

PETITION FOR CONSENT TO ANNEX LAND INTO
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF TEXAS CITY,
TEXAS:

The undersigned, GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79 (the "District"), and BINNACLE TEXAS CITY 51 LLC, a Texas limited liability company (the "Petitioner"), acting pursuant to the provisions of Chapter 49, Texas Water Code, particularly Section 49.301 of that Code, together with all amendments and additions thereto, respectfully petition the City Council of the City of Texas City, Texas (the "City"), for its written consent to the annexation by the District of the 50.65-acre tract of land described by metes and bounds in Exhibit A (the "Land"), which is attached hereto and incorporated herein for all purposes. In support of this petition, the undersigned would show the following:

I.

The District is a municipal utility district duly created under the laws of the State of Texas on August 17, 2020. The District was created and organized under the terms and provisions of Article XVI, Section 59, of the Constitution of Texas, and is governed by the provisions of Chapters 49 and 54, Texas Water Code.

II.

The Petitioner holds fee simple title to the Land, as indicated by the certificate of ownership provided by the Galveston Central Appraisal District.

III.

The Petitioner represents that there are no lienholders on the Land except Next Level Income Fund LLC, a Texas limited liability company.

IV.

The Land is situated wholly within Galveston County, Texas. No part of the Land is within the limits of any incorporated city, town or village, except the City and no part of the Land is within the extraterritorial jurisdiction (as such term is defined in Local Government Code Section 42.001 *et seq.*, as amended) of any city, town or village. All of the Land may properly be annexed into the District.

V.

The general nature of the work to be done within the Land is the construction, acquisition, maintenance and operation of a waterworks and sanitary sewer system, and a drainage and storm sewer system, road facilities, and parks and recreational facilities.

VI.

There is, for the following reasons, a necessity for the above-described work. The Land, which will be developed for commercial and/or residential purposes, is urban in nature, is within the growing environs of the City, is in close proximity to populous and developed sections of Galveston County, and within the immediate future will experience a substantial and sustained residential and commercial growth. There is not now available within the Land an adequate waterworks and sanitary sewer system nor an adequate drainage system, nor road facilities, nor parks or recreational facilities, and it is not presently economically feasible for the Land to provide for such systems and facilities itself. Because the health and welfare of the present and future inhabitants of the Land and of lands adjacent thereto require the construction, acquisition, maintenance and operation of an adequate waterworks and sanitary sewer system and a drainage and storm sewer system, road facilities, and parks and recreational facilities, a public necessity exists for the annexation of the Land into the District, to provide for the purchase, construction, extension, improvement, maintenance and operation of such waterworks and sanitary sewer system and such drainage and storm sewer system, such road facilities, and such parks and recreational facilities, so as to promote the purity and sanitary condition of the State's waters and the public health and welfare of the community.

VII.

Petitioner and the District agree and hereby covenant that if the requested consent to the annexation of the Land to the District is given, the Petitioner and the District will adopt and abide by the conditions set forth in Exhibit B, attached hereto and incorporated herein for all purposes.

WHEREFORE, the undersigned respectfully pray that this petition be heard and granted in all respects and that the City give its written consent to the annexation of the Land into the District.

[EXECUTION PAGES FOLLOW]

RESPECTFULLY SUBMITTED on January 24, 2022.

GALVESTON COUNTY MUNICIPAL
UTILITY DISTRICT NO. 79

By: [Signature]

Name: Mike Arterburn

Title: President

ATTEST:

By: [Signature]

Name: Robert R Tautenhahn

Title: Secretary

(SEAL)

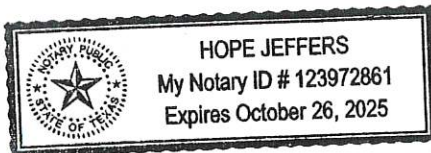


THE STATE OF TEXAS §

§

COUNTY OF GALVESTON §

This instrument was acknowledged before me on January 24, 2022, by Mike Arterburn, as President, and Robert Tautenhahn, as secretary, of the Board of Directors of GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79, a political subdivision of the State of Texas, on behalf of said political subdivision.



[Signature]
Notary Public, State of Texas

(NOTARY SEAL)

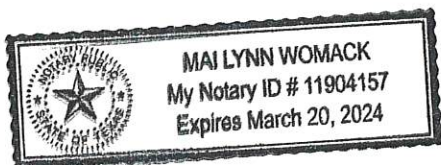
BINNACLE TEXAS CITY 51 LLC,
a Texas limited liability company

By: Binnacle Development, LLC,
a Texas limited liability company,
its Managing Member

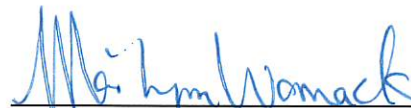
By: 
Jerry W. LeBlanc
Managing Member

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on January 24th, 2022,
by Jerry W. LeBlanc, Managing Member of Binnacle Development, LLC, a Texas limited
liability company, Managing Member of BINNACLE TEXAS CITY 51 LLC, a Texas
limited liability company, on behalf of said limited liability companies.



