

1-1 By: Zaffirini S.B. No. 2576
 1-2 (In the Senate - Filed March 22, 2023; March 23, 2023, read
 1-3 first time and referred to Committee on Local Government;
 1-4 April 24, 2023, reported favorably by the following vote: Yeas 8,
 1-5 Nays 0; April 24, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Springer	X			
1-9 Eckhardt	X			
1-10 Gutierrez			X	
1-11 Hall	X			
1-12 Nichols	X			
1-13 Parker	X			
1-14 Paxton	X			
1-15 West	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the Open R Fresh Water Supply District of Caldwell
 1-20 County; granting a limited power of eminent domain; providing
 1-21 authority to issue bonds; providing authority to impose
 1-22 assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-25 Code, is amended by adding Chapter 7994A to read as follows:

1-26 CHAPTER 7994A. OPEN R FRESH WATER SUPPLY DISTRICT OF CALDWELL
 1-27 COUNTY

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 7994A.0101. DEFINITIONS. In this chapter:

1-30 (1) "Board" means the district's board of directors.

1-31 (2) "Director" means a board member.

1-32 (3) "District" means the Open R Fresh Water Supply
 1-33 District of Caldwell County.

1-34 Sec. 7994A.0102. NATURE OF DISTRICT. The district is a
 1-35 municipal utility district created under Section 59, Article XVI,
 1-36 Texas Constitution.

1-37 Sec. 7994A.0103. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-38 (a) The district is created to serve a public purpose and benefit.

1-39 (b) The district is created to accomplish the purposes of:

1-40 (1) a municipal utility district as provided by
 1-41 general law and Section 59, Article XVI, Texas Constitution; and

1-42 (2) Section 52, Article III, Texas Constitution, that
 1-43 relate to the construction, acquisition, improvement, operation,
 1-44 or maintenance of macadamized, graveled, or paved roads, or
 1-45 improvements, including storm drainage, in aid of those roads.

1-46 Sec. 7994A.0104. DISTRICT TERRITORY. (a) The district is
 1-47 composed of the territory described by Section 2 of the Act enacting
 1-48 this chapter.

1-49 (b) The boundaries and field notes contained in Section 2 of
 1-50 the Act enacting this chapter form a closure. A mistake made in the
 1-51 field notes or in copying the field notes in the legislative process
 1-52 does not affect the district's:

1-53 (1) organization, existence, or validity;

1-54 (2) right to issue any type of bond for the purposes
 1-55 for which the district is created or to pay the principal of and
 1-56 interest on a bond;

1-57 (3) right to impose a tax; or

1-58 (4) legality or operation.

1-59 SUBCHAPTER B. POWERS AND DUTIES

1-60 Sec. 7994A.0201. GENERAL POWERS AND DUTIES. The district
 1-61 has the powers and duties necessary to accomplish the purposes for

