Jon Niermann, *Chairman* Emily Lindley, *Commissioner* Bobby Janecka, *Commissioner* Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 21, 2022

Laurie Gharis, Chief Clerk Office of the Chief Clerk Texas Commission on Environmental Quality P.O. Box 13087, MC-105 Austin, Texas 78711-3087

Re: TCEQ Docket No. 2021-1620-DIS; Chambers County Municipal Utility District No. 4; Request filed regarding Internal Control No. D-04232021-036.

Dear Ms. Gharis:

Transmitted herewith for filing with the Texas Commission on Environmental Quality (Commission or TCEQ) are the following items to be filed as backup materials for the February 9, 2022 Agenda on a hearing request for the creation of Chambers County Municipal Utility District No. 4:

- 1. Executive Director's Response to the Hearing Request;
- 2. Hearing request;
- 3. Technical memo prepared by staff; and
- 4. Petition.

Please do not hesitate to contact me if you have any questions regarding this material. Thank you for your attention to this matter.

Respectfully submitted,

Bobby Salehi, Staff Attorney Environmental Law Division

Enclosures

Jon Niermann, *Chairman* Emily Lindley, *Commissioner* Bobby Janecka, *Commissioner* Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 14, 2022

Laurie Gharis, Chief Clerk Texas Commission on Environmental Quality P.O. Box 13087, MC 105 Austin, Texas 78711-3087

Re: Petition for Chambers County MUD No. 4; TCEQ Docket No. 2021-1620-DIS

Dear Ms. Gharis:

I have enclosed for filing the Executive Director's Response to Hearing Requests in the above-entitled matter. Please let me know if you have any questions.

Sincerely,

Bobby Salehi Staff Attorney Environmental Law Division

Enclosure cc: Mailing List

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • tceq.texas.gov

TCEQ DOCKET NO. 2021-1620-DIS

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APPLICATION BY MONTGOMERY ESTATES, LLC FOR CHAMBERS COUNTY MUD NO. 4 INTERNAL CONTROL NO. D-04232021-036 **BEFORE THE TEXAS**

COMMISSION ON

ENVIRONMENTAL QUALITY

EXECUTIVE DIRECTOR'S RESPONSE TO HEARING REQUESTS

The Executive Director (ED) of the Texas Commission on Environmental Quality (the Commission or TCEQ) files this Response to Hearing Requests (Response) on the Application by The Sanctuary Texas LLC (Petitioner) for the creation of Chambers County Municipal Utility District No. 4 (District). The Office of the Chief Clerk received hearing requests from the Chambers County Commissioner's Court.

Attached for Commission consideration are the following:

Attachment A—Executive Director's Satellite Map.

I. DESCRIPTION OF DISTRICT

Petition by Montgomery Estates, LLC (Petitioner) for the creation of Chambers County MUD No. 4 (District). The Petitioner requests that the Commission create the District pursuant to Chapters 49 and 54, Texas Water Code. The proposed District is comprised of approximately 146.15 acres of land in Chambers County, Texas. The land of the proposed district is wholly within the extraterritorial jurisdiction of the City of Cove, Texas.

The petition states that the proposed District will: purchase, construct, and acquire, improve, extend, and maintain a waterworks and sanitary sewer system for domestic and commercial purposes; purchase, construct, acquire, improve, extend, maintain, and operate improvements, facilities, plants, equipment and appliances helpful or necessary to provide adequate drainage for the District; control, abate, and amend local storm water or other harmful excesses of water; purchase interests in land and purchase, construct, acquire, improve, extend, maintain and operate improvements, facilities and equipment for the purpose of providing recreational facilities; pursuant to 54.234 of Texas Water Code, may exercise road powers and authority; may establish, finance, provide, operate, and maintain a fire department or fire-fighting services within the District.

II. PROCEDURAL HISTORY

The TCEQ received the petition on April 23, 2021. The Application was declared administratively complete on April 27, 2021. On November 2, 2021, notice of the petition was posted at the Chambers County Courthouse. The Petitioner published Notice of District Petition in the *Houston Chronicle*, a newspaper of general circulation in Chambers County, where the district is proposed to be located, on October 26 and November 2, 2021. The period to request a contested case hearing ended on December 2, 2021.

The TCEQ received one timely hearing request on this petition, from the Chambers County Commissioner's Court.

The City of Cove consented to the creation of the district by Ordinance No. 2020-12-001, passed and approved December 16, 2020. Accordingly, the requirements of Texas Water Code Section 54.016 and Texas Local Government Code Section 42.042 have been satisfied.

III. CREATION OF MUNICIPAL UTILITY DISTRICTS

A municipal utility district (MUD) may be created under and subject to the authority, conditions, and restrictions of Article XVI, Section 59, of the Texas Constitution. TEX WATER CODE § 54.001. The District in this case is proposed to be created and organized according to the terms and provisions of Article XVI, Section 59, of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code.

A MUD may be created for the following purposes:

- (1) the control, storage, preservation, and distribution of its storm water and floodwater, the water of its rivers and streams for irrigation, power, and all other useful purposes;
- (2) the reclamation and irrigation of its arid, semiarid, and other land needing irrigation;
- (3) the reclamation and drainage of its overflowed land and other land needing drainage;
- (4) the conservation and development of its forests, water, and hydroelectric power;
- (5) the navigation of its inland and coastal water;
- (6) the control, abatement, and change of any shortage or harmful excess of water;
- (7) the protection, preservation, and restoration of the purity and sanitary condition of water within the state; and
- (8) the preservation of all natural resources of the state.

TEX. WATER CODE § 54.014. The commission has jurisdiction to hear this case and create the district. TEX. WATER CODE § 54.014.

The Commission must grant or deny a MUD creation application in accordance with Section 54.021 of the Texas Water Code. In order to grant an application, the Commission must find that organization of the district as requested is feasible and practicable and is necessary and would be a benefit to the land to be included in the district. Tex. Water Code § 54.021(a); 30 *TEX. ADMIN. CODE § 293.13(b)(1).* If the commission fails to make these findings, it shall refuse to grant the petition. *TEX. WATER CODE § 54.021(d); 30 TEX. ADMIN. CODE § 293.13(a).*

In determining if the project is feasible and practicable and if it is necessary and would be a benefit to the land included in the district, the commission shall consider:

- (1) the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;
- (2) the reasonableness of projected construction costs, tax rates, and water and sewer rates: and

- (3) whether or not the district and its system and subsequent development within the district will have an unreasonable effect on the following:
 - (A) land elevation;
 - (B) subsidence;
 - (C) groundwater level within the region;
 - (D) recharge capability of a groundwater source;
 - (E) natural run-off rates and drainage;
 - (F) water quality; and
 - (G) total tax assessments on all land located within a district.

