

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Chambers County Improvement District No. 3; granting road powers; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.

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

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8361 to read as follows:

CHAPTER 8361. CHAMBERS COUNTY IMPROVEMENT DISTRICT NO. 3

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8361.001. DEFINITIONS. In this chapter:

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

(2) "Director" means a board member.

(3) "District" means the Chambers County Improvement District No. 3.

Sec. 8361.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8361.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 8361.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8361.003 until each municipality in whose corporate limits or

1 extraterritorial jurisdiction the district is located has
2 consented by ordinance or resolution to the creation of the
3 district and to the inclusion of land in the district.

4 Sec. 8361.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
5 The district is created to serve a public purpose and benefit.

6 (b) The district is created to accomplish the purposes of:

7 (1) a municipal utility district as provided by
8 general law and Section 59, Article XVI, Texas Constitution; and

9 (2) Section 52, Article III, Texas Constitution, that
10 relate to the construction, acquisition, improvement, operation,
11 or maintenance of macadamized, graveled, or paved roads, or
12 improvements, including storm drainage, in aid of those roads.

13 Sec. 8361.006. INITIAL DISTRICT TERRITORY. (a) The
14 district is initially composed of the territory described by
15 Section 2 of the Act creating this chapter.

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

20 (1) organization, existence, or validity;

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

24 (3) right to impose a tax; or

25 (4) legality or operation.

26 [Sections 8361.007-8361.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Sec. 8361.051. GOVERNING BODY; TERMS. (a) The district is
3 governed by a board of five elected directors.

4 (b) Except as provided by Section 8361.052, directors serve
5 staggered four-year terms.

6 Sec. 8361.052. TEMPORARY DIRECTORS. (a) On or after the
7 effective date of the Act creating this chapter, the owner or owners
8 of a majority of the assessed value of the real property in the
9 district may submit a petition to the Texas Commission on
10 Environmental Quality requesting that the commission appoint as
11 temporary directors the five persons named in the petition. The
12 commission shall appoint as temporary directors the five persons
13 named in the petition.

14 (b) Temporary directors serve until the earlier of:

15 (1) the date permanent directors are elected under
16 Section 8361.003; or

17 (2) the fourth anniversary of the effective date of
18 the Act creating this chapter.

19 (c) If permanent directors have not been elected under
20 Section 8361.003 and the terms of the temporary directors have
21 expired, successor temporary directors shall be appointed or
22 reappointed as provided by Subsection (d) to serve terms that
23 expire on the earlier of:

24 (1) the date permanent directors are elected under
25 Section 8361.003; or

26 (2) the fourth anniversary of the date of the
27 appointment or reappointment.

1 (d) If Subsection (c) applies, the owner or owners of a
2 majority of the assessed value of the real property in the district
3 may submit a petition to the Texas Commission on Environmental
4 Quality requesting that the commission appoint as successor
5 temporary directors the five persons named in the petition. The
6 commission shall appoint as successor temporary directors the five
7 persons named in the petition.

8 [Sections 8361.053-8361.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8361.101. GENERAL POWERS AND DUTIES. The district has
11 the powers and duties necessary to accomplish the purposes for
12 which the district is created.

13 Sec. 8361.102. MUNICIPAL UTILITY DISTRICT POWERS AND
14 DUTIES. The district has the powers and duties provided by the
15 general law of this state, including Chapters 49 and 54, Water Code,
16 applicable to municipal utility districts created under Section 59,
17 Article XVI, Texas Constitution.

18 Sec. 8361.103. AUTHORITY FOR ROAD PROJECTS. Under Section
19 52, Article III, Texas Constitution, the district may design,
20 acquire, construct, finance, issue bonds for, improve, operate,
21 maintain, and convey to this state, a county, or a municipality for
22 operation and maintenance macadamized, graveled, or paved roads, or
23 improvements, including storm drainage, in aid of those roads.

24 Sec. 8361.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road
25 project must meet all applicable construction standards, zoning and
26 subdivision requirements, and regulations of each municipality in
27 whose corporate limits or extraterritorial jurisdiction the road

1 project is located.

2 (b) If a road project is not located in the corporate limits
3 or extraterritorial jurisdiction of a municipality, the road
4 project must meet all applicable construction standards,
5 subdivision requirements, and regulations of each county in which
6 the road project is located.

7 (c) If the state will maintain and operate the road, the
8 Texas Transportation Commission must approve the plans and
9 specifications of the road project.

