

1-1 By: Isaac (Senate Sponsor - Campbell) H.B. No. 4301  
 1-2 (In the Senate - Received from the House May 19, 2017;  
 1-3 May 19, 2017, read first time and referred to Committee on  
 1-4 Administration; May 23, 2017, reported favorably by the following  
 1-5 vote: Yeas 7, Nays 0; May 23, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED  
 1-16 AN ACT

1-17 relating to the creation of the Driftwood Conservation District;  
 1-18 granting a limited power of eminent domain; providing authority to  
 1-19 issue bonds; providing authority to impose assessments, fees, and  
 1-20 taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
 1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
 1-23 Code, is amended by adding Chapter 7982 to read as follows:

1-24 CHAPTER 7982. DRIFTWOOD CONSERVATION DISTRICT

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 7982.001. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "Commission" means the Texas Commission on  
 1-29 Environmental Quality.

1-30 (3) "Director" means a board member.

1-31 (4) "District" means the Driftwood Conservation  
 1-32 District.

1-33 Sec. 7982.002. NATURE OF DISTRICT. The district is a  
 1-34 municipal utility district created under Section 59, Article XVI,  
 1-35 Texas Constitution.

1-36 Sec. 7982.003. CONFIRMATION AND DIRECTORS' ELECTION  
 1-37 REQUIRED. The temporary directors shall hold an election to  
 1-38 confirm the creation of the district and to elect five permanent  
 1-39 directors as provided by Section 49.102, Water Code.

1-40 Sec. 7982.004. CONSENT OF MUNICIPALITY REQUIRED. The  
 1-41 temporary directors may not hold an election under Section 7982.003  
 1-42 until each municipality in whose corporate limits or  
 1-43 extraterritorial jurisdiction the district is located has  
 1-44 consented by ordinance or resolution to the creation of the  
 1-45 district and to the inclusion of land in the district.

1-46 Sec. 7982.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
 1-47 The district is created to serve a public purpose and benefit.

1-48 (b) The district is created to accomplish the purposes of:

1-49 (1) a municipal utility district as provided by  
 1-50 general law and Section 59, Article XVI, Texas Constitution; and

1-51 (2) Section 52, Article III, Texas Constitution, that  
 1-52 relate to the construction, acquisition, improvement, operation,  
 1-53 or maintenance of macadamized, graveled, or paved roads, or  
 1-54 improvements, including storm drainage, in aid of those roads.

1-55 Sec. 7982.006. INITIAL DISTRICT TERRITORY. (a) The  
 1-56 district is initially composed of the territory described by  
 1-57 Section 2 of the Act enacting this chapter.

1-58 (b) The boundaries and field notes contained in Section 2 of  
 1-59 the Act enacting this chapter form a closure. A mistake made in the  
 1-60 field notes or in copying the field notes in the legislative process  
 1-61 does not affect the district's:

- 2-1 (1) organization, existence, or validity;
- 2-2 (2) right to issue any type of bond for the purposes
- 2-3 for which the district is created or to pay the principal of and
- 2-4 interest on a bond;
- 2-5 (3) right to impose a tax; or
- 2-6 (4) legality or operation.

2-7 Sec. 7982.007. APPLICABILITY OF OTHER LAW. Chapter 257,  
 2-8 Transportation Code, and other general laws applicable to road  
 2-9 districts created under Section 52, Article III, Texas  
 2-10 Constitution, apply to the district.

2-11 SUBCHAPTER B. BOARD OF DIRECTORS

2-12 Sec. 7982.051. GOVERNING BODY; TERMS. (a) The district is  
 2-13 governed by a board of five elected directors.

2-14 (b) Except as provided by Section 7982.052, directors serve  
 2-15 staggered four-year terms.

2-16 Sec. 7982.052. TEMPORARY DIRECTORS. (a) On or after the  
 2-17 effective date of the Act enacting this chapter, the owner or owners  
 2-18 of a majority of the assessed value of the real property in the  
 2-19 district may submit a petition to the commission requesting that  
 2-20 the commission appoint as temporary directors the five persons  
 2-21 named in the petition. The commission shall appoint as temporary  
 2-22 directors the five persons named in the petition.

2-23 (b) Temporary directors serve until the earlier of:

2-24 (1) the date permanent directors are elected under  
 2-25 Section 7982.003; or

2-26 (2) the fourth anniversary of the effective date of  
 2-27 the Act enacting this chapter.

2-28 (c) If permanent directors have not been elected under  
 2-29 Section 7982.003 and the terms of the temporary directors have  
 2-30 expired, successor temporary directors shall be appointed or  
 2-31 reappointed as provided by Subsection (d) to serve terms that  
 2-32 expire on the earlier of:

2-33 (1) the date permanent directors are elected under  
 2-34 Section 7982.003; or

2-35 (2) the fourth anniversary of the date of the  
 2-36 appointment or reappointment.

