

By: Farney

H.B. No. 1354

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Leander Hills Municipal Utility District of Williamson County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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 8417 to read as follows:

CHAPTER 8417. LEANDER HILLS MUNICIPAL UTILITY DISTRICT OF

WILLIAMSON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8417.001. DEFINITIONS. In this chapter:

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

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Leander Hills Municipal Utility District of Williamson County.

Sec. 8417.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8417.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent

1 directors as provided by Section 49.102, Water Code.

2 Sec. 8417.004. CONSENT OF MUNICIPALITY AND DEVELOPMENT  
3 AGREEMENT REQUIRED. The temporary directors may not hold an  
4 election under Section 8417.003 until each municipality in whose  
5 corporate limits or extraterritorial jurisdiction the district is  
6 located has:

7 (1) consented by ordinance or resolution to the  
8 creation of the district and to the inclusion of land in the  
9 district; and

10 (2) entered into a development agreement under Section  
11 212.172, Local Government Code, with the owners of the land  
12 described by Section 2 of the Act enacting this chapter.

13 Sec. 8417.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
14 The district is created to serve a public purpose and benefit.

15 (b) The district is created to accomplish the purposes of:

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

18 (2) Section 52, Article III, Texas Constitution, that  
19 relate to the construction, acquisition, improvement, operation,  
20 or maintenance of macadamized, graveled, or paved roads, or  
21 improvements, including storm drainage, in aid of those roads.

22 Sec. 8417.006. INITIAL DISTRICT TERRITORY. (a) The  
23 district is initially composed of the territory described by  
24 Section 2 of the Act enacting this chapter.

25 (b) The boundaries and field notes contained in Section 2 of  
26 the Act enacting this chapter form a closure. A mistake made in the  
27 field notes or in copying the field notes in the legislative process

1 does not affect the district's:

2 (1) organization, existence, or validity;

3 (2) right to issue any type of bond for the purposes  
4 for which the district is created or to pay the principal of and  
5 interest on a bond;

6 (3) right to impose a tax; or

7 (4) legality or operation.

8 SUBCHAPTER B. BOARD OF DIRECTORS

9 Sec. 8417.051. GOVERNING BODY; TERMS. (a) The district is  
10 governed by a board of five elected directors.

11 (b) Except as provided by Section 8417.052, directors serve  
12 staggered four-year terms.

13 Sec. 8417.052. TEMPORARY DIRECTORS. (a) On or after the  
14 effective date of the Act enacting this chapter, the owner or owners  
15 of a majority of the assessed value of the real property in the  
16 district may submit a petition to the commission requesting that  
17 the commission appoint as temporary directors the five persons  
18 named in the petition. The commission shall appoint as temporary  
19 directors the five persons named in the petition.

20 (b) Temporary directors serve until the earlier of:

21 (1) the date permanent directors are elected under  
22 Section 8417.003; or

23 (2) the fourth anniversary of the effective date of  
24 the Act enacting this chapter.

25 (c) If permanent directors have not been elected under  
26 Section 8417.003 and the terms of the temporary directors have  
27 expired, successor temporary directors shall be appointed or

1 reappointed as provided by Subsection (d) to serve terms that  
2 expire on the earlier of:

3 (1) the date permanent directors are elected under  
4 Section 8417.003; or

5 (2) the fourth anniversary of the date of the  
6 appointment or reappointment.

7 (d) If Subsection (c) applies, the owner or owners of a  
8 majority of the assessed value of the real property in the district  
9 may submit a petition to the commission requesting that the  
10 commission appoint as successor temporary directors the five  
11 persons named in the petition. The commission shall appoint as  
12 successor temporary directors the five persons named in the  
13 petition.

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 8417.101. GENERAL POWERS AND DUTIES. The district has  
16 the powers and duties necessary to accomplish the purposes for  
17 which the district is created.

18 Sec. 8417.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
19 DUTIES. The district has the powers and duties provided by the  
20 general law of this state, including Chapters 49 and 54, Water Code,  
21 applicable to municipal utility districts created under Section 59,  
22 Article XVI, Texas Constitution.

23 Sec. 8417.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
24 52, Article III, Texas Constitution, the district may design,  
25 acquire, construct, finance, issue bonds for, improve, operate,  
26 maintain, and convey to this state, a county, or a municipality for  
27 operation and maintenance macadamized, graveled, or paved roads, or

1 improvements, including storm drainage, in aid of those roads.

2 Sec. 8417.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
3 project must meet all applicable construction standards, zoning and  
4 subdivision requirements, and regulations of each municipality in  
5 whose corporate limits or extraterritorial jurisdiction the road  
6 project is located.

