 to a 1/2 inch iron rod found for the Northwest corner of said
15 original 316.670 acres tract and being an interior ell corner of
16 said Perlitz original 172.320 acres tract, being on the South line
17 of the S. Woodward Survey, A-112 and being a division corner of said
18 Gaskins and Perry Surveys;

19 THENCE along a portion of the South line of said Perlitz
20 172.320 acres tract, along the South line of the Charles A. Perlitz,
21 III, et al, 23.856 acres (Tract One) in the deed recorded in Vol.
22 658, Page 19 in said Washington County Official Records, and along
23 the South line of the Mary Louise Schawe tract called 55.552 acres
24 as described in Vol. 349, Page 300, in said Washington County Deed
25 Records for North lines hereof, being along or near an existing
26 fence, as follows: N 79°02'51" E 1859.30 feet to a 1/2 inch iron rod
27 found in fence line for the Southeast corner of said Perlitz 172.320

1 acres tract and the Southwest corner of said Perlitz 23.856 acres
2 tract, N 79°01'06" E 523.08 feet to a 1/2 inch iron rod found near
3 the base of 6 inch treated fence corner post for the Southeast
4 corner of said Perlitz 23.856 acre tract and said Schawe 55.552
5 acres tract, and N 78°56'55" E 1312.86 feet to a 3/8 inch iron rod
6 found at the base of a 6 inch Cedar fence corner post in concrete for
7 the Northeast corner of said original 316.670 acres tract, being
8 the Southeast corner of said Schawe 55.552 acres tract, being the
9 Northeast corner of said Gaskins Survey common with the Southeast
10 corner of said Woodward Survey, being on the West line of said
11 Grimes Survey, also being on the West line of the William H. Schawe
12 tract called 57.431 acres as described in Vol. 349, Page 297, in
13 said Washington County Deed Records;

14 THENCE along the division line of said Gaskins Survey and
15 Grimes Survey for the East line hereof, being along the East line of
16 said original 316.670 acres tract, being along a portion of the
17 apparent West line of said Walters tract called 152 1/2 acres, being
18 partly along or near an existing fence, S 10°53'29" E at 824.0 feet
19 pass a 3/8 inch iron rod found at the base of a 6 inch treated fence
20 corner post 3.55 feet East of the East line of this tract for the
21 Southwest corner of said William H. Schawe tract called 57.431
22 acres, and at a total distance of 3740.34 feet to the place of
23 beginning and containing 405.595 acres of land.

24 SECTION 3. LEGISLATIVE FINDINGS. The legislature finds
25 that:

26 (1) proper and legal notice of the intention to
27 introduce this Act, setting forth the general substance of this

1 Act, has been published as provided by law, and the notice and a
2 copy of this Act have been furnished to all persons, agencies,
3 officials, or entities to which they are required to be furnished by
4 the constitution and laws of this state, including the governor,
5 who has submitted the notice and Act to the Texas Commission on
6 Environmental Quality;

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

11 (3) the general law relating to consent by political
12 subdivisions to the creation of districts with conservation,
13 reclamation, and road powers and the inclusion of land in those
14 districts has been complied with; and

15 (4) all requirements of the constitution and laws of
16 this state and the rules and procedures of the legislature with
17 respect to the notice, introduction, and passage of this Act have
18 been fulfilled and accomplished.

19 SECTION 4. EFFECTIVE DATE. This Act takes effect
20 immediately if it receives a vote of two-thirds of all the members
21 elected to each house, as provided by Section 39, Article III, Texas
22 Constitution. If this Act does not receive the vote necessary for
23 immediate effect, this Act takes effect September 1, 2007.