2-37 (d) If Subsection (c) applies, the owner or owners of a  
 2-38 majority of the assessed value of the real property in the district  
 2-39 may submit a petition to the commission requesting that the  
 2-40 commission appoint as successor temporary directors the five  
 2-41 persons named in the petition. The commission shall appoint as  
 2-42 successor temporary directors the five persons named in the  
 2-43 petition.

2-44 SUBCHAPTER C. POWERS AND DUTIES

2-45 Sec. 7982.101. GENERAL POWERS AND DUTIES. The district has  
 2-46 the powers and duties necessary to accomplish the purposes for  
 2-47 which the district is created.

2-48 Sec. 7982.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
 2-49 DUTIES. The district has the powers and duties provided by the  
 2-50 general law of this state, including Chapters 49 and 54, Water Code,  
 2-51 applicable to municipal utility districts created under Section 59,  
 2-52 Article XVI, Texas Constitution.

2-53 Sec. 7982.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
 2-54 52, Article III, Texas Constitution, the district may design,  
 2-55 acquire, construct, finance, issue bonds for, improve, operate,  
 2-56 maintain, and convey to this state, a county, or a municipality for  
 2-57 operation and maintenance macadamized, graveled, or paved roads, or  
 2-58 improvements, including storm drainage, in aid of those roads.

2-59 Sec. 7982.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
 2-60 project must meet all applicable construction standards, zoning and  
 2-61 subdivision requirements, and regulations of each municipality in  
 2-62 whose corporate limits or extraterritorial jurisdiction the road  
 2-63 project is located.

2-64 (b) If a road project is not located in the corporate limits  
 2-65 or extraterritorial jurisdiction of a municipality, the road  
 2-66 project must meet all applicable construction standards,  
 2-67 subdivision requirements, and regulations of each county in which  
 2-68 the road project is located.

2-69 (c) If the state will maintain and operate the road, the

3-1 Texas Transportation Commission must approve the plans and  
 3-2 specifications of the road project.  
 3-3 Sec. 7982.105. IMPROVEMENT PROJECTS. (a) The district may  
 3-4 provide or finance, or contract with a governmental or private  
 3-5 person to provide or finance, the following types of projects or  
 3-6 activities in support of or incidental to one of the projects:  
 3-7 (1) an improvement project that is a public  
 3-8 improvement, facility, or service that may be provided by a  
 3-9 municipal utility district or a municipal management district,  
 3-10 including:  
 3-11 (A) water, wastewater, reclamation, drainage,  
 3-12 road, trail, or bridge improvement;  
 3-13 (B) utilization and reuse of treated effluent in  
 3-14 landscape and other features, including temporary holding  
 3-15 features;  
 3-16 (C) transportation of treated effluent for  
 3-17 reuse; and  
 3-18 (D) injection of treated stormwater runoff or  
 3-19 stormwater collected from roofs into aquifers as storage or to  
 3-20 recharge the aquifer; and  
 3-21 (2) the purchase and maintenance of conservation land  
 3-22 for endangered species, including the cost of:  
 3-23 (A) any permits relating to endangered species or  
 3-24 the maintenance of the land; and  
 3-25 (B) purchasing land or easements for  
 3-26 conservation mitigation.  
 3-27 (b) The district may inject stormwater as authorized by  
 3-28 Subsection (a)(1)(D) without the consent, concurrence, or  
 3-29 authorization of a groundwater conservation district, but only if  
 3-30 the injection is authorized by a commission rule or permit under  
 3-31 Chapter 27, Water Code.  
 3-32 (c) To finance an improvement project under Subsection  
 3-33 (a)(1), the district may, in the manner authorized by:  
 3-34 (1) Chapter 375, Local Government Code, or Chapter 54,  
 3-35 Water Code, use funds derived from:  
 3-36 (A) ad valorem taxes;  
 3-37 (B) sales and use taxes from a strategic  
 3-38 partnership agreement authorized by Section 7982.109;  
 3-39 (C) assessments imposed under Section 7982.201;  
 3-40 (D) revenue from an improvement project;  
 3-41 (E) impact fees; or  
 3-42 (F) any other source; and  
 3-43 (2) Sections 375.201 through 375.205, Local  
 3-44 Government Code, enter into obligations, including:  
 3-45 (A) lease purchase agreements;  
 3-46 (B) certificates of participation in lease  
 3-47 purchase agreements;  
 3-48 (C) general obligation bonds and notes and  
 3-49 revenue bonds and notes;  
 3-50 (D) combination general obligation and revenue  
 3-51 bonds and notes; and  
 3-52 (E) other interest-bearing obligations.  
 3-53 (d) Sections 375.161 through 375.163, Local Government  
 3-54 Code, do not apply to an assessment imposed by the district.  
 3-55 Sec. 7982.106. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
 3-56 OR RESOLUTION. The district shall comply with all applicable  
 3-57 requirements of any ordinance or resolution that is adopted under  
 3-58 Section 54.016 or 54.0165, Water Code, and that consents to the  
 3-59 creation of the district or to the inclusion of land in the  
 3-60 district.  
 3-61 Sec. 7982.107. LIMITATION ON GROUNDWATER USE. In providing  
 3-62 water services to users in the district, the district may not,  
 3-63 except in emergency situations:  
 3-64 (1) develop groundwater on land owned by the district  
 3-65 for use as a potable water source; or  
 3-66 (2) purchase or lease the rights to groundwater  
 3-67 underlying land inside the district for use as a potable water  
 3-68 source.  
 3-69 Sec. 7982.108. DIVISION OF DISTRICT. (a) The district may

4-1 be divided into two or more new districts only if the district:

4-2 (1) has no outstanding bonded debt; and

4-3 (2) is not imposing ad valorem taxes.

