

1-1 By: Bonnen of Galveston (Senate Sponsor - Taylor) H.B. No. 4637
1-2 (In the Senate - Received from the House May 6, 2019;
1-3 May 6, 2019, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 15, 2019, reported adversely,
1-5 with favorable Committee Substitute by the following vote: Yeas 7,
1-6 Nays 0; May 15, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Lucio	X		
1-10	Schwertner	X		
1-11	Alvarado	X		
1-12	Campbell	X		
1-13	Fallon	X		
1-14	Menéndez	X		
1-15	Nichols	X		

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 4637 By: Menéndez

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to the creation of the City of Kemah Municipal Management
1-20 District No. 1; providing authority to issue bonds and impose
1-21 assessments, fees, and taxes.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-24 Code, is amended by adding Chapter 3976 to read as follows:

1-25 CHAPTER 3976. CITY OF KEMAH MUNICIPAL MANAGEMENT DISTRICT NO. 1

1-26 SUBCHAPTER A. GENERAL PROVISIONS

1-27 Sec. 3976.0101. DEFINITIONS. In this chapter:

1-28 (1) "Board" means the district's board of directors.

1-29 (2) "City" means the City of Kemah, Texas.

1-30 (3) "Commission" means the Texas Commission on
1-31 Environmental Quality.

1-32 (4) "Director" means a board member.

1-33 (5) "District" means the City of Kemah Municipal
1-34 Management District No. 1.

1-35 Sec. 3976.0102. CREATION AND NATURE OF DISTRICT. The
1-36 district is a special district created under Sections 52 and 52-a,
1-37 Article III, and Section 59, Article XVI, Texas Constitution.

1-38 Sec. 3976.0103. PURPOSE; LEGISLATIVE FINDINGS. (a) The
1-39 creation of the district is essential to accomplish the purposes of
1-40 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-41 Texas Constitution, and other public purposes stated in this
1-42 chapter. By creating the district and in authorizing the city and
1-43 other political subdivisions to contract with the district, the
1-44 legislature has established a program to accomplish the public
1-45 purposes set out in Section 52-a, Article III, Texas Constitution.

1-46 (b) The creation of the district is necessary to promote,
1-47 develop, encourage, and maintain employment, commerce,
1-48 transportation, housing, tourism, recreation, the arts,
1-49 entertainment, economic development, safety, and the public
1-50 welfare in the district.

1-51 (c) This chapter and the creation of the district may not be
1-52 interpreted to relieve the city from providing the level of
1-53 services provided to the area in the district as of the effective
1-54 date of the Act enacting this chapter. The district is created to
1-55 supplement and not to supplant the city services provided in the
1-56 district.

1-57 Sec. 3976.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-58 (a) The district is created to serve a public use and benefit.

1-59 (b) All land and other property included in the district
1-60 will benefit from the improvements and services to be provided by

2-1 the district under powers conferred by Sections 52 and 52-a,
2-2 Article III, and Section 59, Article XVI, Texas Constitution, and
2-3 other powers granted under this chapter.

2-4 (c) The district is created to accomplish the purposes of a
2-5 municipal management district as provided by general law and
2-6 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
2-7 Texas Constitution.

2-8 (d) The creation of the district is in the public interest
2-9 and is essential to:

2-10 (1) further the public purposes of developing and
2-11 diversifying the economy of the state;

2-12 (2) eliminate unemployment and underemployment;

2-13 (3) develop or expand transportation and commerce; and

2-14 (4) provide quality residential housing.

2-15 (e) The district will:

2-16 (1) promote the health, safety, and general welfare of
2-17 residents, employers, potential employees, employees, visitors,
2-18 and consumers in the district, and of the public;

2-19 (2) provide needed funding for the district to
2-20 preserve, maintain, and enhance the economic health and vitality of
2-21 the district territory as a community and business center; and

2-22 (3) promote the health, safety, welfare, and enjoyment
2-23 of the public by providing pedestrian ways and by landscaping and
2-24 developing certain areas in the district, which are necessary for
2-25 the restoration, preservation, and enhancement of scenic beauty.

2-26 (f) Pedestrian ways along or across a street, whether at
2-27 grade or above or below the surface, and street lighting, street
2-28 landscaping, parking, and street art objects are parts of and
2-29 necessary components of a street and are considered to be a street
2-30 or road improvement.

2-31 (g) The district will not act as the agent or
2-32 instrumentality of any private interest even though the district
2-33 will benefit many private interests as well as the public.

2-34 Sec. 3976.0105. DISTRICT TERRITORY. (a) The district is
2-35 composed of the territory described by Section 2 of the Act enacting
2-36 this chapter, as that territory may have been modified under other
2-37 law.

