

1-1 By: Zaffirini S.B. No. 2579  
 1-2 (In the Senate - Filed March 23, 2023; April 17, 2023, read  
 1-3 first time and referred to Committee on Local Government;  
 1-4 April 25, 2023, reported favorably by the following vote: Yeas 8,  
 1-5 Nays 0; April 25, 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 creation of the Guadalupe County Municipal Utility  
 1-20 District No. 8; granting a limited power of eminent domain;  
 1-21 providing 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 7976A to read as follows:

1-26 CHAPTER 7976A. GUADALUPE COUNTY MUNICIPAL UTILITY DISTRICT NO. 8  
 1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 7976A.0101. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.  
 1-30 (2) "Commission" means the Texas Commission on  
 1-31 Environmental Quality.

1-32 (3) "Director" means a board member.  
 1-33 (4) "District" means the Guadalupe County Municipal  
 1-34 Utility District No. 8.

1-35 Sec. 7976A.0102. NATURE OF DISTRICT. The district is a  
 1-36 municipal utility district created under Section 59, Article XVI,  
 1-37 Texas Constitution.

1-38 Sec. 7976A.0103. CONFIRMATION AND DIRECTOR ELECTION  
 1-39 REQUIRED. The temporary directors shall hold an election to  
 1-40 confirm the creation of the district and to elect five permanent  
 1-41 directors as provided by Section 49.102, Water Code.

1-42 Sec. 7976A.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
 1-43 temporary directors may not hold an election under Section  
 1-44 7976A.0103 until each municipality in whose corporate limits or  
 1-45 extraterritorial jurisdiction the district is located has  
 1-46 consented by ordinance or resolution to the creation of the  
 1-47 district and to the inclusion of land in the district, as required  
 1-48 by applicable law.

1-49 Sec. 7976A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.  
 1-50 (a) The district is created to serve a public purpose and benefit.

1-51 (b) The district is created to accomplish the purposes of:  
 1-52 (1) a municipal utility district as provided by  
 1-53 general law and Section 59, Article XVI, Texas Constitution; and  
 1-54 (2) Section 52, Article III, Texas Constitution, that  
 1-55 relate to the construction, acquisition, improvement, operation,  
 1-56 or maintenance of macadamized, graveled, or paved roads, or  
 1-57 improvements, including storm drainage, in aid of those roads.

1-58 Sec. 7976A.0106. INITIAL DISTRICT TERRITORY. (a) The  
 1-59 district is initially composed of the territory described by  
 1-60 Section 2 of the Act enacting this chapter.

1-61 (b) The boundaries and field notes contained in Section 2 of

2-1 the Act enacting this chapter form a closure. A mistake made in the  
2-2 field notes or in copying the field notes in the legislative process  
2-3 does not affect the district's:

- 2-4 (1) organization, existence, or validity;
- 2-5 (2) right to issue any type of bond for the purposes  
2-6 for which the district is created or to pay the principal of and  
2-7 interest on a bond;
- 2-8 (3) right to impose a tax; or
- 2-9 (4) legality or operation.

2-10 SUBCHAPTER B. BOARD OF DIRECTORS

2-11 Sec. 7976A.0201. GOVERNING BODY; TERMS. (a) The district  
2-12 is governed by a board of five elected directors.

2-13 (b) Except as provided by Section 7976A.0202, directors  
2-14 serve staggered four-year terms.

2-15 Sec. 7976A.0202. TEMPORARY DIRECTORS. (a) On or after the  
2-16 effective date of the Act enacting this chapter, the owner or owners  
2-17 of a majority of the assessed value of the real property in the  
2-18 district may submit a petition to the commission requesting that  
2-19 the commission appoint as temporary directors the five persons  
2-20 named in the petition. The commission shall appoint as temporary  
2-21 directors the five persons named in the petition.

2-22 (b) Temporary directors serve until the earlier of:

2-23 (1) the date permanent directors are elected under  
2-24 Section 7976A.0103; or

2-25 (2) the fourth anniversary of the effective date of  
2-26 the Act enacting this chapter.