7 (b) If a road project is not located in the corporate limits  
8 or extraterritorial jurisdiction of a municipality, the road  
9 project must meet all applicable construction standards,  
10 subdivision requirements, and regulations of each county in which  
11 the road project is located.

12 (c) If the state will maintain and operate the road, the  
13 Texas Transportation Commission must approve the plans and  
14 specifications of the road project.

15 Sec. 8417.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
16 OR RESOLUTION. (a) The district shall comply with all applicable  
17 requirements of any ordinance or resolution that is adopted under  
18 Section 54.016 or 54.0165, Water Code, and that consents to the  
19 creation of the district or to the inclusion of land in the  
20 district.

21 (b) In addition to all the rights and remedies provided by  
22 other law, if the district violates the terms of an ordinance or  
23 resolution described by Subsection (a), a municipality is entitled  
24 to injunctive relief or a writ of mandamus issued by a court  
25 requiring the district and the district's officials to observe and  
26 comply with the terms of the ordinance or resolution.

27 Sec. 8417.106. EFFECT OF ANNEXATION BY OR INCLUSION WITHIN

1 THE CORPORATE BOUNDARIES OF THE CITY OF LEANDER. (a) The City of  
2 Leander may annex all of the district into its corporate limits  
3 under the terms of an agreement entered into before the effective  
4 date of the Act enacting this chapter between the city and the  
5 owners of the land being annexed, and, in that instance, the  
6 district may not be dissolved, except as provided by Subsection  
7 (b).

8 (b) The district may be dissolved and its debts and  
9 obligations assumed by the city in accordance with Chapter 43,  
10 Local Government Code, including Sections 43.075 and 43.0715, on  
11 completion of the construction of the water, sanitary sewer, and  
12 drainage improvements and roads required to serve at least 95  
13 percent of the land in the district.

14 (c) Notwithstanding Section 54.016(f)(2), Water Code, an  
15 agreement between the City of Leander and the district that  
16 provides for the allocation of the taxes or revenues of the district  
17 and the city following the date of inclusion of all the district's  
18 territory in the corporate limits of the city may provide that the  
19 total annual ad valorem taxes collected by the city and the district  
20 from taxable property in the district may exceed the city's ad  
21 valorem tax on that property.

22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23 Sec. 8417.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
24 district may issue, without an election, bonds and other  
25 obligations secured by:

- 26 (1) revenue other than ad valorem taxes; or  
27 (2) contract payments described by Section 8417.153.

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

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

9       Sec. 8417.152. OPERATION AND MAINTENANCE TAX. (a) If  
10 authorized at an election held under Section 8417.151, the district  
11 may impose an operation and maintenance tax on taxable property in  
12 the district in accordance with Section 49.107, Water Code.

13       (b) The board shall determine the tax rate. The rate may not  
14 exceed the rate approved at the election.

15       Sec. 8417.153. CONTRACT TAXES. (a) In accordance with  
16 Section 49.108, Water Code, the district may impose a tax other than  
17 an operation and maintenance tax and use the revenue derived from  
18 the tax to make payments under a contract after the provisions of  
19 the contract have been approved by a majority of the district voters  
20 voting at an election held for that purpose.

21       (b) A contract approved by the district voters may contain a  
22 provision stating that the contract may be modified or amended by  
23 the board without further voter approval.

24               SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

25       Sec. 8417.201. AUTHORITY TO ISSUE BONDS AND OTHER  
26 OBLIGATIONS. The district may issue bonds or other obligations  
27 payable wholly or partly from ad valorem taxes, impact fees,

1 revenue, contract payments, grants, or other district money, or any  
2 combination of those sources, to pay for any authorized district  
3 purpose.

4 Sec. 8417.202. TAXES FOR BONDS. At the time the district  
5 issues bonds payable wholly or partly from ad valorem taxes, the  
6 board shall provide for the annual imposition of a continuing  
7 direct ad valorem tax, without limit as to rate or amount, while all  
8 or part of the bonds are outstanding as required and in the manner  
9 provided by Sections 54.601 and 54.602, Water Code.

10 Sec. 8417.203. BONDS FOR ROAD PROJECTS. At the time of  
11 issuance, the total principal amount of bonds or other obligations  
12 issued or incurred to finance road projects and payable from ad  
13 valorem taxes may not exceed one-fourth of the assessed value of the  
14 real property in the district.