4-4 (b) This chapter applies to any new district created by the  
4-5 division of the district, and a new district has all the powers and  
4-6 duties of the district.

4-7 (c) Any new district created by the division of the district  
4-8 may not, at the time the new district is created, contain any land  
4-9 outside the area described by Section 2 of the Act enacting this  
4-10 chapter.

4-11 (d) The board, on its own motion or on receipt of a petition  
4-12 signed by the owner or owners of a majority of the assessed value of  
4-13 the real property in the district, may adopt an order dividing the  
4-14 district.

4-15 (e) The board may adopt an order dividing the district  
4-16 before or after the date the board holds an election under Section  
4-17 7982.003 to confirm the creation of the district.

4-18 (f) An order dividing the district shall:

4-19 (1) name each new district;

4-20 (2) include the metes and bounds description of the  
4-21 territory of each new district;

4-22 (3) appoint temporary directors for each new district;  
4-23 and

4-24 (4) provide for the division of assets and liabilities  
4-25 between or among the new districts.

4-26 (g) On or before the 30th day after the date of adoption of  
4-27 an order dividing the district, the district shall file the order  
4-28 with the commission and record the order in the real property  
4-29 records of each county in which the district is located.

4-30 (h) Any new district created by the division of the district  
4-31 shall hold a confirmation and directors' election as required by  
4-32 Section 7982.003.

4-33 (i) Any new district created by the division of the district  
4-34 must hold an election as required by this chapter to obtain voter  
4-35 approval before the district may impose a maintenance tax or issue  
4-36 bonds payable wholly or partly from ad valorem taxes.

4-37 Sec. 7982.109. STRATEGIC PARTNERSHIP AGREEMENT. The  
4-38 district may negotiate and enter into a written strategic  
4-39 partnership agreement with a municipality under Section 43.0751,  
4-40 Local Government Code.

4-41 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4-42 Sec. 7982.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
4-43 district may issue, without an election, bonds and other  
4-44 obligations secured by:

4-45 (1) revenue other than ad valorem taxes; or

4-46 (2) contract payments described by Section 7982.153.

4-47 (b) The district must hold an election in the manner  
4-48 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
4-49 before the district may impose an ad valorem tax or issue bonds  
4-50 payable from ad valorem taxes.

4-51 (c) The district may not issue bonds payable from ad valorem  
4-52 taxes to finance a road project unless the issuance is approved by a  
4-53 vote of a two-thirds majority of the district voters voting at an  
4-54 election held for that purpose.

4-55 Sec. 7982.152. OPERATION AND MAINTENANCE TAX. (a) If  
4-56 authorized at an election held under Section 7982.151, the district  
4-57 may impose an operation and maintenance tax on taxable property in  
4-58 the district in accordance with Section 49.107, Water Code.

4-59 (b) The board shall determine the tax rate. The rate may not  
4-60 exceed the rate approved at the election.

4-61 Sec. 7982.153. CONTRACT TAXES. (a) In accordance with  
4-62 Section 49.108, Water Code, the district may impose a tax other than  
4-63 an operation and maintenance tax and use the revenue derived from  
4-64 the tax to make payments under a contract after the provisions of  
4-65 the contract have been approved by a majority of the district voters  
4-66 voting at an election held for that purpose.

4-67 (b) A contract approved by the district voters may contain a  
4-68 provision stating that the contract may be modified or amended by  
4-69 the board without further voter approval.



SUBCHAPTER E. ASSESSMENTS; APPLICABILITY OF IMPACT FEES AND ASSESSMENTS

Sec. 7982.201. PETITION REQUIRED FOR FINANCING RECREATIONAL FACILITY OR IMPROVEMENT BY ASSESSMENT. (a) The district may finance a recreational facility or improvement, including an improvement project under Section 7982.105, with assessments on residential or commercial property or both residential and commercial property under this subchapter, but only if:

(1) a written petition requesting that facility or improvement has been filed with the board; and

(2) the district holds a hearing on the proposed assessments.

(b) The petition must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 7982.202. METHOD OF NOTICE FOR HEARING. The district shall mail notice of the hearing to each property owner in the district who will be subject to the assessment at the current address to be assessed as reflected on the tax rolls. The district may mail the notice by certified or first class United States mail. The board shall determine the method of notice.