10 Sec. 8361.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
11 OR RESOLUTION. The district shall comply with all applicable
12 requirements of any ordinance or resolution that is adopted under
13 Section 54.016 or 54.0165, Water Code, and that consents to the
14 creation of the district or to the inclusion of land in the
15 district.

16 Sec. 8361.106. LIMITATION ON USE OF EMINENT DOMAIN. The
17 district may not exercise the power of eminent domain outside the
18 district to acquire a site or easement for:

- 19 (1) a road project authorized by Section 8361.103; or
20 (2) a recreational facility as defined by Section
21 49.462, Water Code.

22 Sec. 8361.107. DIVISION OF DISTRICT. (a) The district may
23 be divided into two or more new districts only if the district:

- 24 (1) has no outstanding bonded debt; and
25 (2) is not imposing ad valorem taxes.

26 (b) This chapter applies to any new district created by the
27 division of the district, and a new district has all the powers and

1 duties of the district.

2 (c) Any new district created by the division of the district
3 may not, at the time the new district is created, contain any land
4 outside the area described by Section 2 of the Act creating this
5 chapter.

6 (d) The board, on its own motion or on receipt of a petition
7 signed by the owner or owners of a majority of the assessed value of
8 the real property in the district, may adopt an order dividing the
9 district.

10 (e) The board may adopt an order dividing the district
11 before or after the date the board holds an election under Section
12 8361.003 to confirm the district's creation.

13 (f) An order dividing the district:

14 (1) shall:

15 (A) name each new district;

16 (B) include the metes and bounds of each new
17 district;

18 (C) appoint temporary directors for each new
19 district, or provide that the owner or owners of a majority of the
20 assessed value of the real property in each new district may submit
21 a petition to the Texas Commission on Environmental Quality
22 requesting that the commission appoint as temporary directors the
23 five persons named in the petition; and

24 (D) provide for the division of assets and
25 liabilities between or among the new districts; and

26 (2) is subject to a confirmation election in each new
27 district.

1 (g) On or before the 30th day after the date of adoption of
2 an order dividing the district, the district shall file the order
3 with the Texas Commission on Environmental Quality and record the
4 order in the real property records of each county in which the
5 district is located.

6 (h) Any new district created by the division of the district
7 shall hold a confirmation and directors' election as required by
8 Section 8361.003. The results of that election must be filed as
9 required by Sections 49.102(e) and (f), Water Code. If the voters of
10 a new district do not confirm the creation of the new district, the
11 assets, liabilities, territory, and governance of the new district
12 revert to the original district.

13 (i) Municipal consent to the creation of the district and to
14 the inclusion of land in the district granted under Section
15 8361.004 acts as municipal consent to the creation of any new
16 district created by the division of the district and to the
17 inclusion of land in the new district.

18 (j) Any new district created by the division of the district
19 must hold an election as required by this chapter to obtain voter
20 approval before the district may impose a maintenance tax or issue
21 bonds payable wholly or partly from ad valorem taxes.

22 Sec. 8361.108. FIREFIGHTING AND EMERGENCY MEDICAL
23 SERVICES. Subchapter L, Chapter 49, Water Code, applies to the
24 district.

25 Sec. 8361.109. FEASIBILITY EVALUATION. For purposes of any
26 applicable evaluation by the Texas Commission on Environmental
27 Quality of the economic feasibility of the district or its projects

1 and bonds, debt service tax rate, maintenance tax rate, or
2 overlapping tax rate, the district shall be treated as a municipal
3 utility district situated wholly within Chambers County, Texas.

4 [Sections 8361.110-8361.150 reserved for expansion]

5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6 Sec. 8361.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
7 district may issue, without an election, bonds and other
8 obligations secured by:

9 (1) revenue other than ad valorem taxes; or

10 (2) contract payments described by Section 8361.153.

11 (b) The district must hold an election in the manner
12 provided by Chapters 49 and 54, Water Code, to obtain voter approval
13 before the district may impose an ad valorem tax or issue bonds
14 payable from ad valorem taxes.

15 (c) The district may not issue bonds payable from ad valorem
16 taxes to finance a road project unless the issuance is approved by a
17 vote of a two-thirds majority of the district voters voting at an
18 election held for that purpose.

19 Sec. 8361.152. OPERATION AND MAINTENANCE TAX. (a) If
20 authorized at an election held under Section 8361.151, the district
21 may impose an operation and maintenance tax on taxable property in
22 the district in accordance with Section 49.107, Water Code.

