A BILL TO BE ENTITLED

## AN ACT

relating to the creation of the Waller County Municipal Utility District No. 34; 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 8046 to read as follows:

CHAPTER 8046. WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 34 SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8046.0101. 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. 34.

Sec. 8046.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8046.0103. 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. 8046.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8046.0103 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. 8046.0105. 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. 8046.0106. 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. 8046.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.
(b) Except as provided by Section 8046.0202, directors serve staggered four-year terms.

Sec. 8046.0202. 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 8046.0103; 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 8046.0103 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 8046.0103; 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. 8046.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8046.0302. 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. 8046.0303. 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. 8046.0304. 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. 8046.0305. 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.

Sec. 8046.0306. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:
(1) has no outstanding bonded debt; and
(2) is not imposing ad valorem taxes.
(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.
(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act creating this chapter.
(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of

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the real property in the district, may adopt an order dividing the
district.
(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 8046.0103 to confirm the district's creation.
(f) An order dividing the district shall:
(1) name each new district;
(2) include the metes and bounds description of the
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territory of each new district;
(3) appoint temporary directors for each new district; and
(4) provide for the division of assets and liabilities between or among the new districts.
(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.
(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section 8046.0103.
(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 8046.0104 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.
(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter

## approval before the district may impose a maintenance tax or issue

 bonds payable wholly or partly from ad valorem taxes.(k) If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
Sec. 8046.0401. 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 8046.0403.
(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. 8046.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8046.0401, 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. 8046.0403. 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. 8046.0501. 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. 8046.0502. 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. 8046.0503. 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.

34 initially includes all the territory contained in the following area:

A METES \& BOUNDS description of a certain 3,791 acre (165,143,925 square feet) tract of land situated in the $W$. McCutchen (H. \& T.C. R.R. Co.) Survey, Abstract No. 312, H. \& T.C. R.R. Co. Survey, Abstract No. 145, W. McCutchen (H. \& T.C. R.R. Co.) Survey, Abstract No. 315, H. \& T.C. R.R. Co. Survey, Abstract No. 193, W. McCutchen (H. \& T.C. R.R. Co.) Survey, Abstract No. 309, H. \& T.C. R.R. Co. Survey, Abstract No. 192, H. \& T.C. R.R. Co. Survey, Abstract No. 188, J. McCutchen (H. \& T.C. R.R. Co.) Survey, Abstract No. 307, and the E. Wright (H. \& T. R.R. Co.) Survey, Abstract No. 381 in Waller County, Texas, being all of a called 640 acre tract conveyed to Margaret Sager Pfeffer Estate Trust by Deed recorded in Volume 271, Page 308, Waller County Deed Records, being all of a called 640 acre tract conveyed to Adolph and Noelie Pfeffer Family Partnership One, Ltd. and Adolph and Noelie Pfeffer Family Partnership Two, Ltd. by Special Warranty Deed recorded in Volume 1284, Page 133, Waller Official Public Records of Real Property, being all of a called 823.996 acre tract conveyed to Adolph A. Pfeffer Sr., Trustee, of the Margaret Sager Pfeffer Estate Trust by Warranty Deed recorded in Volume 297, Page 825, Waller County Deed Records, being all of a called 320 acre tract conveyed to Cochran Road Partners, LLC by Special Warranty Deed recorded in Volume 1212, Page 399, Waller County Deed Records, being all of a called 640 acre tract conveyed to Cochran Road Partners, LLC by Special Warranty Deed recorded in Volume 1212, Page 399, Waller County Deed Records, being all of a called 152 acre
tract conveyed to Cochran Road Partners, LLC by Special Warranty Deed recorded in Volume 1212, Page 399, Waller County Official Public Records of Real Property, being all of a called 80.741 acre tract conveyed to Adolph A Pfeffer, Jr., Trustee, of the Margaret Sager Pfeffer Estate Trust by Warranty Deed recorded in Volume 570, Page 822, Waller County Deed Records, being all of a called 40 acre (Tract 6) tract conveyed to Adolph Pfeffer by Deed recorded in Volume 350, Page 5, Waller County Deed Records, being all of a called 40 acre (Tract 7) tract conveyed to Adolph Pfeffer by Deed recorded in Volume 350, Page 5, Waller County Deed Records, being all of a called 119.5 acre (being 159.5 acres less 40 acres) tract conveyed to Adolph Pfeffer by Deed recorded in Volume 350, Page 5, Waller County Deed Records, being all of Lot 6 (called Tract 1) conveyed to Adolph Pfeffer by Partition Deed recorded in Volume 350, Page 5, Waller County Deed Records, being all of Lot 7 (called Tract 2) conveyed to Adolph Pfeffer by Partition Deed recorded in Volume 350, Page 5, Waller County Deed Records, being all of Lot 8 (called Tract 3) conveyed to Adolph Pfeffer by Partition Deed recorded in Volume 350, Page 5, Waller County Deed Records, being all of Lot 9 (called Tract 4) conveyed to Adolph Pfeffer by Partition Deed recorded in Volume 350, Page 5, Waller County Deed Records, being the residue of a called 20.00 acre tract conveyed to Adolph A. Pfeffer by Special Warranty Deed recorded in Volume 1109, Page 001, Waller County Official Public Records of Real Property, and being a portion of tracts conveyed to Adolph A. Pfeffer by deed recorded in Volume 119, Page 113 Waller County Deed Records; said 3,791 -acre $(165,143,925$ square feet) tract of land being more
particularly described as follows with all bearings being based on the Texas Coordinate System, South Central Zone, NAD 83:

