

By: King of Zavala

H.B. No. 4137

A BILL TO BE ENTITLED

AN ACT

relating to the name, validation, administration, powers, duties, operation, financing, and conversion of the Medina County Fresh Water Supply District No. 1; providing authority to issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8270 to read as follows:

CHAPTER 8270. MEDINA COUNTY FRESH WATER SUPPLY DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8270.001. DEFINITIONS. In this chapter:

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

(2) "Director" means a member of the board.

(3) "District" means the Medina County Fresh Water Supply District No. 1.

Sec. 8270.002. NATURE OF DISTRICT. (a) The district is a conservation and reclamation district in Medina County created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

(b) The district is created to serve a public use and benefit.

Sec. 8270.003. APPLICABILITY OF OTHER LAW. (a) Except as otherwise provided by this chapter, the following laws apply to the district:

1           (1) Chapters 49, 51, and 54, Water Code; and

2           (2) Section 52(b)(3), Article III, Texas  
3 Constitution.

4           (b) Except as provided by this chapter, in case of a  
5 conflict between Chapters 51 and 54, Water Code, Chapter 54  
6 prevails.

7           Sec. 8270.004. INITIAL DISTRICT TERRITORY. (a) The  
8 district is initially composed of the territory described by  
9 Section 2 of the Act creating this chapter.

10           (b) The boundaries and field notes contained in Section 2 of  
11 the Act creating this chapter form a closure. A mistake made in the  
12 field notes or in copying the field notes in the legislative process  
13 does not affect:

14           (1) the organization, existence, or validity of the  
15 district;

16           (2) the right of the district to impose taxes; or

17           (3) the legality or operation of the board.

18           Sec. 8270.005. CONFIRMATION ELECTION REQUIRED. (a) If the  
19 creation of the district is not confirmed at a confirmation  
20 election held on or before September 1, 2011:

21           (1) the district is dissolved on September 1, 2011,  
22 except that:

23                   (A) any debts incurred shall be paid;

24                   (B) any assets that remain after the payment of  
25 debts shall be transferred to Medina County; and

26                   (C) the organization of the district shall be  
27 maintained until all debts are paid and remaining assets are

1 transferred; and

2 (2) this chapter expires September 1, 2013.

3 (b) If the district is confirmed at the confirmation  
4 election, the district is converted to a municipal utility district  
5 and its name is changed to the Medina County Municipal Utility  
6 District No. 1.

7 Sec. 8270.006. CONSTRUCTION OF CHAPTER. This chapter shall  
8 be liberally construed to achieve the legislative intent of this  
9 chapter.

10 [Sections 8270.007-8270.020 reserved for expansion]

11 SUBCHAPTER A1. TEMPORARY PROVISIONS

12 Sec. 8270.021. TEMPORARY DIRECTORS. (a) The temporary board  
13 consists of:

14 (1) Kim Fox;

15 (2) Shelly Perlman;

16 (3) Johnnie Joe Jungerman;

17 (4) Patricia Ruth Carney; and

18 (5) Mike Gahan.

19 (b) If a temporary director fails to qualify for office, the  
20 temporary directors who have qualified shall appoint a person to  
21 fill the vacancy. If at any time there are fewer than three  
22 qualified temporary directors, the Texas Commission on  
23 Environmental Quality shall appoint the necessary number of persons  
24 to fill all vacancies on the board.

25 Sec. 8270.022. ORGANIZATIONAL MEETING OF TEMPORARY  
26 DIRECTORS. As soon as practicable after all the temporary  
27 directors have qualified under Section 49.055, Water Code, the

1 temporary board shall convene the organizational meeting of the  
2 district at a location in the district agreeable to a majority of  
3 the directors. If a location cannot be agreed upon, the  
4 organizational meeting shall be at the Medina County Courthouse.

5 Sec. 8270.023. CONFIRMATION, CONVERSION, NAME CHANGE, AND  
6 INITIAL DIRECTORS' ELECTION. (a) The temporary board shall hold an  
7 election:

8 (1) to confirm the creation of the district;

9 (2) to approve the conversion of the district to a  
10 municipal utility district;

11 (3) to approve changing the district's name to the  
12 Medina County Municipal Utility District No. 1; and

13 (4) to elect five directors as provided by Section  
14 49.102, Water Code.

15 (b) Section 41.001, Election Code, does not apply to an  
16 election under this section.

17 (c) If a majority of the votes cast at the election favor the  
18 creation of the district, the temporary directors shall declare the  
19 district created. If a majority of the votes cast at the election  
20 do not favor the creation of the district, the district is not  
21 created. The temporary directors shall file a copy of the election  
22 results with the Texas Commission on Environmental Quality.

23 Sec. 8270.024. INITIAL ELECTED DIRECTORS; TERMS. The  
24 directors elected under Section 8270.023 shall draw lots to  
25 determine which three shall serve until the first regularly  
26 scheduled election of directors and which two shall serve until the  
27 second regularly scheduled election of directors.

