By:  Bell of Montgomery H.B. No. 3209

     (Senate Sponsor - Kolkhorst)

(In the Senate - Received from the House May 6, 2019; May 6, 2019, read first time and referred to Committee on Intergovernmental Relations; May 15, 2019, reported favorably by the following vote: Yeas 7, Nays 0; May 15, 2019, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Lucio                X

Schwertner           X

Alvarado             X

Campbell             X

Fallon               X

Menéndez             X

Nichols              X

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Waller County Municipal Utility District No. 35; 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 8071 to read as follows:

CHAPTER 8071. WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 35

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8071.0101.  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 Waller County Municipal Utility District No. 35.

Sec. 8071.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8071.0103.  CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 8071.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8071.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 8071.0105.  FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

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

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

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

Sec. 8071.0106.  INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

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

(1)  organization, existence, or validity;

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

(3)  right to impose a tax; or

(4)  legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8071.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 8071.0202, directors serve staggered four-year terms.

Sec. 8071.0202.  TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 8071.0103; or

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

(c)  If permanent directors have not been elected under Section 8071.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1)  the date permanent directors are elected under Section 8071.0103; or

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

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

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8071.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8071.0302.  MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8071.0303.  AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8071.0304.  ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

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

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

Sec. 8071.0305.  COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8071.0401.  ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1)  revenue other than ad valorem taxes; or

(2)  contract payments described by Section 8071.0403.

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

(c)  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.

Sec. 8071.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8071.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

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

Sec. 8071.0403.  CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

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

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8071.0501.  AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 8071.0502.  TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 8071.0503.  BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2.  The Waller County Municipal Utility District No. 35 initially includes all the territory contained in the following area:

A metes & bounds description of a 696.27 acre tract of land in the Fred Eule Survey, Abstract 375, the H. & T. C. Railroad Company Survey Section 129, Abstract 204, and the W. I. Williamson Survey, Abstract 410, Waller County, Texas, being comprised of a portion of that certain called 1,263.584 acre tract recorded in Volume 449, Page 312, Deed Records, Waller County, Texas, and a portion of that certain called 0.673 acre tract recorded in Volume 449, Page 508, Deed Records, Waller County, Texas, with all bearings based upon the Texas Coordinate System of 1983, South Central Zone, based upon GPS observations.

Beginning at the southwest corner of said H. & T. C. Railroad Company Survey Section 129, Abstract 204, same being the southeast corner of said Fred Eule Survey, Abstract 375, for an angle point in the south line and the Point of Beginning of the herein described tract, said point also being the northwest corner of the adjoining J. W. McCutcheon Survey, Abstract 308, and the northeast corner of the adjoining H. & T. C. Railroad Company Survey Section 121, Abstract 201, and being an angle point in the north line of the adjoining residue of a called 1,277.0358 acre tract recorded in Volume 313, Page 416, Deed Records, Waller County, Texas;

Thence South 87 degrees 59 minutes 38 seconds West along the south line of the herein described tract and the south line of said Fred Eule Survey, Abstract 375, same being the north line of said adjoining H. & T. C. Railroad Company Survey Section 121, Abstract 201, 2,621.09 feet to the southwest corner of the herein described tract and said called 1,263.584 acre tract, same being the southeast corner of an adjoining called 162.614 acre tract recorded under County Clerk's File Number 1700518, Official Records, Waller County, Texas;

Thence North 01 degree 56 minutes 12 seconds West along the west line of the herein described tract, same being the east line of said adjoining called 162.614 acre tract, 2,657.26 feet to an angle point, said point being the northeast corner of said adjoining called 162.614 acre tract, same being the southeast corner of an adjoining called 4.00 acre tract recorded in Volume 1101, Page 526, Official Records, Waller County, Texas;

Thence North 01 degree 59 minutes 04 seconds West along the west line of the herein described tract, same being the east line of said adjoining called 4.00 acre tract, the east line of an adjoining called 5.00 acre tract recorded in Volume 419, Page 367, Deed Records, Waller County, Texas, the east line of an adjoining called 5.00 acre tract recorded in Volume 396, Page 104, Deed Records, Waller County, Texas, the east line of an adjoining called 6.000 acre tract recorded in Volume 1361, Page 796, Official Records, Waller County, Texas, and the east line of an adjoining called 10.00 acre tract recorded in Volume 1020, Page 776, Official Records, Waller County, Texas, 2,624.91 feet to the lower northwest corner of the herein described tract and said called 1,263.584 acre tract, said point being in the north line of said Fred Eule Survey, Abstract 375, same being the south line of the adjoining H. & T. C. Railroad Company Survey Section 119, Abstract 200, as located in Beckendorff Road, said point being the southeast corner of an adjoining tract recorded in Volume 0995, Page 461, Official Records, Waller County, Texas, same being the southwest corner of an adjoining called 19.0983 acre tract recorded in Volume 1181, Page 588, Official Records, Waller County, Texas;