2-1 which the district is created.
 2-2 Sec. 7994A.0202. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-3 DUTIES. The district has the powers and duties provided by the
 2-4 general law of this state, including Chapters 49 and 54, Water Code,
 2-5 applicable to municipal utility districts created under Section 59,
 2-6 Article XVI, Texas Constitution.
 2-7 Sec. 7994A.0203. AUTHORITY FOR ROAD PROJECTS. Under
 2-8 Section 52, Article III, Texas Constitution, the district may
 2-9 design, acquire, construct, finance, issue bonds for, improve,
 2-10 operate, maintain, and convey to this state, a county, or a
 2-11 municipality for operation and maintenance macadamized, graveled,
 2-12 or paved roads, or improvements, including storm drainage, and
 2-13 landscaping, in aid of those roads.
 2-14 Sec. 7994A.0204. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-15 road project must meet all applicable construction standards,
 2-16 zoning and subdivision requirements, and regulations of each
 2-17 municipality in whose corporate limits or extraterritorial
 2-18 jurisdiction the road project is located.
 2-19 (b) If a road project is not located in the corporate limits
 2-20 or extraterritorial jurisdiction of a municipality, the road
 2-21 project must meet all applicable construction standards,
 2-22 subdivision requirements, and regulations of each county in which
 2-23 the road project is located.
 2-24 (c) If the state will maintain and operate the road, the
 2-25 Texas Transportation Commission must approve the plans and
 2-26 specifications of the road project.
 2-27 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS
 2-28 Sec. 7994A.0301. ELECTIONS REGARDING TAXES OR BONDS. (a)
 2-29 The district may issue, without an election, bonds and other
 2-30 obligations secured by:
 2-31 (1) revenue other than ad valorem taxes; or
 2-32 (2) contract payments described by Section
 2-33 7994A.0303.
 2-34 (b) The district must hold an election in the manner
 2-35 provided by Chapters 49 and 54, Water Code, to obtain voter approval
 2-36 before the district may impose an ad valorem tax or issue bonds
 2-37 payable from ad valorem taxes.
 2-38 (c) The district may not issue bonds payable from ad valorem
 2-39 taxes to finance a road project unless the issuance is approved by a
 2-40 vote of a two-thirds majority of the district voters voting at an
 2-41 election held for that purpose.
 2-42 Sec. 7994A.0302. OPERATION AND MAINTENANCE TAX. (a) If
 2-43 authorized at an election held under Section 7994A.0301, the
 2-44 district may impose an operation and maintenance tax on taxable
 2-45 property in the district in accordance with Section 49.107, Water
 2-46 Code.
 2-47 (b) The board shall determine the tax rate. The rate may not
 2-48 exceed the rate approved at the election.
 2-49 Sec. 7994A.0303. CONTRACT TAXES. (a) In accordance with
 2-50 Section 49.108, Water Code, the district may impose a tax other than
 2-51 an operation and maintenance tax and use the revenue derived from
 2-52 the tax to make payments under a contract after the provisions of
 2-53 the contract have been approved by a majority of the district voters
 2-54 voting at an election held for that purpose.
 2-55 (b) A contract approved by the district voters may contain a
 2-56 provision stating that the contract may be modified or amended by
 2-57 the board without further voter approval.
 2-58 SUBCHAPTER D. BONDS AND OTHER OBLIGATIONS
 2-59 Sec. 7994A.0401. AUTHORITY TO ISSUE BONDS AND OTHER
 2-60 OBLIGATIONS. The district may issue bonds or other obligations
 2-61 payable wholly or partly from ad valorem taxes, impact fees,
 2-62 revenue, contract payments, grants, or other district money, or any
 2-63 combination of those sources, to pay for any authorized district
 2-64 purpose.
 2-65 Sec. 7994A.0402. TAXES FOR BONDS. At the time the district
 2-66 issues bonds payable wholly or partly from ad valorem taxes, the
 2-67 board shall provide for the annual imposition of a continuing
 2-68 direct ad valorem tax, without limit as to rate or amount, while all
 2-69 or part of the bonds are outstanding as required and in the manner

