

Chapter 608

H.B. No. 3173

AN ACT

relating to the powers of the Harris County Improvement District No. 17 and to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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

SECTION 1. Subchapter D, Chapter 3891, Special District Local Laws Code, is amended by adding Section 3891.159 to read as follows:

Sec. 3891.159. POWERS OF MUNICIPAL UTILITY DISTRICT TO ESTABLISH DEFINED AREAS AND DESIGNATED PROPERTY; TAXES; BONDS. (a) The district has the powers of a municipal utility district under Subchapter J, Chapter 54, Water Code, including the power to:

(1) implement a plan;

(2) issue bonds; and

(3) impose a tax in a defined area established under that subchapter.

(b) The district may exercise the powers described by Subsection (a) regardless of whether the district is composed of the minimum number of acres provided by Section 54.801, Water Code.

SECTION 2. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3936 to read as follows:

1 CHAPTER 3936. EAST LAKE HOUSTON MANAGEMENT DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 3936.001. DEFINITIONS. In this chapter:

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

5 (2) "City" means the City of Houston.

6 (3) "Director" means a board member.

7 (4) "District" means the East Lake Houston Management
8 District.

9 Sec. 3936.002. CREATION AND NATURE OF DISTRICT. The
10 district is a special district created under Section 59, Article
11 XVI, Texas Constitution.

12 Sec. 3936.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
13 creation of the district is essential to accomplish the purposes of
14 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
15 Texas Constitution, and other public purposes stated in this
16 chapter. By creating the district and in authorizing the city and
17 other political subdivisions to contract with the district, the
18 legislature has established a program to accomplish the public
19 purposes set out in Section 52-a, Article III, Texas Constitution.

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

25 (c) The district is created to supplement and not to
26 supplant city services provided in the district.

27 Sec. 3936.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)

1 The district is created to serve a public use and benefit.

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

7 (c) The creation of the district is in the public interest
8 and is essential to further the public purposes of:

9 (1) developing and diversifying the economy of the
10 state;

11 (2) eliminating unemployment and underemployment;

12 (3) developing or expanding transportation and
13 commerce; and

14 (4) providing quality residential housing.

15 (d) The district will:

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

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

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

1 (e) Pedestrian ways along or across a street, whether at
2 grade or above or below the surface, and street lighting, street
3 landscaping, vehicle parking, and street art objects are parts of
4 and necessary components of a street and are considered to be an
5 improvement project that includes a street or road improvement.

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

9 Sec. 3936.005. DISTRICT TERRITORY. (a) The district is
10 initially composed of the territory described by Section 3 of the
11 Act enacting this chapter.

12 (b) The boundaries and field notes contained in Section 3 of
13 the Act enacting this chapter form a closure. A mistake in the
14 field notes or in copying the field notes in the legislative process
15 does not affect the district's:

16 (1) organization, existence, or validity;

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

20 (3) right to impose or collect an assessment or tax; or

21 (4) legality or operation.

22 Sec. 3936.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

23 (a) All or any part of the area of the district is eligible to be
24 included in:

25 (1) a tax increment reinvestment zone created under
26 Chapter 311, Tax Code;

27 (2) a tax abatement reinvestment zone created under

1 Chapter 312, Tax Code;

2 (3) an enterprise zone created under Chapter 2303,
3 Government Code; or

4 (4) an industrial district created under Chapter 42,
5 Local Government Code.

6 (b) If the city creates a tax increment reinvestment zone
7 described by Subsection (a), the city and the board of directors of
8 the zone, by contract with the district, may grant money deposited
9 in the tax increment fund to the district to be used by the district
10 for the purposes permitted for money granted to a corporation under
11 Section 380.002(b), Local Government Code, including the right to
12 pledge the money as security for any bonds issued by the district
13 for an improvement project.

14 (c) A tax increment reinvestment zone created by the city in
15 the district is not subject to the limitations provided by Section
16 311.006(b), Tax Code.

17 Sec. 3936.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
18 DISTRICTS LAW. Except as otherwise provided by this chapter,
19 Chapter 375, Local Government Code, applies to the district.

20 Sec. 3936.008. CONSTRUCTION OF CHAPTER. This chapter shall
21 be liberally construed in conformity with the findings and purposes
22 stated in this chapter.

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 3936.051. GOVERNING BODY; TERMS. The district is
25 governed by a board of five voting directors who serve staggered
26 terms of four years with two or three directors' terms expiring June
27 1 of each odd-numbered year.

1 Sec. 3936.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY
2 CITY. To be qualified to serve as a director appointed by the
3 governing body of the city, a person must be:

4 (1) a resident of the district who is also a registered
5 voter of the district;

6 (2) an owner of property in the district;

7 (3) an owner of stock or a partnership or membership
8 interest, whether beneficial or otherwise, of a corporate
9 partnership, limited liability company, or other entity owner of a
10 direct or indirect interest in property in the district;

11 (4) an owner of a beneficial interest in a trust, or a
12 trustee in a trust, that directly or indirectly owns property in the
13 district;

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

16 (6) an initial director.

17 Sec. 3936.053. APPOINTMENT OF DIRECTORS. The governing
18 body of the city shall appoint directors from persons recommended
19 by the board.

20 Sec. 3936.054. VACANCY. If a vacancy occurs on the board,
21 the remaining directors shall appoint a director for the remainder
22 of the unexpired term.

23 Sec. 3936.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
24 director shall file the director's oath or affirmation of office
25 with the district, and the district shall retain the oath or
26 affirmation in the district records.

27 (b) A director shall file a copy of the director's oath or

1 affirmation with the secretary of the city.

2 Sec. 3936.056. QUORUM. A vacant director position is not
3 counted for purposes of establishing a quorum.

4 Sec. 3936.057. OFFICERS. The board shall elect from among
5 the directors a chair, a vice chair, and a secretary. The offices
6 of chair and secretary may not be held by the same person.

7 Sec. 3936.058. COMPENSATION; EXPENSES. (a) The district
8 may compensate each director in an amount not to exceed \$50 for each
9 board meeting. The total amount of compensation a director may
10 receive each year may not exceed \$2,000.

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

14 Sec. 3936.059. LIABILITY INSURANCE. The district may obtain
15 and pay for comprehensive general liability insurance coverage from
16 a commercial insurance company or other source that protects and
17 insures a director against personal liability and from all claims
18 relating to:

19 (1) actions taken by the director in the director's
20 capacity as a member of the board;

21 (2) actions and activities taken by the district; or

22 (3) the actions of others acting on behalf of the
23 district.

24 Sec. 3936.060. NO EXECUTIVE COMMITTEE. The board may not
25 create an executive committee to exercise the powers of the board.

26 Sec. 3936.061. BOARD MEETINGS. The board shall hold
27 meetings at a place accessible to the public.

1 Sec. 3936.062. INITIAL DIRECTORS. (a) The initial board
2 consists of:

3	<u>Pos. No.</u>	<u>Name of Director</u>
4	<u>1</u>	<u>John Hauser</u>
5	<u>2</u>	<u>Sophia Filfil</u>
6	<u>3</u>	<u>John Speers</u>
7	<u>4</u>	<u>Debi Armstrong</u>
8	<u>5</u>	<u>Zach Dehghanpoo</u>

9 (b) The terms of the initial directors expire June 1, 2019.

10 (c) Of the directors who replace an initial director, the
11 terms of directors serving in positions 1 through 3 expire June 1,
12 2021, and the terms of directors serving in positions 4 and 5 expire
13 June 1, 2023.

14 (d) Section 3936.052 does not apply to initial directors
15 under this section.

16 (e) This section expires September 1, 2023.

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 3936.101. GENERAL POWERS AND DUTIES. The district has
19 the powers and duties necessary to accomplish the purposes for
20 which the district is created.

21 Sec. 3936.102. IMPROVEMENT PROJECTS AND SERVICES. The
22 district may provide, design, construct, acquire, improve,
23 relocate, operate, maintain, or finance an improvement project or
24 service using money available to the district, or contract with a
25 governmental or private entity to provide, design, construct,
26 acquire, improve, relocate, operate, maintain, or finance an
27 improvement project or service authorized under this chapter or

1 Chapter 375, Local Government Code.

2 Sec. 3936.103. LOCATION OF IMPROVEMENT PROJECT. An
3 improvement project described by Section 3936.102 may be located:

4 (1) in the district; or

5 (2) in an area outside but adjacent to the district if
6 the project is for the purpose of extending a public infrastructure
7 improvement beyond the district's boundaries to a logical terminus.