TEX. WATER CODE § 54.021(b).

The Commission, however, must exclude the areas that it finds would not be benefited by the creation of the district and must redefine the boundaries of the proposed district according to its findings. *30 TEX. ADMIN. CODE* § 293.13(b)(2); *TEX. WATER CODE* § 54.021(c).

IV. THE EVALUATION PROCESS FOR HEARING REQUESTS

As the application was declared administratively complete after September 1, 1999, it is subject to the requirements of Title 30, Chapter 55, Subchapter G, Sections 55.250-55.256 of the Texas Administrative Code. The Commission, the Executive Director, the applicant or affected persons may request a contested case hearing on this application. *30 TEX. ADMIN CODE § 55.251(a).* The Commission must evaluate the hearing requests and may take on of the following actions:

- (1) determine that the hearing requests do not meet the rule requirements and act on the application;
- (2) determine that the hearing requests do not meet the rule requirements and refer the application to a public meeting to develop public comment before acting on the application;
- (3) determine that the hearing requests meet the rule requirements and refer the application to the State Office of Administrative Hearings ("SOAH") for a hearing; or
- (4) refer the hearing request to SOAH for a hearing on whether the hearing requests meet the rule requirements.

30 TEX. ADMIN. CODE § 55.255(a).

The regulations provide that a hearing request made by an affected person must be in writing and must be filed with the Office of the Chief Clerk within the time provided in the Notice of District Petition. *30 TEX. ADMIN. CODE § 55.251(b) and (d).* These two requirements are mandatory. The affected person's hearing request must also substantially comply with the following:

- (1) give the name, address, and daytime telephone number of the person who files the request.
- (2) identify the person's personal justiciable interest affected by the application, including a brief, but specific, written statement explaining in plain language the requestor's location and distance relative to the activity that is the subject of the application and how and why the requestor

believes he or she will be affected by the activity in a manner not common to members of the general public;

- (3) request a contested case hearing; and
- (4) provide any other information specified in the public notice of application.

30 TEX. ADMIN CODE § 55.251(c). An affected person's personal justiciable interest must be related to a legal right, duty, privilege, power, or economic interest affected by the application belonging to the requestor and not an interest common to members of the general public. *30 TEX. ADMIN. CODE § 55.256(a).* The regulations give the Commission flexibility to determine affected person status by considering any relevant factor, including the following:

- (1) whether the interest claimed is one protected by the law under which the application will be considered;
- (2) distance restrictions or other limitations imposed by law on the affected interest;
- (3) whether a reasonable relationship exists between the interest claimed and the activity regulated;
- (4) likely impact of the regulated activity on the health and safety of the person, and on the use of property of the person; and
- (5) likely impact of the regulated activity on use of the impacted natural resource by the person.
- (6) for governmental entities, their statutory authority over or interest in the issues relevant to the application.

30 TEX. ADMIN. CODE § 55.256(c). Government entities, including local governments, may be affected persons if they have authority under state law over issues contemplated by the application. *30 TEX. ADMIN. CODE § 55.256(b).*

V. THE HEARING REQUESTS

The following governmental entities submitted a request for a contested case hearing:

1. Chambers County Commissioner's Court

The Chambers County Commissioner's Court submitted a timely hearing request which included all of the required information for a contested case hearing request pursuant to 30 TAC § 55.251(c)(1). The Court requested a contested case hearing pursuant to 30 TAC § 55.251(c)(3) and provided the TCEQ Internal Control Number for the case as required and pursuant to 30 TAC § 55.251(c)(4). The Executive Director recommends the Commission find that the hearing request by the Chambers County Commissioner's Court complies with the requirements of 30 TAC § 55.251.

It is undisputed that the proposed MUD is located within Chambers County, Texas. In their hearing request, the Chambers County Commissioner's Court identified the Court's statutory authority and interest in the issues relevant to the application pursuant to 30 TAC § 55.256(c)(6). In their hearing request, the Court included a November 23, 2021, resolution passed opposing the MUD creation and raising issues. The Court's request raised issues relating to drainage, condemnation to build an outfall, and additional tax burden on citizens. These issues include issues that are within the scope of what the Commissioners consider when reviewing a MUD creation petition. The Executive Director recommends the Commission find that the Chambers County Commissioner's Court is an affected person pursuant to 30 TAC § 55.256.

<u>The Executive Director recommends the Commission grant Chambers County</u> <u>Commissioner's Court's hearing request.</u>

VI. RECOMMENDATION

The Executive Director recommends that the Commission find Chambers County Commissioner's Court is an affected person and grant its hearing request.

Respectfully submitted,

Texas Commission on Environmental Quality

Toby Baker, Executive Director

Guy Henry, Acting Deputy Director Environmental Law Division

Bobby Salehi, Staff Attorney Environmental Law Division State Bar No. 24103912 P.O. Box 13087, MC 173 Austin, Texas 78711-3087 Phone: (512) 239-5930 Fax: (512) 239-0606

MAILING LIST Chambers County Municipal Utility District No. 4 DOCKET NO. 2021-1620-DIS; INTERNAL CONTROL NO. D-04232021-036

FOR THE APPLICANT

via electronic mail:

Bryan Yeates Schwartz Page & Harding, LLP 1300 Post Oak Boulevard, Suite 1400 Houston, Texas 77056 Tel: (713) 623-4531 Fax: (713) 623.6143 byeates@sphllp.com

Steven Ward Ward Getz & Associates, LLP 2500 Tanglewilde Street, Suite 120 Houston, Texas 77063 Tel: (713) 789-1900 <u>sward@wga-llp.com</u>

<u>FOR THE EXECUTIVE DIRECTOR</u> via electronic mail:

Bobby Salehi, Staff Attorney Texas Commission on Environmental Quality Environmental Law Division, MC-173 P.O. Box 13087 Austin, Texas 78711 Tel: (512) 239-0600 Fax: (512) 239-0606 bobby.salehi@tceq.texas.gov

Jaime Ealey, Technical Staff Texas Commission on Environmental Quality Water Supply Division, MC-152 P.O. Box 13087 Austin, Texas 78711 Tel: (512) 239-4739 Fax: (512) 239-6972 jaime.ealey@tceq.texas.gov Ryan Vise, Deputy Director Texas Commission on Environmental Quality External Relations Division, MC-108 P.O. Box 13087 Austin, Texas 78711 Tel: (512) 239-4000 Fax: (512) 239-5678 pep@tceq.texas.gov

FOR PUBLIC INTEREST COUNSEL

via electronic mail: Vic McWherter, Public Interest Counsel Texas Commission on Environmental Quality Public Interest Counsel, MC-103 P.O. Box 13087 Austin, Texas 78711 Tel: (512) 239-6363 Fax: (512) 239-6377 vic.mcwherter@tceq.texas.gov