Sec. 7982.203. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) An assessment or a reassessment imposed under this subchapter by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

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

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

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

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

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

Sec. 7982.204. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND ASSESSMENTS. The district may not impose an impact fee or assessment on the property, including the equipment, rights-of-way, facilities, or improvements, of:

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

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

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

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

SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS

Sec. 7982.251. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7982.252. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

6-1 Sec. 7982.253. BONDS FOR ROAD PROJECTS. At the time of  
6-2 issuance, the total principal amount of bonds or other obligations  
6-3 issued or incurred to finance road projects and payable from ad  
6-4 valorem taxes may not exceed one-fourth of the assessed value of the  
6-5 real property in the district.

6-6 SUBCHAPTER G. DEFINED AREAS

6-7 Sec. 7982.301. AUTHORITY TO ESTABLISH DEFINED AREAS OR  
6-8 DESIGNATED PROPERTY. The district may define areas or designate  
6-9 certain property of the district to pay for improvements,  
6-10 facilities, or services that primarily benefit that area or  
6-11 property and do not generally and directly benefit the district as a  
6-12 whole.

6-13 Sec. 7982.302. PROCEDURE FOR ELECTION. (a) Before the  
6-14 district may impose an ad valorem tax or issue bonds payable from ad  
6-15 valorem taxes of the defined area or designated property, the board  
6-16 shall hold an election in the defined area or in the designated  
6-17 property only.

6-18 (b) The board may submit the issues to the voters on the same  
6-19 ballot to be used in another election.

6-20 Sec. 7982.303. DECLARING RESULT AND ISSUING ORDER. (a) If  
6-21 a majority of the voters voting at the election approve the  
6-22 proposition or propositions, the board shall declare the results  
6-23 and, by order, shall establish the defined area and describe it by  
6-24 metes and bounds or designate the specific property.

6-25 (b) A court may not review the board's order except on the  
6-26 ground of fraud, palpable error, or arbitrary and confiscatory  
6-27 abuse of discretion.

6-28 Sec. 7982.304. TAXES FOR SERVICES, IMPROVEMENTS, AND  
6-29 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter  
6-30 approval and adoption of the order described by Section 7982.303,  
6-31 the district may apply separately, differently, equitably, and  
6-32 specifically its taxing power and lien authority to the defined  
6-33 area or designated property to provide money to construct,  
6-34 administer, maintain, and operate services, improvements, and  
6-35 facilities that primarily benefit the defined area or designated  
6-36 property.

6-37 Sec. 7982.305. ISSUANCE OF BONDS FOR DEFINED AREA OR  
6-38 DESIGNATED PROPERTY. After the order under Section 7982.303 is  
6-39 adopted, the district may issue bonds to provide for any land,  
6-40 improvements, facilities, plants, equipment, and appliances for  
6-41 the defined area or designated property.

6-42 SECTION 2. The Driftwood Conservation District initially  
6-43 includes all the territory contained in the following area:  
6-44 Tract I

6-45 FIELDNOTE DESCRIPTION of a 394.112 acre tract out of the  
6-46 Freelove Woody Survey No. 23, Hays County, Texas, being a portion  
6-47 of that 700.03 acre tract conveyed to John Richard Rutherford by  
6-48 deed recorded in Volume 1214, Page 548 of the Deed Records of Hays  
6-49 County, Texas; the said 394.112 acre tract is more particularly  
6-50 described by metes and bounds as follows:

6-51 BEGINNING at a calculated point for the most westerly corner  
6-52 of the said 700.03 acre tract, being on the southerly line of that  
6-53 100 acre tract conveyed to Masa Scott Roberts by deed recorded in  
6-54 Volume 301, Page 865 of the said Deed Records, and a point in the  
6-55 northerly right-of-way line of State Highway FM 967 (80.00'  
6-56 right-of-way), from which a TxDOT concrete highway monument found  
6-57 bears N41 10'07"Q, 85.92 feet;

6-58 THENCE, leaving the northerly right-of-way line of State  
6-59 Highway FM 967, with the common line between the said 700.03 acre  
6-60 tract and the said 100 acre tract, for the following two (2)  
6-61 courses:

6-62 1. N88 43'28"E at .25 feed pass a 1/2" iron rod found,  
6-63 for a total distance of 2005.48 feet to a 60d nail found in a fence  
6-64 corner post for the southeast corner of the said 100 acre tract;

6-65 2. N00 59'15"W, 515.50 feet to a 5/8" iron rod found  
6-66 stamped "Kent McMillon, Land Surveyor, RPLS 4341", for a northwest  
6-67 corner of the said 700.03 acre tract, being on a westerly line of  
6-68 the remainder of that 535.13 acre tract conveyed to Michael Giles  
6-69 Rutherford, Jr., John Richard Rutherford and Sally Anne Rutherford