8 Sec. 3936.104. DEVELOPMENT CORPORATION POWERS. The
9 district, using money available to the district, may exercise the
10 powers given to a development corporation under Chapter 505, Local
11 Government Code, including the power to own, operate, acquire,
12 construct, lease, improve, or maintain a project under that
13 chapter.

14 Sec. 3936.105. NONPROFIT CORPORATION. (a) The board by
15 resolution may authorize the creation of a nonprofit corporation to
16 assist and act for the district in implementing a project or
17 providing a service authorized by this chapter.

18 (b) The nonprofit corporation:

19 (1) has each power of and is considered to be a local
20 government corporation created under Subchapter D, Chapter 431,
21 Transportation Code; and

22 (2) may implement any project and provide any service
23 authorized by this chapter.

24 (c) The board shall appoint the board of directors of the
25 nonprofit corporation. The board of directors of the nonprofit
26 corporation shall serve in the same manner as the board of directors
27 of a local government corporation created under Subchapter D,

1 Chapter 431, Transportation Code, except that a board member is not
2 required to reside in the district.

3 Sec. 3936.106. AGREEMENTS; GRANTS. (a) As provided by
4 Chapter 375, Local Government Code, the district may make an
5 agreement with or accept a gift, grant, or loan from any person.

6 (b) The implementation of a project is a governmental
7 function or service for the purposes of Chapter 791, Government
8 Code.

9 Sec. 3936.107. LAW ENFORCEMENT SERVICES. To protect the
10 public interest, the district may contract with a qualified party,
11 including the city or a county, to provide law enforcement services
12 in the district for a fee.

13 Sec. 3936.108. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
14 district may join and pay dues to a charitable or nonprofit
15 organization that performs a service or provides an activity
16 consistent with the furtherance of a district purpose.

17 Sec. 3936.109. ECONOMIC DEVELOPMENT. (a) The district may
18 engage in activities that accomplish the economic development
19 purposes of the district.

20 (b) The district may establish and provide for the
21 administration of one or more programs to promote state or local
22 economic development and to stimulate business and commercial
23 activity in the district, including programs to:

24 (1) make loans and grants of public money; and

25 (2) provide district personnel and services.

26 (c) The district may create economic development programs
27 and exercise the economic development powers that:

1 (1) Chapter 380, Local Government Code, provides to a
2 municipality; and

3 (2) Subchapter A, Chapter 1509, Government Code,
4 provides to a municipality.

5 Sec. 3936.110. CERTAIN MUNICIPAL UTILITY DISTRICT POWERS.
6 The district does not have the powers granted to a municipal utility
7 district by Subchapter D, Chapter 54, Water Code.

8 Sec. 3936.111. CONCURRENCE ON ADDITIONAL POWERS. If the
9 legislature grants the district a power that is in addition to the
10 powers approved by the initial resolution of the governing body of
11 the city consenting to the creation of the district, the district
12 may not exercise that power unless the governing body of the city
13 consents to that change by resolution.

14 Sec. 3936.112. NO EMINENT DOMAIN POWER. The district may
15 not exercise the power of eminent domain.

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

17 Sec. 3936.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
18 board by resolution shall establish the number of signatures and
19 the procedure required for a disbursement or transfer of the
20 district's money.

21 Sec. 3936.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
22 The district may acquire, construct, finance, operate, or maintain
23 an improvement project or service authorized under this chapter or
24 Chapter 375, Local Government Code, using any money available to
25 the district.

26 Sec. 3936.153. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
27 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or

1 secure the payment or repayment of any bond, note, or other
2 temporary or permanent obligation or reimbursement or other
3 contract with any person and the costs and expenses of the
4 establishment, administration, and operation of the district and
5 the district's costs or share of the costs or revenue of an
6 improvement project or district contractual obligation or
7 indebtedness by:

8 (1) the imposition of an ad valorem tax or sales and
9 use tax or an assessment, user fee, concession fee, or rental
10 charge; or

11 (2) any other revenue or resources of the district, or
12 other revenue authorized by the city, including revenues from a tax
13 increment reinvestment zone created by the city under applicable
14 law.

15 Sec. 3936.154. PETITION REQUIRED FOR FINANCING SERVICES AND
16 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
17 service or improvement project with assessments under this chapter
18 unless a written petition requesting that service or improvement
19 has been filed with the board.

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

24 Sec. 3936.155. METHOD OF NOTICE FOR HEARING. The district
25 may mail the notice required by Section 375.115(c), Local
26 Government Code, by certified or first class United States mail.
27 The board shall determine the method of notice.

1 Sec. 3936.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)

2 The board by resolution may impose and collect an assessment for any
3 purpose authorized by this chapter in all or any part of the
4 district.

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

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

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

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

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

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

26 Sec. 3936.157. STORM WATER USER CHARGES. The district may
27 establish user charges related to the operation of storm water

1 facilities, including the regulation of storm water for the
2 protection of water quality in the district.

3 Sec. 3936.158. NONPOTABLE WATER USER CHARGES. The district
4 may establish user charges for the use of nonpotable water for
5 irrigation purposes, subject to approval of the governing body of
6 the city.

7 Sec. 3936.159. COSTS FOR IMPROVEMENT PROJECTS. The
8 district may undertake separately or jointly with other persons,
9 including the city or a county, all or part of the cost of an
10 improvement project, including an improvement project:

11 (1) for improving, enhancing, and supporting public
12 safety and security, fire protection and emergency medical
13 services, and law enforcement in or adjacent to the district; or

14 (2) that confers a general benefit on the entire
15 district or a special benefit on a definable part of the district.

16 Sec. 3936.160. TAX AND ASSESSMENT ABATEMENTS. The district
17 may designate reinvestment zones and may grant abatements of a tax
18 or assessment on property in the zones.

19 Sec. 3936.161. POWERS OF MUNICIPAL UTILITY DISTRICT TO
20 ESTABLISH DEFINED AREAS AND DESIGNATED PROPERTY; TAXES; BONDS. The
21 district has the powers of a municipal utility district under
22 Subchapter J, Chapter 54, Water Code, including the power to:

23 (1) implement a plan;

24 (2) issue bonds; and

25 (3) impose a tax in a defined area established under
26 that subchapter.

1 SUBCHAPTER E. TAXES AND BONDS

2 Sec. 3936.201. TAX ABATEMENT. The district may enter into a
3 tax abatement agreement in accordance with the general laws of this
4 state authorizing and applicable to a tax abatement agreement by a
5 municipality.

6 Sec. 3936.202. PROPERTY TAX AUTHORIZED. (a) The district
7 may impose an ad valorem tax on all taxable property in the district
8 to:

9 (1) pay for an improvement project of the types
10 authorized by Section 52(b), Article III, and Section 59, Article
11 XVI, Texas Constitution, and Chapter 54, Water Code; or

12 (2) secure the payment of bonds issued for a purpose
13 described by Subdivision (1).

14 (b) The district may not impose an ad valorem tax to pay for
15 an improvement project under this chapter unless the imposition is
16 approved by the voters of the district voting at an election held
17 for that purpose. The board may call an election to approve the
18 imposition of an ad valorem tax to pay for an improvement project
19 under this chapter only if the board receives a petition requesting
20 the election signed by:

21 (1) more than 51 percent of the record owners of real
22 property in the district subject to taxation; or

23 (2) owners representing more than 51 percent of the
24 appraised value of real property in the district subject to
25 taxation, as determined by the tax rolls of the appraisal district.

26 Sec. 3936.203. SALES AND USE TAX. (a) The district may
27 impose a sales and use tax if authorized by a majority of the voters

1 of the district voting at an election called for that purpose.
2 Revenue from the tax may be used for any purpose for which ad
3 valorem tax revenue of the district may be used.

4 (b) The district may not adopt a sales and use tax if as a
5 result of the adoption of the tax the combined rate of all sales and
6 use taxes imposed by the district and other political subdivisions
7 of this state having territory in the district would exceed two
8 percent at any location in the district.