2-38 (b) The boundaries and field notes contained in Section 2 of
2-39 the Act enacting this chapter form a closure. A mistake in the
2-40 field notes or in copying the field notes in the legislative process
2-41 does not affect the district's:

2-42 (1) organization, existence, or validity;

2-43 (2) right to contract;

2-44 (3) authority to borrow money or issue bonds or other
2-45 obligations described by Section 3976.0501 or to pay the principal
2-46 and interest of the bonds or other obligations;

2-47 (4) right to impose or collect an assessment, or
2-48 collect other revenue; or

2-49 (5) legality or operation.

2-50 Sec. 3976.0106. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-51 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-52 Chapter 375, Local Government Code, applies to the district.

2-53 Sec. 3976.0107. CONSTRUCTION OF CHAPTER. This chapter
2-54 shall be liberally construed in conformity with the findings and
2-55 purposes stated in this chapter.

2-56 Sec. 3976.0108. CONFLICTS OF LAW. This chapter prevails
2-57 over any provision of Chapter 375, Local Government Code, that is in
2-58 conflict or inconsistent with this chapter.

2-59 Sec. 3976.0109. CONSENT OF MUNICIPALITY REQUIRED. The
2-60 board may not hold an election to authorize the issuance of bonds
2-61 until the governing body of the city by ordinance or resolution
2-62 consents to the creation of the district and to the inclusion of
2-63 land in the district. The city's consent must be granted in the
2-64 manner provided by Section 54.016, Water Code, for including land
2-65 within the corporate limits or extraterritorial jurisdiction of a
2-66 city.

2-67 SUBCHAPTER B. BOARD OF DIRECTORS

2-68 Sec. 3976.0201. GOVERNING BODY; TERMS. The district is
2-69 governed by a board of five directors who serve staggered terms of

3-1 four years, with two or three directors' terms expiring June 1 of
3-2 each odd-numbered year. One director is appointed by the city, and
3-3 four directors are appointed by the commission as provided by
3-4 Sections 3976.0202 and 3976.0203, respectively.

3-5 Sec. 3976.0202. APPOINTMENT AND REMOVAL OF DIRECTOR
3-6 APPOINTED BY CITY. (a) The governing body of the city shall
3-7 appoint one director who must be:

3-8 (1) at least 18 years of age; and

3-9 (2) a resident of the city.

3-10 (b) At any time the governing body of the city may remove the
3-11 director appointed by the city and appoint a director to serve the
3-12 remainder of the removed director's term.

3-13 Sec. 3976.0203. APPOINTMENT BY COMMISSION. (a) Before the
3-14 term of a director other than a director appointed under Section
3-15 3976.0202 expires, the board shall recommend to the commission the
3-16 appropriate number of persons to serve as successor directors. The
3-17 commission shall appoint as directors the persons recommended by
3-18 the board.

3-19 (b) A person recommended by the board under Subsection (a)
3-20 must be:

3-21 (1) at least 18 years of age;

3-22 (2) an owner of property in the district;

3-23 (3) an owner of stock, whether beneficial or
3-24 otherwise, of a corporate owner of property in the district;

3-25 (4) an owner of a beneficial interest in a trust that
3-26 owns property in the district; or

3-27 (5) an agent, employee, or tenant of a person
3-28 described by Subdivision (2), (3), or (4).

3-29 Sec. 3976.0204. VACANCY. (a) Except as provided by
3-30 Subsection (b), if a vacancy occurs on the board, the remaining
3-31 directors shall appoint a director for the remainder of the
3-32 unexpired term.

3-33 (b) If a vacancy occurs in the office of the director
3-34 appointed by the city, the city shall appoint a director for the
3-35 remainder of the unexpired term.

3-36 Sec. 3976.0205. DIRECTOR'S OATH OR AFFIRMATION. (a) A
3-37 director shall file the director's oath or affirmation of office
3-38 with the district, and the district shall retain the oath or
3-39 affirmation in the district records.

3-40 (b) A director shall file a copy of the director's oath or
3-41 affirmation with the secretary of the city.

3-42 Sec. 3976.0206. OFFICERS. The board shall elect from among
3-43 the directors a chair, a vice chair, and a secretary. The offices
3-44 of chair and secretary may not be held by the same person.

3-45 Sec. 3976.0207. COMPENSATION; EXPENSES. (a) The district
3-46 may compensate each director in an amount not to exceed \$150 for
3-47 each board meeting. The total amount of compensation a director may
3-48 receive each year may not exceed \$7,200.

3-49 (b) A director is entitled to reimbursement for necessary
3-50 and reasonable expenses incurred in carrying out the duties and
3-51 responsibilities of the board.