15 SECTION 2. The Leander Hills Municipal Utility District of  
16 Williamson County initially includes all the territory contained in  
17 the following area:

18 being a 145.26 acres of land situated in the talbot chambers  
19 survey, abstract no. 125, williamson county, Texas, being comprised  
20 of ALL OF THE CALLED 92.621 acre tract DESCRIBED IN DEED TO DENSFORD  
21 AVIATION SERVICES, INC. RECORDED IN Document Number 2009070195 OF  
22 THE Official Public Records of Williamson County, Texas  
23 (O.P.R.W.C.T.) AND ALL OF THE CALLED 52.640 acre tract PER METES AND  
24 BOUNDS DESCRIPTION prepared BY SHANE SHAFER R.P.L.S. NO. 5281 DATED  
25 APRIL 29, 2009; AND being more particularly DESCRIBED BY METES AND  
26 BOUNDS AS FOLLOWS:

27 beginning at a found 1/2" iron rod on the south line of said



1 52.640 acre tract, same being the northwest corner of Tract 2 of the  
2 Kittie Hill Acres a subdivision of record in Document Number  
3 8419185 of the O.P.R.W.C.T. and recorded in Cabinet F, Slide 45 of  
4 the Plat Records of Williamson County Texas (P.R.W.C.T.) and being  
5 the northeast corner of a called 13.320 acre tract conveyed to Jack  
6 Scott Bradley, Amy L. Bradley, and Brian Gregory Holmes as recorded  
7 in Document Number 2000068029 of the O.P.R.W.C.T.;

8       THENCE South 68°56'56" West with the south line of said 52.640  
9 acre tract, the north line of said 13.320 acre Bradley tract, the  
10 north line of a called 13.320 acre tract conveyed to Brian Olson and  
11 Charity M. Olson, husband and wife, and Gregory Olson and Hattie E.  
12 Olson, husband and wife, as recorded in Document Number 2001071867  
13 of the O.P.R.W.C.T. and the north line of a called 13.371 acre tract  
14 conveyed to Charles Hoskins and Patricia Hoskins, husband and wife  
15 as recorded in Document Number 2002036263 of the O.P.R.W.C.T.,  
16 passing at a distance of 445.22 feet the northwest corner of said  
17 13.320 acre Bradley tract and the northeast corner of said 13.320  
18 acre Olson Tract an continuing a total distance of 1332.94 feet to a  
19 found 1/2" iron rod for the southwest corner of said 52.640 acre  
20 tract, the northwest corner of said 13.371 acre tract, and being on  
21 the east line on a called 5.412 acre tract conveyed to Larry G.  
22 Miller and wife, Leslie M. Miller as recorded in Volume 2041, Page  
23 124 of the Deed Records of Williamson County, Texas (D.R.W.C.T);

24       THENCE North 21°52'40" West with the west line of said 52.640  
25 acre tract and the east line of said 5.412 acre tract a distance of  
26 196.23 feet to a found 1/2" iron rod for the northeast corner of  
27 said 5.412 acre tract, and the southeast corner of a called 19.99

1 acre tract conveyed to Mila J. Milliorn recorded in Document Number  
2 2006050300 of the O.P.R.W.C.T;

3           THENCE with the west line of said 52.640 acre tract and the  
4 east line of said 19.99 acre tract, the following five (5) courses;

5           (1) North 19°41'08" West a distance of 62.72 feet to a found  
6 1/2" iron rod;

7           (2) North 43°25'16" East a distance of 17.20 feet to a found  
8 1/2" iron rod;

9           (3) North 22°58'31" West a distance of 160.69 feet to a 60D  
10 nail found in the west side of a 12" Live Oak tree;

11           (4) North 19°52'01" West a distance of 443.14 feet to a 40D  
12 nail found;

13           (5) North 20°50'38" West a distance of 370.34 feet to a found  
14 1/2" iron rod for the northeast corner of said 19.99 acre tract, and  
15 the southeast corner of a called 1.00 acre tract conveyed to Barbara  
16 E. Bratton described in Exhibit "B" document recorded in Volume  
17 2722, Page 551 of the D.R.W.C.T.;

18           THENCE North 20°51'23" West with the west line of said 52.640  
19 acre tract and the east line of said Exhibit "B" tract a distance of  
20 208.65 feet to a found 1/2" iron rod for the northeast corner of  
21 said Exhibit "B" tract, and being at an angle point in of a 12.40  
22 acre tract conveyed to Barbara E. Bratton described in Exhibit "A"  
23 document recorded in Volume 2722, Page 551 of the D.R.W.C.T.;

24           THENCE with the west line of said 52.640 acre tract and the  
25 east line of said Exhibit "A" tract, the following two (2) courses:

26           (1) North 20°36'15" West a distance of 361.45 feet to a 40D  
27 nail;