<u>FOR ALTERNATIVE DISPUTE RESOLUTION</u> via electronic mail:

Kyle Lucas Texas Commission on Environmental Quality Alternative Dispute Resolution, MC-222 P.O. Box 13087 Austin, Texas 78711 Tel: (512) 239-0687 Fax: (512) 239-4015 kyle.lucas@tceq.texas.gov

FOR THE CHIEF CLERK:

Docket Clerk Texas Commission on Environmental Quality Office of Chief Clerk, MC-105 P.O. Box 13087 Austin, Texas 78711 Tel: (512) 239-3300 Fax: (512) 239-3311 https://www14.tceq.texas.gov/epic/eFiling/

<u>REQUESTER(S)/INTERESTED PERSONS</u> See attached list

REQUESTER(S):

Ashley Cain Land Attorney, Chambers County P.O. Box 939 Anahuac, Texas 77514

INTERESTED PERSON(S):

Billy Combs P.O. Box H Anahuac, Texas 77514

Jimmy Core P.O. Box H Anahuac, Texas 77514

Tommy Hammond P.O. Box H Anahuac, Texas 77514

Heather Hawthorne P.O. Box H Anahuac, Texas 77514

Jimmy Sylvia P.O. Box H Anahuac, Texas 77514

Cory Taylor P.O. Box H Anahuac, Texas 77514

Mark Tice P.O. Box H Anahuac, Texas 77514

Attachment A



Chambers County Municipal Utility District No. 4



TELEPHONE: 409-267-2411 FAX: 409-267-8296 Ashley Cain Land county attorney chambers county

POST OFFICE BOX 1200 ANAHUAC, TEXAS 77514

Office of the Chief Clerk, MC-105, TCEQ P.O. Box 13087 Austin, Texas 78711

Re: Contested Case Hearing

REVIEWED DEC 0 8 2021 By<u>G</u>CW

To whom it may concern,

My name is Ashley Cain Land. I am the County Attorney of Chambers County and am writing this letter on behalf of the Chambers County Commissioner's Court, who has passed a Resolution protesting the creation of the proposed Municipal Utility District 4.

The representatives of the Petitioner are Mr. Steven Ward and Mr. Bryan Yeates. The TCEQ Internal Control No. is D-04232021-036.

We respectfully request a contested case hearing in this matter.

We are opposed to the creation of the MUD, because the Petitioner is attempting to build a small-lot subdivision within the proposed boundaries. This subdivision would require an outfall for their sewage, and currently they do not have one. Therefore, the Petitioner will need to condemn surrounding land to gain a path to an outfall. This series of events will negatively affect the County. Secondly, this MUD will create an additional, unwanted taxing entity on the citizens of Chambers County.

The location of "our property" is the entirety of Chambers County, and the proposed District's boundaries are within Chambers County, Texas.

I am attaching a Resolution passed by the Chambers County Commissioner's Court in opposition to the creation of this proposed District.

I appreciate your attention to this matter.

Sincerely, railand Ashley Cain Land

County Attorney Chambers County, Texas

Mailing Address: P.O. Box 939, Anahuac, Texas 77514 Phone: 409-267-2440 Fax Number: 409-267-4453 ON ENVIRONMENTAL

RESOLUTION

WHEREAS, the members of Chambers County Commissioners Court place the utmost importance on the best interests of Chambers County residents; and

WHEREAS, the members of Chambers County Commissioners Court are dedicated to speaking out against those activities which may negatively impact the best interests of Chambers County residents; and

WHEREAS, the Chambers County Commissioners Court has recently been made aware of an application made to the Texas Commission on Environmental Quality by the proposed Municipal Utility District 4 for the creation of a Municipal Utility District in Cove, Texas; and

WHEREAS, the members of Chambers County Commissioners Court believe that the creation of this Municipal Utility District will negatively impact the best interests of Chambers County residents by adding an additional taxing entity on citizens and creating serious drainage complications.

NOW, THEREFORE, BE IT RESOLVED, that the members of Chambers County Commissioners Court do hereby oppose the creation of the proposed Municipal Utility District 4 and urges the Texas Commission on Environmental Quality to deny the application for creation submitted by this organization.

Resolved this 23rd day of November, 2021.

Jimmy Sylvi Chambers County Judge

Jimmy Gore, Commissioner Precinct 1

Mark Tice, Commissioner Precinct 2

Tommy Hammond, Commissioner Precinct 3

Billy Combs, Commissioner Precinct 4

Heather Hawthorne

Chambers County Clerk

3.2



Texas Commission on Environmental Quality

TECHNICAL MEMORANDUM

То:	Justin P. Taack, Manager Districts Section	Date:	December 10, 2021
Thru:	Andrew Paynter, Technical Specialist Districts Section		
From:	Jaime Ealey Districts Bond Team		
Subject:	Revised Petition by Montgomery Estates, LL Municipal Utility District No. 4; Pursuant to 54. TCEQ Internal Control No. D-04232021-036 CN: 605881978 RN: 111248126	Texas V	-

A. GENERAL INFORMATION

The Texas Commission on Environmental Quality (TCEQ) received a revised petition (Petition) within the application requesting approval for the creation of Chambers County Municipal Utility District No. 4 (District). The Petition was signed by Iqbal H. Khowaja (John), Member of Montgomery Estates, LLC, a Texas limited liability company (Petitioner). The Petition states that the Petitioner holds title to a majority in value of the land in the proposed District, and it further states that there are three lienholders, Wynona Marie Montgomery, Donna Lynn Montgomery Britt, and Allegiance Bank, a Texas banking corporation, on the property to be included in the proposed District and the aforementioned entities have consented to the Petition.

The District is proposed to be created and organized according to the terms and provisions of Article XVI, Section 59, of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code (TWC).

Location and Access

The proposed District is located in western Chambers County, approximately 3 miles southwest of the City of Cove (City). The proposed District is entirely within the extraterritorial jurisdiction of the City. Access to the proposed District is provided by Farm to Market Road 565.

Metes and Bounds Description

The proposed District contains one tract of land totaling 146.15 acres. The metes and bounds description of the proposed District has been checked by TCEQ staff and has been found to form an acceptable closure.

City Consent

By Ordinance No. 2020-12-001, passed and approved December 16, 2020, the City granted its consent to the Petition for creation of the proposed District. Accordingly, the requirements of TWC Section 54.016 and Texas Local Government Code Section 42.042 have been satisfied.

Statements of Filing Petition

Evidence of filing the Petition with the City Secretary's office, the Chambers County Clerk's office, the TCEQ's Houston regional office, the Texas state representative, and the Texas state senator was included in the application.

