

House Bill 4637
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3976 to read as follows:
CHAPTER 3976. CITY OF KEMAH MUNICIPAL MANAGEMENT DISTRICT NO. 1
SUBCHAPTER A. GENERAL PROVISIONS
Sec. 3976.0101. DEFINITIONS. In this chapter:
(1) "Board" means the district's board of directors.
(2) "City" means the City of Kemah, Texas.
(3) "Commission" means the Texas Commission on Environmental Quality.
(4) "Director" means a board member.
(5) "District" means the City of Kemah Municipal Management District No. 1.
Sec. 3976.0102. CREATION AND NATURE OF DISTRICT. The district is a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.
Sec. 3976.0103. PURPOSE; LEGISLATIVE FINDINGS.
(a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.
(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

SENATE VERSION (CS)

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

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

Sec. 3976.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

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

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

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

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

(2) eliminate unemployment and underemployment;

(3) develop or expand transportation and commerce; and

(4) provide quality residential housing.

(e) The district will:

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

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

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

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

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

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

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

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

(1) organization, existence, or validity;

(2) right to contract;

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

(4) right to impose or collect an assessment, or collect other revenue; or

(5) legality or operation.

Sec. 3976.0106. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise

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(1) organization, existence, or validity;

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

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provided by this chapter, Chapter 375, Local Government Code, applies to the district.

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

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

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

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3976.0201. GOVERNING BODY; TERMS. The district is governed by a board of five directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each odd-numbered year. One director is appointed by the city, and four directors are appointed by the commission as provided by Sections 3976.0202 and 3976.0203, respectively.

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

- (1) at least 18 years of age; and
- (2) a resident of the city.

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

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

(b) A person recommended by the board under Subsection (a) must be:

(1) at least 18 years of age;

(2) an owner of property in the district;

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

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

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

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

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

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

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

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

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

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

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

(b) The governing body of the city shall appoint one initial director.

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

(d) This section expires September 1, 2021.

SUBCHAPTER C. POWERS AND DUTIES

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

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

Sec. 3976.0303. LOCATION OF IMPROVEMENT PROJECT. A district improvement project may be located inside or outside of the district.

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

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

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

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

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

Sec. 3976.0306. ADDING OR REMOVING TERRITORY.

(a) Subject to Subsection (b), the board may add or remove territory as provided by Subchapter J, Chapter 49, Water Code.

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

Sec. 3976.0307. LIMITED EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain unless the governing body of the city consents to the exercise.

(But see SECTION 4(b) below.)

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

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

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

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

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

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

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

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

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

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

(c) 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.

(d) 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.

(e) The district may not impose an assessment on a municipality, county, or other political subdivision.

Sec. 3976.0405. NOTICE OF ASSESSMENTS. Annually, the board shall file with the secretary of the city written notice that specifies the assessments the district will impose in the district's next fiscal year in sufficient clarity to describe the assessments for the operation and maintenance of the district and the assessments for the payment of debt service of obligations issued or incurred by the district.

SUBCHAPTER E. TAXES AND BONDS

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

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

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

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

(d) 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.

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SUBCHAPTER E. TAXES AND BONDS

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Sec. 3976.0501. BONDS AND OTHER OBLIGATIONS.

(a) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments in the manner provided by Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local Government Code. Sections 375.207(a) and (b), Local Government Code, do not apply to the district.

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

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

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

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

SUBCHAPTER F. DISSOLUTION

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Sec. 3976.0501. BONDS AND OTHER OBLIGATIONS.

(a) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments in the manner provided by Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local Government Code. Sections 375.207(a) and (b), Local Government Code, do not apply to the district.

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

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

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

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Sec. 3976.0601. DISSOLUTION BY CITY ORDINANCE.

(a) The governing body of the city may dissolve the district by ordinance.

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

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

(d) The board may not dissolve the district under Subchapter M, Chapter 375, Local Government Code, unless the board obtains the written consent of the city.

Sec. 3976.0602. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

(a) If the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, other than revenue from ad valorem taxes, the city shall succeed to the rights and obligations of the district regarding enforcement and collection of the assessments or other revenue.

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

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

(2) special revenue or assessment bonds or other obligations issued by the city to refund the outstanding bonds or obligations.

Sec. 3976.0603. ASSUMPTION OF ASSETS AND LIABILITIES.

(a) After the city dissolves the district, the city assumes, subject to the appropriation and availability of funds, the obligations of the district, including any bonds or other debt payable from assessments or other district revenue.

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

Sec. 3976.0602. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

(a) If the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, other than revenue from ad valorem taxes, the city shall succeed to the rights and obligations of the district regarding enforcement and collection of the assessments or other revenue.

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

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

(2) special revenue or assessment bonds or other obligations issued by the city to refund the outstanding bonds or obligations.

Sec. 3976.0603. ASSUMPTION OF ASSETS AND LIABILITIES.

(a) After the city dissolves the district, the city assumes, subject to the appropriation and availability of funds, the obligations of the district, including any bonds or other debt payable from assessments or other district revenue.

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

SUBCHAPTER G. SPECIAL BOND PROVISIONS

Sec. 3976.0701. APPLICABILITY. This subchapter applies only to bonds payable wholly or partly from revenue derived from assessments on real property in the district.

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

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

- (1) waives for the term of the agreement the right to a special appraisal with respect to taxation by the district under Subchapters B, C, D, E, F, and H, Chapter 23, Tax Code; and
- (2) remains in effect for 30 years and is binding on the parties, on entities related to or affiliated with the parties, and on their successors and assignees.

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

Sec. 3976.0705. REQUIREMENTS FOR BOND ISSUE. The district may not issue bonds until:

- (1) the district submits to the commission;

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

SUBCHAPTER G. SPECIAL BOND PROVISIONS

Sec. 3976.0701. APPLICABILITY. This subchapter applies only to bonds payable wholly or partly from revenue derived from assessments on real property in the district.

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Sec. 3976.0705. REQUIREMENTS FOR BOND ISSUE. The district may not issue bonds until:

- (1) the district submits to the commission;

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

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

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

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

(iii) the projected rate of assessment is level or decreasing for the life of the bonds issued by the district;

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

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

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

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

(2) the district or other appropriate party has secured the groundwater, surface water, and water discharge permits that

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

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

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

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

(iii) the projected rate of assessment is level or decreasing for the life of the bonds issued by the district;

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

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

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

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

(2) the district or other appropriate party has secured the groundwater, surface water, and water discharge permits that

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are necessary to secure capacity to support the projected build-out;

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

(4) the completion of at least 95 percent of the streets and roads that are necessary to provide access to the areas served by utilities and financed by the proceeds of bonds issued by the district, as certified by the district's engineer and constructed in accordance with municipal or county standards.

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

Metes and Bounds Description

61.7448 Acres

(2,689,603 Square Feet)

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

Commencing at a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." Set in the recognized southerly

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are necessary to secure capacity to support the projected build-out;

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

(4) the completion of at least 95 percent of the streets and roads that are necessary to provide access to the areas served by utilities and financed by the proceeds of bonds issued by the district, as certified by the district's engineer and constructed in accordance with municipal or county standards.

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line of the said Muldoon 2, League Grant and said 93 acre tract for the southwest corner of that certain call 101.709 acre tract described in a deed to Houston Lighting and Power (H.L.&P.) Company in Volume 1563, Page 669, of the G.C.D.R., same being in the northerly line of a call 639.740 acre tract described in a deed to Weems, Kelsey Management Company No. 2 LTD. in Volume 2252, Page 880, of the G.C.D.R., for the southeast corner of the herein described tract;

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

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

Thence, departing at the northerly R.O.W. line of said SH96, and with the westerly line of said 93 acre tract and the herein described tract, North 42 Degrees 25 Minutes 43 Seconds West, a distance for 1501.14 feet to a 5/8 inch iron rod with

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plastic cap stamped "BENCHMARK ENGR." set for the southwest corner of a call 57,1644 acre tract described in a deed to Galveston County, Texas in Galveston County Clerk's File (G.C.C.F.) Number 9041097 and the northwest corner of said 93 acre tract and the herein described tract;
Thence, with the southerly line of said 57.1644 acre tract and the northerly line of said 93 acre tract and the herein described tract, North 47 Degrees 34 Minutes 46 Seconds East, at 1792.35 feet pass a 1/2 inch iron rod found for the southeast corner of said 57.1644 acre tract and the southwest corner of a call 43.41 acre tract described in a partition deed to E.T. Roberts by Susan L. Roberts, et al, in Vol. 269, Page 581, of the G.C.D.R., and continue, in all, a distance of 2677.36 feet to a 5/8 inch iron rod with plastic stamped "BENCHMARK ENGR." Set for the northwest corner of said 10.709 acre tract, same being the southwest corner of a call 9.742 acre tract described in a deed to H.L.&P. Company in Volume 1587, Page 258, of the G.C.D.R., and the northeast corner of the herein described tract;
Thence, through and across said 93 acre tract the following (5) courses:
(1) South 29 Degrees 05 Minutes 53 Seconds East, a distance of 753.67 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set in the westerly line of said 10.709 acre tract for the most easterly southeast corner;
(2) South 60 Degrees 54 Minutes 07 Second West, a distance of 800.09 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for an interior corner;
(3) South 29 Degrees 05 Minutes 53 Seconds East, a distance of 129.82 feet a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for an interior corner;

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(4) South 52 Degrees 02 Minutes 24 Seconds West, a distance of 483.16 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for an interior corner;
(5) South 37 Degrees 57 Minutes 36 Seconds East, a distance of 865.47 feet to the Point of Beginning and containing 61.7448 acres of land.