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

25 Sec. 8361.153. CONTRACT TAXES. (a) In accordance with
26 Section 49.108, Water Code, the district may impose a tax other than
27 an operation and maintenance tax and use the revenue derived from

1 the tax to make payments under a contract after the provisions of
2 the contract have been approved by a majority of the district voters
3 voting at an election held for that purpose.

4 (b) A contract approved by the district voters may contain a
5 provision stating that the contract may be modified or amended by
6 the board without further voter approval.

7 [Sections 8361.154-8361.200 reserved for expansion]

8 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

9 Sec. 8361.201. AUTHORITY TO ISSUE BONDS AND OTHER
10 OBLIGATIONS. The district may issue bonds or other obligations
11 payable wholly or partly from ad valorem taxes, impact fees,
12 revenue, contract payments, grants, or other district money, or any
13 combination of those sources, to pay for any authorized district
14 purpose.

15 Sec. 8361.202. TAXES FOR BONDS. At the time the district
16 issues bonds payable wholly or partly from ad valorem taxes, the
17 board shall provide for the annual imposition of a continuing
18 direct ad valorem tax, without limit as to rate or amount, while all
19 or part of the bonds are outstanding as required and in the manner
20 provided by Sections 54.601 and 54.602, Water Code.

21 Sec. 8361.203. BONDS FOR ROAD PROJECTS. At the time of
22 issuance, the total principal amount of bonds or other obligations
23 issued or incurred to finance road projects and payable from ad
24 valorem taxes may not exceed one-fourth of the assessed value of the
25 real property in the district.

26 SECTION 2. The Chambers County Improvement District No. 3
27 initially includes all the territory contained in the following

1 area:

2 A certain 880.30 acre tract, situated in the Jacob Townsend
3 Survey, Abstract No. 25, the R. A. West Survey, Abstract No. 314,
4 the Kate Dugat Survey, Abstract No. 416, and the A. B. J. Winfree
5 Survey, Abstract No. 306 all in Chambers County, Texas; being all of
6 a called 285.48 acre tract (Tract 1), all of a called 129.96 acre
7 tract (Tract 2), and all of a called 254.14 acre tract (Tract 3)
8 described in Special Warranty Deed with Vendor's Lien recorded in
9 Volume (08) 1067, Page 264 of the Chambers County Official Public
10 Records, and all of a called 210.72 acre tract described in Special
11 Warranty Deed recorded in Volume (08) 1074, Page 223 of the Chambers
12 County Official Public Records; said 880.30 acre tract being
13 comprised of three tracts and being more particularly described as
14 follows with all bearings being based on the Texas Coordinate
15 System, South Central Zone, NAD83;

16 Tract I - 285.48 acres

17 BEGINNING at the northeast corner of said called 285.48 acre
18 tract, being common with a northwest corner of a called 11.89 acre
19 tract conveyed to Coastal Industrial Water Authority recorded in
20 Volume 313, Page 663 of the Chambers County Deed Records;

21 THENCE, South 04°19'04" West, 2683.79 feet to a point for
22 corner in the beginning of a curve to the right;

23 THENCE, along the arc of said curve to the right, having a
24 radius of 930.06 feet, a central angle of 12°32'57", an arc length of
25 203.71 feet, and a long chord bearing South 10°35'34" West, 203.30
26 feet to a point for corner;

27 THENCE, South 16°55'29" West, 1096.02 feet to a point for

1 corner marking the southeast corner of the aforementioned called
2 285.48 acre tract;

3 THENCE, South 87°37'03" West, along the south line of said
4 called 285.48 acre tract, 3049.05 feet to a point for corner marking
5 the southwest corner of the said called 285.48 acre tract;

6 THENCE, North 01°43'33" West, along a west line of the said
7 called 285.48 acre tract, being common with the east line of the
8 B.B.B.&C. R.R. Co. Survey, Abstract No. 61, 1108.94 feet to a point
9 for corner marking a southern northwest corner of the said called
10 285.48 acre tract;

11 THENCE, North 80°14'58" East, along the lower west line of the
12 said called 285.48 acre tract, 421.47 feet to a point for corner
13 marking an interior corner of the said called 285.48 acre tract;

14 THENCE, North 02°39'44" West, along the upper west line of the
15 said called 285.48 acre tract, 2708.36 feet to a point for corner
16 marking the northwest corner of said called 285.48 acre tract, said
17 point being the occupied northwest corner of the Jacob Townsend
18 Survey, Abstract 25;