2-27 (c) If permanent directors have not been elected under  
2-28 Section 7976A.0103 and the terms of the temporary directors have  
2-29 expired, successor temporary directors shall be appointed or  
2-30 reappointed as provided by Subsection (d) to serve terms that  
2-31 expire on the earlier of:

2-32 (1) the date permanent directors are elected under  
2-33 Section 7976A.0103; or

2-34 (2) the fourth anniversary of the date of the  
2-35 appointment or reappointment.

2-36 (d) If Subsection (c) applies, the owner or owners of a  
2-37 majority of the assessed value of the real property in the district  
2-38 may submit a petition to the commission requesting that the  
2-39 commission appoint as successor temporary directors the five  
2-40 persons named in the petition. The commission shall appoint as  
2-41 successor temporary directors the five persons named in the  
2-42 petition.

2-43 SUBCHAPTER C. POWERS AND DUTIES

2-44 Sec. 7976A.0301. GENERAL POWERS AND DUTIES. The district  
2-45 has the powers and duties necessary to accomplish the purposes for  
2-46 which the district is created.

2-47 Sec. 7976A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
2-48 DUTIES. The district has the powers and duties provided by the  
2-49 general law of this state, including Chapters 49 and 54, Water Code,  
2-50 applicable to municipal utility districts created under Section 59,  
2-51 Article XVI, Texas Constitution.

2-52 Sec. 7976A.0303. AUTHORITY FOR ROAD PROJECTS. Under  
2-53 Section 52, Article III, Texas Constitution, the district may  
2-54 design, acquire, construct, finance, issue bonds for, improve,  
2-55 operate, maintain, and convey to this state, a county, or a  
2-56 municipality for operation and maintenance macadamized, graveled,  
2-57 or paved roads, or improvements, including storm drainage, in aid  
2-58 of those roads.

2-59 Sec. 7976A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
2-60 road project must meet all applicable construction standards,  
2-61 zoning and subdivision requirements, and regulations of each  
2-62 municipality in whose corporate limits or extraterritorial  
2-63 jurisdiction the road project is located.

2-64 (b) If a road project is not located in the corporate limits  
2-65 or extraterritorial jurisdiction of a municipality, the road  
2-66 project must meet all applicable construction standards,  
2-67 subdivision requirements, and regulations of each county in which  
2-68 the road project is located.

2-69 (c) If the state will maintain and operate the road, the

3-1 Texas Transportation Commission must approve the plans and  
3-2 specifications of the road project.

3-3 Sec. 7976A.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
3-4 ORDINANCE OR RESOLUTION. The district shall comply with all  
3-5 applicable requirements of any ordinance or resolution that is  
3-6 adopted under Section 54.016 or 54.0165, Water Code, and that  
3-7 consents to the creation of the district or to the inclusion of land  
3-8 in the district.

3-9 Sec. 7976A.0306. DIVISION OF DISTRICT. (a) The board, on  
3-10 its own motion or on receipt of a petition signed by the owner or  
3-11 owners of a majority of the assessed value of the real property in  
3-12 the district, may adopt an order dividing the district.

3-13 (b) An order dividing a district may create one or more new  
3-14 districts and may provide for the continuation of the district.

3-15 (c) An order dividing the district shall:

3-16 (1) name any new district;

3-17 (2) include the metes and bounds description of the  
3-18 territory of each of the districts;

3-19 (3) appoint temporary directors for any new district;  
3-20 and

3-21 (4) provide for the division of assets and liabilities  
3-22 between the districts.

3-23 (d) The board may adopt an order dividing the district  
3-24 before or after the date the board holds an election to confirm the  
3-25 district's creation.

3-26 (e) The district may be divided only if the district:

3-27 (1) has never issued any bonds; and

3-28 (2) is not imposing ad valorem taxes.

3-29 (f) A new district created by the division of the district  
3-30 may not, at the time the new district is created, contain any land  
3-31 outside the area described by Section 2 of the Act enacting this  
3-32 chapter.

3-33 (g) On or before the 30th day after the date of adoption of  
3-34 an order dividing the district, the district shall file the order  
3-35 with the commission and record the order in the real property  
3-36 records of each county in which the district is located.