3-52 Sec. 3976.0208. INITIAL DIRECTORS. (a) On or after
3-53 September 1, 2019, the owner or owners of a majority of the assessed
3-54 value of the real property in the district according to the most
3-55 recent certified tax appraisal rolls for the county may submit a
3-56 petition to the commission requesting that the commission appoint
3-57 as initial directors the four persons named in the petition. The
3-58 commission shall appoint as initial directors the four persons
3-59 named in the petition.

3-60 (b) The governing body of the city shall appoint one initial
3-61 director.

3-62 (c) The initial directors shall determine by lot which three
3-63 positions expire June 1, 2021, and which two positions expire June
3-64 1, 2023.

3-65 (d) This section expires September 1, 2021.

3-66 SUBCHAPTER C. POWERS AND DUTIES

3-67 Sec. 3976.0301. GENERAL POWERS AND DUTIES. The district
3-68 has the powers and duties necessary to accomplish the purposes for
3-69 which the district is created.

4-1 Sec. 3976.0302. IMPROVEMENT PROJECTS AND SERVICES. The
4-2 district may provide, design, construct, acquire, improve,
4-3 relocate, operate, maintain, or finance an improvement project or
4-4 service using money available to the district, or contract with a
4-5 governmental or private entity to provide, design, construct,
4-6 acquire, improve, relocate, operate, maintain, or finance an
4-7 improvement project or service authorized under this chapter or
4-8 Chapter 375, Local Government Code.

4-9 Sec. 3976.0303. LOCATION OF IMPROVEMENT PROJECT. A
4-10 district improvement project may be located inside or outside of
4-11 the district.

4-12 Sec. 3976.0304. OWNERSHIP OF IMPROVEMENT PROJECTS. (a)
4-13 Before a district improvement project may be put into operation,
4-14 the district must transfer ownership of the project:

4-15 (1) if the project is a water and sewer improvement
4-16 project, to the Galveston County Water Control and Improvement
4-17 District No. 12; or

4-18 (2) if the project is not described by Subdivision
4-19 (1), to the city.

4-20 (b) The transfer of ownership is complete on the applicable
4-21 entity's acceptance of ownership.

4-22 Sec. 3976.0305. RETAIL WATER AND SEWER SERVICES PROHIBITED.
4-23 The district may not provide retail water or sewer services.

4-24 Sec. 3976.0306. ADDING OR REMOVING TERRITORY. (a) Subject
4-25 to Subsection (b), the board may add or remove territory as provided
4-26 by Subchapter J, Chapter 49, Water Code.

4-27 (b) The district may add territory as described by
4-28 Subsection (a) only if the governing body of the city by ordinance
4-29 or resolution consents to the addition.

4-30 Sec. 3976.0307. NO EMINENT DOMAIN POWER. The district may
4-31 not exercise the power of eminent domain.

4-32 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

4-33 Sec. 3976.0401. DISBURSEMENTS AND TRANSFERS OF MONEY. The
4-34 board by resolution shall establish the number of directors'
4-35 signatures and the procedure required for a disbursement or
4-36 transfer of the district's money.

4-37 Sec. 3976.0402. MONEY USED FOR IMPROVEMENTS OR SERVICES.
4-38 The district may acquire, construct, or finance an improvement
4-39 project or service authorized by this chapter or Chapter 375, Local
4-40 Government Code, using any money available to the district.

4-41 Sec. 3976.0403. METHOD OF NOTICE FOR HEARING. The district
4-42 may mail the notice required by Section 375.115(c), Local
4-43 Government Code, by certified or first class United States mail.
4-44 The board shall determine the method of notice.

4-45 Sec. 3976.0404. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
4-46 The board by resolution may impose and collect an assessment for any
4-47 purpose authorized by this chapter in all or any part of the
4-48 district.

4-49 (b) An assessment, a reassessment, or an assessment
4-50 resulting from an addition to or correction of the assessment roll
4-51 by the district, penalties and interest on an assessment or
4-52 reassessment, an expense of collection, and reasonable attorney's
4-53 fees incurred by the district are:

4-54 (1) a first and prior lien against the property
4-55 assessed;

4-56 (2) superior to any other lien or claim other than a
4-57 lien or claim for county, school district, or municipal ad valorem
4-58 taxes; and

4-59 (3) the personal liability of and a charge against the
4-60 owners of the property even if the owners are not named in the
4-61 assessment proceedings.

4-62 (c) The lien is effective from the date of the board's
4-63 resolution imposing the assessment until the date the assessment is
4-64 paid.

4-65 (d) The board may make a correction to or deletion from the
4-66 assessment roll that does not increase the amount of assessment of
4-67 any parcel of land without providing notice and holding a hearing in
4-68 the manner required for additional assessments.