Type of Project

The proposed District will be considered a "developer project" as defined by 30 Texas Administrative Code (TAC) Section 293.44(a). Therefore, developer cost participation in accordance with 30 TAC Section 293.47 will be required.

Developer Qualifications

Application material indicates that Wells Holdings, Inc. will carry out the development of the proposed District. Matthew J. Wells, as president of Wells Holdings, Inc., has extensive experience with development in the Houston Area.

Appraisal District Certificate

By certificate dated January 14, 2021, the Chambers County Appraisal District has certified that the appraisal roll indicates that Montgomery Estates, LLC is the owner of the property in the proposed District.

Temporary Director Affidavits

The TCEQ has received affidavits for consideration of the appointment of temporary directors for the following:

William G. Florence	Alexander D. White	Chadd D. Bolding
Matthew R. Maddox	Lauro Porto	

Each of the above persons named is qualified, as required by 30 TAC Section 293.32(a), to serve as a temporary director of the proposed District as each (1) is at least 18 years old, (2) is a resident of the State of Texas, and (3) either owns land subject to taxation within the proposed District or is a qualified voter within the proposed District. Additionally, as required by TWC Section 54.022, the majority are residents of the county in which the proposed District is located, or if the proposed District is located in a county that is in a metropolitan statistical area designated by the United States Office of Management and Budget or its successor agency, a county in the same metropolitan statistical area as the county in which the proposed District is located.

Notice Requirements

Proper notice of the application was published on October 26 and November 2, 2021, in the *Houston Chronicle,* a newspaper regularly published or circulated in Chambers County, the county in which the District is proposed to be located. Proper notice of the application was posted on November 2, 2021, at the place for posting legal notices at the Chambers County Courthouse. Accordingly, the notice requirements of 30 TAC Section 293.12(b) have been satisfied.

B. ENGINEERING ANALYSIS

The Creation engineering report indicates the following:

Availability of Comparable Service

According to information provided, the proposed District will construct its own water plant and wastewater treatment plant and not need to connect to adjacent facilities.

Water Supply

The engineering report states that the proposed District will provide water service from its own water supply and distribution facilities. The proposed District plans to construct a water plant and two water wells. All water distribution and supply system improvements to serve the proposed District will be designed in accordance with the criteria established by the TCEQ, Chambers County, and the City.

Water Distribution

The water distribution system for full development of the proposed District will consist of approximately 23,700 linear feet (LF) of 8-inch water lines, along with all related appurtenances.

Wastewater Treatment

The proposed District plans to provide wastewater service from its own wastewater treatment and distribution facilities. The plant is proposed to be designed with adequate capacity to serve the estimated 599 equivalent single-family connections (ESFCs) at build-out. All wastewater facilities will be designed in accordance with the criteria established by the TCEQ, Chambers County, and the City.

Wastewater Collection

The wastewater collection system for full development of the proposed District will consist of approximately 21,400 LF of 8-inch wastewater lines and 1,700 LF of 10-inch wastewater lines, along with related manholes and appurtenances.

Storm Water Drainage System and Drainage Improvements

The storm water runoff within the proposed District will be directed along a curb and gutter street system to collector lines then to detention ponds which outfall into Hackberry Gully thence into Cotton Bayou. All storm drainage improvements will be designed in accordance with criteria established by Chambers County and the City.

Road Improvements

Application material indicates the proposed District will construct access road improvements within the proposed District. The City has consented by ordinance to the creation of the District with road powers.

Topography

The topography of the proposed District nearly flat. Elevations within the proposed District range from 28 feet to 29.5 feet above mean sea level.

<u>Floodplain</u>

According to Federal Emergency Management Agency Flood Insurance Rate Map Panel No. 48071C0190E dated May 4, 2015, 4.33 acres lie within the Special Flood Hazard Area, 2.96 acres lie within the 500-year floodplain, and the remaining 138.86 acres lie in Zone X, outside the 500-year flood plain.

Subsidence

According to application material, the proposed District is not located within a major subsidence district and is anticipated to have no adverse impact on subsidence.

Groundwater Level

According to application material, the proposed District is located within Groundwater Management Area No. 14, but is not located within a groundwater conservation district, and is anticipated to have no adverse impact on the groundwater levels in the region.

Water Quality

No adverse effect on the water quality of ground or surface water is anticipated due to the treatment and disposal of wastewater flows from the District into its proposed wastewater treatment facilities.

Dam Safety Analysis

The Dam Safety Section of the TCEQ has conducted a review of the proposed creation of the subject District and has concluded that there are no existing dam safety issues associated with the proposed District. Therefore, no dam safety analysis is required.

C. SUMMARY OF COSTS

WATER, WASTEWATER, AND DRAINAGE

Construction Costs	District's ⁽¹⁾ <u>Share</u>
A. Developer Contribution Items	
1. Water, Wastewater, and Drainage	\$ 4,376,025
2. Miscellaneous (Site Prep, Clearing and Grubbing, Lot Grading)	49,915
3. Detention Facilities	731,113
4. Storm Water Pollution Control	14,075
5. Contingencies (15% of Items No. 1-4)	775,669
6. Engineering, Surveying, Material Testing, SWPPP (15% of Items	775,669
No. 1-4)	
7. Land Acquisition	<u>574,060</u>
Total Developer Contribution Items	\$ 7,296,526

B.	District Items	
	1. Water Plant	\$ 651,644
	2. Lift Station	390,000
	3. Wastewater Treatment Plant	1,500,000
	4. Contingencies (15% of Items No. 1-3)	381,247
	5. Engineering, Surveying, Material Testing (15% of Items No. 1-3)	381,247
	Total District Items	\$ 3,304,138
	TOTAL CONSTRUCTION COSTS (73.11% of Bond Issues)	\$ 10,600,664
No	nconstruction Costs	
А.	Legal Fees	\$ 435,000
B.	Fiscal Agent Fees	290,000
C.	Interest	
	1. Capitalized Interest (24 months at 4.5%)	1,305,000
	2. Developer Interest	1,305,000
D.	Bond Discount (3%)	435,000
E.	Bond Issuance Expenses	38,586
F.	Bond Application Report Costs	40,000
G.	Attorney General Fee (0.10%)	14,500
Н.	TCEQ Bond Issuance Fee (0.25%)	<u>36,250</u>
	TOTAL NONCONSTRUCTION COSTS (26.89% of Bond Issues)	\$ 3,899,336

TOTAL BOND ISSUE REQUIREMENT

\$ 14,500,000

Note:

(1) Assumes 100% funding of anticipated developer contribution items, where applicable.

Eligibility of costs for District funding and 30% developer contribution requirements will be determined in accordance with TCEQ rules in effect at the time bond applications are reviewed.

