

1-1 By: Flores S.B. No. 2502
 1-2 (In the Senate - Filed April 1, 2019; April 1, 2019, read
 1-3 first time and referred to Committee on Intergovernmental
 1-4 Relations; April 15, 2019, reported favorably by the following
 1-5 vote: Yeas 6, Nays 0; April 15, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7	X			
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 West Pecos Management District;
 1-18 providing authority to issue bonds; providing authority to impose
 1-19 assessments, fees, and taxes.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-21 SECTION 1. Subtitle C, Title 4, Special District Local Laws
 1-22 Code, is amended by adding Chapter 3962 to read as follows:

1-23 CHAPTER 3962. WEST PECOS MANAGEMENT DISTRICT
 1-24 SUBCHAPTER A. GENERAL PROVISIONS

1-25 Sec. 3962.0101. DEFINITIONS. In this chapter:

- 1-26 (1) "Board" means the district's board of directors.
- 1-27 (2) "City" means the City of Pecos.
- 1-28 (3) "County" means Reeves County.
- 1-29 (4) "Director" means a board member.
- 1-30 (5) "District" means the West Pecos Management
- 1-31 District.

- 1-32 (6) "School district" means Pecos-Barstow-Toyah
- 1-33 Independent School District.

1-34 Sec. 3962.0102. NATURE OF DISTRICT. The West Pecos
 1-35 Management District is a special district created under Section 59,
 1-36 Article XVI, Texas Constitution.

1-37 Sec. 3962.0103. PURPOSE; DECLARATION OF INTENT. (a) The
 1-38 creation of the district is essential to accomplish the purposes of
 1-39 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
 1-40 Texas Constitution, and other public purposes stated in this
 1-41 chapter.

1-42 (b) By creating the district and in authorizing the county,
 1-43 the city, the school district, and other political subdivisions to
 1-44 contract with the district, the legislature has established a
 1-45 program to accomplish the public purposes set out in Section 52-a,
 1-46 Article III, Texas Constitution.

1-47 (c) The creation of the district is necessary to promote,
 1-48 develop, encourage, and maintain employment, commerce,
 1-49 transportation, housing, tourism, recreation, the arts,
 1-50 entertainment, economic development, safety, and the public
 1-51 welfare in the district.

1-52 (d) This chapter and the creation of the district may not be
 1-53 interpreted to relieve the county or the city from providing the
 1-54 level of services provided as of the effective date of the Act
 1-55 enacting this chapter to the area in the district. The district is
 1-56 created to supplement and not to supplant county or city services
 1-57 provided in the district.

1-58 Sec. 3962.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-59 (a) All land and other property included in the district will
 1-60 benefit from the improvements and services to be provided by the
 1-61 district under powers conferred by Sections 52 and 52-a, Article

2-1 III, and Section 59, Article XVI, Texas Constitution, and other
2-2 powers granted under this chapter.

2-3 (b) The district is created to serve a public use and
2-4 benefit.

2-5 (c) The creation of the district is in the public interest
2-6 and is essential to further the public purposes of:

2-7 (1) developing and diversifying the economy of the
2-8 state;

2-9 (2) eliminating unemployment and underemployment; and

2-10 (3) developing or expanding transportation and
2-11 commerce.

2-12 (d) The district will:

2-13 (1) promote the health, safety, and general welfare of
2-14 residents, employers, potential employees, employees, visitors,
2-15 and consumers in the district, and of the public;

2-16 (2) provide needed funding for the district to
2-17 preserve, maintain, and enhance the economic health and vitality of
2-18 the district territory as a community and business center;

2-19 (3) promote the health, safety, welfare, and enjoyment
2-20 of the public by providing pedestrian ways and by landscaping and
2-21 developing certain areas in the district, which are necessary for
2-22 the restoration, preservation, and enhancement of scenic beauty;
2-23 and

2-24 (4) provide for water, wastewater, drainage, and road
2-25 facilities for the district.

2-26 (e) 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 (f) 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. 3962.0105. INITIAL DISTRICT TERRITORY. (a) The
2-35 district is initially composed of the territory described by
2-36 Section 2 of the Act enacting this chapter.

