

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 02, 2017

The Honorable Dan Patrick
Lieutenant Governor of Texas
Capitol Station
PO Box 12068
Austin, Texas 78711

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

Senate Bill (SB) 2292, as Filed by Senator Donna Campbell- Relating to the powers and duties of the Meyer Ranch Municipal Utility District of Comal County; affecting an existing limited power of eminent domain; providing authority to issue bonds; providing authority to impose fees and taxes.

Dear Governor Patrick:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

This bill amends the Special District Local Laws Code by adding Chapter 7989 regarding the Meyer Ranch Municipal Utility District of Comal County; this bill specifies that the District has the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54; this bill grants the District authority for road projects; the District may not exercise the power of eminent domain outside the boundaries of the District for any purpose unless the proposed exercise is approved by a written resolution of the commissioners court of each county in which the District is located. The District may not exercise the power of eminent domain before the entire board of directors is composed of directors elected by the residents of the District; this bill specifies that on the date the District becomes a permittee under Texas Pollutant Discharge Elimination System Permit No. WQ0015314001, the District shall exercise any power necessary to comply with all applicable terms of the "Settlement Agreement" of March 29, 2016; the District may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the District voters voting at an election held for that purpose; the bill specifies that at the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road

Hon. Dan Patrick
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projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of real property in the District; the bill does not include a metes and bounds description of the District; and, the bill is almost identical to HB 3219.

Sincerely,

A handwritten signature in cursive script that reads "Cari-Michel LaCaille".

Cari-Michel LaCaille, Director
Water Supply Division

cc: Honorable Donna Campbell, Chairman, Senate Veteran Affairs & Border Security
Committee
Senator Donna Campbell, Texas Senate

LETTER OF TRANSMITTAL
TEXAS SENATE
STATE OF TEXAS

SB 2292

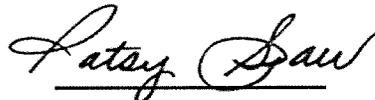
Bill Number

TO: The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas.

5/2/2017

Date transmitted to
Governor's Office



Secretary of the Senate

TO: Texas Commission on Environmental Quality
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill.

May 7, 2017

Date transmitted to
Texas Commission on Environmental Quality



Governor

TO: The Honorable President of the Senate
The Honorable Speaker of the House of Representatives
The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.



Texas Commission on Environmental Quality

By: Campbell

S.B. No. 2292

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the powers and duties of the Meyer Ranch Municipal
3 Utility District of Comal County; affecting an existing limited
4 power of eminent domain; providing authority to issue bonds;
5 providing authority to impose fees and taxes.

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

7 SECTION 1. Subtitle F, Title 6, Special District Local Laws
8 Code, is amended by adding Chapter 7989 to read as follows:

9 CHAPTER 7989. MEYER RANCH MUNICIPAL UTILITY DISTRICT OF COMAL

10

COUNTY

11

SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 7989.001. DEFINITION. In this chapter, "district"
13 means the Meyer Ranch Municipal Utility District of Comal County.

14 Sec. 7989.002. NATURE OF DISTRICT. The district is a
15 municipal utility district created under Section 59, Article XVI,
16 Texas Constitution.

17 Sec. 7989.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
18 The district is created to serve a public purpose and benefit.

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

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

22 (2) Section 52, Article III, Texas Constitution, that
23 relate to the construction, acquisition, improvement, operation,
24 or maintenance of macadamized, graveled, or paved roads, or

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

2 SUBCHAPTER B. POWERS AND DUTIES

3 Sec. 7989.051. GENERAL POWERS AND DUTIES. The district has
4 the powers and duties necessary to accomplish the purposes for
5 which the district is created.

6 Sec. 7989.052. MUNICIPAL UTILITY DISTRICT POWERS AND
7 DUTIES. The district has the powers and duties provided by the
8 general law of this state, including Chapters 49 and 54, Water Code,
9 applicable to municipal utility districts created under Section 59,
10 Article XVI, Texas Constitution.

11 Sec. 7989.053. AUTHORITY FOR ROAD PROJECTS. Under Section
12 52, Article III, Texas Constitution, the district may design,
13 acquire, construct, finance, issue bonds for, improve, operate,
14 maintain, and convey to this state, a county, or a municipality for
15 operation and maintenance macadamized, graveled, or paved roads, or
16 improvements, including storm drainage, in aid of those roads.

17 Sec. 7989.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road
18 project must meet all applicable construction standards, zoning and
19 subdivision requirements, and regulations of each municipality in
20 whose corporate limits or extraterritorial jurisdiction the road
21 project is located.

22 (b) If a road project is not located in the corporate limits
23 or extraterritorial jurisdiction of a municipality, the road
24 project must meet all applicable construction standards,
25 subdivision requirements, and regulations of each county in which
26 the road project is located.