ROADS

	District's (1)
Construction Costs	<u>Share</u>
A. Roads	\$ 3,275,769
B. Miscellaneous (Site Prep, Clearing and Grubbing, Lot Grading)	15,550
C. Contingencies (15% of Items A and B)	493,698
D. Engineering, Surveying, Material Testing, SWPPP (15% of Items A	<u>493,698</u>
and B)	
TOTAL CONSTRUCTION COSTS (72.40% of Bond Issues)	\$ 4,278,715

Nonconstruction Costs

A. Legal Fees	\$	177,300
B. Fiscal Agent Fees		118,200
C. Interest		
1. Capitalized Interest (24 months at 4.5%)		531,900
2. Developer Interest		531,900
D. Bond Discount (3%)		177,300
E. Bond Issuance Expenses		39,910
F. Bond Application Report Costs		40,000
G. TCEQ Bond Issuance Fee (0.25%)		<u>14,775</u>
TOTAL NONCONSTRUCTION COSTS (27.60% of Bond Issues	s) \$	1,631,285
TOTAL BOND ISSUE REQUIREMENT	\$	5,910,000

Note:

(1) Assumes 100% funding of anticipated developer contribution items, where applicable.

A preliminary layout of roads proposed for funding has been provided, and they appear to benefit the proposed District and the land included within the proposed District. Eligibility of costs may be subject to TCEQ review to be determined in accordance with TCEQ rules in effect at the time bond applications are reviewed.

D. ECONOMIC ANALYSIS

Land Use

The land use for the proposed District is projected in the following table.

<u>Development</u>	<u>Acres</u>	<u>ESFCs</u>
Single-Family	91.45	499
Parks, Recreation, and Open Space	1.50	0
Detention/Drainage Reserve	39.20	0
Public Roadway Right-of-Way	<u>14.00</u>	<u>0</u>
Total	146.15	499

Market Study

A market study, prepared by John Burns Real Estate Consulting, has been submitted in support of the creation of the proposed District. The market study indicates that the proposed District will contain 499 single-family homes with an average price of \$288,915 for 55-foot lots and \$315,939 for 65-foot lots. The market study indicates that homes are expected to be absorbed at a rate of 7 homes per month.

Project Financing

The estimated total assessed valuation of the proposed district at completion is as follows:

	<u>Number of</u>	Average	Total Value
<u>Units Planned</u>	<u>Units/Acreage</u>	<u>Unit Value</u>	<u>at Build-Out</u>
Single-Family (55-Foot Lots)	242	\$288,915	\$69,917,430
Single-Family (65 Foot Lots)	257	\$315,939	<u>\$81,196,323</u>
Total Assessed Valuation			\$151,113,753

The application considers an estimated bond issue requirement of \$20,410,000 (\$14,500,000 for utilities and \$5,910,000 for roads), assuming 100% financing, a bond coupon rate of 4.5%, and a 30-year bond life; therefore, the average annual debt service requirement would be \$1,253,001 (\$890,177 for utilities and \$362,824 for roads). Assuming a 98% collection rate and an ultimate assessed valuation of \$151,113,753, a tax rate of approximately \$0.85 (\$0.60 for utilities and \$0.25 for roads) per \$100 assessed valuation would be necessary to meet the annual debt service requirement. Application material also indicates a maintenance tax of \$0.15 per \$100 assessed valuation is anticipated.

The total 2020 overlapping tax rates on land within the proposed District are shown in the following table.

Taxing Jurisdiction	Tax Rate (1)
Chambers County	\$ 0.35
Chambers County I&S	0.06
Chambers County FM&FC	0.08
Chambers County School Equal	0.04
Chambers County Special	0.01
Chambers Liberty Navigation District	0.01
Proposed Chambers County MUD No. 4	<u>1.00</u> ⁽²⁾
Total Tax Rate	\$ 1.55

Notes:

- (1) Represents tax rate per \$100 assessed valuation.
- (2) Includes a \$0.85 debt service tax rate (utilities, road, and recreational facilities) and a \$0.15 maintenance tax rate.

Based on the proposed District tax rate and the year 2020 overlapping tax rate on land within the proposed District, the project is considered economically feasible.

Water and Wastewater Rates

According to information provided, the estimated monthly fee for 10,000 gallons of water and wastewater service would be \$70.

Comparative Water District Tax Rates

A combined projected tax rate of \$1.00 per \$100 assessed valuation, as indicated above, for 100% financing for the proposed District is comparable to other districts in the area. Based on the requirements of 30 TAC Section 293.59, this project is considered economically feasible.

E. <u>SPECIAL CONSIDERATION</u>

Request for Road Powers

A request for approval of road powers was included in the Petition for creation of the proposed District. Pursuant to TWC Section 54.234, approval of road powers may be requested at the time of creation. The engineering report provided with the application included a summary of the estimated costs. The proposed roads appear to benefit the proposed District and financing appears feasible.

F. CONCLUSIONS

- 1. Based on TCEQ policy, compliance with TCEQ rules, and review of the engineering report and supporting documents, the proposed District is considered feasible, practicable, would be a benefit to the land within the proposed District, and would be necessary as a means to finance utilities and to provide utility service to future customers.
- 2. Based on a review of the preliminary engineering report, market study, the proposed District's water, wastewater, and drainage facilities and roads, a combined projected tax rate of \$1.00 per \$100 assessed valuation, the proposed District obtaining a 4.5% bond coupon rate, and other supporting data, the proposed District is considered feasible under the feasibility limits prescribed by 30 TAC Section 293.59.
- 3. The recommendations are made under authority delegated by the Executive Director of the TCEQ.

G. <u>RECOMMENDATIONS</u>

- 1. Grant the Petition for creation of Chambers County Municipal Utility District No. 4.
- 2. Grant the District's request to acquire road powers in accordance with TWC Section 54.234 and 30 TAC Sections 293.11(d)(11), 293.201, and 293.202, subject to the requirements imposed by the TCEQ and the general laws of the State of Texas relating to the exercise of such powers.
- 3. The order granting the Petition should include the following statements:

"This Order shall in no event be construed as an approval of any proposed agreements or of any particular items in any documents provided in support of the Petition for creation, nor as a commitment or requirement of the TCEQ in the future to approve or disapprove any particular items or agreements in future applications submitted by the District for TCEQ consideration."

"This Order shall not constitute approval or recognition of the validity of any provision in the City of Cove consent Ordinance No. 2020-12-001, passed and approved December 16, 2020, and any other ordinance/resolution incorporated therein by reference to the extent that such provisions exceed the authority granted to the City of Cove, by the laws of the State of Texas."