2-37 (b) The boundaries and field notes contained in Section 2 of
2-38 the Act enacting this chapter form a closure. A mistake in the
2-39 field notes or in copying the field notes in the legislative process
2-40 does not affect the district's:

2-41 (1) organization, existence, or validity;

2-42 (2) right to issue any type of bonds for the purposes
2-43 for which the district is created or to pay the principal of and
2-44 interest on the bonds;

2-45 (3) right to impose or collect an assessment or tax; or

2-46 (4) legality or operation.

2-47 Sec. 3962.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
2-48 All or any part of the area of the district is eligible to be
2-49 included in:

2-50 (1) a tax increment reinvestment zone created under
2-51 Chapter 311, Tax Code; or

2-52 (2) a tax abatement reinvestment zone created under
2-53 Chapter 312, Tax Code.

2-54 Sec. 3962.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-55 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-56 Chapter 375, Local Government Code, applies to the district.

2-57 Sec. 3962.0108. CONSTRUCTION OF CHAPTER. This chapter
2-58 shall be liberally construed in conformity with the findings and
2-59 purposes stated in this chapter.

2-60 SUBCHAPTER B. BOARD OF DIRECTORS

2-61 Sec. 3962.0201. GOVERNING BODY; TERMS. The district is
2-62 governed by a board of seven voting directors who serve staggered
2-63 terms of four years with three or four directors' terms expiring
2-64 June 1 of each odd-numbered year.

2-65 Sec. 3962.0202. QUALIFICATIONS AND APPOINTMENT OF VOTING
2-66 DIRECTORS. (a) Section 375.063, Local Government Code, does not
2-67 apply to the district.

2-68 (b) To be qualified to serve as a director, a person must be
2-69 at least 18 years of age.

3-1 (c) The governing body of the city shall appoint five
3-2 directors from persons recommended by the board in the manner
3-3 provided by Section 375.064, Local Government Code, each of whom
3-4 must be:

3-5 (1) an owner of property in the district;

3-6 (2) an owner of a beneficial interest in a trust, or a
3-7 trustee in a trust, that directly or indirectly owns property in the
3-8 district; or

3-9 (3) an agent, employee, or tenant of a person
3-10 described by Subdivision (1) or (2).

3-11 (d) The governing body of the city and the governing body of
3-12 the county shall each appoint an additional director. A director
3-13 appointed under this subsection is not required to have a
3-14 qualification listed in Subsection (c).

3-15 Sec. 3962.0203. NONVOTING DIRECTORS. The board may appoint
3-16 representatives of taxing entities in the district to serve as
3-17 nonvoting directors.

3-18 Sec. 3962.0204. INITIAL DIRECTORS. (a) The governing body
3-19 of the city shall appoint five initial directors to Positions 1-5
3-20 who have the qualifications prescribed by Sections 3962.0202(b) and
3-21 (c).

3-22 (b) The governing body of the city shall appoint an initial
3-23 director to Position 6 and the governing body of the county shall
3-24 appoint an initial director to Position 7. Each director must have
3-25 the qualification prescribed by Section 3962.0202(b). An initial
3-26 director appointed under this subsection is not required to have a
3-27 qualification listed in Section 3962.0202(c).

3-28 (c) The terms of the initial directors in Positions 1
3-29 through 4 expire June 1, 2021, and the terms of the initial
3-30 directors in Positions 5 through 7 expire June 1, 2023.

3-31 (d) This section expires September 1, 2023.

3-32 SUBCHAPTER C. POWERS AND DUTIES

3-33 Sec. 3962.0301. GENERAL POWERS AND DUTIES. The district
3-34 has the powers and duties necessary to accomplish the purposes for
3-35 which the district is created.

3-36 Sec. 3962.0302. IMPROVEMENT PROJECTS AND SERVICES.

3-37 (a) The district, using any money available to the district for
3-38 the purpose, may provide, design, construct, acquire, improve,
3-39 relocate, operate, maintain, or finance an improvement project or
3-40 service authorized under this chapter or Chapter 375, Local
3-41 Government Code.

3-42 (b) The district may contract with a governmental or private
3-43 entity to carry out an action under Subsection (a).

3-44 (c) The implementation of a district project or service is a
3-45 governmental function or service for the purposes of Chapter 791,
3-46 Government Code.