Thence North 88 degrees 01 minute 40 seconds East along the lower north line of the herein described tract and said called 1,263.584 acre tract, and the north line of said Fred Eule Survey, Abstract 375, same being the south line of said adjoining H. & T. C. Railroad Company Survey Section 119, Abstract 200, as located in Beckendorff Road, and along the south line of said adjoining called 19.0983 acre tract, the south line of an adjoining called 19.098 acre tract recorded in Volume 686, Page 894, Official Records, Waller County, Texas, and the south line of an adjoining called 19.0984 acre tract recorded in Volume 657, Page 415, Official Records, Waller County, Texas, 2,585.25 feet to a reentry corner to the herein described tract and said called 1,263.584 acre tract, said point being the southeast corner of said adjoining H. & T. C. Railroad Company Survey Section 119, Abstract 200, the southwest corner of said W. I. Williamson Survey, Abstract 410, the northwest corner of said H. & T. C. Railroad Company Survey Section 129, Abstract 204, and the northeast corner of said Fred Eule Survey, Abstract 375;

Thence North 02 degrees 16 minutes 26 seconds West along the upper west line of the herein described tract and said called 1,263.584 acre tract, and the west line of said W. I. Williamson Survey, Abstract 410, same being the east line of said adjoining H. & T. C. Railroad Company Survey Section 119, Abstract 200, and being along the east line of said adjoining called 19.0984 acre tract, the east line of an adjoining called 35.3053 acre tract recorded in Volume 994, Page 833, Official Records, Waller County, Texas, the east line of an adjoining called 31.987 acre tract recorded in Volume 757, Page 834, Official Records, Waller County, Texas, and the east line of an adjoining called 50 acre tract recorded in Volume 314, Page 159, Deed Records, Waller County, Texas, 2,654.17 feet to the upper northwest corner of the herein described tract and the northwest corner of the aforementioned called 0.673 acre tract, said point being the northwest corner of said W. I. Williamson Survey, Abstract 410, same being the southwest corner of the adjoining W. C. Pitts Survey, Abstract 411, and the southwest corner of an adjoining called 0.652 acre tract recorded in Volume 1094, Page 575, Official Records, Waller County, Texas;

Thence North 88 degrees 01 minute 17 seconds East along the north line of the herein described tract, the north line of said called 0.673 acre tract, and the north line of said W. I. Williamson Survey, Abstract 410, same being the south line of said adjoining W. C. Pitts Survey, Abstract 411, the south line of said adjoining called 0.652 acre tract, and the south line of an adjoining called 57.3029 acre tract recorded in Volume 619, Page 220, Official Records, Waller County, Texas, 960.90 feet to the intersection of said line with the Waller-Harris County line for the northeast corner of the herein described tract;

Thence South 18 degrees 54 minutes 19 seconds East along the Waller-Harris County line, 8,291.16 feet to the intersection of said line with the south line of the aforementioned H. & T. C. Railroad Company Survey Section 129, Abstract 204, for the southeast corner of the herein described tract, said point being in the south line of said called 1,263.584 acre tract, same being the north line of the aforementioned adjoining J. W. McCutcheon Survey Section 130, Abstract 308, and the north line of the aforementioned adjoining residue of a called 1,277.0358 acre tract recorded in Volume 313, Page 416, Deed Records, Waller County, Texas;

Thence South 87 degrees 58 minutes 25 seconds West along the south line of the herein described tract and said H. & T. C. Railroad Company Survey Section 129, Abstract 204, same being the north line of said adjoining J. W. McCutcheon Survey Section 130, Abstract 308, and the north line of said adjoining residue of a called 1,277.0358 acre tract, 3,327.01 feet to the southwest corner of said H. & T. C. Railroad Company Survey Section 129, Abstract 204, same being the southeast corner of the aforementioned Fred Eule Survey, Abstract 375;

Thence North 02 degrees 20 minutes 57 seconds West along the west line of said H. & T. C. Railroad Company Survey Section 129, Abstract 204, same being the east line of said Fred Eule Survey, Abstract 375, 53.43 feet to the southeast corner of an adjoining called 10.00 acre tract recorded in Volume 200, Page 118, Deed Records, Waller County, Texas;

Thence along the common line of the herein described tract and said adjoining called 10.00 acre tract with the following courses and distances:

North 02 degrees 20 minutes 57 seconds West, 660.00 feet;

South 87 degrees 29 minutes 25 seconds West, 660.00 feet;

South 02 degrees 20 minutes 57 seconds East, 660.00 feet;

North 87 degrees 29 minutes 25 seconds East, 660.00 feet to the southeast corner of said adjoining called 10.00 acre tract, said point being in the east line of said Fred Eule Survey, Abstract 375, same being the west line of said H. & T. C. Railroad Company Survey Section 129, Abstract 204;

Thence South 02 degrees 20 minutes 57 seconds East along the east line of said Fred Eule Survey, Abstract 375, same being the west line of said H. & T. C. Railroad Company Survey Section 129, Abstract 204, 53.43 feet to the Point of Beginning and containing 696.27 acres of land, more or less.

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

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

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

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

SECTION 4.  (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8071, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8071.0306 to read as follows:

Sec. 8071.0306.  NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

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

SECTION 5.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

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