1           (2) North 22°06'13" West a distance of 313.49 feet to a 40D  
2 nail found for the northwest corner of said 92.621 acre tract;

3           THENCE with the west line of said 92.621 acre tract and the  
4 east line of said Exhibit "A" tract, the following two (2) courses:

5           1. North 16°45'36" West a distance of 74.85 feet to a 40D  
6 nail found in the north side of a 14" Live Oak tree;

7           2. North 22°32'12" West a distance of 105.96 feet to a found  
8 iron rod with plastic cap stamped "DIAMOND SURVEYING" for the  
9 northwest corner of said 92.621 acre tract, the northeast corner of  
10 said 12.40 acre tract, and in the south line of the called 226 acre  
11 tract conveyed to Lawrence Virgil Toungate and wife, Louise M.  
12 Toungate as described in Volume 922, Page 878 of the D.R.W.C.T);

13           THENCE with the north line of said 92.621 acre tract and said  
14 south line of said 226 acre tract, the following two (2) courses:

15           (1) North 69°16'48" East a distance of 509.14 feet to a 40D  
16 nail found;

17           (2) North 68°42'17" East a distance of 1439.28 feet to a  
18 found 4" square concrete monument for the southwest corner of a  
19 called 100.16 acre tract conveyed to Huie H. Lamb, Jr., as described  
20 in Volume 2323, Page 739 of the O.P.R.W.C.T., and the southeast  
21 corner of said 226 acre tract;

22           THENCE with the north line of said 92.621 acre tract and the  
23 south line of said 100.16 acre tract, the following two (2) courses:

24           (1) THENCE North 69°03'28" East a distance of 946.84 feet to  
25 a nail found in the south side of a 12" Cedar tree;

26           (2) THENCE North 74°03'27" East a distance of 84.55 feet to a  
27 found 4" square concrete monument for the southeast corner of said

1 100.16 acre tract, and same the southwest corner of a called 9.53  
2 acre tract of land conveyed to Parmer 274 Investments, LLC as  
3 described in Document Number 2012041079 of the O.P.R.W.C.T.;

4 THENCE with the north line of said 92.621 acre tract and said  
5 south line of said 9.53 acre tract, the following eleven (11)  
6 courses:

7 (1) South 86°58'08" East a distance of 77.96 feet to a found  
8 1/2" iron rod;

9 (2) North 62°48'33" East a distance of 45.79 feet to a 40D  
10 nail found in root of 12" Cedar tree;

11 (3) North 72°05'13" East a distance of 17.47 feet to a 40D  
12 nail found in 10" Cedar tree;

13 (4) North 80°39'55" East a distance of 23.31 feet to a 60D  
14 nail found in base of fence post;

15 (5) North 81°41'28" East a distance of 168.82 feet to a 60D  
16 nail found in 12" Cedar tree;

17 (6) North 60°56'49" East a distance of 39.32 feet to a 40D  
18 nail found;

19 (7) North 57°46'48" East a distance of 64.79 feet to a 60D  
20 nail found in 12" Cedar tree;

21 (8) North 65°38'37" East a distance of 30.84 feet to a 60D  
22 nail found in 30" Live Oak tree;

23 (9) North 68°16'06" East a distance of 158.61 feet to a 40D  
24 nail found;

25 (10) North 68°25'55" East a distance of 127.34 feet to a 60D  
26 nail found in 10" Cedar tree;

27 (11) North 72°46'46" East a distance of 108.25 feet to a

1 found iron rod with plastic cap stamped "DIAMOND SURVEYING" for the  
2 northeast corner of said 92.621 acre tract, and in the existing west  
3 right-of-way line of Ronald Reagan Boulevard (right-of-way width  
4 varies);

5 THENCE with the existing west right-of-way line of Ronald  
6 Reagan Boulevard, and the east line of said 92.621 acre tract, the  
7 following five (5) courses and distances:

8 (1) South 27°36'23" East a distance of 96.46 feet to a found  
9 iron rod with plastic cap stamped "DIAMOND SURVEYING";

10 (2) South 15°07'44" East a distance of 55.83 feet to a set  
11 1/2" iron rod with cap marked "LANDESIGN";

12 (3) South 01°20'00" East a distance of 356.82 feet to a found  
13 iron rod with plastic cap stamped "DIAMOND SURVEYING";

14 (4) South 10°10'14" East a distance of 100.76 feet to a found  
15 iron rod with plastic cap stamped "DIAMOND SURVEYING";

16 (5) South 23°56'30" East a distance of 432.73 feet to a found  
17 1/2" iron rod for the southeast corner of said 92.621 acre tract,  
18 and being on the north line of a called 57.07 acre tract conveyed to  
19 MP52 as recorded in Document Number 2012055771 of the O.P.R.W.C.T.;