3-47 (d) The city, the county, the school district, the Reeves
3-48 County Hospital District, and any other local government or
3-49 political subdivision may contract with the district to provide for
3-50 financing, construction, maintenance, and operation of public
3-51 infrastructure or to carry out a district purpose.

3-52 (e) The district may not undertake a project on land owned
3-53 by the city unless the city consents to the project.

3-54 Sec. 3962.0303. NONPROFIT CORPORATION. (a) The board by
3-55 resolution may authorize the creation of a nonprofit corporation to
3-56 assist and act for the district in implementing a project or
3-57 providing a service authorized by this chapter.

3-58 (b) The nonprofit corporation:

3-59 (1) has each power of and is considered to be a local
3-60 government corporation created under Subchapter D, Chapter 431,
3-61 Transportation Code; and

3-62 (2) may implement any project and provide any service
3-63 authorized by this chapter.

3-64 (c) The board shall appoint the board of directors of the
3-65 nonprofit corporation. The board of directors of the nonprofit
3-66 corporation shall serve in the same manner as the board of directors
3-67 of a local government corporation created under Subchapter D,
3-68 Chapter 431, Transportation Code, except that a board member is not
3-69 required to reside in the district.

4-1 Sec. 3962.0304. AUTHORITY TO CONTRACT FOR PUBLIC SAFETY
4-2 SERVICES. To protect the public interest, the district may
4-3 contract with a qualified party, including the city, the county, or
4-4 any other governmental entity to provide law enforcement, public
4-5 safety, fire protection, ambulance, emergency, or code enforcement
4-6 services in the district for a fee.

4-7 Sec. 3962.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
4-8 The district may join and pay dues to a charitable or nonprofit
4-9 organization that performs a service or provides an activity
4-10 consistent with the furtherance of a district purpose.

4-11 Sec. 3962.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
4-12 district may engage in activities that accomplish the economic
4-13 development purposes of the district.

4-14 (b) The district may establish and provide for the
4-15 administration of one or more programs to promote state or local
4-16 economic development and to stimulate business and commercial
4-17 activity in the district, including programs to:

4-18 (1) make loans and grants of public money; and

4-19 (2) provide district personnel and services.

4-20 (c) The district may create economic development programs
4-21 and exercise the economic development powers provided to
4-22 municipalities by:

4-23 (1) Chapter 380, Local Government Code; and

4-24 (2) Subchapter A, Chapter 1509, Government Code.

4-25 Sec. 3962.0307. PARKING FACILITIES. (a) The district may
4-26 acquire, lease as lessor or lessee, construct, develop, own,
4-27 operate, and maintain parking facilities or a system of parking
4-28 facilities, including lots, garages, parking terminals, or other
4-29 structures or accommodations for parking motor vehicles off the
4-30 streets and related appurtenances.

4-31 (b) The district's parking facilities serve the public
4-32 purposes of the district and are owned, used, and held for a public
4-33 purpose even if leased or operated by a private entity for a term of
4-34 years.

4-35 (c) The district's parking facilities are parts of and
4-36 necessary components of a street and are considered to be a street
4-37 or road improvement.

4-38 (d) The development and operation of the district's parking
4-39 facilities may be considered an economic development program.

4-40 Sec. 3962.0308. ADDING OR EXCLUDING LAND. The district may
4-41 add or exclude land in the manner provided by Subchapter J, Chapter
4-42 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

4-43 Sec. 3962.0309. DISBURSEMENTS AND TRANSFERS OF MONEY. The
4-44 board by resolution shall establish the number of directors'
4-45 signatures and the procedure required for a disbursement or
4-46 transfer of district money.

4-47 Sec. 3962.0310. RESIDENTIAL PROPERTY NOT EXEMPT. Section
4-48 375.161, Local Government Code, does not apply to the district.

4-49 Sec. 3962.0311. NO EMINENT DOMAIN POWER. The district may
4-50 not exercise the power of eminent domain.

4-51 SUBCHAPTER D. ASSESSMENTS

4-52 Sec. 3962.0401. PETITION REQUIRED FOR FINANCING SERVICES
4-53 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance
4-54 a service or improvement project with assessments under this
4-55 chapter unless a written petition requesting that service or
4-56 improvement has been filed with the board.