Metes and Bounds Description

0.0818 Acres

(3562Square Feet)

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

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

Thence, with the northerly R.O.W. line of said SH96, South 60 Degrees 51 Minutes 34 Seconds West, at 300.00 feet pass

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a 5/8 inch iron rod with plastic cap stamped "BENECHMARK ENGR." set at the intersection of the westerly R.O.W. line of said 300 foot H.L.&P. easement with the northerly R.O.W. line of said SH96, and continue, in all, a distance of 419.45 to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for the beginning of a curve to the left, and from which a 5/8 inch iron rod with a TXDOT aluminum disk found bears South 81 Degrees 54 Minutes 10 Seconds West, a distance of 0.44 feet; Thence, 1025.66 feet along the arc of said curve to the left having a radius of 6663.37 feet, a central angle of 08 Degrees 49 Minutes 09 Seconds, and a chord that bears South 56 Degrees 26 Minutes 59 Seconds West, a distance of 1024.65 to a 5/8 inch iron rod with plastic cap stamped "BENECHMARK ENGR." set for the southwest corner and Point of Beginning for the herein described tract; Thence, 521.80 feet continuing along the arc of said curve to the left having a radius of 6663.37 feet, a central angle of 04 Degrees 29 Minutes 12 Seconds, and a chord that bears South 49 Degrees 47 Minutes 48 Seconds West, a distance of 521.66 feet to a 5/8 inch iron rod with a TXDOT aluminum disk found in the northerly line of said 639.740 acre tract, the southerly line of a call 93 are tract described in a deed to Solomon J. Gardy in Volume 485, Page 75, of the G.C.D.R., and the recognized common line of the said Basquez Survey and the Michael Muldon 2 League Grant, Abstract Number 18, for the end of said curve and the west corner of the herein described tract. Thence, with a said common survey line, the northerly line of said 639.740 acre tract and the southerly line of said 93 acre tract, North 47 Degrees 33 Minutes 12 Seconds East, a distance of 522.87 feet to a 5/8 inch iron rod with plastic cap

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stamped "BENECHMARK ENGR." set for the northeast corner of the herein described tract;

Thence, through and across said 639.740 acre tract, South 37 Degrees 57 Minutes 36 Seconds East, a distance of 20.48 feet to the Point of Beginning.

Metes and Bounds Description

27.0000 Acres

(1,176,121 Square Feet)

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

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

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Thence, with the north R.O.W. line of said State Highway 96, South 60 Degrees 51 Minutes 34 Seconds West, a distance of 300.00 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set in the west R.O.W. line of said 300 foot H.L.&P. easement for the southeast corner and Point of Beginning of the herein described tract;
Thence, continuing with the north R.O.W. line of said State Highway 96 and the south line of the herein described tract, South 60 Degrees 51 Minutes 34 Seconds West, a distance of 119.45 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for the beginning of a curve to the left and from which a 5/8 inch rod with a TXDOT aluminum disk found bears South 81 Degrees 54 Minutes 10 Seconds West, a distance of 0.44 feet;
Thence, 1025.66 feet along the arc of said curve to the left having a radius of 6663.37 feet, a central angle of 08 Degrees 49 Minutes 09 Seconds, and a chord that bears South 56 Degrees 26 Minutes 59 Seconds West, a distance of 1024.65 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for the southwest corner of the herein described tract;
Thence, departing the north R.O.W. line of said State Highway 96, and through and across said 93 acre tract, the following four (4) courses:
1) North 37 Degrees 57 Minutes 36 Seconds West, a distance of 885.96 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for the northwest corner;
2) North 52 Degrees 02 Minutes 24 Seconds East, a distance of 483.16 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for an interior corner;

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3) North 29 Degrees 05 Minutes 53 Seconds West, a distance of 129.82 feet to 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set for an interior corner;
4) North 60 Degrees 54 Minutes 07 Secnds East, a distance of 800.09 feet to a 5/8 inch iron rod with plastic cap stamped "BENCHMARK ENGR." set in the west line of a call 10.709 Houston Power and Light (H.L.&P.) acre fee strip for the northeast corner of the herein described tract;
Thence, with the west line of said H.L.&P. Fee strip and the east line of the herein described tract, South 29 Degrees 05 Minutes 53 Seconds Eat, at 787.90 feet pass the southwest corner of said 10.709 acre tract and the northwest corner of said H.L.&P. 330 foot wide easement and continue, in all, a distance of 1000.00 feet to the Point of Beginning and containing 27.0000 acres of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.
(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.
(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

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

SECTION 4. (a) Section 3976.0307, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 3976, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 3976.0307 to read as follows:

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

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

SECTION 5. This Act takes effect September 1, 2019.

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No equivalent provision.

(But see SECTION 1 Sec. 3976.0307 above.)

SECTION 4. Same as House version.

CONFERENCE