1       Sec. 8270.025. EXPIRATION OF SUBCHAPTER. This subchapter  
2 expires September 1, 2012.

3       [Sections 8270.026-8270.050 reserved for expansion]

4       SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATION

5       Sec. 8270.051. DIRECTORS; TERMS. (a) The district is  
6 governed by a board of five directors.

7       (b) Directors serve staggered four-year terms.

8       (c) Elections for directors shall be held as provided by  
9 Section 49.103, Water Code.

10       Sec. 8270.052. ADMINISTRATION. Except as provided by this  
11 chapter, the district shall comply with the administrative  
12 provisions of Subchapter C, Chapter 51, Water Code.

13       [Sections 8270.053-8270.100 reserved for expansion]

14       SUBCHAPTER C. POWERS AND DUTIES

15       Sec. 8270.101. GENERAL POWERS AND DUTIES. The district has  
16 the rights, powers, privileges, and duties provided by the general  
17 laws of this state applicable to municipal utility districts and to  
18 water control and improvement districts, including Chapters 49, 51,  
19 and 54, Water Code.

20       Sec. 8270.102. ROAD PROJECTS. To the extent authorized by  
21 Section 52, Article III, Texas Constitution, the district may  
22 construct, acquire, improve, maintain, or operate macadamized,  
23 graveled, or paved roads, or improvements in aid of those roads,  
24 inside or outside the district necessary to accomplish the public  
25 purpose of the district.

26       Sec. 8270.103. CONTRACT WITH POLITICAL SUBDIVISION FOR  
27 WATER OR SEWER SERVICES. (a) The district may enter into a

1 contract to allow a political subdivision to provide retail water  
2 or sewer service in the district. The contract may contain terms  
3 the board considers desirable, fair, and advantageous to the  
4 district.

5 (b) The contract may provide that the district will  
6 construct or acquire and convey to the political subdivision a  
7 water supply or treatment system, a water distribution system, or a  
8 sanitary sewage collection or treatment system, as necessary to  
9 provide water or sewer service in the district.

10 (c) The district may use bond proceeds or other available  
11 district money to pay for its obligations and for services and  
12 facilities provided under the contract.

13 (d) If the contract requires the district to make payments  
14 from taxes other than operation and maintenance taxes, the contract  
15 is subject to Section 49.108, Water Code.

16 [Sections 8270.104-8270.150 reserved for expansion]

17 SUBCHAPTER D. BONDS

18 Sec. 8270.151. AUTHORITY TO ISSUE BONDS AND OTHER  
19 OBLIGATIONS. (a) The district may issue bonds or other obligations  
20 as provided by Chapters 49, 51, and 54, Water Code, and to finance:

21 (1) the construction, maintenance, or operation of  
22 projects inside or outside the district necessary to accomplish the  
23 public purpose of the district under Section 8270.102; or

24 (2) its contractual obligations under Section  
25 8270.103.

26 (b) The district may issue bonds or other obligations  
27 payable wholly or partly from ad valorem taxes, impact fees,

1 revenue, grants, or other district money.

2 (c) The district may not issue bonds or other obligations  
3 secured wholly or partly by ad valorem taxation to finance projects  
4 authorized by Section 8270.102 unless the issuance is approved by a  
5 vote of a two-thirds majority of district voters voting at an  
6 election called for that purpose.

7 (d) Bonds or other obligations issued or incurred to finance  
8 projects authorized by Section 8270.102 may not exceed one-fourth  
9 of the assessed value of the real property in the district.

10 (e) Sections 49.181 and 49.182, Water Code, do not apply to  
11 a project undertaken by the district under Section 8270.102 or to  
12 bonds issued by the district to finance the project.

13 SECTION 2. The initial boundaries of the Medina County  
14 Fresh Water Supply District No. 1 include approximately 324 acres  
15 to wit:

16 Field notes of a 347.38 acre tract of land situated in Medina  
17 County, Texas out of the George S. Kelly Survey No. 245, Abstract  
18 583, Medina County and Abstract 2510 Bandera County, the Jesus  
19 Gomez Survey No. 126, Abstract 1380, Medina County and Abstract  
20 2502 Bandera County and the Comanche Creek Irrigation Survey No.  
21 125, Abstract 294 Medina County, being part of that tract called  
22 1700 acres and recorded in Volume 75, Page 513 of the Official  
23 Public Records of Medina County, Texas and being more particularly  
24 described by metes and bounds as follows:

25 Beginning at a  $\frac{1}{2}$ " iron pin found in the southwest line of State  
26 Highways 16 for the northeast corner of this tract and the 1700 acre  
27 tract.

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Thence with the southwest line of State Highway 16 and the northeast line of the 1700 acre tract as follows:

S 37° 36' 15" E. 493.82 feet to a Texas Department of Transportation (TXDOT) Monument found at an angle point.