7-1 by deed recorded in Volume 1214, Page 531 of the said Deed Records,  
 7-2 from which a 1/2 " iron rod found for the northeast corner of the  
 7-3 said 100 acre tract bears N00 59'15"W, 523.55 feet;  
 7-4 THENCE, N89 02'23"E, leaving the easterly line of the said  
 7-5 100 acre tract, across the said 535.13 acre tract, with northerly  
 7-6 line of the said 700.03 acre tract, 5479.22 feet to a 1/2 " iron rod  
 7-7 set with plastic cap for the northeast corner of the herein  
 7-8 described tract, being in the westerly line of the remainder of that  
 7-9 652.60 acre tract also conveyed to Michael Giles Rutherford, Jr.,  
 7-10 John Richard Rutherford and Sally Anne Rutherford by deed recorded  
 7-11 in Volume 1214, Page 531 of the said Deed Records;  
 7-12 THENCE, leaving the said remainder of the 535. 13 acre tract  
 7-13 and the 652.60 acre tract, across the said 700.03 acre tract for the  
 7-14 following three (3) courses:  
 7-15 1) S00 15'40 E, 514.97 feet to a 1/2" iron rod set with  
 7-16 plastic cap;  
 7-17 2) S89 02'23"W, 15.17 feet to a fence comer post found;  
 7-18 3) S00°27'04"E, 1260. 14 feet to a metal fence corner  
 7-19 post found for an ell corner in the southerly line of the said  
 7-20 700.03 acre tract, being on the remainder of that certain tract,  
 7-21 described as First Tract, conveyed to Michael Giles Rutherford by  
 7-22 deed recorded in Volume 197, Page 45 of the said Deed Records, from  
 7-23 which a 5/8" iron rod found with aluminum cap stamped "Kent  
 7-24 McMillan, Land Surveyor, RPLS 4341" bears N87 1'36"E, 1675.22 feet;  
 7-25 THENCE, S01°00'52"E, across the said Michael Giles Rutherford  
 7-26 First Tract, with an easterly line of the said 700.03 acre tract,  
 7-27 17.61 feet to a 5/8" iron rod found with aluminum cap stamped "Kent  
 7-28 McMillan, Land Surveyor, RPLS 4341" for the most easterly,  
 7-29 southeast comer of the herein described tract, from which a fence  
 7-30 corner post found for the most southerly, southeast corner of the  
 7-31 aforesaid 700.03 acre tract, being an ell comer of the said Michael  
 7-32 Giles Rutherford tract and the northeast corner of that certain  
 7-33 26.25 acre tract conveyed to Denton E. Ragland, Patrice Ragland and  
 7-34 Marilyn Ragland by deed recorded in Volume 282, Page 373 of the said  
 7-35 Deed Records bears S01°00'52"E, 2121.99 feet;  
 7-36 THENCE, leaving the remainder of the said Michael Giles  
 7-37 Rutherford tract, across the said 700.03 acre tract, for the  
 7-38 following twenty-three (23) courses:  
 7-39 1) N83°13'49"W, 111.37 feet to a 1/2" iron rod set with  
 7-40 plastic cap;  
 7-41 2) N81°56'14"W, 349.24 feet to a 1/2" iron rod set with  
 7-42 plastic cap;  
 7-43 3) N71'01'01"W, 274.19 feet to a 1/2" iron rod set with  
 7-44 plastic cap;  
 7-45 4) N78°02'17"W, 468.3I feet to a 1/2" iron rod set with  
 7-46 plastic cap;  
 7-47 5) N82°55' 15"W, 267.33 feet to a 1/2" iron rod set with  
 7-48 plastic cap;  
 7-49 6) S71°57'45"W, 177.28 feet to a 1/2" iron rod set with  
 7-50 plastic cap;  
 7-51 7) N78'37'03"W, 375.19 feet to a 1/2" iron rod set with  
 7-52 plastic cap;  
 7-53 8) S65°03'19"W, 84.41 feet to a 1/2" iron rod set with  
 7-54 plastic cap;  
 7-55 9) S33°11'56"W, 124.67 feet to a 1/2" iron rod set with  
 7-56 plastic cap;  
 7-57 10) S01°02'08'W 168.03 feet to a 1/2" iron rod set with  
 7-58 plastic cap;  
 7-59 11) S27 03' 16"W, 206.14 feet to a 1/2" iron rod set  
 7-60 with plastic cap;  
 7-61 12) S17°49'54"W, 197.44 feet to a 1/2" iron rod set  
 7-62 with plastic cap;  
 7-63 13) S30°34'17"W, 272.18 feet to a to a 1/2" iron rod set  
 7-64 with plastic cap;  
 7-65 14) S12°51'33"W, 225.06 feet to a 1/2" iron rod set  
 7-66 with plastic cap;  
 7-67 15) S08°30'37"E, 228.34 feet to a 1/2" iron rod set  
 7-68 with plastic cap;  
 7-69 16) S17°32'26"W 215.74 feet to a 1/2" iron rod set with