3-37 (h) This chapter applies to any new district created by the  
3-38 division of the district, and a new district has all the powers and  
3-39 duties of the district.

3-40 (i) A new district created by the division of the district  
3-41 shall hold a confirmation and directors' election.

3-42 (j) If the creation of the new district is confirmed, the  
3-43 new district shall provide the election date and results to the  
3-44 commission.

3-45 (k) A new district created by the division of the district  
3-46 must hold an election as required by this chapter to obtain voter  
3-47 approval before the district may impose a maintenance tax or issue  
3-48 bonds payable wholly or partly from ad valorem taxes.

3-49 (l) The district may continue to rely on confirmation,  
3-50 directors', bond, or tax elections held prior to the division.

3-51 (m) Municipal consent to the creation of the district and to  
3-52 the inclusion of land in the district acts as municipal consent to  
3-53 the creation of any new district created by the division of the  
3-54 district and to the inclusion of land in the new district.

3-55 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-56 Sec. 7976A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)  
3-57 The district may issue, without an election, bonds and other  
3-58 obligations secured by:

3-59 (1) revenue other than ad valorem taxes; or

3-60 (2) contract payments described by Section  
3-61 7976A.0403.

3-62 (b) The district must hold an election in the manner  
3-63 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
3-64 before the district may impose an ad valorem tax or issue bonds  
3-65 payable from ad valorem taxes.

3-66 (c) The district may not issue bonds payable from ad valorem  
3-67 taxes to finance a road project unless the issuance is approved by a  
3-68 vote of a two-thirds majority of the district voters voting at an  
3-69 election held for that purpose.

4-1 Sec. 7976A.0402. OPERATION AND MAINTENANCE TAX. (a) If  
4-2 authorized at an election held under Section 7976A.0401, the  
4-3 district may impose an operation and maintenance tax on taxable  
4-4 property in the district in accordance with Section 49.107, Water  
4-5 Code.

4-6 (b) The board shall determine the tax rate. The rate may not  
4-7 exceed the rate approved at the election.

4-8 Sec. 7976A.0403. CONTRACT TAXES. (a) In accordance with  
4-9 Section 49.108, Water Code, the district may impose a tax other than  
4-10 an operation and maintenance tax and use the revenue derived from  
4-11 the tax to make payments under a contract after the provisions of  
4-12 the contract have been approved by a majority of the district voters  
4-13 voting at an election held for that purpose.

4-14 (b) A contract approved by the district voters may contain a  
4-15 provision stating that the contract may be modified or amended by  
4-16 the board without further voter approval.

4-17 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-18 Sec. 7976A.0501. AUTHORITY TO ISSUE BONDS AND OTHER  
4-19 OBLIGATIONS. The district may issue bonds or other obligations  
4-20 payable wholly or partly from ad valorem taxes, impact fees,  
4-21 revenue, contract payments, grants, or other district money, or any  
4-22 combination of those sources, to pay for any authorized district  
4-23 purpose.

4-24 Sec. 7976A.0502. TAXES FOR BONDS. At the time the district  
4-25 issues bonds payable wholly or partly from ad valorem taxes, the  
4-26 board shall provide for the annual imposition of a continuing  
4-27 direct ad valorem tax, without limit as to rate or amount, while all  
4-28 or part of the bonds are outstanding as required and in the manner  
4-29 provided by Sections 54.601 and 54.602, Water Code.

4-30 Sec. 7976A.0503. BONDS FOR ROAD PROJECTS. At the time of  
4-31 issuance, the total principal amount of bonds or other obligations  
4-32 issued or incurred to finance road projects and payable from ad  
4-33 valorem taxes may not exceed one-fourth of the assessed value of the  
4-34 real property in the district.