4-57 (b) A petition filed under Subsection (a) must be signed by
4-58 the owners of a majority of the assessed value of real property in
4-59 the district subject to assessment according to the most recent
4-60 certified tax appraisal roll for the county.

4-61 Sec. 3962.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS.
4-62 (a) The board by resolution may impose and collect an assessment
4-63 for any purpose authorized by this chapter in all or any part of the
4-64 district.

4-65 (b) An assessment, a reassessment, or an assessment
4-66 resulting from an addition to or correction of the assessment roll
4-67 by the district, penalties and interest on an assessment or
4-68 reassessment, an expense of collection, and reasonable attorney's
4-69 fees incurred by the district:

5-1 (1) are a first and prior lien against the property
 5-2 assessed;
 5-3 (2) are superior to any other lien or claim other than
 5-4 a lien or claim for county, school district, or municipal ad valorem
 5-5 taxes; and
 5-6 (3) are the personal liability of and a charge against
 5-7 the owners of the property even if the owners are not named in the
 5-8 assessment proceedings.

5-9 (c) The lien is effective from the date of the board's
 5-10 resolution imposing the assessment until the date the assessment is
 5-11 paid. The board may enforce the lien in the same manner that the
 5-12 board may enforce an ad valorem tax lien against real property.

5-13 (d) The board may make a correction to or deletion from the
 5-14 assessment roll that does not increase the amount of assessment of
 5-15 any parcel of land without providing notice and holding a hearing in
 5-16 the manner required for additional assessments.

5-17 SUBCHAPTER E. TAXES AND BONDS

5-18 Sec. 3962.0501. TAX ELECTION REQUIRED. The district must
 5-19 hold an election in the manner provided by Chapter 49, Water Code,
 5-20 or, if applicable, Chapter 375, Local Government Code, to obtain
 5-21 voter approval before the district may impose an ad valorem tax.

5-22 Sec. 3962.0502. OPERATION AND MAINTENANCE TAX. (a) If
 5-23 authorized by a majority of the district voters voting at an
 5-24 election under Section 3962.0501, the district may impose an
 5-25 operation and maintenance tax on taxable property in the district
 5-26 in the manner provided by Section 49.107, Water Code, for any
 5-27 district purpose, including to:

- 5-28 (1) maintain and operate the district;
- 5-29 (2) construct or acquire improvements; or
- 5-30 (3) provide a service.

5-31 (b) The board shall determine the operation and maintenance
 5-32 tax rate. The rate may not exceed the rate approved at the
 5-33 election.

5-34 Sec. 3962.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE
 5-35 BONDS. (a) The district may borrow money on terms determined by
 5-36 the board.

5-37 (b) The district may issue bonds, notes, or other
 5-38 obligations payable wholly or partly from ad valorem taxes,
 5-39 assessments, impact fees, revenue, contract payments, grants, or
 5-40 other district money, or any combination of those sources of money,
 5-41 to pay for any authorized district purpose.

5-42 Sec. 3962.0504. BONDS SECURED BY REVENUE OR CONTRACT
 5-43 PAYMENTS. The district may issue, without an election, bonds
 5-44 secured by:

- 5-45 (1) revenue other than ad valorem taxes, including
 5-46 contract revenues; or
- 5-47 (2) contract payments, provided that the requirements
 5-48 of Section 49.108, Water Code, have been met.

5-49 Sec. 3962.0505. BONDS SECURED BY AD VALOREM TAXES;
 5-50 ELECTIONS. (a) If authorized at an election under Section
 5-51 3962.0501, the district may issue bonds payable from ad valorem
 5-52 taxes.

5-53 (b) Section 375.243, Local Government Code, does not apply
 5-54 to the district.

5-55 (c) At the time the district issues bonds payable wholly or
 5-56 partly from ad valorem taxes, the board shall provide for the annual
 5-57 imposition of a continuing direct annual ad valorem tax, without
 5-58 limit as to rate or amount, for each year that all or part of the
 5-59 bonds are outstanding as required and in the manner provided by
 5-60 Sections 54.601 and 54.602, Water Code.

5-61 (d) All or any part of any facilities or improvements that
 5-62 may be acquired by a district by the issuance of its bonds may be
 5-63 submitted as a single proposition or as several propositions to be
 5-64 voted on at the election.