8-1 plastic cap;  
 8-2 17) S18°36'23"W, 192.00 feet to a 1/2" iron rod set  
 8-3 with plastic cap;  
 8-4 18) S01°16'37"E, 177.11 feet to a 1/2" iron rod set  
 8-5 with plastic cap;  
 8-6 19) S63°12'48"W, 153.98 feet to a 1/2" iron rod set with  
 8-7 plastic cap;  
 8-8 20) S45°13'37"W, 150.25 feet to a 1/2" iron rod set  
 8-9 with plastic cap;  
 8-10 21) S29°56'27"W, 113.65 to a 1/2" iron rod set with  
 8-11 plastic cap;  
 8-12 22) S60°22'29"W, 114.26 feet to a 1/2" iron rod set  
 8-13 with plastic cap;  
 8-14 23) S26 35'43"W, 75.57 feet to a 5/8" iron rod found  
 8-15 with aluminum cap, stamped "Kent McMillan, Land Surveyor, RPLS  
 8-16 4341", on the southerly line of the said 700.03 acre tract, being on  
 8-17 the northerly right-of-way line of the aforesaid State Highway FM  
 8-18 967, and being 40.00 feet right of State Highway centerline station  
 8-19 587+49.3;

8-20 THENCE, with the common line between the said 700.03  
 8-21 acre tract and the said right-of-way line of State Highway FM  
 8-22 967, for the following two (2) courses:

8-23 1) N89 12'09"W, at 750.58 feet pass a TxDOT concrete  
 8-24 highway monument found, for a total distance of 1247.30 feet to a  
 8-25 calculated point for the point of curvature of a non-tangent curve  
 8-26 to the right, from which a TxDOT concrete highway monument found  
 8-27 bears S01 07'48"W, 0.38 feet, said calculated point being 40.00  
 8-28 feet right of State Highway centerline station 599+95.5;

8-29 2) With the said curve to the right having a central  
 8-30 angle of 48 00'30", a radius of 1105.92 feet, a chord distance of  
 8-31 899.79 feet (chord bears N65 10'23"W), for an arc distance of 926.66  
 8-32 feet to a calculated point for the point of tangency, from which a  
 8-33 TxDOT concrete highway monument found bears N81 52'12"E, 1.37 feet,  
 8-34 said calculated point being 40.00 feet right of State Highway  
 8-35 centerline station 609+55.5;

8-36 THENCE, N41 10'07"W, continuing with the common line between  
 8-37 the said 700.03 acre tract and the northerly right-of-way line of  
 8-38 State Highway FM967, at 1393.60 feet pass a TxDOT concrete monument  
 8-39 found 0.28 feet to the left, at 2244.39 feet pass a TxDOT concrete  
 8-40 highway monument found, for a total distance of 3675.62 feet to the  
 8-41 PLACE OF BEGINNING, CONTAINING within these metes and bounds  
 8-42 394.112 acres of land area.

8-43 TRACT II.

8-44 FIELDNOTE DESCRIPTION of a 128.166 acre tract out of the  
 8-45 Freelove Woody Survey No.23, Hays County, Texas, being a portion of  
 8-46 that 700.03 acre tract conveyed to John Richard Rutherford by deed  
 8-47 recorded in Volume 1214, page 548 of the Deed Records of Hays  
 8-48 County, Texas; the said 128.166 acre tract is more particularly  
 8-49 described by metes and bounds as follows:

8-50 BEGINNING at a fence corner post found for the most southerly  
 8-51 southeast corner of the said 700.03 acre tract, being the northeast  
 8-52 corner of that 26.25 acre tract conveyed to Denton Ragland, Jr.,  
 8-53 Patrice Ragland and Marilyn Ragland by deed recorded in Volume 282,  
 8-54 Page 372 of the said Deed Records and an ell corner of that certain  
 8-55 tract, described as first tract, conveyed to Michael Giles  
 8-56 Rutherford recorded in Volume 197, page 45 of the said Deed Records,  
 8-57 from which a fence corner post found in the common line between the  
 8-58 said 26.25 acre tract and that certain Michael Giles Rutherford  
 8-59 tract bears S00 42'40"E, 446.87 feet;

8-60 THENCE, N88 53'01"W, leaving the said Michael Giles  
 8-61 Rutherford tract, with the southerly line of the said 700.03 acre  
 8-62 tract, at 21.54 feet pass a 5/8" iron rod found, stamped "Kent  
 8-63 McMillan, Land Surveyor, RPLS 4341", 0.56 feet to the left, at  
 8-64 719.81 feet pass the approximate northwest corner of the said 26.25  
 8-65 acre tract, being approximate northeast corner of the remainder of  
 8-66 that 53.50 acre tract conveyed to Minnie Rogers by deed recorded in  
 8-67 Volume 210, Page 210 of the said Deed Records, for a total distance  
 8-68 of 2711.59 feet to a 5/8" iron pipe found on a curve to the left in  
 8-69 the northerly right of way line of State Highway FM 967;



9-1           THENCE, with the common line between the said 700.03 acre  
 9-2 tract and the northerly right-of-way line of State Highway 967,  
 9-3 with the said curve to the left having a central angle of 09 18'06",  
 9-4 a radius of 1949.86 feet, a chord distance of 316.20 feet (chord  
 9-5 bears N84 31'41"W), for an arch distance of 316.55 feet to a 5/8"  
 9-6 iron rod found with aluminum cap stamped "Kent McMillan, Land  
 9-7 Surveyor, RPLS 4341" for the point of tangency and southwest corner  
 9-8 of the herein described tract, said point being 40.00 feet right of  
 9-9 State Highway RM 967 centerline station 587+49.3, from which a 5/8"  
 9-10 iron rod found with aluminum cap stamped "Kent McMillan, Land  
 9-11 Surveyor, RPLS 4341" in the common line between said 700.03 acre  
 9-12 tract and northerly right-of-way line of State Highway FM 967,  
 9-13 being 40.00 feet right of State Highway FM 967 centerline station  
 9-14 599+95.5, bears N89 12'09"W, 1247.30 feet;