4-69 (e) The district may not impose an assessment on a

5-1 municipality, county, or other political subdivision.
5-2 Sec. 3976.0405. NOTICE OF ASSESSMENTS. Annually, the board
5-3 shall file with the secretary of the city written notice that
5-4 specifies the assessments the district will impose in the
5-5 district's next fiscal year in sufficient clarity to describe the
5-6 assessments for the operation and maintenance of the district and
5-7 the assessments for the payment of debt service of obligations
5-8 issued or incurred by the district.

5-9 SUBCHAPTER E. TAXES AND BONDS

5-10 Sec. 3976.0501. BONDS AND OTHER OBLIGATIONS. (a) The
5-11 district may issue, by public or private sale, bonds, notes, or
5-12 other obligations payable wholly or partly from ad valorem taxes or
5-13 assessments in the manner provided by Subchapter A, Chapter 372, or
5-14 Subchapter J, Chapter 375, Local Government Code. Sections
5-15 375.207(a) and (b), Local Government Code, do not apply to the
5-16 district.

5-17 (b) In exercising the district's borrowing power, the
5-18 district may issue a bond or other obligation in the form of a bond,
5-19 note, certificate of participation or other instrument evidencing a
5-20 proportionate interest in payments to be made by the district, or
5-21 other type of obligation.

5-22 (c) In addition to the sources of money described by
5-23 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
5-24 Government Code, district bonds may be secured and made payable
5-25 wholly or partly by a pledge of any part of the money the district
5-26 receives from improvement revenue or from any other source.

5-27 (d) Not later than the 30th day before the date the district
5-28 holds a bond sale, the district shall provide the governing body of
5-29 the city written notice of the sale.

5-30 Sec. 3976.0502. TAXES FOR WATER, WASTEWATER, AND DRAINAGE
5-31 PURPOSES. Taxes the district imposes for water, wastewater, and
5-32 drainage facility construction, if any, are for the particular
5-33 benefit of the area inside the district, do not generally or
5-34 directly benefit the area inside the Galveston County Water Control
5-35 and Improvement District No. 12 as a whole, and do not duplicate a
5-36 tax imposed by the Galveston County Water Control and Improvement
5-37 District No. 12.

5-38 SUBCHAPTER F. DISSOLUTION

5-39 Sec. 3976.0601. DISSOLUTION BY CITY ORDINANCE. (a) The
5-40 governing body of the city may dissolve the district by ordinance.

5-41 (b) The governing body of the city may not dissolve the
5-42 district until water, sanitary, sewer, and drainage improvements
5-43 and roads have been constructed to serve at least 90 percent of the
5-44 developable territory of the district.

5-45 (c) Until the district is dissolved, the district is
5-46 responsible for all bonds and other obligations of the district.

5-47 Sec. 3976.0602. COLLECTION OF ASSESSMENTS AND OTHER
5-48 REVENUE. (a) If the dissolved district has bonds or other
5-49 obligations outstanding secured by and payable from assessments or
5-50 other revenue, other than revenue from ad valorem taxes, the city
5-51 shall succeed to the rights and obligations of the district
5-52 regarding enforcement and collection of the assessments or other
5-53 revenue.

5-54 (b) The city shall have and exercise all district powers to
5-55 enforce and collect the assessments or other revenue to pay:

5-56 (1) the bonds or other obligations when due and
5-57 payable according to their terms; or

5-58 (2) special revenue or assessment bonds or other
5-59 obligations issued by the city to refund the outstanding bonds or
5-60 obligations.

5-61 Sec. 3976.0603. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
5-62 After the city dissolves the district, the city assumes, subject to
5-63 the appropriation and availability of funds, the obligations of the
5-64 district, including any bonds or other debt payable from
5-65 assessments or other district revenue.

5-66 (b) If the city dissolves the district, the board shall
5-67 transfer ownership of all district property to the city.

5-68 SUBCHAPTER G. SPECIAL BOND PROVISIONS

5-69 Sec. 3976.0701. APPLICABILITY. This subchapter applies

6-1 only to bonds payable wholly or partly from revenue derived from
 6-2 assessments on real property in the district.

6-3 Sec. 3976.0702. CONFLICT OF LAWS. In the event of a
 6-4 conflict between this subchapter and any other law, this subchapter
 6-5 prevails.

6-6 Sec. 3976.0703. WRITTEN AGREEMENT REGARDING SPECIAL
 6-7 APPRAISALS. Before the district may issue bonds, the district and
 6-8 any person to whom the board intends that proceeds of the bonds be
 6-9 distributed, including the developer, another owner of land in the
 6-10 district, and any entity acting as a lender to the developer or
 6-11 other landowner for the purpose of a project relating to the
 6-12 district, must enter into a written agreement that:

6-13 (1) waives for the term of the agreement the right to a
 6-14 special appraisal with respect to taxation by the district under
 6-15 Subchapters B, C, D, E, F, and H, Chapter 23, Tax Code; and

6-16 (2) remains in effect for 30 years and is binding on
 6-17 the parties, on entities related to or affiliated with the parties,
 6-18 and on their successors and assignees.