9 (c) If the voters of the district approve the adoption of
10 the tax at an election held on the same election date on which
11 another political subdivision adopts a sales and use tax or
12 approves an increase in the rate of its sales and use tax and as a
13 result the combined rate of all sales and use taxes imposed by the
14 district and other political subdivisions of this state having
15 territory in the district would exceed two percent at any location
16 in the district, the election to adopt a sales and use tax under
17 this chapter has no effect.

18 Sec. 3936.204. BONDS AND OTHER OBLIGATIONS. (a) The
19 district may issue, by public or private sale, bonds, notes, or
20 other obligations payable wholly or partly from ad valorem taxes,
21 sales and use taxes, or assessments in the manner provided by
22 Subchapter J, Chapter 375, Local Government Code.

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

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

6 Sec. 3936.205. BOND MATURITY. Bonds may mature not more
7 than 40 years from their date of issue.

8 Sec. 3936.206. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
9 the time bonds or other obligations payable wholly or partly from ad
10 valorem taxes are issued:

11 (1) the board shall impose a continuing direct annual
12 ad valorem tax for each year that all or part of the bonds are
13 outstanding; and

14 (2) the district annually shall impose an ad valorem
15 tax on all taxable property in the district in an amount sufficient
16 to:

17 (A) pay the interest on the bonds or other
18 obligations as the interest becomes due; and

19 (B) create a sinking fund for the payment of the
20 principal of the bonds or other obligations when due or the
21 redemption price at any earlier required redemption date.

22 SUBCHAPTER F. DISSOLUTION

23 Sec. 3936.251. DISSOLUTION BY CITY ORDINANCE. (a) The city
24 by ordinance may dissolve the district.

25 (b) The city may not dissolve the district until the
26 district's outstanding debt or contractual obligations that are
27 payable from ad valorem taxes have been repaid or discharged, or the

1 city has affirmatively assumed the obligation to pay the
2 outstanding debt from city revenue.

3 Sec. 3936.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

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

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

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

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

16 Sec. 3936.253. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
17 After the city dissolves the district, the city assumes, subject to
18 the appropriation and availability of funds, the obligations of the
19 district, including any bonds or other debt payable from
20 assessments or other district revenue.

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

23 SECTION 3. The East Lake Houston Management District
24 initially includes all the territory contained in the following
25 area:

26 Tract 1 or East Lake Houston Tract is +/- 137 acres, within the F.
27 Rankin Survey Abstract (No. 57) and situated southwest of

1 intersection Crosby Huffman Road (Farm-to-Market Road 2100) and Old
2 Atascocita Road in northeast Harris County with point of beginning
3 being southeast corner of +/- 137 acre tract (ABST 57 F H RANKIN TRS
4 8A & 8B) and west Right-Of-Way (ROW) of Crosby Huffman Road (FM
5 2100) and north boundary of Spanish Cove Subdivision Section 2;
6 Then generally west along south boundary of said 137 acre tract, and
7 north boundary of Spanish Cove Subdivision Sections 1-2 to east ROW
8 Union Pacific Railway (former BSL&W);
9 Then northeast along the east ROW of Union Pacific Railway (former
10 BSL&W) to a point southeast of northeast corner of 0.2914 acre
11 parcel (ABST 57 F H RANKIN TRS 8B-1 & 8B-2 (LIFT STATION) (PT NM));
12 Then northwest across ROW of Union Pacific Railway and along south
13 boundary of said +/- 137 acre tract to northeast corner of said
14 0.2914 acre parcel;
15 Then west along south boundary of said +/- 137 acre tract and north
16 boundary of said 0.2914 acre parcel to northwest corner of said
17 0.2914 acre parcel;
18 Then south along boundary line of said +/- 137 acre tract and west
19 boundary of said 0.2914 acre parcel to southwest corner of said
20 0.2914 parcel and north boundary of 0.455 acre parcel (SPANISH COVE
21 SEC 1 LT 44 BLK 1);
22 Then west along boundary line of said +/- 137 acre tract and north
23 boundary of said 0.455 acre parcel, and 0.499 acre parcel (SPANISH
24 COVE SEC 1 LT 43 BLK 1) to southwest corner of said +/- 137 acre
25 tract;
26 Then northeast and north along the west boundary of said +/- 137
27 acre tract to northwest corner of said tract and southwest corner of

1 0.73 acre tract (ABST 57 F H RANKIN TRS 1E 1F 1G & 1K);
2 Then east along north boundary of said +/- 137 acre tract, across
3 ROW of Union Pacific Railway to northeast corner of said tract and
4 west ROW of Crosby Huffman Road (FM 2100);
5 Then south along east boundary of said +/- 137 acre tract and west
6 ROW of Crosby Huffman Road (FM 2100) to southeast corner of said +/-
7 137 acre tract and point of beginning of +/-137 acre Tract 1;
8 Tract 2 or Red Wolf Tract is +/- 298 acres (called 296.28 acres), is
9 situated 1.3 miles northeast of intersection of Humble-Crosby Road
10 (Farm-to-Market Road 2100) and Luce Bayou (trib. to Lake Houston)
11 in northeast Harris County and being out of and a part of the JOHN R.
12 RHEA SURVEY, A-62, Harris County, Texas, and being composed of that
13 called 296.28 acre tract referred to as Exhibit A-2 in deed from
14 Donald T. Keller, Jr., and Sanford G. Cohen as Substitute Trustees
15 to LBP Properties, LLC as recorded in Harris County Clerk's File
16 (HCCF) 20100142110 and that called 0.1261 acre tract conveyed to PB
17 Advantage, LLC, a Texas limited liability company by LBP
18 Properties, LLC, as recorded in HCCF 20110468701 and being more
19 particularly described by metes and bounds as follows:
20 The bearings in this description are based on the Texas State Plane
21 Coordinate System, South Central Zone, NAD 83, as determined from
22 GPS observations.
23 BEGINNING at the northeast corner of a called 296.28 acre tract
24 described in Exhibit "A-2" of HCCF 201001412110, said point being a
25 brass disk in concrete, said point also being an interior corner of
26 a called 530.18 acre tract designated Tract 2 Parcel D in that
27 certain deed to Ned Holmes, recorded in HCCF F520006;

1 THENCE along the east line of the called 296.28 acre tract and a
2 westerly line of the said Holmes tract S 03°06'44" E a distance of
3 3,188.97 feet (called S 00°24'06" E 3,186.25 feet) to a 5/8" iron rod
4 found for corner in the southwest line of a Gulf States Utilities
5 150' easement, same being the northeast line of Fairway Crossing At
6 Lake Houston Sec Two, the map of which is recorded in HCCF# 420032;
7 THENCE N 65°09'42" W along the northeast line of said subdivision
8 and the southwest line of said easement a distance of 1,333.90 feet
9 (called N 62°58'31"W 1,333.99 feet) to a 1/2" iron rod found for
10 corner at the intersection of the northeast line of said Fairway
11 Crossing At Lake Houston Sec Two, and the easterly line of that
12 certain called 14.49712 acre tract referred to as Tract C, Exhibit
13 "2-C" as recorded in HCCF 20100142110;
14 THENCE along the easterly line of said called 14.49712 acre tract as
15 follows:
16 N 80°54'19" E 236.13 feet (called N 82°01'21" E 243.56 feet in the
17 called 296.28 acre description and N 83°50'49" E 235.81 feet in the
18 called 14.49712 acre description) to a 1/2" iron rod found for
19 corner;
20 N 14°01'16" W 928.56 feet (called N 11°17'34" W 926.79 feet in the
21 called 296.28 acre description and N 11°01'17" W 926.79 feet in the
22 called 14.49712 acre description) to a 16d nail found for corner;
23 N 25°46'00" E 391.76 feet (called N 28°05'34" E 381.49 feet in the
24 called 296.28 acre description and N 28°30'46" E 392.75 feet in the
25 called 14.49712 acre description) to a 1/2" iron rod found for
26 corner;
27 N 02°01'06" E 308.36 feet (called N 05°11'44" E 307.39 feet in the

1 called 296.28 acre description and N04°58'01"E 308.33 feet in the
2 called 14.49712 acre description) to a 1/2" iron rod found for
3 corner;

4 N 61°46'38" W 210.87 feet (called N 56°09'08" W 213.35 feet in the
5 called 296.28 acre description and N58°49'35" W 210.71 feet in the
6 called 14.49712 acre description) to a 1/2" iron rod found for
7 corner;