9-15           THENCE, leaving the said northerly right-of-way line of State  
 9-16 Highway FM 967, across the said 700.03 acre tract, for the following  
 9-17 twenty-three (23) courses:

- 9-18           1. N26 35'43"E, 75.57 feet to a 1/2" iron rod set with  
 9-19 plastic cap;
- 9-20           2. N60 22'29"E, 114.26 feet to a 1/2" iron rod set with  
 9-21 plastic cap;
- 9-22           3. N29 56'27"E, 113.65 feet to a 1/2" iron rod set with  
 9-23 plastic cap;
- 9-24           4. N45 13'37"E, 150.25 feet to a 1/2" iron rod set with  
 9-25 plastic cap;
- 9-26           5. N63 12'48"E, 153.98 feet to a 1/2" iron rod set with  
 9-27 plastic cap;
- 9-28           6. N01 16'37"W, 177.11 feet to a 1/2" iron rod set with  
 9-29 plastic cap;
- 9-30           7. N18 36'23"E, 192.00 feet to a 1/2" iron rod set with  
 9-31 plastic cap;
- 9-32           8. N17 32'26"E, 215.74 feet to a 1/2" iron rod set with  
 9-33 plastic cap;
- 9-34           9. N08 30'37"W, 228.34 feet to a 1/2" iron rod set with  
 9-35 plastic cap;
- 9-36           10. N12 51'33"E, 225.06 feet to a 1/2" iron rod set  
 9-37 with plastic cap;
- 9-38           11. N30 34'17"E, 272.18 feet to a 1/2" iron rod set  
 9-39 with plastic cap;
- 9-40           12. N17 49'54"E 197.44 feet to a 1/2" iron rod set with  
 9-41 plastic cap;
- 9-42           13. N27 03'16"E, 206.14 feet to a 1/2" iron rod set  
 9-43 with plastic cap;
- 9-44           14. N01 02'08"E, 168.03 feet to a 1/2" iron rod set  
 9-45 with plastic cap;
- 9-46           15. N33 11'56"E, 124.67 feet to a 1/2" iron rod set  
 9-47 with plastic cap;
- 9-48           16. N65 03'19"E, 84.41 feet to a 1/2" iron rod set with  
 9-49 plastic cap;
- 9-50           17. S78 37'03"E, 375.19 feet to a 1/2" iron rod set  
 9-51 with plastic cap;
- 9-52           18. N71 57'45"E, 177.28 feet to a 1/2" iron rod set  
 9-53 with plastic cap;
- 9-54           19. S82 55'15"E, 267.33 feet to a 1/2" iron rod set  
 9-55 with plastic cap;
- 9-56           20. S78 02'17"E, 468.31 feet to a 1/2" iron rod set  
 9-57 with plastic cap;
- 9-58           21. S71 01'01"E, 274.19 feet to a 1/2" iron rod set  
 9-59 with plastic cap;
- 9-60           22. S81 56'14"E, 349.24 feet to a 1/2" iron rod set  
 9-61 with plastic cap;
- 9-62           23. S83 13'49"E, 111.37 feet to a 5/8" iron rod found  
 9-63 with aluminum cap stamped "Kent McMillan, Land Surveyor, RPLS 4341"  
 9-64 on an easterly line of the said 700.03 acre tract, being a westerly  
 9-65 line created from the remainder of that certain Michael Giles  
 9-66 Rutherford tract, from which a metal gate post found for an ell  
 9-67 corner of the said 700.03 acre tract bears N01 00'52"W, 17.61 feet;

9-68           THENCE, S01 00'52"E, across the said Michael Giles Rutherford  
 9-69 tract, with an easterly line of the said 700.03 acre tract, at a

10-1 distance of 1885.44 feet to the left, at 2084.56 feet pass a 5/8"  
 10-2 iron rod found, stamped "Kent McMillan, Land Surveyor, RPLS 4341",  
 10-3 0.07 feet to the left, for a total distance of 2104.37 feet to the  
 10-4 PLACE OF BEGINNING, CONTAINING within these metes and bounds of  
 10-5 128.166 acres of land area.