3-1 provided by Sections 54.601 and 54.602, Water Code.
3-2 Sec. 7994A.0403. BONDS FOR ROAD PROJECTS. At the time of
3-3 issuance, the total principal amount of bonds or other obligations
3-4 issued or incurred to finance road projects and payable from ad
3-5 valorem taxes may not exceed one-fourth of the assessed value of the
3-6 real property in the district.
3-7 SECTION 2. The Open R Fresh Water Supply District of
3-8 Caldwell County includes all the territory contained in the
3-9 following area:
3-10 BEING a 10.00 acre tract of land situated in the William Morrison
3-11 Survey, Abstract Number 187, Caldwell County, Texas, being all of
3-12 tract of land described in the deed to Michael M. Reynolds, recorded
3-13 in Volume 130, Page 887, Official Public Records of Caldwell
3-14 County, Texas, said 10.00 acres being more particularly described
3-15 as follows;
3-16 COMMENCING at a found 3/8-inch iron rod with cap stamped "RPLS 454r
3-17 for the northeast corner of a tract of land described in the deed to
3-18 Jacob K. Hohertz recorded in Instrument Number 2015-004255,
3-19 Official Public Records of Caldwell County, Texas;
3-20 THENCE North 04 degrees 07 minutes 28 seconds West, a distance of
3-21 303.33 feet to a set 5/8-inch iron rod with cap stamped "DUNAWAY
3-22 ASSOC" for the POINT OF BEGINNING;
3-23 THENCE North 10 degrees 55 minutes 01 second West, a distance of
3-24 660.00 feet to a found 1/2-inch iron rod with cap stamped "UDG
3-25 #2433";
3-26 THENCE North 79 degrees 04 minutes 59 seconds East, a distance of
3-27 660.00 feet to a found 1/2-inch iron rod with cap stamped "UDG
3-28 #2433";
3-29 THENCE South 10 degrees 55 minutes 01 second East, a distance of
3-30 660.00 feet to set 5/8-inch iron rod with cap stamped "DUNAWAY
3-31 ASSOC";
3-32 THENCE South 79 degrees 04 minutes 59 seconds West, a distance of
3-33 660.00 feet to the POINT OF BEGINNING. CONTAINING a computed area of
3-34 10.00 acres or 435,600 square feet of land, more or less.
3-35 METES AND BOUNDS (OVERALL)
3-36 BEING a 1,278.22 acre tract of land situated in the William Morrison
3-37 Survey, Abstract Number 187, the Ira Brisbee Survey, Abstract
3-38 No. 53 and the William Morrison Survey, Abstract Number 200,
3-39 Caldwell County, Texas, being all of tracts of land described as
3-40 Tracts 1, 2, 3, 4, 5, 7, 9, 10 and 11 in the deed to Open R. Family
3-41 Partnership, Ltd., recorded in Volume 536, Page 157, Official
3-42 Public Records of Caldwell County, Texas, and all of a tract of land
3-43 described in the deed to Michael M. Reynolds, recorded in Volume
3-44 130, Page 887, Official Public Records of Caldwell County, Texas,
3-45 said 1,278.22 acres being more particularly described as follows;
3-46 BEGINNING at a set 5/8-inch iron rod with cap stamped "DUNAWAY
3-47 ASSOC" at the intersection of the west right-of-way line of F.M.
3-48 2001 (80 foot wide) and the north right-of-way line of Bob White
3-49 Road (CR 232)
3-50 (undetermined width right-of-way);
3-51 THENCE South 80 degrees 13 minutes 21 seconds West, along the north
3-52 right-of-way line of Bob White Road, a distance of 3,378.55 feet to
3-53 a found 1/2-inch iron rod with cap (illegible) for the common south
3-54 corner of said Open R. Family Partnership, Ltd. tract and a tract of
3-55 land described in the deed to Jacob K. Hohertz recorded in
3-56 Instrument Number 2015-004255, Official Public Records of Caldwell
3-57 County, Texas;
3-58 THENCE North 09 degrees 31 minutes 05 seconds West, departing the
3-59 north right-of-way line of Bob White Road, along the east line of
3-60 said to Jacob K. Hohertz tract, a distance of 975.62 feet to a found
3-61 3/8- inch iron rod with cap stamped "RPLS 454?) for the northeast
3-62 corner of said to Jacob K. Hohertz tract;
3-63 THENCE South 78 degrees 45 minutes 59 seconds West, along the north
3-64 line of said to Jacob K. Hohertz tract, at a distance of 519.41 feet
3-65 passing a found 1/2-inch iron rod for the common north line of said
3-66 to Jacob K. Hohertz tract and a tract of land described in the deed
3-67 to Bob White Ranch Partners, LP, recorded in Instrument Number
3-68 2020-005485, Official Public Records of Caldwell County, Texas,
3-69 continuing along the north line of said Bob White Ranch Partners, LP