8 S 28°09'20" W 152.72 feet (called S 31°20'05" W 163.96 feet in the
9 called 296.28 acre description and S 31°10'25"W 152.63 feet in the
10 called 14.49712 acre description) to a 1/2" iron rod found for
11 corner;

12 S 61°51'40" E 29.90 feet (called S 58°41'04" E 30.00 feet in the
13 called 296.28 acre description and S 58°49'35"E 30.00 feet in the
14 called 14.49712 acre description) to a bent 1/2" iron rod found for
15 corner;

16 S 19°54'48" W 732.14 feet (called S 22°57'53" W 729.79 feet in the
17 called 296.28 acre description and S 22°53'35" W 732.05 feet in the
18 called 14.49712 acre description) to a 1/2" iron rod found for
19 corner;

20 S 24°55'18" E 724.63 feet (called S 21°38'23" E 725.62 feet in the
21 called 296.28 acre description and S 21°57'23"E 724.64 feet in the
22 called 14.49712 acre description) to 1/2" iron rod found for
23 corner;

24 S 80°53'45" W 342.17 feet (called S 84°10'59" W 339.44 feet in the
25 called 296.28 acre description and S 83°50'49"W 342.64 feet in the
26 called 14.49712 acre description) to a 5/8" iron rod with plastic
27 cap set for corner;

1 S 51°55'05" W 75.08 feet (called S 55°24'45" W 77.82 feet in the
2 called 296.28 acre description and S 4°52'09"W 74.46 feet in the
3 called 14.49712 acre description) to a 1/2" iron rod found for
4 corner;

5 S 55°56'57" W 171.23 feet (called S 59°02'06" W 171.45 feet in the
6 called 296.28 acre description and S 58°53'35" W 171.45 feet in the
7 called 14.49712 acre description) to a 5/8" iron rod found for
8 corner;

9 S 35°29'07" W 491.18 feet (called S 38°34'34" W 490.92 feet in the
10 called 296.28 acre description and S 38°26'03" W 490.92 feet in the
11 called 14.49712 acre description) to a bent 1/2" iron rod found for
12 corner;

13 S 31°08'26" W 85.71 feet (called S 34°13'30" W 85.80 feet in the
14 called 296.28 acre description and S34°05'04"W 85.80 feet in the
15 called 14.49712 acre description) to a 5/8" iron rod found for
16 corner at the northermost corner of the above called 0.1261 acre
17 tract; same being the southwesterly corner of the called 14.49712
18 acre tract;

19 THENCE S 50°37'55" E 92.81 feet (called S 48°03'42" E 94.48 feet)
20 along the southerly line of the called 14.49712 acre tract and the
21 northerly line of the called 0.1261 acre tract to a 5/8" iron rod
22 found for corner at the westernmost corner of Lot 1, Block 4 of
23 Fairway Crossing At Lake Houston Sec Two, the map of which is
24 recorded in Film Code 420032, and being the northwest corner of
25 North Fairway Oaks Drive, a 60' wide right of way;

26 THENCE S 33°15'47" W 60.29 feet (plat call S 36°25'22" W 60.28
27 feet)along the west end of North Fairway Oaks Drive and the east

1 line of the called 0.1261 acre tract to a 1/2" iron rod found for
2 corner at the southwest corner of North Fairway Oaks Drive and the
3 northwest corner of Lot 2, Block 5, same being the northeasterly
4 corner of that certain called 12.68949 acre tract referred to as
5 Tract B, Exhibit "2 B" in the aforementioned HCCF 20100142110;
6 THENCE N 50°37'55" W 90.55 feet (called N 48°03'44" W 92.00 feet in
7 the called 12.68949 acre description) along the south line of the
8 called 0.1261 acre tract and the north line of the called 12.68949
9 acre tract to a bent 1/2" iron rod found at the westernmost corner
10 of the called 0.1261 acre tract and the northwest corner of the
11 called 12.68949 acre tract;
12 THENCE along the westerly line of the called 12.68949 acre tract as
13 follows:
14 S 69°35'25"W 128.56 feet (called S 72°46'05" W 128.85 feet in the
15 called 296.28 acre tract and S 72°37'34"W 128.85 feet in the called
16 12.68949 acre tract) to a 1/2" iron rod found for corner;
17 S 75°15'33"W 892.23 feet (called S 78°21'40" W 892.22 feet in the
18 called 296.28 acre tract and S 78°13'09"W 892.22 feet in the called
19 12.68949 acre tract) to a 1/2" iron rod found for corner;
20 S 45°02'53"W 488.53 feet (called S 48°07'53" W 488.36 feet in the
21 called 296.28 acre tract and S 47°59'22"W 488.36 feet in the called
22 12.68949 acre tract) to a 1/2" iron rod found for corner;
23 S 30°53'17"W 259.05 feet (called S 34°03'03" W 258.86 feet in the
24 called 296.28 acre tract and S 33°54'32"W 258.86 feet in the called
25 12.68949 acre tract) to a 1/2" iron rod found for corner;
26 S 14°22'04"W 125.12 feet (called S 16°58'32" W 125.63 feet in the
27 called 296.28 acre tract and S 16°50'01" W 125.63 feet in the called

1 12.68949 acre tract) to a 5/8" iron rod found for corner;
2 S 58°04'53"W 122.13 feet (called S 61°45'16" W 122.45 feet in the
3 called 296.28 acre tract and S 61°36'45" W 122.45 feet in the called
4 12.68949 acre tract) to a bent 1/2" iron rod found for corner;
5 S 20°15'20"W 79.05 feet (called S 23°00'26" W 79.80 feet in the
6 called 296.28 acre tract and S 22°51'55" W 79.81 feet in the called
7 12.68949 acre tract) to a 1/2" iron rod found for the westernmost
8 corner of the called 12.678949 acre tract and the southernmost
9 corner of the called 296.28 acre tract, said point falling in the
10 north line of Golf View Lane, based on a width of 60 feet; access to
11 Golf View Lane is denied based on a 1' buffer reserve per the
12 recorded plat HCFC 619004;
13 THENCE N 70°04'57"W a distance of 405.90 feet (called N 66°59'31" W
14 407.83 feet) along the north line of Golf View Lane to a 3/4" iron
15 rod found for corner at the intersection of the north line of Golf
16 View Lane and the east line of a certain called 45.88444 acre tract
17 referred to as Tract A, Exhibit 2-A, HCCF 20100142110;
18 THENCE along the east line of the called 45.88444 acre tract as
19 follows:
20 N 27°27'07" E 103.92 feet (called N 34°19'47"E 106.12 feet in the
21 called 296.28 acre tract) to a 1/2" iron rod found for corner;
22 N 00°48'38" E 775.41 feet (called N 04°03'47" E 775.14 feet in the
23 called 296.28 acre tract and N 03°55'16" E 775.14 feet in the called
24 45.88444 acre tract) to a 1/2" iron rod found for corner;
25 N 11°47'50" E 278.92 feet (called N 14°55'16" E 279.03 feet in the
26 called 296.28 acre tract and N 14°46'45" E 379.00 feet in the called
27 45.88444 acre tract) to a 1/2" iron rod found for corner;

1 N 15°01'22" E 125.05 feet (called N 18°07'02" E 125.00 feet in the
2 called 296.28 acre tract) to a 5/8" iron rod set for corner at the
3 southwest corner of a called 0.2006 acre tract referred to as Tract
4 H, Exhibit "2-H" in HCCF 20100142110;
5 THENCE leaving the east line of the called 45.88444 acre tract and
6 along the boundary of the called 0.2006 acre tract the following
7 courses and distances:
8 N 80°23'56" E 88.16 feet (called N 83°29'31" E 88.0 feet in the called
9 296.28 acre tract and called N 83°21'00" E 88.00 feet in the called
10 0.2006 acre tract) to a 5/8" iron rod found for corner;
11 N 08°02'56" E 104.00 feet (called N 11°08'31" E 104.00 feet in the
12 called 296.28 acre tract and called N 11°00'00" E 104.00 feet in the
13 called 0.2006 acre tract) to a 5/8" iron rod found for corner;
14 N 83°20'05" W 68.24 feet (called N 80°14'30" W 68.09 feet in the
15 called 296.28 acre tract and called N 80°23'01" W 68.09 feet in the
16 called 0.2006 acre tract) to a 5/8" iron rod found for corner in the
17 east line of the called 45.88444 acre tract at the northwest corner
18 of the called 0.2006 acre tract;
19 THENCE along the east line of the called 45.88444 acre tract as
20 follows:
21 N 15°01'22"E 374.10 feet (called N 18°07'02" E 374.33 feet) to a 1/2"
22 iron rod found for corner; N 04°42'24"W 268.97 feet (called
23 N01°36'25"W 269.04 feet in the called 296.28 acre tract and
24 N01°44'56"W 269.04 feet in the called 45.88444 acre tract) to a 5/8"
25 iron rod found for corner;
26 N 08°39'46"W 492.91 feet (called N 05°34'11" W 492.91 feet in the
27 called 296.28 acre tract and N05°42'42"W 492.91 feet in the called