5-65 Sec. 3962.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The
 5-66 board may not issue bonds until the city has consented by ordinance
 5-67 or resolution to the creation of the district and to the inclusion
 5-68 of land in the district.

5-69 (b) This section applies only to the district's first

6-1 issuance of bonds payable from ad valorem taxes.

6-2 SUBCHAPTER F. DEFINED AREAS

6-3 Sec. 3962.0601. AUTHORITY TO ESTABLISH DEFINED AREAS OR
6-4 DESIGNATED PROPERTY. The district may define areas or designate
6-5 certain property of the district to pay for improvements,
6-6 facilities, or services that primarily benefit that area or
6-7 property and do not generally and directly benefit the district as a
6-8 whole.

6-9 Sec. 3962.0602. PROCEDURE FOR ELECTION. (a) Before the
6-10 district may impose an ad valorem tax applicable only to the defined
6-11 area or designated property or issue bonds payable from ad valorem
6-12 taxes of the defined area or designated property, the board shall
6-13 hold an election in the defined area or designated property only.

6-14 (b) The board may submit the proposition to the voters on
6-15 the same ballot to be used in another election.

6-16 Sec. 3962.0603. DECLARING RESULT AND ISSUING ORDER.

6-17 (a) If a majority of the voters voting at an election held under
6-18 Section 3962.0602 approve the proposition or propositions, the
6-19 board shall declare the results and, by order, shall establish the
6-20 defined area or designated property and describe it by metes and
6-21 bounds or designate the specific area or property.

6-22 (b) A court may not review the board's order except on the
6-23 ground of fraud, palpable error, or arbitrary and confiscatory
6-24 abuse of discretion.

6-25 Sec. 3962.0604. TAXES FOR SERVICES, IMPROVEMENTS, AND

6-26 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter
6-27 approval and adoption of an order described by Section 3962.0603,
6-28 the district may apply separately, differently, equitably, and
6-29 specifically its taxing power and lien authority to the defined
6-30 area or designated property to provide money to construct,
6-31 administer, maintain, and operate services, improvements, and
6-32 facilities that primarily benefit the defined area or designated
6-33 property.

6-34 Sec. 3962.0605. ISSUANCE OF BONDS FOR DEFINED AREA OR
6-35 DESIGNATED PROPERTY. After an order under Section 3962.0603 is
6-36 adopted, the district may issue bonds to provide for any land,
6-37 improvements, facilities, plants, equipment, and appliances for
6-38 the defined area or designated property.

6-39 SUBCHAPTER I. DISSOLUTION

6-40 Sec. 3962.0901. DISSOLUTION. (a) The board shall dissolve
6-41 the district on written petition filed with the board by the owners
6-42 of:

6-43 (1) 66 percent or more of the assessed value of the
6-44 property subject to assessment by the district based on the most
6-45 recent certified county property tax rolls; or

6-46 (2) 66 percent or more of the surface area of the
6-47 district, excluding roads, streets, highways, utility
6-48 rights-of-way, other public areas, and other property exempt from
6-49 assessment by the district according to the most recent certified
6-50 county property tax rolls.

6-51 (b) The board by majority vote may dissolve the district at
6-52 any time.

6-53 (c) The district may not be dissolved by its board under
6-54 Subsection (a) or (b) if the district:

6-55 (1) has any outstanding bonded indebtedness until that
6-56 bonded indebtedness has been repaid or defeased in accordance with
6-57 the order or resolution authorizing the issuance of the bonds;

6-58 (2) has a contractual obligation to pay money until
6-59 that obligation has been fully paid in accordance with the
6-60 contract; or

6-61 (3) owns, operates, or maintains public works,
6-62 facilities, or improvements unless the district contracts with
6-63 another person for the ownership, operation, or maintenance of the
6-64 public works, facilities, or improvements.

6-65 (d) Sections 375.261, 375.262, and 375.264, Local
6-66 Government Code, do not apply to the district.