4-35 SECTION 2. The Guadalupe County Municipal Utility District  
4-36 No. 8 initially includes all the territory contained in the  
4-37 following area:

4-38 Being 248.5 acres of land situated in the Josias Randolph  
4-39 Survey, Abstract No. 276 and the James Hodges Survey, Abstract  
4-40 No. 148, Guadalupe County, Texas; said 248.5 acres being comprised  
4-41 of a portion of a called 159.45 acre tract of land in the name of  
4-42 NESH 7 Hills, LP as recorded in a General Warranty Deed in Document  
4-43 Number 202299019360, Official Public Records of Guadalupe County  
4-44 (O.P.R.G.C.) as Exhibit "A", and all of a called 91.04 acre tract of  
4-45 land in the name of NESH 7 Hills, LP as recorded in said General  
4-46 Warranty Deed as Exhibit "B"; said 248.5 acre tract being more  
4-47 particularly described by metes and bounds as follows (all bearings  
4-48 are referenced to the Texas Coordinate System, North American Datum  
4-49 of 1983 (NAD83), South Central Zone);

4-50 Beginning at the most northerly corner of said 159.45 acre  
4-51 tract, being the northwesterly corner of a called 39.86 acre tract  
4-52 of land recorded in the name of Robert Kidnew (no deed information  
4-53 found), also being on the southerly Right-of-Way (R.O.W.) line of  
4-54 Interstate Highway 10 (IH 10);

4-55 Thence, with the common line between said 159.45 acre tract  
4-56 and said 39.86 acre tract, South 41 degrees 33 minutes 50 seconds  
4-57 East, a distance of 2,224.03 feet to the most easterly corner of  
4-58 said 159.45 acre tract, being the most northerly corner of  
4-59 aforsaid 91.04 acre tract, the southerly corner of said 39.86 acre  
4-60 tract and the most westerly corner of a called 51.89 acre tract  
4-61 recorded in the names of Juan and Jose Castillo in Volume 4185, Page  
4-62 934, O.P.R.G.C.;

4-63 Thence, with the common line between said 91.04 acre tract  
4-64 and said 51.89 acre tract, the following four (4) courses and  
4-65 distances:

4-66 1. South 40 degrees 49 minutes 54 seconds East, a distance  
4-67 of 716.44 feet;

4-68 2. South 46 degrees 49 minutes 19 seconds West, a distance  
4-69 of 22.34 feet;

5-1 3. South 40 degrees 51 minutes 37 seconds East, a distance  
5-2 of 869.00 feet;

5-3 4. North 48 degrees 34 minutes 46 seconds East, a distance  
5-4 of 246.36 feet to the northeasterly corner of said 91.04 acre tract,  
5-5 being on the westerly R.O.W. line of Dart Field Road;

5-6 Thence, with the easterly line of said 91.04 acre tract and  
5-7 the westerly R.O.W. line of said Dart Field Road, South 03 degrees  
5-8 26 minutes 57 seconds West, a distance of 1,141.98 feet to the  
5-9 southeasterly corner of said 91.04 acre tract, being the most  
5-10 easterly corner of a called 62.46 acre tract of land recorded in the  
5-11 name of Mary Mergele (no deed information found);

5-12 Thence, with the common line between said 91.04 acre tract  
5-13 and said 62.46 acre tract, the following three (3) courses and  
5-14 distances;

5-15 1. South 60 degrees 28 minutes 33 seconds West, a distance  
5-16 of 1,052.86 feet;

5-17 2. North 23 degrees 36 minutes 29 seconds West, a distance  
5-18 of 640.11 feet;

5-19 3. South 48 degrees 26 minutes 08 seconds West, a distance  
5-20 of 487.65 feet to an interior corner of said 91.04 acre tract, being  
5-21 the southeasterly corner of a called 60.00 acre tract of land  
5-22 recorded in the name of Richard Mergele in Document Number  
5-23 202199016163, O.P.R.G.C.;

5-24 Thence, with the common line between said 91.04 acre tract  
5-25 and said 60.00 acre tract, North 40 degrees 54 minutes 12 seconds  
5-26 West, a distance of 1,549.99 feet to the northwesterly corner of said  
5-27 91.04 acre tract, being the most northerly corner of said 60.00 acre  
5-28 tract, also being on the southerly line of aforesaid 159.45 acre  
5-29 tract;