1 45.88444 acre tract) to a 1/2" iron rod found for corner;
2 N 27°20'18"W 157.05 feet (called N 24°24'44" W 154.74 feet in the
3 called 296.28 acre tract and N24°33'15"W 154.74 feet in the called
4 45.88444 acre tract) to a 1/2" iron rod found for corner;
5 THENCE N 35°22'31"E 38.49 feet (called N 36°20'10" E 40.09 feet in
6 the called 296.28 acre tract and N36°12'07"E 40.09 feet in the
7 called 45.88444 acre tract) to a 1/2" iron rod found for the
8 northeast corner of the called 45.88444 acre tract;
9 THENCE N 86°36'57"E 126.94 feet (called N 89°43'13" E 126.82 feet in
10 the called 296.28 acre tract) to a 1/2" iron rod found for corner
11 same being the southeast corner of a called 17.75276 acre tract
12 referred to as Tract D, Exhibit "2-D" as recorded in HCCF
13 20100142110;
14 THENCE along the perimeter of the called 17.75276 acre tract as
15 follows:
16 N 43°50'37" E 581.47 feet (called N 46°57'34" E 581.37 feet in the
17 called 296.28 acre tract and N 46°49'03"E 581.37 feet in the called
18 17.75276 acre tract) to a 1/2" iron rod found for corner;
19 N 49°55'28" E 351.83 feet (called N 53°01'09" E 351.94 feet in the
20 called 296.28 acre tract and N 52°52'38"E 351.94 feet in the called
21 17.75276 acre tract) to a 1/2" iron rod found for corner;
22 N 81°25'46" E 316.32 feet (called N 84°30'32" E 315.99 feet in the
23 called 296.28 acre tract and N 84°22'01"E 315.99 feet in the called
24 17.75276 acre tract) to a 1/2" iron rod found for corner;
25 S 28°09'17" E 207.98 feet (called S 24°59'15" E 208.09 feet in the
26 called 296.28 acre tract and S 25°07'54"E 208.29 feet in the called
27 17.75276 acre tract) to a 1/2" iron rod found for corner;

1 S69°24'27" E 688.15 feet (called S 66°21'05" E 688.15 feet in the
2 called 296.28 acre tract and S 66°29'36"E 688.15 feet in the called
3 17.75276 acre tract) to a 1/2" iron rod found for corner;
4 N79°02'26"E 754.79 feet (called N 82°10'03" E 754.71 feet in the
5 called 296.28 acre tract and N 82°01'32"E 754.71 feet in the called
6 17.75276 acre tract) to a 1/2" iron rod found for corner;
7 S61°49'53"E 48.38 feet (called S 58°41'04" E 48.22 feet in the called
8 296.28 acre tract and S 58°49'35"E 48.22 in the called 17.75276 acre
9 tract) to a 5/8" iron rod found for corner;
10 N28°09'20"E 152.63 feet (called N 31°20'05" E 163.98 feet in the
11 called 296.28 acre tract and N 31°10'25"E 152.63 feet in the called
12 17.75276 acre tract) to a 1/2" iron rod found for corner;
13 N61°47'48"W 110.97 feet (called N 59°05'52" W 110.91 feet in the
14 called 296.28 acre tract and N58°49'35"W 110.91 feet in the called
15 17.75276 acre tract) to a 1/2" iron rod found for corner;
16 S85°38'08"W 703.20 feet (called S88°02'49" W 707.15 feet in the
17 called 296.28 acre tract and S88°35'31"W 703.22 feet in the called
18 17.75276 acre tract) to a 1/2" iron rod found for corner;
19 N 66°18'11"W 578.25 feet (called N 63°08'04" W 576.35 feet in the
20 called 296.28 acre tract and N 63°20'34"W 578.20 feet in the called
21 17.75276 acre tract) to a 1/2" iron rod found for corner;
22 N 07°07'29"E 119.96 feet (called N 09°48'52" E 120.00 feet in the
23 called 296.28 acre tract and N 10°05'09"E 120.00 feet in the called
24 17.75276 acre tract) to a 1/2" iron rod found for corner;
25 N 72°30'45"W 254.23 feet (called N 69°30'15" W 254.67 feet in the
26 called 296.28 acre tract and N 69°29'18"W 254.20 feet in the called
27 17.75276 acre tract) to a 1/2" iron rod found for corner;

1 S 77°07'40"W 613.42 feet (called S80°11'27" W 613.36 feet in the
2 called 296.28 acre tract and S 80°02'56"W 613.36 feet in the called
3 17.75276 acre tract) to a 1/2" iron rod found for corner;
4 S 66°31'16"W 74.51 feet (called S 69°48'19" W 74.55 feet in the
5 called 296.28 acre tract and S 69°39'48"W 74.55 feet in the called
6 17.75276 acre tract) to a 1/2" iron rod found for corner;
7 S 41°44'01"W 900.90 feet (called S 44°50'16" W 901.02 feet in the
8 called 296.28 acre tract and S 44°41'45"W 901.02 feet in the called
9 17.75276 acre tract) to a 1/2" iron rod found for corner at the
10 southwest corner of the called 17.75276 acre tract;
11 THENCE S 13°30'17"E 76.76 feet (called S 10°19'13"E 76.41 feet in the
12 called 296.28 acre tract) to a 1/2" iron rod found at the northwest
13 corner of the previously mentioned called 45.88444 acre tract;
14 THENCE continuing along the west line of the called 45.88444 acre
15 tract as follows:
16 S 55°35'24" W 145.50 feet (called S 58°34'17" W 145.44 feet in the
17 called 296.28 acre tract and S 58°25'45"W 145.44 feet in the called
18 45.88444 acre tract) to a 1/2" iron rod found for corner;
19 S 00°34'21" W 338.38 feet (called S 03°41'22" W 338.21 feet in the
20 called 296.28 acre tract and S 03°32'51"W 338.21 feet in the called
21 45.88444 acre tract) to a 1/2" iron rod found for corner;
22 S 12°53'23" E 563.12 feet (called S 09°47'24" E 563.17 feet in the
23 called 296.28 acre tract and S 09°55'55"E 563.17 feet in the called
24 45.88444 acre tract) to a 1/2" iron rod found for corner;
25 S 23°05'47" W 500.11 feet (called S 26°11'56" W 518.43 feet in the
26 called 296.28 acre tract) to the center of Mexican Gully and the
27 northernmost corner of Lot 4, Block 1 of Fairway Crossing At Lake

1 Houston Sec 6, the map of which is recorded in HCCF 619004;
2 THENCE along the centerline of Mexican Gully and the north line of
3 Fairway Crossing At Lake Houston Sec 6 the following courses and
4 distances:

- 5 S 78°19'25" W 159.62 feet;
- 6 S 58°33'36" E 50.18 feet;
- 7 S 56°10'34" W 88.29 feet;
- 8 S 69°58'30" W 134.39 feet;
- 9 N 48°59'41" W 200.44 feet;
- 10 S 68°19'46" W 248.22 feet;
- 11 S 01°06'53" E 150.83 feet;
- 12 S 67°24'23" W 245.65 feet;
- 13 S 47°42'48" W 139.43 feet;
- 14 S 12°08'51" E 74.49 feet;
- 15 S 15°19'27" E 121.44 feet to the center of Luce Bayou;
- 16 THENCE along the center of Luce Bayou as follows:
- 17 N 86°30'53" W 39.56 feet;
- 18 S 89°52'33" W 129.23 feet;
- 19 N 70°38'13" W 178.22 feet;
- 20 N 58°56'28" W 146.63 feet;
- 21 N 34°52'28" W 137.27 feet;
- 22 N 12°26'05" W 211.68 feet;
- 23 N 23°10'46" E 87.01 feet;
- 24 N 54°16'47" E 83.54 feet;
- 25 N 25°54'48" E 133.66 feet;
- 26 N 55°01'33" E 55.56 feet;
- 27 N 21°22'10" E 106.67 feet;