27 (c) If the state will maintain and operate the road, the

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

3 Sec. 7989.055. LIMITATION ON USE OF EMINENT DOMAIN. (a) The
4 district may not exercise the power of eminent domain outside the
5 boundaries of the district for any purpose unless the proposed
6 exercise is approved by a written resolution of the commissioners
7 court of each county in which the district is located.

8 (b) The district may not exercise the power of eminent
9 domain before the entire board of directors is composed of
10 directors elected by the residents of the district.

11 Sec. 7989.056. COMPLIANCE WITH MARCH 2016 AGREEMENT. On
12 the date the district becomes a permittee under Texas Pollutant
13 Discharge Elimination System Permit No. WQ0015314001, the district
14 shall exercise any power necessary to comply with all applicable
15 terms of the "Settlement Agreement" of March 29, 2016, between
16 Randolph Todd Company, LLC and:

- 17 (1) Patricia and Troy Brand;
- 18 (2) Ellen McClellan;
- 19 (3) Edward Harris;
- 20 (4) Phyllis Yvonne Ritter;
- 21 (5) Carole Farmer;
- 22 (6) Nelda and Ronald Davis;
- 23 (7) Susan Dooley Logue;
- 24 (8) Randall and Nancy Pappas;
- 25 (9) Daniel and Michele Laroe;
- 26 (10) Elizabeth Martin;
- 27 (11) Ted Martin;

- 1 (12) Taylor Martin;
- 2 (13) Hector X. Amaya;
- 3 (14) Sabrina Houser-Amaya;
- 4 (15) Franklin Houser; and
- 5 (16) Bonnie Houser.

6 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

7 Sec. 7989.101. AUTHORITY TO ISSUE BONDS AND OTHER
8 OBLIGATIONS. (a) The district may issue bonds or other obligations
9 payable wholly or partly from ad valorem taxes, impact fees,
10 revenue, contract payments, grants, or other district money, or any
11 combination of those sources, to pay for a road project authorized
12 by Section 7989.053.

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

17 Sec. 7989.102. TAXES FOR BONDS. At the time the district
18 issues bonds payable wholly or partly from ad valorem taxes, the
19 board shall provide for the annual imposition of a continuing
20 direct ad valorem tax, without limit as to rate or amount, while all
21 or part of the bonds are outstanding as required and in the manner
22 provided by Sections 54.601 and 54.602, Water Code.

23 Sec. 7989.103. BONDS FOR ROAD PROJECTS. At the time of
24 issuance, the total principal amount of bonds or other obligations
25 issued or incurred to finance road projects and payable from ad
26 valorem taxes may not exceed one-fourth of the assessed value of the
27 real property in the district.

1 SECTION 2. (a) The legal notice of the intention to
2 introduce this Act, setting forth the general substance of this
3 Act, has been published as provided by law, and the notice and a
4 copy of this Act have been furnished to all persons, agencies,
5 officials, or entities to which they are required to be furnished
6 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
7 Government Code.

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

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

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

19 SECTION 3. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2017.

SB 2292

AFFP
C-LEGAL Notice of Intent

Affidavit of Publication

STATE OF TEXAS)
COUNTY OF COMAL) SS

NOTICE OF
INTENT
TO INTRODUCE LEGISLATION
RELATING TO SPECIAL DISTRICT
Pursuant to the Constitution and laws of the State of Texas, this is to give notice of
Intent to introduce in the 85th Texas Legislature, Regular Session, a bill to be
entitled "An Act relating to the powers and duties of Meyer Ranch Municipal Utility
District of Comal County; providing authority to issue bonds and impose taxes." The
bill would require that the Meyer Ranch Municipal Utility District of Comal County
(the "District") obtain the consent of the Commissioners Court of Comal County prior
to exercising the power of eminent domain. The bill would also give the District the
powers of a road district under Section 52, Article III, Texas Constitution; and the
authority to issue bonds for road projects and to levy taxes for payment of such
bonds. The District is not located in the extraterritorial jurisdiction or corporate
boundaries of any municipality, and is located within the unincorporated lands of
Comal County, Texas.

Rosie Willingham, being duly sworn, says:

That he is Business Manager of the New Braunfels
Herald-Zeitung, a daily newspaper of general circulation,
printed and published in New Braunfels, Comal County,
Texas; that the publication, a copy of which is attached
hereto, was published in the said newspaper on the
following dates:
January 24, 2017

That said newspaper was regularly issued and circulated
on those dates.
SIGNED:

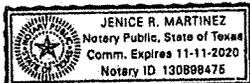
Rosie M. Willingham
Business Manager

Subscribed to and sworn to me this 24th day of January
2017.

Jenice R. Martinez
Jenice R. Martinez, Receptionist, Comal County, Texas

My commission expires: November 11, 2020

04126656 00186694



Anthony Corbett
Freeman & Corbett-PBS
8500 Bluffstone Cove, Suite B-104
Austin, TX 78759