19 THENCE, North 87°04'16" East, along the north line of the
20 called 285.48 acre tract (common with the north line of the Jacob
21 Townsend Survey, Abstract 25), 1773.49 feet to a point for corner;

22 THENCE, North 87°15'45" East, along the north line of the
23 called 285.48 acre tract (common with the north line of the Jacob
24 Townsend Survey, Abstract 25), 1579.36 feet to the POINT OF
25 BEGINNING, CONTAINING 285.48 acres of land in Chambers County,
26 Texas

27 Tract II - 129.96 acres

1 BEGINNING at the northeast corner of the aforementioned
2 129.96 acre tract (in the north line of the Jacob Townsend Survey,
3 Abstract 25), said point also marking the northwest corner of a
4 called 40.801 acre tract (Parcel 18) as described in Second Amended
5 Notice of Lis Pendis recorded in Volume (07) 934, Page 280 of the
6 Chambers County Official Public Records;

7 THENCE, South 29°47'53" West, along the east line of said
8 129.96 acre tract, common with the west line of said 40.801 acre
9 tract being the west right-of-way line of State Highway 99, 2795.10
10 feet to a point for corner at the beginning of a curve to the left;

11 THENCE, along the arc of said curve to the left, having a
12 radius of 4019.72 feet, a central angle of 23°18'04", a chord length
13 of 1623.51 feet, and a long chord bearing South 18°08'51" West,
14 continuing in all a total arc length of 1634.75 feet to a point for
15 corner at the southeast corner of the said 129.96 acre tract, said
16 point also marking the southwest corner of said 40.801 acre tract;

17 THENCE, South 87°39'30" West, along the south line of said
18 129.96 acre tract (common with the south line of the Jacob Townsend
19 Survey, Abstract 25), 1005.32 feet to a point for corner marking the
20 southwest corner of said 129.96 acre tract, being in the occupied
21 east right-of-way line of Needlepoint Road (as described in the
22 parent tract deed);

23 THENCE, along the west line of said 129.96 acre tract,
24 described as being common with the occupied east right-of-way line
25 of Needlepoint Road the following nine (9) courses and distances:

- 26 1. North 16°24'09" East, 1157.81 feet to a point for corner;
- 27 2. North 15°19'42" East, 41.33 feet to a point for corner;

1 3. North 15°23'18" East, 55.80 feet to a point for corner;
2 4. North 17°10'54" East, 45.19 feet to a point for corner;
3 5. North 08°38'17" East, 37.06 feet to a point for corner;
4 6. North 02°31'50" East, 54.46 feet to a point for corner;
5 7. North 01°57'55" East, 47.69 feet to a point for corner;
6 8. North 01°22'26" East, 524.57 feet to a point for corner;
7 9. North 04°28'33" East, 2045.44 feet to a point for corner
8 marking the northwest corner of said 129.96 acre tract;

9 THENCE, North 89°12'24" East, with the north line of said
10 129.96 acre tract (common with the north line of the Jacob Townsend
11 Survey, Abstract 25), 1407.80 feet to a point for corner;

12 THENCE, North 87°34'17" East, along the north line of said
13 129.96 acre tract, 944.50 feet to the POINT OF BEGINNING,
14 CONTAINING 129.96 acres of land in Chambers County, Texas.

15 Tract III - 464.86 acres (combination of 254.14 and 210.72 acre
16 tracts)

17 BEGINNING at the northwest corner of the said 210.72 acre
18 tract;

19 THENCE, North 87°31'31" East, along the north line of said
20 210.72 acre tract, 1796.29 feet to a point for corner at a northeast
21 corner of the said 210.72 acre tract;

