

1 AN ACT

2 relating to the creation of the Wise County Municipal Utility
3 District No. 4; granting a limited power of eminent domain;
4 providing authority to issue bonds; providing authority to impose
5 assessments, 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 8007 to read as follows:

9 CHAPTER 8007. WISE COUNTY MUNICIPAL UTILITY DISTRICT NO. 4

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8007.001. DEFINITIONS. In this chapter:

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

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

15 (3) "Director" means a board member.

16 (4) "District" means the Wise County Municipal Utility
17 District No. 4.

18 Sec. 8007.002. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 8007.003. CONFIRMATION AND DIRECTORS' ELECTION
22 REQUIRED. The temporary directors shall hold an election to
23 confirm the creation of the district and to elect five permanent
24 directors as provided by Section 49.102, Water Code.

1 Sec. 8007.004. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section 8007.003
3 until each municipality in whose corporate limits or
4 extraterritorial jurisdiction the district is located has
5 consented by ordinance or resolution to the creation of the
6 district and to the inclusion of land in the district.

7 Sec. 8007.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
8 The district is created to serve a public purpose and benefit.

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

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

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

16 Sec. 8007.006. INITIAL DISTRICT TERRITORY. (a) The
17 district is initially composed of the territory described by
18 Section 2 of the Act enacting this chapter.

19 (b) The boundaries and field notes contained in Section 2 of
20 the Act enacting this chapter form a closure. A mistake made in the
21 field notes or in copying the field notes in the legislative process
22 does not affect the district's:

23 (1) organization, existence, or validity;

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

27 (3) right to impose a tax; or

1 (4) legality or operation.

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8007.051. GOVERNING BODY; TERMS. (a) The district is
4 governed by a board of five elected directors.

5 (b) Except as provided by Section 8007.052, directors serve
6 staggered four-year terms.

7 Sec. 8007.052. TEMPORARY DIRECTORS. (a) On or after
8 September 1, 2017, the owner or owners of a majority of the assessed
9 value of the real property in the district may submit a petition to
10 the commission requesting that the commission appoint as temporary
11 directors the five persons named in the petition. The commission
12 shall appoint as temporary directors the five persons named in the
13 petition.

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

15 (1) the date permanent directors are elected under
16 Section 8007.003; or

17 (2) September 1, 2021.

18 (c) If permanent directors have not been elected under
19 Section 8007.003 and the terms of the temporary directors have
20 expired, successor temporary directors shall be appointed or
21 reappointed as provided by Subsection (d) to serve terms that
22 expire on the earlier of:

23 (1) the date permanent directors are elected under
24 Section 8007.003; or

25 (2) the fourth anniversary of the date of the
26 appointment or reappointment.

27 (d) If Subsection (c) applies, the owner or owners of a

1 majority of the assessed value of the real property in the district
2 may submit a petition to the commission requesting that the
3 commission appoint as successor temporary directors the five
4 persons named in the petition. The commission shall appoint as
5 successor temporary directors the five persons named in the
6 petition.

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8007.101. GENERAL POWERS AND DUTIES. The district has
9 the powers and duties necessary to accomplish the purposes for
10 which the district is created.

11 Sec. 8007.102. MUNICIPAL UTILITY DISTRICT POWERS AND
12 DUTIES. The district has the powers and duties provided by the
13 general law of this state, including Chapters 49 and 54, Water Code,
14 applicable to municipal utility districts created under Section 59,
15 Article XVI, Texas Constitution.

16 Sec. 8007.103. AUTHORITY FOR ROAD PROJECTS. Under Section
17 52, Article III, Texas Constitution, the district may design,
18 acquire, construct, finance, issue bonds for, improve, operate,
19 maintain, and convey to this state, a county, or a municipality for
20 operation and maintenance macadamized, graveled, or paved roads, or
21 improvements, including storm drainage, in aid of those roads.

22 Sec. 8007.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road
23 project must meet all applicable construction standards, zoning and
24 subdivision requirements, and regulations of each municipality in
25 whose corporate limits or extraterritorial jurisdiction the road
26 project is located.

27 (b) If a road project is not located in the corporate limits

1 or extraterritorial jurisdiction of a municipality, the road
2 project must meet all applicable construction standards,
3 subdivision requirements, and regulations of each county in which
4 the road project is located.

5 (c) If the state will maintain and operate the road, the
6 Texas Transportation Commission must approve the plans and
7 specifications of the road project.

8 Sec. 8007.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
9 OR RESOLUTION. The district shall comply with all applicable
10 requirements of any ordinance or resolution that is adopted under
11 Section 54.016 or 54.0165, Water Code, and that consents to the
12 creation of the district or to the inclusion of land in the
13 district.

14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

15 Sec. 8007.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
16 district may issue, without an election, bonds and other
17 obligations secured by:

18 (1) revenue other than ad valorem taxes; or

19 (2) contract payments described by Section 8007.153.

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

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

1 Sec. 8007.152. OPERATION AND MAINTENANCE TAX. (a) If
2 authorized at an election held under Section 8007.151, the district
3 may impose an operation and maintenance tax on taxable property in
4 the district in accordance with Section 49.107, Water Code.