10-6 TRACT III

10-7 FIELDNOTE DESCRIPTION OF A 0.1793 acre tract of the Freelove  
 10-8 Woody Survey No. 23, Abstract No.20, Hays County, Texas, being a  
 10-9 portion of that certain tract, described as First Tract, conveyed  
 10-10 to Michael Giles Rutherford (First Tract) by deed recorded in  
 10-11 Volume 197, Page 45 of the Deed Records of Hays County, Texas; the  
 10-12 said 0.1793 acre tract is more particularly described by metes and  
 10-13 bounds as follows:

10-14 BEGINNING at a cotton in spindle found on the easterly line of  
 10-15 that 522.25 acre tract conveyed to Michael Giles Rutherford by deed  
 10-16 recorded in Volume 3799, Page 263 of the Official Public Records of  
 10-17 Hays County, Texas, same being the southwest corner of that 177.762  
 10-18 acre tract described as Exhibit A-1, as conveyed to LSM Ranch, Ltd.  
 10-19 By deed recorded in Volume 1628, Page 206 of the said Deed Records  
 10-20 and the proposed southwest corner of Rim Rock, Phase One, Section  
 10-21 Five, subdivision;

10-22 THENCE, N87 51'36"E, leaving the easterly line of the said  
 10-23 522.25 acre tract, across the said First Tract, with the southerly  
 10-24 line of the said 177.762 acre tract and proposed Rim Rock, Phase  
 10-25 One, Section Five subdivision, for a distance of 99.82 feet to a  
 10-26 calculated point for the northeast corner of the herein described  
 10-27 tract, same being the most northerly northwest corner of Lot 34,  
 10-28 Block 'A', Rutherford West, Section 2, a subdivision recorded in  
 10-29 Book 14, pages 49 through 53 of the Plat Records of Hay County,  
 10-30 Texas, from which a 1/2"iron rod found with plastic cap marked  
 10-31 "Capital Surveying Company, Inc", bears N00 32'40"W, 0.13 feet;

10-32 THENCE, leaving the southerly line of the said 177.762 acre  
 10-33 tract and proposed Rim Rock, Phase One, Section Five, subdivision,  
 10-34 across the said First Tract, with the westerly and northerly lines  
 10-35 of said Lot 34, Block 'A', for the following two (2) courses:

10-36 1. S00 32'40"E, 81.34 feet to a 1/2"iron rod found with  
 10-37 plastic cap marked "Capital Surveying Company, Inc., found;

10-38 2. N88 52'48"W, 99.21 feet 1/2"iron rod found with  
 10-39 plastic cap marked "Capital Surveying Company, Inc., found for the  
 10-40 most westerly northwest corner of aforesaid Lot 34, Block 'A', same  
 10-41 being on the easterly line of the aforesaid 522.25 acre tract and  
 10-42 the southwest corner of the herein described tract;

10-43 THENCE, N01 00'52"W, leaving the northerly line of said Lot  
 10-44 34, Block 'A', and continuing across the said First Tract, easterly  
 10-45 line of the aforesaid 522.25 acre tract, at a distance of 58.07 feet  
 10-46 pass a 5/8" iron rod, with aluminum cap marked "Kent McMillan,  
 10-47 Surveyor, RPLS 4341", found and continuing for a total distance of  
 10-48 75.68 feet to the PLACE OF BEGINNING, CONTAINING within these metes  
 10-49 and bounds 0.1793 acres of land area.

10-50 The Bearing Basis for this description is the Texas State  
 10-51 Plane Coordinate System, South Central Zone, NAD 83 Datum, derived  
 10-52 from GPS Survey occupations.

10-53 SECTION 3. (a) The legal notice of the intention to  
 10-54 introduce this Act, setting forth the general substance of this  
 10-55 Act, has been published as provided by law, and the notice and a  
 10-56 copy of this Act have been furnished to all persons, agencies,  
 10-57 officials, or entities to which they are required to be furnished  
 10-58 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
 10-59 Government Code.

10-60 (b) The governor, one of the required recipients, has  
 10-61 submitted the notice and Act to the Texas Commission on  
 10-62 Environmental Quality.

10-63 (c) The Texas Commission on Environmental Quality has filed  
 10-64 its recommendations relating to this Act with the governor, the  
 10-65 lieutenant governor, and the speaker of the house of  
 10-66 representatives within the required time.

10-67 (d) All requirements of the constitution and laws of this  
 10-68 state and the rules and procedures of the legislature with respect  
 10-69 to the notice, introduction, and passage of this Act are fulfilled

11-1 and accomplished.

11-2 SECTION 4. (a) If this Act does not receive a two-thirds  
11-3 vote of all the members elected to each house, Subchapter C, Chapter  
11-4 7982, Special District Local Laws Code, as added by Section 1 of  
11-5 this Act, is amended by adding Section 7982.110 to read as follows:

11-6 Sec. 7982.110. NO EMINENT DOMAIN POWER. The district may  
11-7 not exercise the power of eminent domain.

11-8 (b) This section is not intended to be an expression of a  
11-9 legislative interpretation of the requirements of Section 17(c),  
11-10 Article I, Texas Constitution.

11-11 SECTION 5. This Act takes effect immediately if it receives  
11-12 a vote of two-thirds of all the members elected to each house, as  
11-13 provided by Section 39, Article III, Texas Constitution. If this  
11-14 Act does not receive the vote necessary for immediate effect, this  
11-15 Act takes effect September 1, 2017.

11-16

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