6-19 Sec. 3976.0704. REQUIREMENTS FOR ADVERTISING BOND ISSUE.
 6-20 The district may not advertise for an issuance of bonds until the
 6-21 completion of at least 25 percent of the projected value of the
 6-22 improvements, including houses and other buildings, that are liable
 6-23 for district assessments and necessary to support the district
 6-24 bonds.

6-25 Sec. 3976.0705. REQUIREMENTS FOR BOND ISSUE. The district
 6-26 may not issue bonds until:

6-27 (1) the district submits to the commission:

6-28 (A) an engineer's report describing the project
 6-29 for which the bonds will provide funding, including data, profiles,
 6-30 maps, plans, and specifications related to the project; and

6-31 (B) a cash flow analysis to determine the
 6-32 projected rate of assessment, which includes the following
 6-33 assumptions:

6-34 (i) each ending balance for debt service in
 6-35 the analysis is not less than 25 percent of the following year's
 6-36 debt service requirement;

6-37 (ii) interest income is only shown on the
 6-38 ending balance for debt service for the first two years; and

6-39 (iii) the projected rate of assessment is
 6-40 level or decreasing for the life of the bonds issued by the
 6-41 district;

6-42 (2) the completion of at least 75 percent of the
 6-43 projected value of the improvements, including houses and other
 6-44 buildings, that are liable for district assessments and necessary
 6-45 to support the district bonds; and

6-46 (3) the district has obtained an independent market
 6-47 study from a firm recognized in the area of real estate market
 6-48 analysis supporting the development projects for the real property
 6-49 that is liable for district assessments and necessary to support
 6-50 the district bonds.

6-51 Sec. 3976.0706. REQUIREMENTS FOR COLLECTION OF REVENUE TO
 6-52 PAY BONDS. The district may not collect an assessment to be used
 6-53 for the payment of bonds until:

6-54 (1) the completion of at least 95 percent of the
 6-55 underground water, wastewater, and drainage facilities financed
 6-56 from bond proceeds that are necessary to serve the projected
 6-57 build-out, as certified by the district's engineer;

6-58 (2) the district or other appropriate party has
 6-59 secured the groundwater, surface water, and water discharge permits
 6-60 that are necessary to secure capacity to support the projected
 6-61 build-out;

6-62 (3) the completion of at least 95 percent of lift
 6-63 station, water plant, and sewage treatment plant capacity
 6-64 sufficient to serve the connections constructed in the project for
 6-65 a period of not less than 18 months, as certified by the district's
 6-66 engineer; and

6-67 (4) the completion of at least 95 percent of the
 6-68 streets and roads that are necessary to provide access to the areas
 6-69 served by utilities and financed by the proceeds of bonds issued by

7-1 the district, as certified by the district's engineer and
7-2 constructed in accordance with municipal or county standards.

7-3 SECTION 2. The City of Kemah Municipal Management District
7-4 No. 1 initially includes all the territory contained in the
7-5 following area:

7-6 Metes and Bounds Description
7-7 61.7448 Acres
7-8 (2,689,603 Square Feet)

7-9 All that certain 61.7448 acre (2,689,603 square foot) tract
7-10 of land situated in the Miguel Muldoon 2 League Grant, Abstract
7-11 Number 18, Galveston County, Texas, and being out of a part of that
7-12 certain call 93 acre tract described in a deed to Solomon J. Gordy
7-13 in Volume 485, Page 475, of the Galveston County Deed Records
7-14 (G.C.D.R.), said 61,7448 acre tract being more particularly
7-15 described by metes and bounds as follows: (All bearings are based
7-16 on the Texas State Plane Coordinate System, South Central Zone

7-17 Commencing at a 5/8 inch iron rod with plastic cap stamped
7-18 "BENCHMARK ENGR." Set in the recognized southerly line of the said
7-19 Muldoon 2, League Grant and said 93 acre tract for the southwest
7-20 corner of that certain call 101.709 acre tract described in a deed
7-21 to Houston Lighting and Power (H.L.&P.) Company in Volume 1563,
7-22 Page 669, of the GC.D.R., same being in the northerly line of a call
7-23 639.740 acre tract described in a deed to Weems, Kelsey Management
7-24 Company No. 2 LTD. in Volume 2252, Page 880, of the G.C.D.R., for
7-25 the southeast corner of the herein described tract;