(NOTARY SEAL)



Notary Public, State of Texas

Attachments:

Exhibit A: Description of the Land

Exhibit B: Conditions of the City

EXHIBIT A



200 Houston Avenue, Suite B
League City, Texas 77573
(281) 554-7739
www.HighTideSurveying.com

All of that certain 50.65 acre tract of land situated in the **W. K. WILSON SURVEY, Abstract Number 208**, being parts of Lots 9 through 12 and part of Lot 14, of the **WATERMAN'S SUBDIVISION**, a subdivision in Galveston County Texas, according to the map or plat thereof recorded in Volume 8, Page 10 of the Galveston County Map Records, and being those tracts of land called 24.42 acres and 10.03 acres described in that certain Special Warranty Deed dated October 31, 2008 from 412 Center Park, Ltd., to Texas City Economic Development Corporation recorded in Clerk's File Number 2008059995 and that tract of land called 16 1630 acres described in that certain Special Warranty Deed dated April 19, 2016 from Texas City Economic Development Corporation to 412 Central Park, Ltd., recorded in Clerk's File Number 2016021487, both of the Official Public Records of Galveston County, Texas; said 50.65 acres of land being more fully described by metes and bounds as follows:

BEGINNING at a 5/8 inch rod found in the East right-of-way line of Mall of the Mainland Parkway (a.k.a. F. M. 2004) (called 120' in width), same being the Northwest corner of Lot 6, of the **MALL OF THE MAINLAND**, a subdivision of record in Volume 18, Pages 446-448 of the Galveston County Map Records, also being the Southwest corner of aforesaid 10.03 acre tract, the Southwest corner of the herein described tract and the **POINT OF BEGINNING** hereof;

THENCE, N 00°23'30" E along and with the East right-of-way line of Mall of the Mainland Parkway, being the West line of above said 10.03 and 24.42 acre tracts of land, a distance of 1,766.23 feet to a 5/8 inch rod found at the Northwest corner of the herein described tract;

THENCE, N 88°59'31" E along and with the North line of said 24.42 acre tract, a distance of 564.00 feet to a point for corner, and a found 5/8 inch rod;

THENCE, S 28°01'34" E, a distance of 307.69 feet to a 5/8 inch rod found at the beginning of a non-tangent curve to the left, said curve having a radius of 850.00 feet and a central angle of 20°30'41";

THENCE, along the arc of said non-tangent curve to the left, a distance of 304.33 feet, the chord of which bears S 43°42'35" E, 302.71 feet, to a 5/8 inch rod found at the beginning of a compound and non-tangent curve to the left, said curve having a radius of 559.89 feet and a central angle of 03°47'43";

THENCE, along the arc of said non-tangent curve to the left, a distance of 37.09 feet, the chord of which bears S 61°17'28" E, 37.08 feet, to a 5/8 inch rod found at the end of said curve;

THENCE, S 63°11'19" E, a distance of 584.61 feet to a 5/8 inch rod found at the beginning of a tangent curve to the right, said curve having a radius of 120.00 feet and a central angle of 45°00'00";



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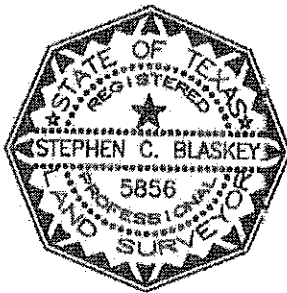
THENCE, along the arc of said tangent curve to the right, a distance of 94.24 feet, the chord of which bears S 40°41'19" E, 91.84 feet, to a 5/8 inch rod found at the end of said curve;

THENCE, S 18°11'19" E, a distance of 369.87 feet to a point for corner, and a found 5/8 inch rod;

THENCE, WEST, a distance of 543.00 feet to a point for corner, and a found 5/8 inch rod;

THENCE, S 00°23'30" W, along and with the East line of aforesaid 16.1630 acre tract, a distance of 956.96 feet to a 5/8 inch rod found at the Southeast corner of the herein described tract;

THENCE, N 71°23'11" W, along and with the Northerly line of said **MALL OF THE MAINLAND** subdivision, a distance of 1,171.06 feet to the **POINT OF BEGINNING** and containing within said boundaries a calculated area of 50.65 acres (2,206,199 square feet) of land, more or less.