- 1 N 53°49'00" E86.13 feet;
- 2 S 65°31'41" E93.18 feet;
- 3 S 59°07'21" E87.78 feet;
- 4 S 36°39'52" E78.63 feet;
- 5 N 54°27'19" E255.38 feet;
- 6 N 04°28'28" E236.87 feet;
- 7 S 88°02'08" E373.40 feet;
- 8 N 21°24'47" E130.93 feet;
- 9 N 28°58'59" W310.88 feet;
- 10 N 55°56'15" W276.86 feet;
- 11 N 16°17'33" W180.44 feet;
- 12 N 28°42'30" W175.44 feet;
- 13 N 45°33'12" E324.30 feet;
- 14 N 19°10'00" E200.32 feet;
- 15 S 85°37'21" E129.05 feet;
- 16 S 12°10'03" W162.50 feet;
- 17 S 66°28'37" E214.05 feet;
- 18 N 71°24'50" E176.10 feet;
- 19 N 32°58'25" W471.75 feet;
- 20 N 23°27'47" E147.60 feet;
- 21 S 59°20'36" E281.49 feet;
- 22 N 04°07'09" E75.17 feet;
- 23 N 20°56'02" W293.88 feet;
- 24 N 31°07'23" E133.76 feet;
- 25 N 40°22'47" E236.30 feet;
- 26 S 52°04'44" E175.06 feet;
- 27 S 85°46'53" E217.37 feet;

1 N 72°02'52" E142.62 feet;
2 S 64°19'26" E130.86 feet;
3 N 47°10'33" E249.93 feet;
4 N 47°32'27" E 40.03 feet to a point in the north line of the called
5 296.28 acre tract and the south line of the Ned Holmes Tract 2
6 Parcel D Called 530.18 acre tract described in HCCF# F52006;
7 THENCE along the north line of the called 296.28 acre tract and the
8 south line of the Holmes tract N 87°14'06" E (called S 89°55'11" E) at
9 603.11 pass a concrete monument with brass disk, and continuing for
10 a total distance of 3,252.43 feet (called 3,240.28 feet) to the
11 place of BEGINNING of Tract 2, containing 12,983,894 square feet,
12 or 298.069 acres of land, more or less (called 296.28 acres).
13 The meanders along Luce Bayou were determined from aerial
14 photography for the purposes of calculating acreage. The actual
15 boundary along this line is the center of the creek.

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

23 (b) The governor, one of the required recipients, has
24 submitted the notice and Act to the Texas Commission on
25 Environmental Quality.

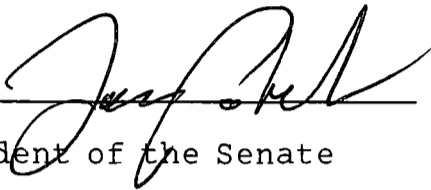
26 (c) The Texas Commission on Environmental Quality has filed
27 its recommendations relating to this Act with the governor,

1 lieutenant governor, and speaker of the house of representatives
2 within the required time.

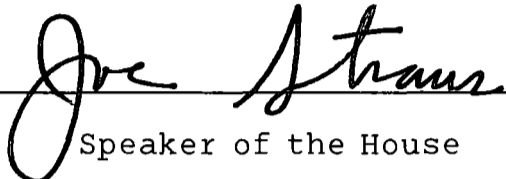
3 (d) The general law relating to consent by political
4 subdivisions to the creation of districts with conservation,
5 reclamation, and road powers and the inclusion of land in those
6 districts has been complied with.

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

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



President of the Senate



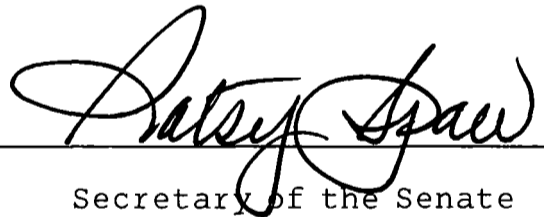
Speaker of the House

I certify that H.B. No. 3173 was passed by the House on May 9, 2017, by the following vote: Yeas 144, Nays 1, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3173 on May 26, 2017, by the following vote: Yeas 137, Nays 8, 2 present, not voting.



Chief Clerk of the House

I certify that H.B. No. 3173 was passed by the Senate, with amendments, on May 24, 2017, by the following vote: Yeas 27, Nays 4.




Secretary of the Senate

APPROVED: _____

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3:30 PM O'CLOCK

JUN 12 2017


Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3173 by Bell (Relating to the powers of the Harris County Improvement District No. 17 and to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the East Lake Houston Management District. The district would have authority to engage in economic development activities. The district would not have authority to exercise the power of eminent domain. The district would have authority to impose an ad valorem tax on all taxable property in the district. The district would have authority to impose a sales and use tax. The district would have authority to issue bonds, notes or other obligations.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, SD, JGA, GG, BM

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 22, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3173 by Bell (Relating to the powers of the Harris County Improvement District No. 17 and to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the East Lake Houston Management District. The district would have authority to engage in economic development activities. The district would not have authority to exercise the power of eminent domain. The district would have authority to impose an ad valorem tax on all taxable property in the district. The district would have authority to impose a sales and use tax. The district would have authority to issue bonds, notes or other obligations.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 10, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3173 by Bell (Relating to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the East Lake Houston Management District. The district would have authority to engage in economic development activities. The district would not have authority to exercise the power of eminent domain. The district would have authority to impose an ad valorem tax on all taxable property in the district. The district would have authority to impose a sales and use tax. The district would have authority to issue bonds, notes or other obligations.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 26, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3173 by Bell (Relating to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the East Lake Houston Management District. The district would have authority to engage in economic development activities. The district would not have authority to exercise the power of eminent domain. The district would have authority to impose an ad valorem tax on all taxable property in the district. The district would have authority to impose a sales and use tax. The district would have authority to issue bonds, notes or other obligations.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 19, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3173 by Bell (Relating to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the East Lake Houston Management District. The district would have authority to engage in economic development activities. The district would not have authority to exercise the power of eminent domain. The district would have authority to impose an ad valorem tax on all taxable property in the district. The district would have authority to impose a sales and use tax. The district would have authority to issue bonds, notes or other obligations.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

April 27, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3173 by Bell (Relating to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 1st House, Substituted**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates East Lake Houston Management District (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375, and a standard municipal utility district under Chapter 54, Subchapters D and J, Water Code.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in HB 3173, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Harris County served by small systems or private wells (County-Other) is 204,630. The Harris County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 245,944 in 2020, 291,438 in 2030 and 311,968 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Harris County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 0.68 square miles in northeast Harris County, located east of Lake Houston and the City of Humble, and west of the City of Dayton. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by Aqua Texas.

Comments on Powers/Duties Different from Similar Types of Districts: The District is to be governed by a board of five voting directors that are appointed by the governing body of the City of Houston (City) from persons recommended by the board. Section 3936.052 (Director Qualifications) will not apply to initial directors; this bill specifies that an improvement project described by Section 3936.102 may be located: in the District; or in an area outside but adjacent to the District if the project is for the purpose of extending a public infrastructure improvement

beyond the District's boundaries to a logical terminus; the District may exercise the powers given to a development corporation under Chapter 505, Local Government Code; the board by resolution may authorize the creation of a nonprofit corporation to assist and act for the District in implementing a project or providing a service authorized by this chapter. The nonprofit has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; the District may contract to provide law enforcement services in the District for a fee; this bill allows the District to create economic development programs and exercise economic development powers under Chapter 380, Local Government Code and Subchapter A, Chapter 1509, Government Code; the district may adopt and enforce restrictions on the use of real property in the district in the manner provided for a municipal utility district by Section 54.237, Water Code; this bill specifies that if the legislature grants the District a power that is in addition to the powers approved by the initial resolution of the governing body of the City consenting to the creation of the District, the District may not exercise that power unless the governing body of the City consents to that change by resolution; the District may not exercise the power of eminent domain; the board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board; the District may not impose an ad valorem tax to pay for an improvement project under this chapter unless the imposition is approved by the voters of the District voting at an election held for that purpose; Section 49.4645 of the Water Code does not apply to the District; and, the governing body of the City may dissolve the district by ordinance.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - HB 3173 specifies that "the district has the powers and duties provided by the general law of the state, including subchapter D, Chapter 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Harris County, 26 percent of the total water use was groundwater (Gulf Coast and other Aquifers) in 2014. Eighty two percent of all the groundwater pumping was for municipal use. The water source of the proposed district might pursue is unknown.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: UP, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

April 15, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3173 by Bell (Relating to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates East Lake Houston Management District (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375, and a standard municipal utility district under Chapter 54, Subchapters D and J, Water Code.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in HB 3173, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Harris County served by small systems or private wells (County-Other) is 204,630. The Harris County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 245,944 in 2020, 291,438 in 2030 and 311,968 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Harris County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 0.68 square miles in northeast Harris County, located east of Lake Houston and the City of Humble, and west of the City of Dayton. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by Aqua Texas.