4-1 tract, in all a total distance of 5,150.26 feet to a found 1/2-inch
4-2 iron with cap stamped "UDG #2433" in the east right-of-way line of
4-3 F.M. 2720 (80 foot wide) being the northwest corner of said Bob
4-4 White Ranch Partners, LP tract;
4-5 THENCE North 41 degrees 18 minutes 01 second West, along the east
4-6 right-of-way line of F.M. 2720, a distance of 2,311.60 feet to a
4-7 found 1/2-inch iron rod with cap stamped "UDG #2433" for the
4-8 southwest corner of a tract of land described in the deed to Ranch
4-9 Road Bollinger, LLC, recorded in Instrument Number 2021-009404,
4-10 Official Public Records of Caldwell County, Texas;
4-11 THENCE North 59 degrees 03 minutes 35 seconds East, departing the
4-12 east right-of-way line of F.M. 2720 and along the south line of said
4-13 Ranch Road Bollinger, LLC tract, a distance of 2,317.52 feet to a
4-14 found stone mound for the southeast corner of said Ranch Road
4-15 Bollinger, LLC tract;
4-16 THENCE North 10 degrees 38 minutes 30 seconds West, along the east
4-17 line of said Ranch Road Bollinger, LLC tract, a distance of 1,714.09
4-18 feet to a found 1/2-inch iron with cap stamped "UDG #2433" for the
4-19 common east corner of said Ranch Road Bollinger, LLC tract and a
4-20 tract of land described in the deed to Marshall G. Varner recorded
4-21 in Instrument Number 2021-004273, Official Public Records of
4-22 Caldwell County, Texas;
4-23 THENCE North 10 degrees 19 minutes 42 seconds West, along the east
4-24 line of said Marshall G. Varner tract, a distance of 1,082.15 feet
4-25 to a found mag nail in concrete around a fence post for the
4-26 southwest corner of a tract of land described in the deed to Uhland
4-27 High Ground Group, LLC recorded in Instrument Number 2021-007504,
4-28 Official Public Records of Caldwell County, Texas;
4-29 THENCE North 79 degrees 20 minutes 07 seconds East, departing the
4-30 east line of said Marshall G. Varner tract and with a south line of
4-31 said Uhland High Ground Group, LLC tract, a distance of 3,748.76
4-32 feet to a found 3-inch metal fence post, for the southernmost
4-33 southeast corner of said Uhland High Ground Group, LLC tract;
4-34 THENCE North 10 degrees 28 minutes 44 seconds West, along an east
4-35 line of said Uhland High Ground Group, LLC tract, a distance of
4-36 2,039.59 feet to a point from which a found 1/2-iron rod bears South
4-37 78 degrees 38 minutes 59 seconds East, a distance of 0.39 feet, for
4-38 an interior ell corner of said Uhland High Ground Group, LLC tract;
4-39 THENCE North 74 degrees 44 minutes 07 seconds East, along a south
4-40 line of said Uhland High Ground Group, LLC tract, a distance of
4-41 3,318.07 feet to a set 5/8-inch iron rod with cap stamped "DUNAWAY
4-42 ASSOC" in the west right-of-way line of F.M. 2001 for the southeast
4-43 corner of said Uhland High Ground Group, LLC tract;
4-44 THENCE South 10 degrees 19 minutes 38 seconds East, along the west
4-45 right-of-way line of F.M. 2001, a distance of 803.75 feet to a set
4-46 5/8-inch iron rod with cap stamped "DUNAWAY ASSOC" for the
4-47 beginning of a circular curve to the left having a radius of
4-48 2,937.38 feet and whose chord bears South 20 degrees 39 minutes 23
4-49 seconds East, a chord distance of 1,033.38 feet;
4-50 THENCE Southeasterly, along said circular curve to the left and
4-51 along the west right-of-way line of F.M. 2001, through a central
4-52 angle of 20 degrees 15 minutes 44 seconds, a distance of 1,038.78
4-53 feet to a found broken concrete TXDOT monument at the end of said
4-54 curve;
4-55 THENCE South 30 degrees 34 minutes 49 seconds East, along the west
4-56 right-of-way line of F.M. 2001, a distance of 344.36 feet to a found
4-57 1/2-iron rod with cap stamped "UDG #2433" for the beginning of a
4-58 circular curve to the right having a radius of 2,796.29 feet and
4-59 whose chord bears South 20 degrees 25 minutes 48 seconds East, a
4-60 chord distance of 999.16 feet;
4-61 THENCE Southeasterly, along said circular curve to the right and
4-62 along the west right-of-way line of F.M. 2001, through a central
4-63 angle of 20 degrees 35 minutes 00 seconds, a distance of 1,004.55
4-64 feet to a found 1/2-iron rod with cap stamped "UDG #2433" at the end
4-65 of said curve;
4-66 THENCE South 10 degrees 14 minutes 42 seconds East, along the west
4-67 right-of-way line of F.M. 2001, a distance of 150.11 feet to a found
4-68 5/8-iron rod (bent) for the northeast corner of a tract of land
4-69 described in the deed to Dora Cunningham recorded in Instrument

5-1 Number 140027, Official Public Records of Caldwell County, Texas;
5-2 THENCE South 80 degrees 22 minutes 10 seconds West, departing the
5-3 west right-of-way line of F.M. 2001 and along the north line of said
5-4 Dora Cunningham tract, a distance of 674.37 feet to a point from
5-5 which a found 5/8-iron rod bears South 08 degrees 38 minutes 30
5-6 seconds West, a distance of 0.35 feet for the northwest corner of
5-7 said Dora Cunningham tract;
5-8 THENCE South 10 degrees 11 minutes 05 seconds East, along the west
5-9 line of said Dora Cunningham tract, at a deed distance of 216.09
5-10 feet passing the common west corner of said Dora Cunningham tract
5-11 and a tract of land described in the deed to Allison Joyce and Jimmy
5-12 S. Moore Jr., recorded in Instrument Number 2019-003313, Official
5-13 Public Records of Caldwell County, Texas, continuing along the west
5-14 line of said Allison Joyce and Jimmy S. Moore Jr. tract, in all a
5-15 total distance of 926.23 feet to a found 1/2-iron rod with cap
5-16 stamped "UDG #2433" for the southwest corner of said Allison Joyce
5-17 and Jimmy S. Moore Jr. tract;
5-18 THENCE South 72 degrees 31 minutes 41 seconds East, along the south
5-19 line of said Allison Joyce and Jimmy S. Moore Jr. tract, a distance
5-20 of 740.92 feet to a found 5/8-inch iron rod in the west right-of-way
5-21 line of F.M. 2001 for the southeast corner of said Allison Joyce and
5-22 Jimmy S. Moore Jr. tract;
5-23 THENCE South 10 degrees 14 minutes 26 seconds East, along the west
5-24 right-of-way line of F.M. 2001, a distance of 1,103.31 feet to a
5-25 found 1/2-iron rod with cap stamped "UDG #2433";
5-26 THENCE North 79 degrees 45 minutes 34 seconds East, along the west
5-27 right-of-way line of F.M. 2001, a distance of 20.00 feet to a set
5-28 5/8-inch iron rod with cap stamped "DUNAWAY ASSOC";
5-29 THENCE South 10 degrees 14 minutes 26 seconds East, along the west
5-30 right-of-way line of F.M. 2001, a distance of 984.80 feet to a point
5-31 from which a found broken concrete TXDOT monument bears North 32
5-32 degrees 05 minutes 26 seconds East, a distance of 1.36 feet;
5-33 THENCE South 10 degrees 49 minutes 27 seconds East, along the west
5-34 right-of-way line of F.M. 2001, a distance of 2,223.17 feet to a
5-35 point from which a found broken concrete TXDOT monument bears North
5-36 32 degrees 05 minutes 26 seconds East, a distance of 1.36 feet;
5-37 THENCE South 12 degrees 38 minutes 33 seconds East, along the west
5-38 right-of-way line of F.M. 2001, a distance of 15.80 feet to the
5-39 POINT OF BEGINNING.
5-40 CONTAINING a computed area of 1,278.22 acres or 55,679,090 square
5-41 feet of land, more or less.
5-42 SECTION 3. (a) All governmental and proprietary actions
5-43 and proceedings of the Open R Fresh Water Supply District of
5-44 Caldwell County taken before the effective date of this Act are
5-45 validated, ratified, and confirmed in all respects as of the dates
5-46 on which they occurred.
5-47 (b) This section does not apply to any matter that on the
5-48 effective date of this Act:
5-49 (1) is involved in litigation if the litigation
5-50 ultimately results in the matter being held invalid by a final court
5-51 judgment; or
5-52 (2) has been held invalid by a final court judgment.
5-53 SECTION 4. (a) The legal notice of the intention to
5-54 introduce this Act, setting forth the general substance of this
5-55 Act, has been published as provided by law, and the notice and a
5-56 copy of this Act have been furnished to all persons, agencies,
5-57 officials, or entities to which they are required to be furnished
5-58 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-59 Government Code.
5-60 (b) The governor, one of the required recipients, has
5-61 submitted the notice and Act to the Texas Commission on
5-62 Environmental Quality.
5-63 (c) The Texas Commission on Environmental Quality has filed
5-64 its recommendations relating to this Act with the governor, the
5-65 lieutenant governor, and the speaker of the house of
5-66 representatives within the required time.
5-67 (d) All requirements of the constitution and laws of this
5-68 state and the rules and procedures of the legislature with respect
5-69 to the notice, introduction, and passage of this Act are fulfilled

6-1 and accomplished.

6-2 SECTION 5. (a) If this Act does not receive a two-thirds
6-3 vote of all the members elected to each house, Subchapter B, Chapter
6-4 7994A, Special District Local Laws Code, as added by Section 1 of
6-5 this Act, is amended by adding Section 7994A.0205 to read as
6-6 follows:

6-7 Sec. 7994A.0205. NO EMINENT DOMAIN POWER. The district may
6-8 not exercise the power of eminent domain.

6-9 (b) This section is not intended to be an expression of a
6-10 legislative interpretation of the requirements of Section 17(c),
6-11 Article I, Texas Constitution.

6-12 SECTION 6. This Act takes effect immediately if it receives
6-13 a vote of two-thirds of all the members elected to each house, as
6-14 provided by Section 39, Article III, Texas Constitution. If this
6-15 Act does not receive the vote necessary for immediate effect, this
6-16 Act takes effect September 1, 2023.

6-17

* * * * *