6-67 SECTION 2. The West Pecos Management District initially
6-68 includes all territory contained in the following area:

6-69 Tract 1 - 620.00 Acres

7-1 FIELD NOTE DESCRIPTION OF 640.000 ACRES, MORE OR LESS, SAVE
 7-2 AND EXCEPT 20.000 ACRES, IN THE H. & G. N. RR. CO. SURVEY, BLOCK 5,
 7-3 SECTION 19, ABSTRACT 430, REEVES COUNTY, TEXAS IN A DEED TO EVANS I
 7-4 LTD RECORDED IN VOLUME 538, PAGE 682, DRRCT (DEED RECORDS OF REEVES
 7-5 COUNTY, TEXAS) AND BEING MORE PARTICULARLY DESCRIBED BY METES AND
 7-6 BOUNDS AS FOLLOWS:

7-7 BEGINNING at a railroad spike found at the northwest corner
 7-8 of said Section 19, in the south right-of-way line of Farm to Market
 7-9 Road 204, also being the northeast corner of H. & G. N. RR. Co.
 7-10 Survey, Block 5, Section 20, Abstract 3540, for the northwest
 7-11 corner of this description;

7-12 THENCE leaving said Section 20, along the north line of said
 7-13 Section 19, for the south line of said Farm to Market Road
 7-14 right-of-way, S 77°11'26" E a distance of 5286.37 feet to a 2"
 7-15 aluminum cap found at the northeast corner of said Section 19 and
 7-16 the northwest corner of that tract called 162.70 acres in a deed to
 7-17 Evans I Ltd, recorded in Volume 534, Page 130, DRRCT, also being the
 7-18 northwest corner for H. & G. N. RR. Co. Survey, Block 5, Section 22,
 7-19 Abstract 4987, for the northeast corner of this description;

7-20 THENCE along the east line of said Section 19, for the west
 7-21 line of said Section 22, S 12°53'43" W a distance of 2776.45 feet
 7-22 passing a 1/2" iron rod found at the southwest corner of said 162.70
 7-23 acre tract, for a total of 5283.92 feet to a 2" iron pipe found at
 7-24 the southeast corner of said Section 19, for the southwest corner of
 7-25 said Section 22, also being the northeast corner of H. & G. N. RR.
 7-26 Co. Survey, Block 5, Section 38, Abstract 1389, for the southeast
 7-27 corner of this description;

7-28 THENCE along the south line of said Section 19, for the north
 7-29 line of said Section 38, N 76°59'27" W a distance of 5282.11 feet to
 7-30 a 1/2" iron rod set at the southwest corner of said Section 19, for
 7-31 the northwest corner of said Section 38, Abstract 1124, also being
 7-32 the southeast corner of said Section 20, for the southwest corner of
 7-33 this description;

7-34 THENCE along the west line of said Section 19, for the east
 7-35 line of said Section 20, N 12°50'56" E a distance of 5265.50 feet to
 7-36 the POINT OF BEGINNING. There are 640.000 acres, more or less,
 7-37 described in these field notes.

7-38 SAVE AND EXCEPT 20 ACRES:

7-39 BEGINNING at a 1 1/2" iron rod set in the south right-of-way
 7-40 line of Farm to Market Road 204, in the north line of Section 19 from
 7-41 which a 2" aluminum cap found at the northeast corner of said
 7-42 Section 19 and the northwest corner of that tract called 162.70
 7-43 acres in a deed to Evans I Ltd, recorded in Volume 534, Page 130,
 7-44 DRRCT bears: S 77°11'26" E a distance of 40.00, for the northeast
 7-45 corner of this description;

7-46 THENCE leaving Farm to Market Road right-of-way, with and 40
 7-47 feet from the east line of Section 19, severing said 640 acre tract,
 7-48 S 12°53'43" W a distance of 933.38 feet to a 1/2" iron rod set, for
 7-49 the southeast corner of this description;

7-50 THENCE continuing across said Section 19, N 77°11'26" W a
 7-51 distance of 933.38 feet to a 1/2" iron rod set, for the southwest
 7-52 corner of this description;

7-53 THENCE N 12°53'43" E a distance of 933.38 feet to a 1/2" iron
 7-54 rod set in the north line of said Section 19 and the south line of
 7-55 said Farm to Market Road right-of-way, from which a railroad spike
 7-56 found at the northwest corner of said Section 19 and the northeast
 7-57 corner of H. & G. N. RR. Co. Survey, Block 5, Section 20, Abstract
 7-58 3540, bears N 77°11'26" W a distance of 4312.99 feet;

7-59 THENCE along the north line of said Section 19, for the south
 7-60 line of said right-of-way, S 77°11'26" E a distance of 933.38 feet
 7-61 to the POINT OF BEGINNING. There are 20.000 acres, more or less,
 7-62 described in these field notes.

7-63 Tract 2 - 513.56 Acres

7-64 BEING ALL THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING
 7-65 513.67 ACRES OF LAND CONVEYED IN A WARRANTY DEED TO HIGHWAY 20
 7-66 PROPERTIES, LLC, A TEXAS LIMITED LIABILITY COMPANY AND AS DESCRIBED
 7-67 AND RECORDED IN VOLUME 785, PAGE 618 IN THE OFFICIAL PUBLIC RECORDS
 7-68 OF REEVES COUNTY, TEXAS (OPRRCT) SAID TRACT LOCATED IN SECTION 76,
 7-69 BLOCK 04, W.M. HIGGINS SURVEY, ABSTRACT NO. 3661 & SECTION 18, BLOCK

8-1 05, G.S. JOHNSON SURVEY, ABSTRACT NO. 1332 & SECTION 17, BLOCK 05,
 8-2 H. & G.N. RR. CO. SURVEY, ABSTRACT NO. 429 ALL IN REEVES COUNTY,
 8-3 TEXAS SAID 513.67 ACRE TRACT DESCRIBED MORE FULLY BY METES AND
 8-4 BOUNDS AS FOLLOWS:

8-5 BEGINNING AT A 1/2" IRON ROD, CAPPED AND MARKED "TRANSGLOBAL
 8-6 SERVICES", SET ON THE COMMON LINE OF SAID SECTION 18 AND SECTION 17
 8-7 FOR A CORNER OF SAID 528.29 ACRE TRACT, FROM WHICH A 1/2" IRON ROD,
 8-8 CAPPED AND MARKED "RPLS 2158" FOUND AT THE SOUTHEAST CORNER OF SAID
 8-9 SECTION 18 AND THE SOUTHWEST CORNER OF SAID SECTION 17 BEARS S
 8-10 32°39'40" E A DISTANCE OF 1319.48 FEET;

8-11 THENCE: N 77°11'40" W A DISTANCE OF 4662.73 FEET TO A 1/2" IRON
 8-12 ROD, CAPPED AND MARKED "TRANSGLOBAL SERVICES" SET FOR A CORNER OF
 8-13 SAID 528.29 ACRE TRACT;

8-14 THENCE: N 13°37'23" E A DISTANCE OF 741.23 FEET TO A 1/2" IRON
 8-15 ROD, CAPPED AND MARKED "TRANSGLOBAL SERVICES" SET FOR A CORNER OF
 8-16 SAID 528.29 ACRE TRACT;

8-17 THENCE: N 77°16'57" W A DISTANCE OF 679.21 FEET TO A 1/2" IRON
 8-18 ROD, CAPPED AND MARKED "TRANSGLOBAL SERVICES" SET FOR A CORNER OF
 8-19 SAID 528.29 ACRE TRACT;

8-20 THENCE: N 32°00'17" W A DISTANCE OF 1767.74 FEET TO A 1/2" IRON
 8-21 ROD, CAPPED AND MARKED "TRANSGLOBAL SERVICES" SET FOR A CORNER OF
 8-22 SAID 528.29 ACRE TRACT;

8-23 THENCE: N 69°42'16" E A DISTANCE OF 510.63 FEET TO A 1/2" IRON
 8-24 ROD, CAPPED AND MARKED "TRUJILLO RPLS 5358" FOUND FOR A CORNER OF
 8-25 SAID 528.29 ACRE TRACT;

8-26 THENCE: S 32°00'17" E A DISTANCE OF 1645.55 FEET TO A 1/2" IRON
 8-27 ROD, CAPPED AND MARKED "TRUJILLO RPLS 5358" FOUND FOR A CORNER OF
 8-28 SAID 528.29 ACRE TRACT;

8-29 THENCE: N 57°59'42" E A DISTANCE OF 3303.39 FEET TO A 1/2" IRON
 8-30 ROD, CAPPED AND MARKED "TRUJILLO RPLS 5358" FOUND FOR A CORNER OF
 8-31 SAID 528.29 ACRE TRACT;

8-32 THENCE: S 72°40'13" E A DISTANCE OF 2282.07 FEET TO A 1/2" IRON
 8-33 ROD, CAPPED AND MARKED "TRANSGLOBAL SERVICES" SET FOR A CORNER OF
 8-34 SAID 528.29 ACRE TRACT;

8-35 THENCE: S 12°52'49" W A DISTANCE OF 1537.42 FEET TO A 1/2" IRON
 8-36 ROD, CAPPED AND MARKED "TRUJILLO RPLS 5358" FOUND FOR A CORNER OF
 8-37 SAID 528.29 ACRE TRACT;

8-38 THENCE: S 77°07'10" E A DISTANCE OF 1320.00 FEET TO A RAILROAD
 8-39 SPIKE FOUND FOR A CORNER OF SAID 528.29 ACRE TRACT;

8-40 THENCE: N 12°31'50" E A DISTANCE OF 879.27 FEET TO A 1/2" IRON
 8-41 ROD, CAPPED AND MARKED "TRUJILLO RPLS 5358" FOUND FOR A CORNER OF
 8-42 SAID 528.29 ACRE TRACT;

8-43 THENCE: S 77°20'53" E A DISTANCE OF 4733.55 FEET TO A 1/2" IRON
 8-44 ROD, CAPPED AND MARKED "TRUJILLO RPLS 5358" FOUND FOR A CORNER OF
 8-45 SAID 528.29 ACRE TRACT;

8-46 THENCE: S 12°35'02" W A DISTANCE OF 968.08 FEET TO A 1/2" IRON
 8-47 PIN FOUND FOR A CORNER OF SAID 528.29 ACRE TRACT;

8-48 THENCE: N 78°06'01" W A DISTANCE OF 1169.78 FEET TO A 1/2" IRON
 8-49 PIN FOUND FOR A CORNER OF SAID 528.29 ACRE TRACT;

8-50 THENCE: S 12°37'49" W A DISTANCE OF 775.60 FEET TO A 1/2" IRON
 8-51 PIN FOUND FOR A CORNER OF SAID 528.29 ACRE TRACT;

8-52 THENCE: N 77°20'53" W A DISTANCE OF 3571.02 FEET TO A 1/2" IRON
 8-53 ROD, CAPPED AND MARKED "TRUJILLO RPLS 5358" FOUND FOR A CORNER OF
 8-54 SAID 528.29 ACRE TRACT;

8-55 THENCE: N 12°50'17" E A DISTANCE OF 101.51 FEET TO A POINT;

8-56 THENCE: N 76°48'14" W A DISTANCE OF 944.25 FEET TO A POINT;

8-57 THENCE: S 12°38'52" W A DISTANCE OF 942.79 FEET TO THE PLACE OF
 8-58 BEGINNING OF THE HEREIN DESCRIBED TRACT, IN ALL CONTAINING 513.67
 8-59 ACRES MORE OR LESS.

8-60 SECTION 3. (a) The legal notice of the intention to
 8-61 introduce this Act, setting forth the general substance of this
 8-62 Act, has been published as provided by law, and the notice and a
 8-63 copy of this Act have been furnished to all persons, agencies,
 8-64 officials, or entities to which they are required to be furnished
 8-65 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 8-66 Government Code.

8-67 (b) The governor, one of the required recipients, has
 8-68 submitted the notice and Act to the Texas Commission on
 8-69 Environmental Quality.

9-1 (c) The Texas Commission on Environmental Quality has filed
9-2 its recommendations relating to this Act with the governor,
9-3 lieutenant governor, and speaker of the house of representatives
9-4 within the required time.

9-5 (d) All requirements of the constitution and laws of this
9-6 state and the rules and procedures of the legislature with respect
9-7 to the notice, introduction, and passage of this Act have been
9-8 fulfilled and accomplished.

9-9 SECTION 4. This Act takes effect immediately if it receives
9-10 a vote of two-thirds of all the members elected to each house, as
9-11 provided by Section 39, Article III, Texas Constitution. If this
9-12 Act does not receive the vote necessary for immediate effect, this
9-13 Act takes effect September 1, 2019.

9-14

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