7-26 Thence, with the northerly line of said 639.740 acre tract
7-27 and the southerly line of said 93 acre tract and the herein
7-28 described tract, South 47 Degrees 33 Minutes 12 Seconds West, a
7-29 distance of 1175.93 feet to a 5/8 inch iron rod with plastic cap
7-30 stamped "BENCHMARK ENGR." set for the most southerly southeast
7-31 corner and Point of Beginning of the herein described tract;

7-32 Thence, continuing along the northerly line of said 639.740
7-33 acre tract and southerly line of said 93 acre tract an the herein
7-34 described tract, South 47 Degrees 33 Minutes 12 Seconds West, at
7-35 522.87 feet pass a 5/8 inch iron rod with a Texas Department of
7-36 Transportation (TXDOT) aluminum disk found for the intersection of
7-37 the southerly line of said 93 acre tract with the northerly
7-38 right-of-way (R.O.W.) line and point of curvature of State Highway
7-39 Number 96 (SH96), and continue, in all, a distance of 1145.99 feet
7-40 to a 5/8 inch iron rod with plastic cap stamp "BENCHMARK ENGR." set
7-41 in the northerly R.O.W. line of said SH96 for the southwest corner
7-42 of said 93 acre tract and the herein described tract;

7-43 Thence, departing at the northerly R.O.W. line of said SH96,
7-44 and with the westerly line of said 93 acre tract and the herein
7-45 described tract, North 42 Degrees 25 Minutes 43 Seconds West, a
7-46 distance for 1501.14 feet to a 5/8 inch iron rod with plastic cap
7-47 stamped "BENCHMARK ENGR." set for the southwest corner of a call
7-48 57,1644 acre tract described in a deed to Galveston County, Texas in
7-49 Galveston County Clerk's File (G.C.C.F.) Number 9041097 and the
7-50 northwest corner of said 93 acre tract and the herein described
7-51 tract;

7-52 Thence, with the southerly line of said 57.1644 acre tract
7-53 and the northerly line of said 93 acre tract and the herein
7-54 described tract, North 47 Degrees 34 Minutes 46 Seconds East, at
7-55 1792.35 feet pass a 1/2 inch iron rod found for the southeast corner
7-56 of said 57.1644 acre tract and the southwest corner of a call 43.41
7-57 acre tract described in a partition deed to E.T. Roberts by Susan L.
7-58 Roberts, et al, in Vol. 269, Page 581, of the G.CD.R., and continue,
7-59 in all, a distance of 2677.36 feet to a 5/8 inch iron rod with
7-60 plastic stamped "BENCHMARK ENGR." Set for the northwest corner of
7-61 said 10.709 acre tract, same being the southwest corner of a call
7-62 9.742 acre tract described in a deed to H.L.&P. Company in Volume
7-63 1587, Page 258, of the G.C.D.R., and the northeast corner of the
7-64 herein described tract;

7-65 Thence, through and across said 93 acre tract the following
7-66 (5) courses:

7-67 (1) South 29 Degrees 05 Minutes 53 Seconds East, a
7-68 distance of 753.67 feet to a 5/8 inch iron rod with plastic cap
7-69 stamped "BENCHMARK ENGR." set in the westerly line of said 10.709

8-1 acre tract for the most easterly southeast corner;
 8-2 (2) South 60 Degrees 54 Minutes 07 Second West, a
 8-3 distance of 800.09 feet to a 5/8 inch iron rod with plastic cap
 8-4 stamped "BENCHMARK ENGR." set for an interior corner;
 8-5 (3) South 29 Degrees 05 Minutes 53 Seconds East, a
 8-6 distance of 129.82 feet a 5/8 inch iron rod with plastic cap stamped
 8-7 "BENCHMARK ENGR." set for an interior corner;
 8-8 (4) South 52 Degrees 02 Minutes 24 Seconds West, a
 8-9 distance of 483.16 feet to a 5/8 inch iron rod with plastic cap
 8-10 stamped "BENCHMARK ENGR." set for an interior corner;
 8-11 (5) South 37 Degrees 57 Minutes 36 Seconds East, a
 8-12 distance of 865.47 feet to the Point of Beginning and containing
 8-13 61.7448 acres of land.