July 29, 2020

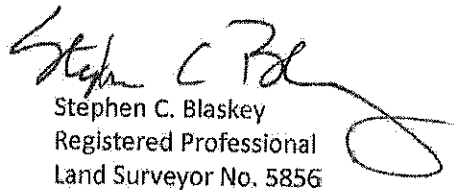

Stephen C. Blaskey
Registered Professional
Land Surveyor No. 5856

Exhibit B

(a) Bonds will be issued by the District only for the purpose of purchasing and constructing, or purchasing or constructing under contract with The City of Texas City, Texas, or otherwise acquiring waterworks systems, sanitary sewer systems, storm sewer systems, drainage facilities, fire-fighting facilities, parks and recreational facilities, and street, road and bridge facilities or parts of such systems or facilities, and to make any and all necessary purchases, construction, improvements, extensions, additions, and repairs thereto, and to purchase or acquire all necessary land, right-of-way easements, sites, equipment, buildings, plants, structures, and facilities therefor, and to operate and maintain same, and to sell water, sanitary sewer, and other services within or without the boundaries of the District. Such bonds will expressly provide that the District reserves the right to redeem the bonds on any interest-payment date subsequent to the fifteenth (15th) anniversary of the date of issuance without premium and will be sold only after the taking of public bids therefor, and none of such bonds, other than refunding bonds, will be sold for less than 95% of par; provided that the net effective interest rate on bonds so sold, taking into account any discount or premium as well as the interest rate borne by such bonds, will not exceed two percent (2%) above the highest average interest rate reported by the Daily Bond Buyer in its weekly "20 Bond Index" during the one-month period next preceding the date notice of the sale of such bonds is given, and that bids for the bonds will be received not more than forty-five (45) days after notice of sale of the bonds is given. The resolution authorizing the issuance of the District's bonds will contain a provision that any pledge of the revenues from the operation of the District's water and sewer and/or drainage system to the payment of the District's bonds will terminate when and if the City of Texas City, Texas, dissolves the District, takes over the assets of the District and assumes all of the obligations of the District. No land will be added or annexed to the District until The City of Texas City, Texas, has given its written consent by resolution of the City Commission to such addition or annexation.

(b) Any refunding bonds of the District must provide for a minimum of three percent present value savings and no maturity of the refunding bonds may extend beyond the latest maturity of the refunded bonds, unless approved by the City in writing prior to the sale thereof.

(c) Before the commencement of any construction within the District, the District, its directors, officers, or the developers and landowners will submit to the Director of Public Works and the City Engineer of The City of Texas City, Texas, or to his/her designated representative, all plans and specifications for the construction of water, sanitary sewer, and drainage facilities and street, road and bridge facilities to serve the District and obtain the approval of such plans and specifications. All water wells, water meters, flushing valves, valves, pipes, and appurtenances thereto, installed or used within the District, will conform exactly to the specifications of The City of Texas City, Texas. All water service lines and sewer service lines, lift stations, sewage treatment facilities, and appurtenances thereto, installed or used within the District will

comply with The City of Texas City, Texas' standard plans and specifications. Prior to the construction of such facilities within the District, the District or its engineer will give written notice by registered or certified mail to the Director of Public Works and the City Engineer, stating the date that such construction will be commenced. The construction of the District's water, sanitary sewer, and drainage facilities and street, road, and bridge facilities will be in accordance with the approved plans and specifications, and with applicable standards and specifications of The City of Texas City, Texas; and during the progress of the construction and installation of such facilities, the District Engineer of record shall periodically monitor and observe the construction of facilities and submit to the City a certification that all facilities have been installed to City and State plans and specifications. Additionally, the District shall provide funds to pay the City's cost of contracting with an inspector to provide full time monitoring and inspection of the construction of facilities. The Director of Public Works and the City Engineer of the City of Texas City, Texas, or his/her designated representative, may make periodic on-the-ground inspections.

CERTIFICATE

THE STATE OF TEXAS

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COUNTY OF GALVESTON

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I, the undersigned Secretary of the Board of Directors of GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79, do hereby certify that the attached and foregoing is a true and correct copy of the Petition for Consent to Annex Land into Galveston County Municipal Utility District No. 79 that was filed with the Board of Directors of the District on January 24, 2022.

WITNESS MY HAND AND SEAL OF SAID DISTRICT on January, 2022.

GALVESTON COUNTY MUNICIPAL
UTILITY DISTRICT NO. 79

(SEAL)



By: _____

[Handwritten Signature]
Secretary, Board of Directors

CERTIFICATE OF AUTHORITY

I, Jerry W. LeBlanc, hereby certify that:

1. I am the sole Managing Member of Binnacle Development, LLC, a Texas limited liability company, a Texas limited liability company ("Binnacle");
2. Binnacle is the Managing Member of BINNACLE TEXAS CITY 51 LLC, a Texas limited liability company ("Binnacle 51");
3. In such capacity, I am authorized to execute any and all documents in connection with the annexation of land into GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 79 (the "District"), including, specifically, but not limited to, the Petition for Consent to Annex Land into the District, and the Petition for Addition of Certain Land into the District, and any certificates needed by the City of Texas City, Texas, the Texas Commission on Environmental Quality and the Attorney General of Texas (the "Annexation Documents"); and
4. Such execution of the Annexation Documents is duly authorized in accordance with the limited liability company agreements of Binnacle and Binnacle 51;
5. Such authorization is valid as of the date of execution of said Annexation Documents.

WITNESS MY HAND this 24th day of January, 2022.

**BINNACLE DEVELOPMENT, LLC, a Texas
limited liability company**

By: _____

Jerry W. LeBlanc
Managing Member