4. Appoint the following to serve as temporary directors until permanent directors are elected and qualified:

William G. FlorenceAlexander D. WhiteChadd D. BoldingMatthew R. MaddoxLauro Porto

H. ADDITIONAL INFORMATION

The Petitioner's professional representatives are:

Attorney: Mr. Bryan T. Yeates – Schwartz, Page & Harding, LLP Engineer: Mr. Steven R. Ward, P.E. – WGA Consulting Engineers Market Analyst: Mr. David Jarvis – John Burns Real Estate Consulting

PETITION FOR CREATION OF CHAMBERS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4

THE STATE OF TEXAS § COUNTY OF CHAMBERS §

TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY:

The undersigned, hereinafter called "Petitioner" (whether one or more), being the holder of title to a majority in value of the lands situated within the area hereinafter described, as shown by the tax rolls of the central appraisal district of Chambers County, Texas, acting pursuant to the provisions of Chapter 49 and Chapter 54, Texas Water Code, as amended, respectfully petitions your Honorable Body for the creation of a municipal utility district, and would respectfully show the following:

I.

The name of the proposed District shall be CHAMBERS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4, hereinafter called "District". There is no other conservation or reclamation district in Chambers County, Texas, with the same name.

II.

The District shall be created and organized under the terms and provisions of Article XVI, Section 59, of the Constitution of Texas and Chapter 49 and Chapter 54, Texas Water Code, together with all amendments and additions thereto. The District shall have all the rights, powers, privileges, authority and functions conferred by and subject to all duties imposed by the Texas Water Code and the general laws relating to municipal utility districts.

III.

The District shall contain an area of approximately 146.15 acres of land, more or less, lying wholly within Chambers County, Texas, and is described by metes and bounds in <u>Exhibit</u> "A" which is attached hereto and incorporated herein for all purposes. All of the area within the proposed District is within the extraterritorial jurisdiction of the City of Cove, Texas, and is not within the extraterritorial jurisdiction of any other city. All of the territory proposed to be included may be properly included in the District.

IV.

The undersigned Petitioner holds title to land within the proposed District, and is the owner of a majority in value of the lands therein as shown on the tax rolls of the central appraisal district

of Chambers County, Texas. Petitioner hereby certifies that the lienholders executing this Petition below are the only holders of liens against the land to be included in the District.

V.

The general nature of the work proposed to be done by the District at the present time is the purchase, construction, acquisition, improvement, extension, maintenance and operation of a waterworks and sanitary sewer system for domestic and commercial purposes and the purchase, construction, acquisition, improvement, extension, maintenance and operation of works, improvements, facilities, plants, equipment and appliances helpful or necessary to provide more adequate drainage for the District, and to control, abate and amend local storm waters or other harmful excesses of water, all as more particularly described in an engineer's report filed simultaneously with the filing of this petition, to which reference is hereby made for more detailed description. The District also intends to purchase interests in land and purchase, construct, acquire, improve, extend, maintain and operate improvements, facilities and equipment for the purpose of providing recreational facilities, all as more particularly described in the aforementioned engineer's report, to which reference is hereby made for more detailed description.

Pursuant to Section 54.234, Texas Water Code, as amended, the District may also exercise road powers and authority pursuant to applicable law, and pursuant to applicable law, the District may also establish, finance, provide, operate and maintain a fire department and/or fire-fighting services ("Fire-fighting Facilities") within the District.

The expression of the above is not intended to limit the future powers and purposes of the District, or the acquisition, financing, operation and maintenance by the District of such additional facilities, systems, plants and enterprises as shall be consonant with the purposes for which the District is created under State law.

VI.

The area of the District is urban in nature, is within the growing environs of the City of Cove, and is in close proximity to populous and developed sections of Chambers County. There is a necessity for the improvements described above for the following reasons:

(1) The District's area is not supplied with adequate water and sanitary sewer facilities and services, or with adequate drainage facilities. The health and welfare of the future inhabitants of the area and of territories adjacent thereto require the installation and acquisition of adequate water, sanitary sewer, and drainage facilities for and within the area of the District.

(2) The future inhabitants of the area and of territories adjacent thereto require recreational facilities, as same are necessary and desirable for the health and well-being of such inhabitants. The District's area does not currently include adequate recreational facilities within its boundaries.

(3) The District's area does not have adequate road facilities. The future inhabitants of the area and territories adjacent thereto require the installation and acquisition of adequate road facilities for and within the area of the District.

A public necessity exists for the organization of such District to promote and protect the purity and sanitary condition of the State's waters and/or the public health and welfare of the community, by and through the purchase, construction, extension, improvement, maintenance and operation of a water supply and sanitary sewer system, drainage facilities, recreational facilities and road facilities.

VII.

The proposed improvements are feasible and practicable. There is an ample supply of water available, and the terrain of the area to be included in the proposed District is such that a waterworks system, a sanitary sewer system, and drainage and storm sewer system can be constructed at a reasonable cost. Additionally, the area to be included within the District is such that recreational facilities and road facilities can be constructed at a reasonable cost.

At this time, the acquisition, financing, operation and maintenance of fire-fighting facilities by the District is subject to certain approvals of the Texas Commission on Environmental Quality pursuant to its rules and Chapters 49 and 54 of the Texas Water Code, and said fire-fighting facilities are not proposed for approval as part of this Petition for the creation of the proposed District.

VIII.

A preliminary investigation has been made to determine the cost of the project and it is now estimated by the Petitioner, from such information as is available at this time, that the cost of said project will be approximately \$9,988,923 for water, sewer and drainage facilities and \$4,366,500 for road facilities.

IX.

The following named persons are each over eighteen (18) years of age, a resident citizen of the State of Texas, an owner of land subject to taxation within the District, and otherwise are qualified to serve as a director of the District under the applicable provisions of the Texas Water Code and the rules of the Commission. Further, at least a majority of the following named persons currently reside within the county in which the District is located, a county adjacent thereto, or, if applicable, a county within the same metropolitan statistical area designated by the United States Office of Management and Budget as the county in which the District is located:

William G. Florence Alexander White Matthew Maddox Chadd Bolding Lauro Porto Copies of the affidavits of each of the aforementioned proposed temporary directors are included herewith.

WHEREFORE, Petitioner respectfully prays that this petition be properly filed, as provided by Chapter 49 and Chapter 54, Texas Water Code, as amended; that notice of the application be given as provided therein; that this petition be in all things granted; that the District be created and the five persons named in Section IX hereof be appointed to serve until their successors are duly elected and qualified; and that such other orders, acts, procedure and relief be granted as are proper and necessary and appropriate to the creation and organization of the District, as your Honorable Body shall deem proper and necessary.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK]

RESPECTFULLY SUBMITTED and effective this 23 day of _____, 2021.

MONTGOMERY ESTATES, LLC, a Texas limited liability company

By: IQBAL. H. Khowa a	(John)
Name:	
Title: MEMBER	

"PETITIONER"

THE STATE OF TEXAS § COUNTY OF Harris §

This instrument was acknowledged before me on this the 23 day of <u>Feb</u>, 2021, by <u>Jabal Hassan Khowaja</u> of Montgomery Estates, LLC, a Texas limited liability company.

JACKIE C GOSNELL lotary Public, State of Texas Comm. Expires 04-03-2023 Notary ID 41053-0

Notary Public in and for the State of Texas

The undersigned, being a lienholder on all or a portion of the land described in the foregoing Petition consents to the creation of CHAMBERS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4 over said land and to the filing of said Petition with the Texas Commission on Environmental Quality.

"LIENHOLDER"

MM.

Wynona Marie Montgomery

mery Britt

Donna Lynn Montgomery Britt

THE STATE OF TEXAS § 8 8 COUNTY OF HARAIS

This instrument was acknowledged before me on this 12 day of FEBLUAR , 2021, by Wynona Marie Montgomery and Donna Lynn Montgomery Britt.

BENOIT

Public

STATE OF TEXAS

lotary ID#125430309 Exp. Sept. 12, 2021

BRANDON Notary

Comm

(SEAL)

Notary Public in and for the State of Texas

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The undersigned, being a lienholder on all or a portion of the property described in the foregoing Petition consents to the creation of CHAMBERS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4 over the land which is more particularly described in said Petition, and to the filing of said Petition with the Texas Commission on Environmental Quality.

"LIENHOLDER"

ALLEGIANCE BANK, a Texas banking corporation

By AHME Name: Title:

THE STATE OF TEXAS § COUNTY OF <u>Harris</u> §

This instrument was acknowledged before me on this <u>15</u> day of March, 2021, by <u>Ahmed Buff</u>, the <u>Vice President</u> of ALLEGIANCE BANK, a Texas banking corporation on behalf of said entity.



(SEAL)

olina Notary Public in and for

the State of Texas

Exhibit A

STATE OF TEXAS) COUNTY OF CHAMBERS)

FIELD NOTES of a 27.85 acre tract of land situated in the Ben Winfree Survey, Abstract Number 28, Chambers County, Texas being out and a part of 100.0 acres conveyed to Montgomery Estates, LLC by Wynona Marie Montgomery, et al in deed dated February 26, 2019 recorded in Document Number 2019-140088 of Chambers County, Texas, and out and a part of 47.36 acres conveyed to Eagle Point Homes, LLC by David Allen Harter, et al in deed dated March 13, 2020 recorded in Document Number 2020-151849 of Chambers County, Texas. This 27.85 acre tract of land is more particularly described by metes and bounds as follows, towit:

NOTE: BEARINGS ARE BASED ON DEED BEARINGS AND FOUND MONUMENTS IN THE SOUTH LINE OF SAID 100.0 ACRES. REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION.

BEGINNING at a 2 ½ inch iron pipe found for a Northwest corner of this tract of land, the Northwest corner of said 47.36 acres, the Northeast corner of the residue of a 115.2 acre tract of land conveyed to Robert Montgomery by Edgar Montgomery, et ux, in deed dated February 3, 1922 recorded in Volume 15 at Page 311 of the Deed Records of Chambers County, Texas, in the South line of 36.77 acres of land conveyed to E. Montgomery, et al, by E. R. Montgomery, et al, in deed dated June 4, 1947 recorded in Volume 103 at Page 280 of the Deed Records of Chambers County, Texas, in the North line of said Ben Winfree Survey, and in the South line of the A. B. J. Winfree Survey, Abstract Number 306.

THENCE South 89°00'30" East with a North line of this tract of land, a North line of said 47.36 acres, the North line of said Ben Winfree Survey, the South line of said A. B. J. Winfree Survey, and the South line of said 36.77 acres, at a distance of 312.47 feet pass a ½ inch iron pipe found on line, in all a total distance of 320.16 feet to a point for a Northeast corner of this tract of land, a Northeast corner of said 47.36 acres, the Southeast corner of said 36.77 acres, and in the West bank of Hackberry Gully.

THENCE in an Easterly and Southerly directions with the North lines of this tract of land, the North lines of said 47.36 acres, and the West bank of Hackberry Gully the following courses:

South 27°04'45" East	37.12 feet
South 47°17'26" West	15.25 feet
South 05°48'37" East	95.45 feet
South 30°06'11" East	35.46 feet
South 62°22'36" East	31.89 feet
North 74°30'07" East	40.66 feet
North 33°19'43" East	25.41 feet
North 74°14'15" East	49,78 feet
North 62°10'16" East	50.10 feet
North 72°45'48" East	64.85 feet
South 84°34'05" East	44.86 feet
Soun 64 34 03 Last	

PAGE NO. 2 – TRACT 2

South 72°58'44" East	27.64 feet
South 56°51'03" East	33.62 feet
South 05°04'47" East	47.35 feet
South 08°45'55" West	84.18 feet
South 13°36'43" West	87.50 feet
South 32°48'25" East	52.87 feet
South 81°42'56" East	101.57 feet
North 70°44'35" East	52.21 feet
North 71°55'46" East	8.96 feet to a point for the

Northeast corner of this tract of land, the Northeast corner of said 47.36 acres, and the Northwest corner of 30 acres conveyed to Llewellyn White by Constance Allen Voortman in deed dated April 20, 1950 recorded in Volume 121 at Page 347 in the Deed Records of Chambers County, Texas.

THENCE South 00°53'48" West with the East line of this tract of land, the East line of said 47.36 acres, and the West line of said 30 acres, at a distance of 4.74 feet pass a ½ inch iron pipe found on line, in all a total distance of 1719.34 feet to a point for the South corner of this tract of land, in the East line of the City Limits of Cove 10 foot strip. From this point a capped iron rod found stamped "5292" for the Southeast corner of said 47.36 acres bears South 00°53'48" West a distance of 399.58 feet.

THENCE North 32°17'29" West with along the West line of this tract of land, East line of said City of Cove 10 foot strip, over and across said 47.36 acres, and said 100 acres, a distance of 2203.90 feet to a point for a Northwest corner of this tract of land in the North line of said 100 acres, and the South line of said 115.2 acres. From this point a capped iron rod found stamped "5292" for the Northwest corner of said 100.0 acres bears North 89°00'00" West a distance of 2.231.28 feet.

PAGE NO. 3 – TRACT 2

THENCE South 89°00'00" East with a North line of this tract of land, the North line of said 100 acres, and the South line of said residue of 115.2 acres a distance of 350.15 feet to a capped iron rod found stamped "5292" for an interior corner of this tract of land, the Northeast corner of said 100 acres, the Southeast corner of said 115.2 acres, and in the West line of said 47.36 acres.