8-14 Metes and Bounds Description

8-15 0.0818 Acres

8-16 (3562Square Feet)

8-17 All that certain 0.0818 acre (3562 square foot) tract of land
 8-18 situated in the Rafael Basque Survey, Abstract Number 32, Galveston
 8-19 County, Texas, and being out of a part of that certain call 639.740
 8-20 acre tract described in a deed to Weems & Kelsey Management Company
 8-21 No. 2, LTD. in Volume 2253, Page 880 of the Galveston County Deed
 8-22 Records (G.C.D.R.), said 0.0818 acre tract being more particularly
 8-23 described by metes and bounds as follows: (All bearings are based
 8-24 on the Texas State Plane Coordinate System, South Central Zone)

8-25 Commencing at a 5/8 inch iron rod with ah "Texas Department of
 8-26 Transportation (TXDOT) aluminum disk found at the intersection of
 8-27 the northerly right-of-way (R.O.W.) line of State Highway 96
 8-28 (SH96), as described in Galveston County Clerk's File (G.C.C.F.)
 8-29 Number 2003036995, with the westerly R.O.W. line of a 100 feet wide
 8-30 Southern Pacific Railroad R.O.W. line, and also being in the
 8-31 easterly line of said 639.74 acre tract and the easterly line of a
 8-32 300 foot wide Houston Lighting and Power (H.L.&P.) Company easement
 8-33 recorded in Volume 1579, Page 594, of the G.C.D.R.;

8-34 Thence, with the northerly R.O.W. line of said SH96, South 60
 8-35 Degrees 51 Minutes 34 Seconds West, at 300.00 feet pass a 5/8 inch
 8-36 iron rod with plastic cap stamped "BENECHMARK ENGR." set at the
 8-37 intersection of the westerly R.O.W. line of said 300 foot H.L.&P.
 8-38 easement with the northerly R.O.W. line of said SH96, and continue,
 8-39 in all, a distance of 419.45 to a 5/8 inch iron rod with plastic cap
 8-40 stamped "BENCHMARK ENGR." set for the beginning of a curve to the
 8-41 left, and from which a 5/8 inch iron rod with a TXDOT aluminum disk
 8-42 found bears South 81 Degrees 54 Minutes 10 Seconds West, a distance
 8-43 of 0.44 feet;

8-44 Thence, 1025.66 feet along the arc of said curve to the left
 8-45 having a radius of 6663.37 feet, a central angle of 08 Degrees 49
 8-46 Minutes 09 Seconds, and a chord that bears South 56 Degrees 26
 8-47 Minutes 59 Seconds West, a distance of 1024.65 to a 5/8 inch iron
 8-48 rod with plastic cap stamped "BENECHMARK ENGR." set for the
 8-49 southwest corner and Point of Beginning for the herein described
 8-50 tract;

8-51 Thence, 521.80 feet continuing along the arc of said curve to
 8-52 the left having a radius of 6663.37 feet, a central angle of 04
 8-53 Degrees 29 Minutes 12 Seconds, and a chord that bears South 49
 8-54 Degrees 47 Minutes 48 Seconds West, a distance of 521,66 feet to a
 8-55 5/8 inch iron rod with a TXDOT aluminum disk found in the northerly
 8-56 line of said 639.740 acre tract, the southerly line of a call 93 are
 8-57 tract described in a deed to Solomon J. Gardy in Volume 485, Page
 8-58 75, of the G.C.D.R., and the recognized common line of the said
 8-59 Basquez Survey and the Michael Muldon 2 League Grant, Abstract
 8-60 Number 18, for the end of said curve and the west corner of the
 8-61 herein described tract.

8-62 Thence, with a said common survey line, the northerly line of
 8-63 said 639.740 acre tract and the southerly line of said 93 acre
 8-64 tract, North 47 Degrees 33 Minutes 12 Seconds East, a distance of
 8-65 522.87 feet to a 5/8 inch iron rod with plastic cap stamped
 8-66 "BENECHMARK ENGR." set for the northeast corner of the herein
 8-67 described tract;

8-68 Thence, through and across said 639.740 acre tract, South 37
 8-69 Degrees 57 Minutes 36 Seconds East, a distance of 20.48 feet to the

9-1 Point of Beginning.

9-2 Metes and Bounds Description

9-3 27.0000 Acres

9-4 (1,176,121 Square Feet)

9-5 All that certain 27.0000 acre (1,176,121 square foot) tract
9-6 of land situated in the Miguel Muldoon 2 League Grant, Abstract
9-7 Number 18, and the Rafael Basquez Survey, Abstract Number 32, both
9-8 in Galveston County, Texas, and being out of a part of that certain
9-9 call 93 acre tract described in a deed to Solomon J. Gordy in Volume
9-10 485, Page 475, of the Galveston County Deed Records (G.C.D.R.), and
9-11 further cited in a Special Warranty Deed dated March 5, 2001 and
9-12 recorded in Galveston County Clerk's File (G.C.C.F.) Number
9-13 2001010526, said 27.0000 acre tract being more particularly
9-14 described by metes and bounds as follows: (All bearings are based
9-15 on the Texas State Plane Coordinate System, South Central Zone)