22 THENCE, South 03°07'50" East, along the east line of said
23 210.72 acre tract, 1709.93 feet to a point for corner;

24 THENCE, North 88°05'10" East, with a north line of said 210.72
25 acre tract, 1716.89 feet to a point for corner;

26 THENCE, South 01°40'35" East, along an east line of said
27 210.72 acre tract, 1242.97 feet to a point for corner;

1 THENCE, South 87°59'43" West, 3.91 feet to a point for corner;
2 THENCE, South 01°33'16" East, along an east line of the
3 aforementioned 210.72 acre tract, 868.67 feet to a point for
4 corner;
5 THENCE, South 88°18'21" West, 398.02 feet to a point for
6 corner;
7 THENCE, South 01°26'48" East, 192.80 feet to a point for
8 corner;
9 THENCE, South 87°28'30" West, 819.13 feet to a point for
10 corner;
11 THENCE, South 02°30'46" East, 160.39 feet to a point for
12 corner;
13 THENCE, South 07°49'09" East, 360.01 feet to a point for
14 corner;
15 THENCE, South 15°38'38" East, 338.95 feet to a point for
16 corner;
17 THENCE, North 87°27'23" East, 693.04 feet to a point for
18 corner;
19 THENCE, South 01°26'48" East, 19.26 feet to a point for
20 corner;
21 THENCE, South 87°43'36" East, 396.00 feet to a point for
22 corner;
23 THENCE, South 01°27'10" East, 26.16 feet to a point for
24 corner;
25 THENCE, South 89°31'04" East, 598.07 feet to a point for
26 corner, said point also being in the westerly right-of-way of Farm
27 to Market Road (F.M.) 3180 (140 foot right-of-way), dedication of

1 which is recorded in Volume 300, Page 622 of the Chambers County
2 Deed Records;

3 THENCE, South 07°09'09 West, along the westerly right-of-way
4 of said F.M. 3180, 100.68 feet to a point for corner;

5 THENCE, North 89°31'04" West, 577.87 feet to a point for
6 corner;

7 THENCE, North 01°33'16" West, 25.84 feet to a point for
8 corner;

9 THENCE, North 87°43'36" West, 497.18 feet to a point for
10 corner;

11 THENCE, North 04°36'34" West, 11.39 feet to a point for
12 corner;

13 THENCE, South 87°27'23" West, 673.99 feet to a point for
14 corner;

15 THENCE, North 15°38'45" West, 425.19 feet to a point for
16 corner;

17 THENCE, North 07°49'09" West, 371.48 feet to a point for
18 corner;

19 THENCE, South 87°27'38" West, 509.36 feet to a point for
20 corner, said point also being in the east line of the aforementioned
21 254.14 acre tract;

22 THENCE, South 02°31'16" East, along the east line of the said
23 254.14 acre tract (common with the east line of the Jacob Townsend
24 Survey, Abstract 25), 2747.10 feet to a point for corner marking the
25 southeast corner of said 254.14 acre tract;

26 THENCE, South 87°39'30" West, along the south line of said
27 254.14 acre tract (common with the south line of the Jacob Townsend

1 Survey, Abstract 25), 3790.48 feet to a point for corner in the east
2 right-of-way line of State Highway 99 being described as a called
3 40.801 acre tract (Parcel 18) in Second Amended Notice of Lis Pendis
4 recorded in Volume (07) 934, Page 280 of the Chambers County
5 Official Public Records, said point being in the arc of a
6 non-tangent curve to the right;

7 THENCE, along the west line of the said 254.14 acre tract,
8 common with the east right-of-way line of said State Highway 99 and
9 the arc of said non-tangent curve to the right, having a radius of
10 3619.72 feet, a central angle of $22^{\circ}18'55''$, an arc length of 1409.79
11 feet, and a long chord bearing North $18^{\circ}38'26''$ East, 1400.90 feet to
12 a point for corner;

13 THENCE, North $29^{\circ}47'53''$ East, continuing along said east
14 right-of-way line of State Highway 99, 2795.78 feet to a point for
15 corner at the beginning of a curve to the left;

16 THENCE, along the east line of said State Highway 99, and
17 along the arc of said curve to the left, having a radius of 3064.79
18 feet, a central angle of $57^{\circ}06'39''$, an arc length of 3,054.89 feet,
19 and a long chord bearing North $01^{\circ}14'33''$ East, 2,929.99 feet to a
20 point for corner;

21 THENCE, North $27^{\circ}18'47''$ West, continuing along the east line
22 of said State Highway 99, 156.96 feet to a point for corner;

23 THENCE, North $02^{\circ}44'58''$ West, 193.07 feet to the POINT OF
24 BEGINNING, CONTAINING 464.86 acres of land in Chambers County,
25 Texas, along with the herein described 285.48 acre tract (Tract I),
26 and the herein described 129.96 acre tract (Tract II) for a total
27 acreage of 880.30 acres.

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

8 (b) The governor, one of the required recipients, has
9 submitted the notice and Act to the Texas Commission on
10 Environmental Quality.

11 (c) The Texas Commission on Environmental Quality has filed
12 its recommendations relating to this Act with the governor, the
13 lieutenant governor, and the speaker of the house of
14 representatives within the required time.

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

19 SECTION 4. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2009.