Comments on Powers/Duties Different from Similar Types of Districts: The District is to be governed by a board of five voting directors that are appointed by the governing body of the City of Houston (City) from persons recommended by the board. Section 3936.052 (Director Qualifications) will not apply to initial directors; this bill specifies that an improvement project described by Section 3936.102 may be located: in the District; or in an area outside but adjacent to the District if the project is for the purpose of extending a public infrastructure improvement

beyond the District's boundaries to a logical terminus; the District may exercise the powers given to a development corporation under Chapter 505, Local Government Code; the board by resolution may authorize the creation of a nonprofit corporation to assist and act for the District in implementing a project or providing a service authorized by this chapter. The nonprofit has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; the District may contract to provide law enforcement services in the District for a fee; this bill allows the District to create economic development programs and exercise economic development powers under Chapter 380, Local Government Code and Subchapter A, Chapter 1509, Government Code; the district may adopt and enforce restrictions on the use of real property in the district in the manner provided for a municipal utility district by Section 54.237, Water Code; this bill specifies that if the legislature grants the District a power that is in addition to the powers approved by the initial resolution of the governing body of the City consenting to the creation of the District, the District may not exercise that power unless the governing body of the City consents to that change by resolution; the District may not exercise the power of eminent domain; the board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board; the District may not impose an ad valorem tax to pay for an improvement project under this chapter unless the imposition is approved by the voters of the District voting at an election held for that purpose; and, the governing body of the City may dissolve the district by ordinance.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - HB 3173 specifies that "the district has the powers and duties provided by the general law of the state, including subchapter D, Chapter 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Harris County, 26 percent of the total water use was groundwater (Gulf Coast and other Aquifers) in 2014. Eighty two percent of all the groundwater pumping was for municipal use. The water source of the proposed district might pursue is unknown.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ

**NOTICE OF INTENTION TO INTRODUCE A BILL/CREATE EAST
LAKE HOUSTON MANAGEMENT DISTRICT
AFFIDAVIT OF PUBLICATION
The State of Texas**

The Affiant, Valerie Moy, having knowledge of the matters hereinafter set forth, after being duly sworn, deposes and states under oath that the following statements are true and correct;

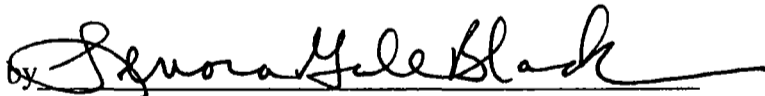
1. Affiant is the Classified Administrator of the Houston Business Journal; A weekly newspaper published in Harris County, Texas and of general circulation in Harris, Chambers, Liberty, Montgomery, Waller, Fort Bend, Brazoria and Galveston Counties.
2. The notice, of which the annexed is true copy, was published on January 13, 2017 in the classified advertising of the Houston Business Journal.

Further Affiant sayeth not.

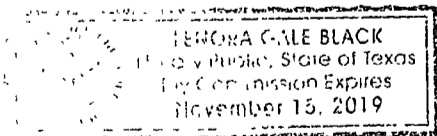
Executed this the 17th day of January, 2017.

Affiant: 
Printed Name: Valerie Moy

SUBSCRIBED AND SWORN BEFORE ME, on 17th day of January, 2017.

by 
Notary Public

Lenora Gale Black
Printed of Typed Name of Notary



LEGALS

NOTICE OF INTENTION TO INTRODUCE A BILL IN THE LEGISLATURE OF TEXAS

Notice is hereby given of the intention to introduce a bill in the Regular Session of the 85th Regular Session of the Legislature of Texas to create the East Lake Houston Management District. The district will be created as a special district under and pursuant to the provisions of Section 59, Article XVI, Texas Constitution, and pursuant to the power of the Legislature to create special government agencies and districts for the purposes of constructing, financing and operating public infrastructure and improvements within and outside the district and promoting the economic development of the State of Texas, the City of Houston, the extra territorial jurisdiction of the City of Houston, and portions of Harris and Montgomery Counties, and neighboring communities.

GENERAL BOUNDARY DESCRIPTION

The East Lake Houston Management District is generally located as described by tract below:

Tract 1 or East Lake Houston Tract is +/- 137 acres. It is within the F. H. Rankin Survey (Abstract No. 57) and situated 0.3 miles south of intersection of Crosby-Huffman Road (Farm-to-Market Road 2100) and Old Atascocita Road in northeast Harris County. It is generally bounded by FM 2100 on the east, Spanish Cove Subdivision on the south, Lake Houston on the west, and Shorewood Subdivision/F. H. Rankin Survey (Abstract No. 57) Tracts 1, 2 and 10 on the north.

Tract 2 or Red Wolf Tract +/- 298 acres. It is situated 1.3 miles northeast of intersection of Humble-Crosby Road (Farm-to-Market Road 2100) and Luce Bayou (trib. to Lake Houston) in northeast Harris County. It is generally bounded by Fairway Crossing at Lake Houston Subdivision on the south and east, Luce Bayou on the west, and J. R. Rhea Survey (Abstract No. 62) Tracts 1B, 1A, 1A-16, 1A-17, 1A-20, 1G, 1G-1 & 1G-2 on the north.

THIS NOTICE is given in accordance with the requirements of Section 59(d), Article XVI, Texas Constitution.

For more information or to obtain a copy of the proposed bill, including a metes and bounds description of the land to be included in the District, please type the following link into your internet browser: <http://specialdistricts.net/eastlakehoustonmd>

After you review the information above, if you still have questions, please call Bill Calderon at:

Hawes Hill Calderon, LLP
9610 Long Point
Suite 150
Houston, Texas 77055
713-595-1216
or by Email at: bcalderon@hhcllp.com

NOTICE OF INTENTION TO INTRODUCE A BILL IN THE LEGISLATURE OF TEXAS

Notice is hereby given of the intention to introduce a bill in the Regular Session of the 85th Regular Session of the Legislature of Texas to create the Stadium Park Management District. The district will be created as a special district under and pursuant to the provisions of Section 59, Article XVI, Texas Constitution, and pursuant to the power of the Legislature to create special government agencies and districts for the purposes of constructing, financing and operating public infrastructure and improvements within and outside the district and promoting

NOTICE OF INTENTION TO INTRODUCE A BILL IN THE LEGISLATURE OF TEXAS

Notice is hereby given of the intention to introduce a bill in the Regular Session of the 85th Regular Session of the Legislature of Texas to amend Chapter 3891, Texas Special Districts Local Law Code relating to the Harris County Improvement District No. 17. The district was created in 2009 as a special district under and pursuant to the provisions of Section 59, Article XVI, Texas Constitution, and pursuant to the power of the Legislature to create special government agencies and districts for the purposes of constructing, financing and operating public infrastructure and improvements within and outside the district and promoting the economic development of the State of Texas, the City of Houston, and portions of Harris County, and neighboring communities.

GENERAL DESCRIPTION OF AMENDMENT

The amending statute would add two additional powers to the District. Allow for the enforcement of real property restrictions consistent with Section 54.237, Texas Water Code; and provide the District the Municipal Utility District power set forth in Subchapter J, Chapter 54, Texas Water Code to establish defined areas and designated property for taxes/bonds.