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

7 Sec. 8007.153. CONTRACT TAXES. (a) In accordance with
8 Section 49.108, Water Code, the district may impose a tax other than
9 an operation and maintenance tax and use the revenue derived from
10 the tax to make payments under a contract after the provisions of
11 the contract have been approved by a majority of the district voters
12 voting at an election held for that purpose.

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

16 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

17 Sec. 8007.201. AUTHORITY TO ISSUE BONDS AND OTHER
18 OBLIGATIONS. The district may issue bonds or other obligations
19 payable wholly or partly from ad valorem taxes, impact fees,
20 revenue, contract payments, grants, or other district money, or any
21 combination of those sources, to pay for any authorized district
22 purpose.

23 Sec. 8007.202. TAXES FOR BONDS. At the time the district
24 issues bonds payable wholly or partly from ad valorem taxes, the
25 board shall provide for the annual imposition of a continuing
26 direct ad valorem tax, without limit as to rate or amount, while all
27 or part of the bonds are outstanding as required and in the manner

1 provided by Sections 54.601 and 54.602, Water Code.

2 Sec. 8007.203. BONDS FOR ROAD PROJECTS. At the time of
3 issuance, the total principal amount of bonds or other obligations
4 issued or incurred to finance road projects and payable from ad
5 valorem taxes may not exceed one-fourth of the assessed value of the
6 real property in the district.

7 SECTION 2. The Wise County Municipal Utility District No. 4
8 initially includes all the territory contained in the following
9 area:

10 Description for a 97.93 acre tract of land situated in the T&P
11 R.R. CO. SURVEY, Section 39, Abstract No. 847, and the
12 R. ROUNDTREE SURVEY, Abstract No. 734, Wise County, Texas, said
13 tract being the same tracts of land described as First Tract and
14 Second Tract, described in deed to Mary Elizabeth Harrington Klein,
15 Merle Floyd Harrington, Jr. and Robert Ernest Harrington, recorded
16 in Document No. 201400003, Official Public Records, Wise County,
17 Texas and being more particularly described as follows:

18 COMMENCING from a 1" pipe found at the Northeast corner of
19 that certain tract of land described in deed to Rickey Morrison and
20 wife Sarah P. Morrison, recorded in Volume 105, Page 786, Real
21 Records, Wise County, Texas, said pipe being by deed call for the
22 Northwest corner of the James B. Smith Survey, Abstract No. 1202,
23 said pipe also being in the West line of McVoid Road;

24 THENCE N 89°36'30" E, 573.15 feet to a p.k. nail set at the
25 intersection of said McVoid Road and County Road No. 4797 for the
26 POINT OF BEGINNING;

27 THENCE S 89°36'30" W, at 573.15 feet passing said 1" iron

1 found at the Northeast corner of said Volume 105, Page 786 and
2 continuing with the North line of said Volume 105, Page 786, passing
3 the Northwest corner of said Volume 105, Page 786 and the most
4 Northerly Northeast corner of that certain tract of land described
5 in deed to Mack Brandon Hill and Rae Lynn Hill, recorded in Volume
6 586, Page 458, Real Records, Wise County, Texas, continuing with
7 the North line of said Volume 586, Page 458, in all, 1683.33 feet to
8 a wood fence post, said post being for the Southeast corner of that
9 certain tract of land described in deed to Gervais W. Trichel, III
10 and Vicky Lynn Trichel, recorded in Volume 2433, Page 1111,
11 Official Public Records, Wise County, Texas;

12 THENCE N 00°36'06" W, with the East line of said Volume 2433,
13 Page 1111, 2269.10 feet to a 1/2" iron found in County Road
14 No. 4898, said iron being for the Northeast corner of said Volume
15 2433, Page 1111;

16 THENCE S 89°45'16" E, with said County Road No. 4898, 466.67
17 feet to a capped iron set in the East line of said County Road
18 No. 4898;

19 THENCE N 00°23'30" W, with said County Road No. 4898, 367.34
20 feet to a p.k. nail set at the intersection of said County Road
21 No. 4898 and said County Road No. 4797;

22 THENCE S 89°57'20" E, with said County Road No. 4797, 1225.04
23 feet to a capped iron set in the Northeasterly line of said County
24 Road No. 4797;

25 THENCE S 00°23'30" E, with said County Road No. 4797, 2621.90
26 feet to the POINT OF BEGINNING and containing 97.93 acres of land.

27 SECTION 3. (a) The legal notice of the intention to

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

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

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

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

18 SECTION 4. (a) If this Act does not receive a two-thirds
19 vote of all the members elected to each house, Subchapter C, Chapter
20 8007, Special District Local Laws Code, as added by Section 1 of
21 this Act, is amended by adding Section 8007.106 to read as follows:

22 Sec. 8007.106. NO EMINENT DOMAIN POWER. The district may
23 not exercise the power of eminent domain.

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

27 SECTION 5. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 4325 was passed by the House on May 19, 2017, by the following vote: Yeas 137, Nays 7, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 4325 was passed by the Senate on May 24, 2017, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor