extraterritorial jurisdiction to provide water flow and pressure in a fire hydrant greater than that provided by the municipal utility.

(d) Except as provided by this subsection, an ordinance under Subsection (c) may not require a utility to build, retrofit, or improve fire hydrants and related infrastructure in existence at the time the ordinance is adopted. An ordinance under Subsection (c) may apply to a utility's fire hydrants and related infrastructure that the utility:

(1) installs after the effective date of the ordinance; or

(2) acquires after the effective date of the ordinance if the hydrants and infrastructure comply with the standards adopted by the ordinance at the time the hydrants and infrastructure are acquired.

(e) After adoption of an ordinance under Subsection (c), the municipality shall encourage any responsible emergency services district, as described by Chapter 775, to enter into a written memorandum of understanding with the utility to provide for:

(1) the necessary testing of fire hydrants; and

(2) other relevant issues pertaining to the use of the water and maintenance of the fire hydrants to ensure compliance with this section.

(f) After adoption of an ordinance under Subsection (c), the utility shall paint all fire hydrants in accordance with the ordinance or a memorandum of understanding under Subsection (e) that are located in a residential area or an industrial district within the municipality or the municipality's extraterritorial jurisdiction.

(g) Notwithstanding any provision of Chapter 101, Civil Practice and Remedies Code, to the contrary, a utility is not liable for a hydrant's or metal flush valve's inability to provide adequate water supply in a fire emergency. This subsection does not waive a municipality's immunity under Subchapter I, Chapter 271, Local Government Code, or any other law and does not create any liability on the part of a municipality or utility under a joint enterprise theory of liability.

SECTION 4. This Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yeas 30, Nays 0; the Senate concurred in House amendment on May 23, 2013: Yeas 31, Nays 0; passed the House, with amendment, on May 20, 2013: Yeas 147, Nays 0, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 607
S.B. No. 1098
AN ACT
relating to the creation of the Padre Isles Management District; providing authority to issue bonds.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3912 to read as follows:

CHAPTER 3912. PADRE ISLES MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3912.001. DEFINITIONS. In this chapter:

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

(2) "Bulkhead property" means all bulkheads in the district owned by the district or owned or previously owned by the Padre Isles Property Owners Association, including any associated easements.

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(3) "City" means the City of Corpus Christi.
(4) "Director" means a board member.
(5) "District" means the Padre Isles Management District.

Sec. 3912.002. CREATION AND NATURE OF DISTRICT. The Padre Isles Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3912.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain safety and the public welfare in the district.

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

Sec. 3912.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

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

(c) The creation of the district is in the public interest and is essential to further the public purposes of developing and diversifying the economy of the state.

(d) The district will:

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

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

(3) promote the health, safety, welfare, and enjoyment of the public by providing for the preservation of bulkhead property and the navigable waters surrounding Padre Island.

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

Sec. 3912.005. DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

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

(1) organization, existence, or validity;

(2) right to issue revenue bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to pursue relief funding from any lawful source, including this state, the federal government, or any private source; or

(4) legality or operation.

Sec. 3912.006. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3912.007. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.
SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3912.051. GOVERNING BODY; TERMS. The district is governed by a board of five voting directors who serve staggered terms of four years with two or three directors' terms expiring June 1 of each odd-numbered year.

Sec. 3912.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY CITY. (a) To be qualified to serve as a director appointed by the governing body of the city, a person must be:

1. a resident of the district who is also a registered voter of the district;
2. an owner of property in the district;
3. an owner of stock or a partnership or membership interest, whether beneficial or otherwise, of a corporate partnership, limited liability company, or other entity owner of a direct or indirect interest in property in the district;
4. an owner of a beneficial interest in a trust, or a trustee in a trust, that directly or indirectly owns property in the district;
5. an agent, employee, or tenant of a person described by Subdivision (2), (3), or (4); or
6. an initial director.

(b) Section 49.052, Water Code, does not apply to the district.

Sec. 3912.053. APPOINTMENT OF DIRECTORS. The governing body of the city shall appoint directors from persons recommended by the board.

Sec. 3912.054. VACANCY. The remaining directors shall fill a vacancy on the board by appointing a person who meets the qualifications prescribed by Section 3912.052 to serve for the remainder of the unexpired term.

Sec. 3912.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A director shall file the director's oath or affirmation of office with the district, and the district shall retain the oath or affirmation in the district records.

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

Sec. 3912.056. OFFICERS. The board shall elect from among the directors a chair, a vice chair, and a secretary. The offices of chair and secretary may not be held by the same person.

Sec. 3912.057. COMPENSATION; EXPENSES. A director is not entitled to compensation, but is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Sec. 3912.058. LIABILITY INSURANCE. The district may obtain and pay for comprehensive general liability insurance coverage from a commercial insurance company or other source that protects and insures a director against personal liability and from all claims relating to:

1. actions taken by the director in the director's capacity as a member of the board;
2. actions and activities taken by the district; or
3. the actions of others acting on behalf of the district.

Sec. 3912.059. NO EXECUTIVE COMMITTEE. The board may not create an executive committee to exercise the powers of the board.

Sec. 3912.060. BOARD MEETINGS. The board shall hold meetings at a place accessible to the public.

Sec. 3912.061. INITIAL DIRECTORS. (a) The initial board consists of:

<table>
<thead>
<tr>
<th>Pos. No.</th>
<th>Name of Director</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Jeffrey Carlson</td>
</tr>
<tr>
<td>2</td>
<td>Nancy Tressa</td>
</tr>
<tr>
<td>3</td>
<td>Cheri Sperling</td>
</tr>
<tr>
<td>4</td>
<td>Brent Moore</td>
</tr>
<tr>
<td>5</td>
<td>Darrell Scanlan</td>
</tr>
<tr>
<td>6</td>
<td></td>
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</tbody>
</table>
(b) The terms of the initial directors expire June 1, 2015.
(c) Of the directors who replace an initial director, the terms of directors serving in positions 1, 2, and 3 expire June 1, 2015, and the terms of directors serving in positions 4 and 5 expire June 1, 2017.
(d) Section 3912.052 does not apply to this section.
(e) This section expires September 1, 2017.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3912.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3912.102. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.
(b) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3912.103. LIABILITY RESULTING FROM DISTRICT ACTION. An action of the district or the board does not create a liability against the city or any other political subdivision.

Sec. 3912.104. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER C-1. IMPROVEMENT PROJECTS

Sec. 3912.131. IMPROVEMENT PROJECTS AND SERVICES; LIMITATIONS. (a) The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service described by Subsection (b) using any money available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter and Chapter 375, Local Government Code.
(b) The district may undertake an improvement project or service only as necessary to reconstruct, preserve, and maintain bulkhead property.

Sec. 3912.132. LOCATION OF IMPROVEMENT PROJECT. An improvement project described by Section 3912.131 must be located in the district.

Sec. 3912.133. ADDITIONAL DISTRICT DUTIES REGARDING IMPROVEMENT PROJECTS. The district shall:
(1) submit written notice to the city administrator or the administrator’s designee of the anticipated date construction of an improvement project will begin;
(2) comply with applicable city ordinances, resolutions, and regulations when constructing and maintaining an improvement project;
(3) allow a representative of the city to inspect an improvement project during construction to assess the project’s compliance with applicable city ordinances, resolutions, and regulations;
(4) alter an improvement project to comply with applicable city ordinances, resolutions, and regulations if the representative of the city provides the district with written notice that the improvement project does not comply with applicable city ordinances, resolutions, and regulations; and
(5) obtain any necessary permits from city, county, state, or federal authorities to construct and maintain an improvement project.

Sec. 3912.134. LICENSE AND CERTIFICATION REQUIREMENTS. The district may not contract with or employ a person to plan or construct an improvement project unless the person is licensed or certified in an area relating to planning or construction, as applicable.
SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 3912.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 3912.152. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, finance, operate, or maintain an improvement project or service authorized under this chapter and Chapter 375, Local Government Code, using any money available to the district, including contract payments from any lawful source.

SUBCHAPTER E. BONDS

Sec. 3912.201. BONDS AND OTHER OBLIGATIONS. (a) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from district revenue.

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

(c) District bonds may be secured and made payable wholly or partly by a pledge of any part of the money the district receives from improvement revenue or from any other source.

Sec. 3912.202. BOND MATURITY. Bonds may mature not more than 30 years from their date of issue.

SUBCHAPTER F. DISSOLUTION

Sec. 3912.251. DISSOLUTION BY CITY ORDINANCE. (a) The city by ordinance may dissolve the district.

(b) The city may not dissolve the district until the district's outstanding debt or contractual obligations that are payable from any source available to the district have been repaid or discharged, or the city has affirmatively assumed the obligation to pay the outstanding debt from city revenue.

Sec. 3912.252. COLLECTION OF REVENUE. If the dissolved district has bonds or other obligations outstanding secured by and payable from district revenue, the city shall succeed to the rights and obligations of the district regarding enforcement and collection of the revenue.

SECTION 2. The Padre Isles Management District initially includes all territory contained in the following area:

The District is comprised of three (3) tracts totaling approximately 2.9 square miles or 1,871 acres situated around the intersection of S. Padre Island Drive (Park Road 22) and Whitecap Boulevard, and being described by the following:

Tract 1 being approx. 290 acres with the beginning point at south right-of-way (ROW) of S. Padre Island Drive (Park Road 22) and approx. 16 feet of north corner of 0.72 acre parcel (PADRE ISLAND SEC 2 BLK 72 LOT 47 ETAL);

Then southeast and south approx. 6,323 ft. along west ROW of S. Padre Island Drive (Park Road 22) to south ROW of Compass St; Then west and north approx. 1,596 ft. along south ROW of Compass St. to south ROW of Commodore Drive;

Then west and northwest approx. 2,949 ft. along south ROW of Commodore Drive to east ROW of Aquarius St;

Then south southwest approx. 148 ft. along east ROW of Aquarius St. to south ROW of Bello Dr;

Then northwest approx. 331 ft. along south ROW of Bello Dr. to west ROW of Dragonet St.;

Then north northeast approx. 149 ft. along west ROW of Dragonet St to southeast corner 0.19 acre parcel (COMMODORES COVE LOT 1 BLK 6);
Then west northwest and west approx. 1,030 ft. along south boundary of Commodores Cove Lots 1-14 Blk 6 to southwest corner of 0.19 acre parcel (COMMODORES COVE LOT 14 BLK 6);

Then generally west along channel of Commodores Cove's Unit 2, as follows,

Southwest approx. 198 ft. across channel to channel island,

West approx. 343 ft. along center of channel island,

Southwest approx. 371 ft. along center of channel island,

West southwest approx. 310 ft. along center of channel island,

Northwest approx. 285 ft. along center of channel island to west boundary of undeveloped Commodores Cove Unit 2; Then north northeast approx. 3,343 ft. along west boundary of Commodores Cove's Unit 2 and Unit 1 to a point in Galileo Bay and northwest approx. 107 ft. of north corner of 0.2189 acre parcel (Padre Island Sec 2 Lt 1 Blk 72);

Then south southeast approx. 1,562 ft. along north boundary of twenty (20) adjacent parcels (Padre Island Sec 2 Lt 1-20 Blk 72) to west corner of 0.3170 acre parcel (Padre Island Sec 2 Lt 33 Blk 72);

Then northeast approx. 464 ft. along west boundary said 0.3170 acre parcel and three (3) adjacent parcels (Padre Island Sec 2 Lt 34, 35 and 47 Blk 72) and south ROW of S. Padre Island Drive (Park Road 22) and beginning point of 290 acre tract.

Tract 2 being approx. 192 acres with the beginning point at west ROW of Leeward Dr, and north ROW of St. Bartholomew Avenue;

Then east southeast approx. 591 ft. along north ROW of St. Bartholomew Ave. to west boundary of 2.38 acre parcel (El Constance Beachfront Condos);

Then north northeast approx. 101 ft. along north boundary of said approx. 2.38 acre parcel to north corner of said parcel;

Then east southeast approx. 537 ft. along north boundary of said 2.38 acre parcel to east corner of said parcel and boardwalk ROW;

Then south southwest approx. 4,264 ft. along boardwalk ROW to east corner of 8.1 acre parcel (Lake Padre South Lt Blk 3);

Then west northwest approx. 483 ft. along north boundary of said 8.1 acre parcel to east ROW of Leeward Drive;

Then south southwest approx. 114 ft. across said 8.1 acre parcel, to north ROW of Whitecap Blvd.

Then west northwest approx. 840 ft. along north ROW of Whitecap Blvd. to west ROW of Windward Drive;

Then northeast approx. 541 ft. along west ROW of Windward Drive to a point south southwest approx. 190 ft. from southwest corner of 0.64 acre parcel (PADRE ISLAND SEC C BLK 0 LOT 1R);

Then generally north and east through channels of Padre Island Sections C, E and D as follows,

North approx. 1,436 ft. along channel,

North northwest approx. 2,436 ft. along channel,

Northeast approx. 498 ft. along channel,

Southeast approx. 1,773 ft. along channel to west ROW of Leeward Drive;

Then north northeast along west ROW of Leeward Drive to beginning point of 192 acre tract.

Tract 3 being approx. 1,389 acres with the beginning point at south ROW of Whitecap Blvd. and centerline of S. Padre Island Drive (Park Road 22);

Then west approx. 683 ft. along south ROW of Whitecap Blvd. to east ROW of utility service road;

Then south approx. 1,012 ft. along east ROW of utility service road to north ROW of Las Tunas Drive;
Then east approx. 109 ft. along north ROW of Las Tunas Drive to east ROW of Palmira Avenue;
Then south and southwest approx. 6,359 ft. along east ROW of Palmira Avenue to south ROW of Sea Pines Ave;
Then west approx. 45 ft. along south ROW of Sea Pines Ave. to northeast corner of 0.14 acre parcel (SEA PINES NO 1 LOT 1 BLK 15);
Then south southwest approx. 6,359 ft. along east ROW of Palmira Avenue to south ROW of Sea Pines Ave;
Then west approx. 45 ft. along south ROW of Sea Pines Ave. to northeast corner of 0.14 acre parcel (SEA PINES NO 1 LOT 1 BLK 15);
Then west northwest approx. 272 ft. along south boundary of Sea Pines No. 1 Blk 15, Lots 13–15 to west corner of 0.21 acre parcel (SEA PINES NO 1 LOT 15 BLK 15) and coincident east boundary of 0.14 acre parcel (SEA PINES NO 1 LOT 23 BLK 15);
Then south southwest approx. 572 ft. along east boundary of Sea Pines No. 1 Blk 15, Lots 23–31 to south corner of 0.22 acre parcel (Sea Pines No. 1 Blk 15, Lot 31);
Then west northwest approx. 1,161 ft. along south boundary of Sea Pines No. 1 Blk 15 Lots 31–48 to west corner of 0.14 acre parcel (Sea Pines No. 1 Blk 15, Lot 48);

Then generally north and west through channels of Coquina Bay, Ports O'Call and Point Tesoro Developments as follows,

North approx. 365 ft. along channel,
North northwest approx. 2,573 ft. along channel to a point 243 southwest of southeast corner of 10.05 acre parcel (POINT TESORO NO 5 LT 1 BLK 2 RESERVED AREA);
Then north northeast approx. 1,670 feet along west boundary of 0.14 acre parcel and west ROW of Coralvine St. to south ROW of Sea Pines Ave;
Then generally north and west through channels of Coquina Bay, Ports O'Call and Point Tesoro Developments as follows,

North approx. 365 ft. along channel,
North northwest approx. 2,573 ft. along channel to a point 243 southwest of southeast corner of 10.05 acre parcel (POINT TESORO NO 5 LT 1 BLK 2 RESERVED AREA);
Then north northeast approx. 1,670 feet along west boundary of 0.14 acre parcel and west ROW of Coralvine St. to south ROW of Sea Pines Ave;
Then generally north and west through channels of Coquina Bay, Ports O'Call and Point Tesoro Developments as follows,

North approx. 365 ft. along channel,
North northwest approx. 2,573 ft. along channel to a point 243 southwest of southeast corner of 10.05 acre parcel (POINT TESORO NO 5 LT 1 BLK 2 RESERVED AREA);
Then north northeast approx. 1,670 feet along west boundary of 0.14 acre parcel and west ROW of Coralvine St. to south ROW of Sea Pines Ave;
Then generally north and west through channels of Coquina Bay, Ports O'Call and Point Tesoro Developments as follows,
Then generally south approx. 1,275 ft. along east boundary of ISLAND FAIRWAY ESTATES LT 24-35 BLK 30 to east ROW of Crown Royal Rd;

Then south approx. 59 ft. along east ROW of Crown Royal Rd to north corner of 0.24 acre parcel (ISLAND FAIRWAY ESTATES LT 23 BLK 30);

Then southwest approx. 1,120 ft. along east boundary of ISLAND FAIRWAY ESTATES LT 14-23 BLK 30 to south corner of 0.41 acre parcel (ISLAND FAIRWAY ESTATES LT 13 BLK 30);

Then north approx. 1,123 ft. along west boundary of ISLAND FAIRWAY ESTATES LT 1-13 BLK 30 to south ROW of Crown Royal Rd;

Then north northwest approx. 293 ft. along south ROW of Crown Royal Rd to east corner of 0.27 acre parcel (ISLAND FAIRWAY ESTATES LT 1 BLK 31);

Then generally south approx. 5,508 ft. along east boundary of Island Fairway Estates and coincident west boundary of Padre Isles Country Club (ISLAND FAIRWAY ESTATES BLK 27-A 184.786 ACS) to north ROW of Whitecap Blvd;

Then east approx. 965 ft. along north ROW of Whitecap Blvd. to southeast corner Padre Isles Country Club (ISLAND FAIRWAY ESTATES BLK 27-A 184.786 ACS) and coincident west boundary of 6.5 acre parcel (Island Fairway Estates Lt 5 Blk 3);

Then generally north and east approx. 3,109 ft. along east boundary of Padre Isles Country Club (ISLAND FAIRWAY ESTATES BLK 27-A 184.786 ACS) and coincident west boundary of Island Fairway Estates (Blk 3 and Blk 46) to centerline of S. Padre Island Drive (Park Road 22);

Then south approx. 2,495 ft. along centerline of S. Padre Island Drive (Park Road 22) to beginning point of 1,389 acre tract.

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

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

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

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

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

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yeas 30, Nays 0; passed the House on May 22, 2013: Yeas 148, Nays 0, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013.