20 THENCE with the south line of said 92.621 acre tract and the  
21 north line of said 57.07 acre tract, the following twelve (12)  
22 course and distances:

23 (1) South 81°39'46" West a distance for of 531.74 feet to a  
24 found iron rod with plastic cap stamped "DIAMOND SURVEYING";

25 (2) South 81°17'07" West a distance of 639.06 feet to a metal  
26 fence corner post;

27 (3) South 09°38'31" East a distance of 164.03 feet to a found

1 1/2" iron rod;  
2 (4) South 80°18'44" West a distance of 586.19 feet to a found  
3 1/2" iron rod;  
4 (5) South 09°17'01" East a distance of 36.68 feet to a found  
5 1/2" iron rod;  
6 (6) South 68°47'48" West a distance of 142.01 feet to a found  
7 1/2" iron rod;  
8 (7) South 00°28'08" East a distance of 272.60 feet to a found  
9 1/2" iron rod;  
10 (8) South 59°00'22" East a distance of 567.45 feet to a metal  
11 fence post;  
12 (9) South 31°41'25" West a distance of 74.76 feet to a found  
13 1/2" iron rod;  
14 (10) South 56°38'19" East a distance of 741.46 feet to a  
15 found 1/2" iron rod;  
16 (11) South 33°16'35" West a distance of 34.80 feet to a found  
17 1/2" iron rod;  
18 (12) South 52°04'56" East a distance of 39.91 feet to a found  
19 1/2" iron rod for the southwest corner of said 57.07 acre tract, and  
20 being on a the north line of Tract 7, Kittie Hill Acres;  
21 THENCE with the south line of said 92.621 acre tract and the  
22 remainder of said Tract 7, the following two (2) courses:  
23 (1) South 51°39'00" East for a distance of 81.12 feet to a  
24 found iron rod with plastic cap stamped "DIAMOND SURVEYING";  
25 (2) South 17°00'35" West for a distance of 171.42 feet to a  
26 found 1/2" iron rod in the south line of said 92.621 acre tract, and  
27 in the existing north right-of-way line of Airport Drive (50'

1 Right-of-Way);

2           THENCE North 71°58'26" West with the south line of said 92.621  
3 acre tract and the north right-of-way line of Airport Drive, a  
4 distance of 328.07 feet to a 1/2" iron rod found for angle point in  
5 the south line of said 92.621 acre tract, and being the southeast  
6 corner of said 52.640 acre tract;

7           THENCE South 69°17'46" West with the south line of said 52.640  
8 acre tract, the north line of said Kittie Hill Acres, passing an  
9 iron found for the northeast corner of said Tract 1, Kittie Hills  
10 Acres at a distance of 78.16 feet and continuing a total distance of  
11 120.34 feet to a 1/2" iron rod found for an angle point in the south  
12 line of said 52.640 acre tract, and being in the north line of said  
13 Tract 1, said Kittie Hill Acres;

14           THENCE South 69°22'09" West with the south line of said 52.640  
15 acre tract, the north line of said Tract 1, and the north line of  
16 said Tract 2 a distance of 681.39 feet to the POINT OF BEGINNING;

17           SECTION 3. (a) The legal notice of the intention to  
18 introduce this Act, setting forth the general substance of this  
19 Act, has been published as provided by law, and the notice and a  
20 copy of this Act have been furnished to all persons, agencies,  
21 officials, or entities to which they are required to be furnished  
22 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
23 Government Code.

24           (b) The governor, one of the required recipients, has  
25 submitted the notice and Act to the Texas Commission on  
26 Environmental Quality.

27           (c) The Texas Commission on Environmental Quality has filed

1 its recommendations relating to this Act with the governor, the  
2 lieutenant governor, and the speaker of the house of  
3 representatives within the required time.

4 (d) All requirements of the constitution and laws of this  
5 state and the rules and procedures of the legislature with respect  
6 to the notice, introduction, and passage of this Act are fulfilled  
7 and accomplished.

8 SECTION 4. (a) If this Act does not receive a two-thirds  
9 vote of all the members elected to each house, Subchapter C, Chapter  
10 8417, Special District Local Laws Code, as added by Section 1 of  
11 this Act, is amended by adding Section 8417.107 to read as follows:

12 Sec. 8417.107. NO EMINENT DOMAIN POWER. The district may  
13 not exercise the power of eminent domain.

14 (b) This section is not intended to be an expression of a  
15 legislative interpretation of the requirements of Section 17(c),  
16 Article I, Texas Constitution.

17 SECTION 5. 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, 2013.