THIS NOTICE is given in accordance with the requirements of Section 59(d), Article XVI, Texas Constitution.

For more information or to obtain a copy of the proposed bill, including a metes and bounds description of the land to be included in the District, please type the following link into your internet browser: <http://specialdistricts.net/hcd17amendment>

After you review the information above, if you still have questions, please call Bill Calderon at:

Hawes Hill Calderon, LLP
9610 Long Point
Suite 150
Houston, Texas 77055
713-595-1216
or by Email at: bcalderon@hhcllp.com

NOTICE TO BIDDERS

Sealed bids, in duplicate, addressed to Harris County Water Control & Improvement District No. 84, c/o Hunt-Zollars, Inc., 1500 South Dairy Ashford, Suite 200, Houston, Texas 77077 will be received at the office of Hunt-Zollars, Inc. ("A-E"), 1500 South Dairy Ashford, Suite 200, Houston, Texas 77077, until 2:00 P.M., local time at place of bid opening, Wednesday, February 8, 2017 and then publicly opened and read aloud. Bids shall be for furnishing necessary plant, labor, material, equipment, incidentals, and operations, and performing necessary work required for the Rancho Verde Subdivision Clearing and Grubbing for Detention System - Phase 4 project in Harris County Water Control & Improvement District No. 84, Harris County, Texas.

Bids received after the above stated closing time will be returned unopened. Bids shall be submitted in sealed envelopes upon the blank forms of proposal furnished.

All proposals shall be accompanied by a bid bond in the amount of five percent (5%) of the greatest amount bid payable to the Owner from a reliable surety company licensed to operate and authorized to execute and issue bonds in the State of Texas and listed in the United States Treasury Department's current publication of Accepted sureties Department circular 570 as a guarantee the bidder will enter into a contract and execute the required bonds within ten days after notice of award. Bids without a bid bond will not be accepted.

Interested bidders may obtain drawings, specifications, and bidding documents at the

NOTICE TO BIDDERS

Hire Houston First Program - These procurements are subject to the Hire Houston First Program, which gives a preference to certain local bidders in award of the procurements. For more information, go to:

<http://www.houstontx.gov/obo/hirehoustonfirst.html>

Invitation To Bid - Sealed bids will be received in the Office of the City Secretary, C. Hall Annex, Public Level, 900 Bagby St., until 10:30 A.M., on the bid due date, and all bids will be opened and publicly read in the City Council Chamber, Public Level, at 11:00 A.M.

All interested parties are encouraged to attend any scheduled pre-bid and/or pre-proposal conference(s). Unless otherwise specified, all conference(s) will be held at 901 Bagby St., Houston, TX 77002 in the basement of City Hall. It is the interested party's responsibility to ensure they have secured and thoroughly reviewed all solicitation documents prior to a scheduled conference(s). Interested parties can download all forms, and specifications from the Internet at <https://purchasing.houstontx.gov/>. Downloading these documents will ensure all interested parties will automatically receive any updates via e-mail.

BIDS DUE - January 26, 2017

Purchase of Three-Wheel Personal Transport Electric Scooters for The City of Houston Airport System, S38-N25856 - 0% MWBE Goal - Pre-Bid Conference will be held on Thursday, January 19, 2017, at 2:00PM at 901 Bagby St., SPD Conference Room 2. Interested parties can call Lena Farris at (832) 393-8729.

BIDS DUE - February 9, 2017

Plastic Meter Boxes and Covers for The City of Houston, Department of Public Works and Engineering, S77-S25851 - 9.17% MWBE Goal - Pre-Bid Conference will be held on Wednesday, January 25, 2017, at 1:30PM at 901 Bagby St., SPD Conference Room. Interested parties can call Shirley Johnson at (832) 393-8797.

BIDS DUE - January 26, 2017

Ambulance Module Refurbishing and Remounting Services for The City of Houston, Fleet Management Department, S07-L26120 - 0% MWBE Goal. Pre-Bid Conference is required. Interested parties can call Casey Crossnoe at (832) 393-8724.

NOTICE TO BIDDERS

Hire Houston First Program - These procurements are subject to the Hire Houston First Program, which gives a preference to certain local bidders in award of the procurements. For more information, go to:

<http://www.houstontx.gov/obo/hirehoustonfirst.html>

Request for Proposal - Proposals will be received in the Office of the City Secretary, C. Hall Annex, Public Level, 900 Bagby St., until 2:00 P.M., on the proposal due date.

All interested parties are encouraged to attend any scheduled pre-bid and/or pre-proposal conference(s). Unless otherwise specified, all conference(s) will be held at 901 Bagby St., Houston, TX 77002 in the basement of City Hall. It is the interested party's responsibility to ensure they have secured and thoroughly reviewed all solicitation documents prior to a scheduled conference(s). Interested parties can download all forms, and specifications from the Internet at <https://purchasing.houstontx.gov/>. Downloading these documents will ensure all interested parties will automatically receive any updates via e-mail.

PROPOSALS DUE - February 16, 2017

Houston Urban Security Initiative for The City of Houston, Office of Emergency Management, S76-T26060 - 0% MWBE Goal - Pre-Proposal Conference will be held on Thursday, January 26, 2017 at 11:00 AM at 901 Bagby St., SPD Conference Room.

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
Protecting Texas by Reducing and Preventing Pollution

April 20, 2017

The Honorable Joe Straus
Texas House of Representatives
Capitol Station
PO Box 2910
Austin, Texas 78768-2910

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

House Bill (HB) 3173, as Filed by Representative Cecil Bell - Relating to the creation of the East Lake Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

Dear Speaker Straus:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

Sincerely,

A handwritten signature in cursive script that reads "Cari-Michel LaCaille".

Cari-Michel LaCaille, Director
Water Supply Division

cc: Honorable Jim Murphy, Chairman, House Special Purpose Districts Committee
Representative Cecil Bell, Texas House of Representatives

Enclosure

HB 3173, as Filed by Representative Cecil Bell
Texas Commission on Environmental Quality's Comments

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill amends the Special District Local Laws code by adding Chapter 3936 which creates East Lake Houston Management District (District) with the powers and duties of a standard municipal management district (MMD) under Local Government Code Chapter 375, and a standard municipal utility district under Chapter 54, Subchapters D and J, Water Code, with the following specificities.

Comments on Powers/Duties Different from Similar Types of Districts: The District is to be governed by a board of five voting directors that are appointed by the governing body of the City of Houston (City) from persons recommended by the board. Section 3936.052 (Director Qualifications) will not apply to initial directors; this bill specifies that an improvement project described by Section 3936.102 may be located: in the District; or in an area outside but adjacent to the District if the project is for the purpose of extending a public infrastructure improvement beyond the District's boundaries to a logical terminus; the District may exercise the powers given to a development corporation under Chapter 505, Local Government Code; the board by resolution may authorize the creation of a nonprofit corporation to assist and act for the District in implementing a project or providing a service authorized by this chapter. The nonprofit has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; the District may contract to provide law enforcement services in the District for a fee; this bill allows the District to create economic development programs and exercise economic development powers under Chapter 380, Local Government Code and Subchapter A, Chapter 1509, Government Code; the district may adopt and enforce restrictions on the use of real property in the district in the manner provided for a municipal utility district by Section 54.237, Water Code; this bill specifies that if the legislature grants the District a power that is in addition to the powers approved by the initial resolution of the governing body of the City consenting to the creation of the District, the District may not exercise that power unless the governing body of the City consents to that change by resolution; the District may not

exercise the power of eminent domain; the board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board; the District may not impose an ad valorem tax to pay for an improvement project under this chapter unless the imposition is approved by the voters of the District voting at an election held for that purpose; and, the governing body of the City may dissolve the district by ordinance.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

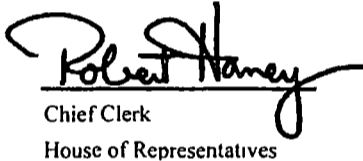
HB 3173
Bill Number

TO: The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas

3/14/2017

Date transmitted to
Governor's Office


Chief Clerk
House of Representatives

TO: Texas Commission on Environmental Quality
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill.

March 24, 2017

Date transmitted to
Texas Commission on Environmental Quality


Governor

TO: The Honorable Speaker of the House
The Honorable President of the Senate
The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.


Texas Commission on Environmental Quality