THENCE North 01°56'11" East with a West line of this tract of land, the West line of said 47.36 acres, the East line of said residue of 115.2 acres, a distance of 248.66 feet to the POINT OF BEGINNING containing within said boundaries 27.85 acres of land, more or less.

SURVEYED: July 2020

SURVEYOR'S CERTIFICATE

I, Michael W. Chandler, Registered Professional Land Surveyor Number 5292, do hereby certify that the foregoing field notes were prepared from an actual survey made on the ground under my supervision on the date shown and that all lines, boundaries, and landmarks are accurately described therein.

WITNESS my hand and seal at Mont Belvieu, Texas, this the 19th day of August, A. D., 2020.

REG. PROFESSIONAL LAND SURVEYOR NO. 5292 20-4577 FDN



TRACT 1 STATE OF TEXAS) COUNTY OF CHAMBERS)

FIELD NOTES of a 118.3 acre tract of land situated in the Ben Winfree Survey, Abstract No. 28, Chambers County, Texas, being out of and a part of 100.0 acres conveyed to Montomery Estates, LLC., by Wynona Marie Montomery, et al, in deed dated February 26, 2019, and recorded in Document No. 2019-140088 of Chambers County, Texas, and 47.36 acres conveyed to Eagle Point Homes, LLC., by David Allen Harter, et al, in deed dated March 13, 2020, and recorded in Document No. 2020-151849 of Chambers County, Texas. This 118.3 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: BEARINGS ARE BASED ON DEED BEARINGS AND FOUND MONUMENTS IN THE SOUTH LINE OF SAID 100.0 ACRES. REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION.

BEGINNING at a capped iron rod found stamped "MCHANDLER 5292" for the Northwest corner of this tract of land, the Northwest corner of said 100.0 acres, the Southwest corner of the residue of 115.2 acres conveyed to Robert Montgomery by Edgar Montgomery in deed dated February 3, 1922, and recorded in Volume 15 at Page 311 of the Deed Records of Chambers County, Texas, and in the East line of 18.87 acres conveyed to Jim P. Ferris & Ann Wismer by Elizabeth Amanda Rushwam in deed dated September 26, 2018, and recorded in Document No. 2018-136241 of Chambers County, Texas.

THENCE South 89°00'00" East with the North line of this tract of land, the North line of said 100.0 acres, and the South line of said residue of 115.2 acres a distance of 2219.32 feet to a point for the Northeast corner of this tract of land in the West boundary line of the City Limits of Cove, Texas. From this corner a capped iron rod found stamped "MCHANDLER 5292" for the Northeast corner of said 100.0 acres, the Southeast corner of said residue of 115.2 acres, and in the West line of said 47.36 acres bears South 89°00'00" East a distance of 362.11 feet.

THENCE South 32°17'29" East with an East line of this tract of land, over and across said 100.0 acres, and 47.36 acres, and along the West boundary line of the City of Cove a distance of 2225.76 feet to a point for an angle corner of this tract of land, in the East line of said 47.36 acres, and in the West line of 30 acres conveyed to Llewellyn White by Constance Allen Voortman in deed dated April 20, 1950, and recorded in Volume 121 at Page 347 of the Deed Records of Chambers County, Texas. From this corner a ½ inch iron pipe found for reference on the East line of said 47.36 acres, and the West line of said 30 acres bears North 00°53'48" East a distance of 1732.87 feet.

PAGE NO. 2 - TRACT 1 118.3 ACRES

THENCE South 00°53'48" West with an East line of this tract of land, the East line of said 47.36 acres, and the West line of said 30 acres a distance of 381.31 feet to a capped iron rod found stamped "MCHANDLER 5292" for the Southeast corner of this tract of land, the Southeast corner of said 47.36 acres, the Southwest corner of said 30 acres, and in the North line of the Final Plat of Winfree Bayou Estates Subdivision Section 2 as recorded in Document No. 2019-139266 of Chambers County, Texas.

THENCE North 88°25'17" West with a South line of this tract of land, the South line of said 47.36 acres, and a North line of said Winfree Bayou Section 2 a distance of 896.64 feet to a capped iron rod found stamped "MCHANDLER 5292" for a Southwest corner of this tract of land, the Southwest corner of said 47.36 acres, and an interior corner of said Winfree Bayou Section 2.

THENCE North 01°55'00" East with a West line of this tract of land, a West line of said 47.36 acres, and an East line of said Winfree Bayou Section 2 a distance of 545.36 feet to a capped iron rod found stamped "MCHANDLER 5292" for an interior corner of this tract of land, the Northeast corner of said Winfree Bayou Section 2, and the Southeast corner of said 100.0 acres.

THENCE North 89°00'00" West with a South line of this tract of land, the South line of said 100.0 acres, a North line of said Winfree Bayou Section 2, and the North line of the Final Plat of Winfree Bayou Estates Subdivision Section 1 as recorded in Document No. 2017-118837 of Chambers County, Texas, a distance of 2384.75 feet to a point for the Southwest corner of this tract of land. From this corner a capped iron rod found stamped "MCHANDLER 5292" for the Southwest corner of said 100.0 acres, and the Southeast corner of 14.61 acres conveyed to Charles Raymond Harper by Elizabeth Rushwam Delling in deed dated July 29, 2010, and recorded in Volume 1210 at Page 271 of the Official Public Records of Chambers County, Texas, bears North 89°00'00" West a distance of 196.62 feet.

THENCE North 32°17'29" West with a West line of this tract of land, over and across said 100.0 acres a distance of 349.53 feet to a point for an angle corner of this tract of land, in the West line of said 100.0 acres, and in the East line of said 14.61 acres. From this corner said capped iron rod found for the Southwest corner of said 100.0 acres bears South 01°56'05" West a distance of 292.21 feet.

PAGE NO. 3 - TRACT 1 118.3 ACRES

THENCE North 01°56'05" East with a West line of this tract of land, the West line of said 100.0 acres, the East line of said 14.61 acres, and the East line of said 18.87 acres a distance of 1395.47 feet to the PLACE OF BEINNING, containing within said boundaries 118.3 acres of land, more or less.

SURVEYED: July, 2020.

SURVEYOR'S CERTIFICATE

I, Michael W. Chandler, Reg. Professional Land Surveyor Number 5292 do hereby certify that the foregoing field notes were prepared from an actual survey made on the ground under my supervision on the date shown and that all lines, boundaries and landmarks are accurately described therein.

WITNESS my hand and seal at Mont Belvieu, Texas, this the 15th., day of July, A.D., 2020.

REG. PROFESSIONAL LAND SURVEYOR NO. 5292 20-4577.FDN

REVISED: AUGUST 19, 2020



