ANNEXATION POLICY (updated February 20, 2023)

GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

SECTION 1: Policy

This Board adopted policy shall be known and may be cited as the "Galveston County Water Control and Improvement District No. 1 Annexation Policy".

SECTION 2: Scope & Compliance

A Petitioner requesting for land to be incorporated into the District Boundary shall conform to the requirements of this Policy. The District will not provide water or sanitary sewer service to a property outside the District Boundary. Property must be annexed into the taxing jurisdiction of the District before utility service is provided. See generally Texas Water Code Chapter 49, Subchapter J (Annexation of Land) and Chapter 51, Subchapter O (Adding Territory).

SECTION 3: Definitions

For the purpose of interpreting these regulations, certain words used herein are defined as follows:

- A) District: "District" means the Galveston County Water Control and Improvement District No. 1.
- B) <u>Annexation</u>: "Annexation" means the inclusion or addition of land to the boundaries of the District.
- C) <u>Capacity Analysis:</u> "Capacity Analysis" means the evaluation of water and wastewater capacity by the District Engineer as described in the District's Water and Wastewater Regulations for Land Development Policy.
- D) <u>District Boundary</u>: "District Boundary" means the legal boundaries of the District within which the District is authorized to provide water and sanitary sewer services and where all property shall be subject to District taxation.
- E) <u>Petitioner</u>: "Petitioner" means any land owner or developer who has submitted a formal written request to the District for annexation of land to the boundaries of the District.
- F) <u>Petitioner Agreement:</u> "Petitioner Agreement" means the agreement made between the District and the Petitioner outlining any required improvements or extensions to be made to the District's water and wastewater systems in order for the District to provide service to the Petitioner as a condition to annexation.
- G) <u>TCEQ:</u> "TCEQ" means the Texas Commission on Environmental Quality or its successor responsible for general supervision and oversight of water districts in the state of Texas.

SECTION 4: Requirements and Steps for Annexation

STAGE 1

A) <u>Conference:</u> The Petitioner shall confer with the General Manager of the District or the District's authorized representative(s) to discuss the land or property requesting to be annexed into the District Boundary. No annexation commitment is being made by the District during this phase.

- A) <u>Submittal Requirements:</u> The Petitioner shall submit the following information to the District in order to be considered for Annexation into District Boundary:
 - 1) A non-refundable processing fee **by lot** whose amount is based on the following property sizes:
 - a) Less than 0.5 acre \$500.00
 - b) 0.5 acre to 1.0 acre \$1,000.00
 - c) Greater than 1.0 acre \$1,500.00
 - 2) Legal Description (metes and bounds) and boundary map of land to be annexed prepared and sealed by a licensed professional surveyor.
 - 3) Certified copy of recorded deed(s) from the County of Galveston deed records showing ownership of property
 - 4) Original tax certificate from the Galveston County Tax Assessor/Collector certifying taxes paid in full on property requesting to be annexed;
 - 5) Original signed 'Petition for Annexation' (document to be provided to Petitioner during Stage 1).
 - a) The Petitioner must be the owner(s) of all the land to be annexed into the District Boundary and must be the same as listed on the recorded deed(s).
 - b) The Petitioner's signature must be notarized.
 - c) If anyone signs in representative capacity, obtain evidence of their authority as follows:
 - 1. If Petitioner is a corporation, obtain and attach a corporate resolution or certificate.
 - If Petitioner is a partnership or joint venture, obtain and attach a copy of partnership agreement showing authority or certificate granting authority signed by all partners or venturers.
 - 3. If Petitioner is a trustee, either obtain and attach a copy of trust agreement, certificate signed by all trust beneficiaries, or affidavit of trustee saying no written trust.
 - d) Obtain landowner's certificate as to numbers and names of lienholders on all the land to be annexed into the District Boundary and attach each lienholders' written consent to the Annexation.
 - 1. If any lienholder signs in representative capacity, obtain and attach their evidence of authority as described above.
 - e) Obtain and attach a ratification by option holder if there is a proposed purchaser of some or all of the land to be annexed into the District Boundary.

STAGE 3

- A) <u>Capacity Analysis Determination:</u> Upon receipt of all the required information, the District Engineer will review the Annexation request and verify if the land considered for Annexation meets the capacity analysis requirement as described in the District's Water and Wastewater for Land Development Policy.
 - 1) If the land to be annexed does not meet the minimum capacity analysis requirements, Annexation will proceed to Stage 4.
 - 2) If the land to be annexed does meet the minimum capacity analysis requirement, the fee as stipulated in the District's Water and Wastewater for Land Development Policy must be paid to the

District, the capacity analysis performed by the District Engineer, and the results outlining any potential improvements/extensions and shared with the Petitioner prior to proceeding to Stage 4.

STAGE 4

- A) <u>Conditions to Annexation:</u> The Petitioner shall comply with the following Annexation conditions:
 - 1) The Petitioner must connect to both the District's water and wastewater systems.
 - 2) The Petitioner shall be responsible for payment of any required improvements and/or extension costs to the District's facilities in order to provide service to the land being annexed into the District Boundary.
 - a) The District and/or District Engineer will provide the Petitioner with an associated cost in order to install these identified improvements and/or extensions.
 - 3) The Petitioner shall be responsible for payment of any tap fees described in the District's Rate Order.
 - 4) If Petitioner wishes to proceed forward with Annexation, the District and Petitioner shall enter into a Petitioner Agreement prepared by the District's Attorney that outlines the conditions of the Annexation and the payment of identified improvements, extensions and tap fees. The Petition Agreement is subject to approval by the District's Board of Directors.
 - 5) If the land to be annexed falls within the corporate limits or the extraterritorial jurisdiction of the City of League City or the City of Texas City, then the Petitioner must obtain and provide to the District the written consent from the governing body of that municipality to the Annexation unless the property to be annexed is within the previously agreed upon annexation consent limits specified in District Resolution No. 2017-01 and City of League City Resolution No. 2016-170.

STAGE 5

- A) <u>Board of Directors Annexation Approval:</u> Upon receipt of all required items and acceptance of the annexation conditions, the District General Manager will place an item on the Board Meeting Agenda for the District's Board of Directors to consider the request for Annexation.
 - 1) The agenda item shall include, but not be limited to, the following documentation:
 - An order adding land, prepared by the District, to officially annex the requested land into the District Boundary;
 - b) A revised District Boundary map, prepared by the District Engineer, to incorporate the requested land into the District Boundary;
 - The signed and notarized Petition for Annexation, including legal description with boundary map, certified copy of recorded deed, original tax certificate, and if necessary, required evidence of authority and lienholders' consent;
 - d) The Petitioner Agreement, signed by Petitioner, that outlines the conditions of annexation and the payment of identified improvements, extensions, and tap fees.
 - e) Written annexation consent from the governing body of the municipality, if applicable.
 - 2) The District will advise the Petitioner of the date and time of the Board Meeting that the Petitioner's Annexation request will be considered. Petitioner is welcome to attend but attendance is not mandatory.
 - 3) Upon approval of the Annexation request by the District Board of Directors:

- a) The President of the Board of Directors will execute the order of the Board annexing the property into the District;
- b) The revised District Boundary map will be certified by all Board Members in attendance and the District will file the updated boundary map with the TCEQ within 60 days after the Board of Directors annexation approval.
- c) The District will record in the Galveston County Clerk's Office and with the Galveston Central Appraisal District the executed order of the Board annexing the property into the District;
- d) District taxes will be assessed on any property annexed into the District as of January 1st.

APPROVED BY GALVESTON COUNTY WCID NO. 1 BOARD OF DIRECTORS AT THE REGULAR MEETING OF FEBRUARY 20, 2023