S 34° 06' 10" E. 166.79 feet to a TXDOT monument found at an angle.

S 26° 38' 10" E. 167.15 feet to a TXDOT monument found at an angle.

S 23° 09' 02" E. 537.72 feet to a TXDOT monument found at an angle.

S 25° 37' 01" E. 209.94 feet to a TXDOT monument found at an angle.

S 36° 10' 22" E. 210.07 feet to a TXDOT monument found at an angle.

S 38° 41' 34" E. 559.25 feet to a point in the northwest Extra Territorial Jurisdiction line of the City of San Antonio Ordinance# 96548 for the southeast corner of this tract.

Thence with the southeast line of this tract cutting across the 1700 acre tract in a southwesterly direction with the northwest line of said Extra Territorial Jurisdiction line and the arc of a curve to the left having a radius of 26,400.0 feet and a length of 4424.98 feet and a chord of S 51° 03' 30" W. 4419.81 feet to a point for the southern most corner of this tract.

Thence N 50° 07' 15" W. 3012.29 feet to a point in the northwest County Line of Medina County and the southeast line of Bandera County for the lower west corner of this tract.

Thence N 39° 04' 34" E. 1126.44 feet with the northeast line of this tract and the said County Line to a point in the lower north line of the 1700 acre tract.

Thence with the lower north line of this tract and the 1700 acre tract as follows:

S 89° 51' 14" E. 49.54 feet to an iron pin found at an angle point.



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1 S 89° 16' 52" E. 90.06 feet to an iron pin found at an angle point.  
2 S 88° 20' 55" E. 87.10 feet to an iron pin found at an angle point.  
3 S 89° 23' 29" E. 206.22 feet to an iron pin found at an angle point.  
4 S 88° 59' 04" E. 323.17 feet to an iron pin found at an angle point.  
5 S 88° 41' 10" E. 285.77 feet to an iron pin found for an interior  
6 corner of this tract and the 1700 acre tract.

7 Thence with a west line of this tract and the 1700 acre tract as  
8 follows:

9 N 00° 02' 34" E. 135.87 feet to an iron pin found at an angle point.  
10 N 00° 10' 57" W. 256.73 feet to an iron pin found at an angle point.  
11 N 00° 14' 14" W. 199.02 feet to an iron pin found at an angle point.  
12 N 00° 11' 59" W. 300.66 feet to an iron pin found at an angle point.  
13 N 00° 36' 22" W. 185.11feet to an iron pin found at an angle point.  
14 N 00° 51' 48" W. 62.25 feet to a point in the northwest County line of  
15 Medina County and the southeast line of Bandera County for a corner  
16 of this tract.

17 Thence N 39° 04' 03" E. 1155.78 feet with said County Line to a point  
18 in the north line of the 1700 acre tract for the northwest corner of  
19 this tract.

20 Thence with the north line of this tract and the 1700 acre tract as  
21 follows:

22 N 89° 44' 48" E. 233.47 feet to an iron pin found at an angle point.  
23 S 89° 28' 47" E. 520.65 feet to an iron pin found at an angle point.  
24 S 01° 26' 08" W. 301.19 feet to an iron pin found at an angle point.  
25 N 89° 54' 40" E. 1221.45 feet to the Place of Beginning and  
26 containing 347.38 acres of land, more or less.

27 SECTION 3. All of the land and other property included

1 within the boundaries of the district will be benefited by the works  
2 and projects that are to be accomplished by the district under  
3 powers conferred by Section 52, Article III, and Section 59,  
4 Article XVI, of the Texas Constitution.

5 SECTION 4. (a) The following are validated and confirmed in  
6 all respects:

7 (1) the creation of the Medina County Fresh Water  
8 Supply District No. 1 and all proceedings related to the creation of  
9 the district, effective as of the date on which the creation or  
10 related proceedings occurred subject to approval by the voters of  
11 the district at the confirmation election held under Section  
12 8270.023, Special District Local Laws Code, as added by this Act;  
13 and

14 (2) any act or proceeding of the district, including  
15 an election, not excepted by this section and taken not more than  
16 three years before the effective date of this Act, effective as of  
17 the date on which the act or proceeding occurred.

18 (b) This section does not apply to:

19 (1) an act, proceeding, director, other official,  
20 bond, or other obligation the validity of which or of whom is the  
21 subject of litigation that is pending on the effective date of this  
22 Act; or

23 (2) an act or proceeding that, under a statute of this  
24 state or the United States, was a misdemeanor or felony at the time  
25 the act or proceeding occurred.

26 SECTION 5. (a) The legal notice of the intention to  
27 introduce this Act, setting forth the general substance of this

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

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

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

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

17 SECTION 6. This Act takes effect immediately if it receives  
18 a vote of two-thirds of all the members elected to each house, as  
19 provided by Section 39, Article III, Texas Constitution. If this  
20 Act does not receive the vote necessary for immediate effect, this  
21 Act takes effect September 1, 2007.