5-30 Thence, with the common line between said 159.45 acre tract  
5-31 and said 60.00 acre tract, South 47 degrees 58 minutes 18 seconds  
5-32 West, a distance of 1,692.34 feet to the most southerly corner of  
5-33 said 159.45 acre tract, being the westerly corner of said 60.00 acre  
5-34 tract, also being on the easterly line of a called 141.59 acre tract  
5-35 of land recorded in the name of Abner Ussery in Volume 133, Page  
5-36 381, O.P.R.G.C.;

5-37 Thence, with the common line between said 159.45 acre tract  
5-38 and said 141.59 acre tract, North 39 degrees 48 minutes 06 seconds  
5-39 West, a distance of 1,303.20 feet to the most westerly corner of  
5-40 said 159.45 acre tract, being the southwesterly corner of a called  
5-41 67.01 acre tract of land recorded in the name of Abner Ussery (no  
5-42 deed information found);

5-43 Thence, with the common line between said 159.45 acre tract  
5-44 and said 67.01 acre tract, the following two (2) courses and  
5-45 distances;

5-46 North 48 degrees 35 minutes 44 seconds East, a distance of  
5-47 1,783.49 feet;

5-48 North 40 degrees 37 minutes 01 second West, 1,244.08 feet to  
5-49 the southerly line of a called 2.13 acre tract conveyed to Catrina  
5-50 Lewis in Warranty Deed recorded in Document Number 201899027872,  
5-51 O.P.R.G.C.

5-52 Thence, with the southeasterly line of said 2.13 acre tract  
5-53 the following four (4) courses;

5-54 1. North 38 degrees 19 minutes 00 seconds East, a distance  
5-55 of 136.58 feet;

5-56 2. North 04 degrees 38 minutes 55 seconds East, a distance  
5-57 of 150.74 feet;

5-58 3. North 29 degrees 03 minutes 42 seconds West, a distance  
5-59 of 137.41 feet;

5-60 4. North 00 degrees 08 minutes 43 seconds West, a distance  
5-61 of 96.17 feet to the northerly line of said 159.45 acre tract and  
5-62 the northeasterly corner of said 2.13 acre tract, also being on the  
5-63 southerly line of aforesaid IH 10;

5-64 Thence, with the northerly line of said 159.45 acre tract and  
5-65 the southerly R.O.W. line of said IH 10, North 72 degrees 09 minutes  
5-66 51 seconds East, a distance of 1,548.01 feet to the Point of  
5-67 Beginning and containing 248.5 acres of land.

5-68 SECTION 3. (a) The legal notice of the intention to  
5-69 introduce this Act, setting forth the general substance of this

6-1 Act, has been published as provided by law, and the notice and a  
6-2 copy of this Act have been furnished to all persons, agencies,  
6-3 officials, or entities to which they are required to be furnished  
6-4 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
6-5 Government Code.

6-6 (b) The governor, one of the required recipients, has  
6-7 submitted the notice and Act to the Texas Commission on  
6-8 Environmental Quality.

6-9 (c) The Texas Commission on Environmental Quality has filed  
6-10 its recommendations relating to this Act with the governor, the  
6-11 lieutenant governor, and the speaker of the house of  
6-12 representatives within the required time.

6-13 (d) All requirements of the constitution and laws of this  
6-14 state and the rules and procedures of the legislature with respect  
6-15 to the notice, introduction, and passage of this Act are fulfilled  
6-16 and accomplished.

6-17 SECTION 4. (a) If this Act does not receive a two-thirds  
6-18 vote of all the members elected to each house, Subchapter C, Chapter  
6-19 7976A, Special District Local Laws Code, as added by Section 1 of  
6-20 this Act, is amended by adding Section 7976A.0307 to read as  
6-21 follows:

6-22 Sec. 7976A.0307. NO EMINENT DOMAIN POWER. The district may  
6-23 not exercise the power of eminent domain.

6-24 (b) This section is not intended to be an expression of a  
6-25 legislative interpretation of the requirements of Section 17(c),  
6-26 Article I, Texas Constitution.

6-27 SECTION 5. This Act takes effect immediately if it receives  
6-28 a vote of two-thirds of all the members elected to each house, as  
6-29 provided by Section 39, Article III, Texas Constitution. If this  
6-30 Act does not receive the vote necessary for immediate effect, this  
6-31 Act takes effect September 1, 2023.

6-32

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