9-16 Commencing at a 5/8 inch iron rod with a Texas Department of
9-17 Transportation (TXDOT) aluminum disk found at the intersection of
9-18 the north right-of-way (R.O.W.) line of State Highway 96 with the
9-19 west R.O.W. line of a 100 foot wide Southern Pacific Railroad R.O.W.
9-20 line, and also being in the east line of that certain call 639.74
9-21 acre tract described in a deed to Weems & Kelsey Management Company
9-22 No. 2, LTD. in Volume 2253, Page 880 of the G.C.D.R., and the east
9-23 line of a 388 foot wide Houston Lighting and Power (H.L.&P.) Company
9-24 easement recorded in Volume 1579, Page 594, of the G.C.D.R.;

9-25 Thence, with the north R.O.W. line of said State Highway 96,
9-26 South 60 Degrees 51 Minutes 34 Seconds West, a distance of 300.00
9-27 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK
9-28 ENGR." set in the west R.O.W. line of said 300 foot H.L.&P. easement
9-29 for the southeast corner and Point of Beginning of the herein
9-30 described tract;

9-31 Thence, continuing with the north R.O.W. line of said State
9-32 Highway 96 and the south line of the herein described tract, South
9-33 60 Degrees 51 Minutes 34 Seconds West, a distance of 119.45 feet to
9-34 a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set
9-35 for the beginning of a curve to the left and from which a 5/8 inch
9-36 rod with a TXDOT aluminum disk found bears South 81 Degrees 54
9-37 Minutes 10 Seconds West, a distance of 0.44 feet;

9-38 Thence, 1025.66 feet along the arc of said curve to the left
9-39 having a radius of 6663.37 feet, a central angle of 08 Degrees 49
9-40 Minutes 09 Seconds, and a chord that bears South 56 Degrees 26
9-41 Minutes 59 Seconds West, a distance of 1024.65 feet to a 5/8 inch
9-42 iron rod with plastic cap stamped "BENCHMARK ENGR." set for the
9-43 southwest corner of the herein described tract;

9-44 Thence, departing the north R.O.W. line of said State Highway
9-45 96, and through and across said 93 acre tract, the following four (4)
9-46 courses:

9-47 1) North 37 Degrees 57 Minutes 36 Seconds West, a
9-48 distance of 885.96 feet to a 5/8 inch iron rod with plastic cap
9-49 stamped "BENCHMARK ENGR." set for the northwest corner;

9-50 2) North 52 Degrees 02 Minutes 24 Seconds East, a
9-51 distance of 483.16 feet to a 5/8 inch iron rod with plastic cap
9-52 stamped "BENCHMARK ENGR." set for an interior corner;

9-53 3) North 29 Degrees 05 Minutes 53 Seconds West, a
9-54 distance of 129.82 feet to 5/8 inch iron rod with plastic cap
9-55 stamped "BENCHMARK ENGR." set for an interior corner;

9-56 4) North 60 Degrees 54 Minutes 07 Secnds East, a
9-57 distance of 800.09 feet to a 5/8 inch iron rod with plastic cap
9-58 stamped "BENCHMARK ENGR." set in the west line of a call 10.709
9-59 Houston Power and Light (H.L.&P.) acre fee strip for the northeast
9-60 corner of the herein described tract;

9-61 Thence, with the west line of said H.L.&P. Fee strip and the
9-62 east line of the herein described tract, South 29 Degrees 05 Minutes
9-63 53 Seconds Eat, at 787.90 feet pass the southwest corner of said
9-64 10.709 acre tract and the northwest corner of said H.L.&P. 330 foot
9-65 wide easement and continue, in all, a distance of 1000.00 feet to
9-66 the Point of Beginning and containing 27.0000 acres of land.

9-67 SECTION 3. (a) The legal notice of the intention to
9-68 introduce this Act, setting forth the general substance of this
9-69 Act, has been published as provided by law, and the notice and a

10-1 copy of this Act have been furnished to all persons, agencies,
10-2 officials, or entities to which they are required to be furnished
10-3 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
10-4 Government Code.

10-5 (b) The governor, one of the required recipients, has
10-6 submitted the notice and Act to the Texas Commission on
10-7 Environmental Quality.

10-8 (c) The Texas Commission on Environmental Quality has filed
10-9 its recommendations relating to this Act with the governor,
10-10 lieutenant governor, and speaker of the house of representatives
10-11 within the required time.

10-12 (d) All requirements of the constitution and laws of this
10-13 state and the rules and procedures of the legislature with respect
10-14 to the notice, introduction, and passage of this Act have been
10-15 fulfilled and accomplished.

10-16 SECTION 4. This Act takes effect September 1, 2019.

10-17 * * * * *