BEGINNING at a point being the southeast corner of said called 640 acre tract conveyed to Margaret Sager Pfeffer Estate Trust;

THENCE, North 9000'00" West, 5,280.00 feet to a point for a corner being the southwest corner of said called 640 acre tract conveyed to Margaret Sager Pfeffer Estate Trust;

THENCE, North 0000'00" West, 2,640.00 feet to a point for corner being in the west line of said called 640 acre tract conveyed to Margaret Sager Pfeffer Estate Trust and being the southeast corner of said called 320 acre tract;

THENCE, North 900'ㅇ' West, 5,280.00 feet to a point for corner being the southwest corner of said called 320 acre tract;

THENCE, North 00'00'00" East, 2,728.33 feet to a point for corner being the northwest corner of said called 320 acre tract, being the southwest corner of said called 640 acre tract conveyed to Cochran Road Partners, LLC, and being the southeast corner of said called Volume 119, Page 113;

THENCE, North 900'00" West, 761.11 feet to a point for corner being in the south line of said called Volume 119, Page 113;

THENCE, South 8936'31" West, 1,319.30 feet to a point for corner being the southwest corner of said called Volume 119, Page 113 and being the southeast corner of said called 80.741 acre tract;

THENCE, North 89.37'42" West, 1,843.37 feet to a point for corner being the southwest corner of said called residue of a called 20.00 acre tract;

THENCE, North 0022'16" East, 1,105.28 feet to a point for corner being in the west line of said called residue of a called 20 acre tract;

THENCE, South 8937'43" East, 500.54 feet to a point for corner being in the west line of said called 80.741 acre tract and being in the east line of said called residue of a called 20.00 acre tract;

THENCE, North 01²4'32" West, 391.93 feet to a point for corner being in the west line of said called 80.741 acre tract and being in the east line of said called residue of a called 20.00 acre tract;

THENCE, North 01¹6'47" East, 33.21 feet to a point for corner being in the west line of said called 80.741 acre tract and being in the east line of said called residue of a called 20.00 acre tract;

THENCE, North 89.37'43" West, 488.89 feet to a point for corner being in the west line of said called residue of a called 20.00 acre tract;

THENCE, North $00^{\circ} 22^{\prime 2} 21^{\prime \prime}$ East, 189.43 feet to a point for corner being the northwest corner of said called residue of a called 20.00 acre tract;

THENCE, South 89³7'43" East, 491.89 feet to a point for corner being in the west line of said called 80.741 acre tract and being the northeast corner of said called residue of a called 20.00 acre tract;

THENCE, North 01¹6'47" East, 926.49 feet to a point for corner being the northwest corner of said called 80.741 acre tract and being the most northerly southwest corner of said called Volume

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119, Page 113;
    THENCE, North 00'00'00" West, 1,223.80 feet to a point for
corner being the southeast corner of said called Tract 6 and being
in the west line of said called Volume 119, Page 113;
THENCE, North 900'00" West, 2,638.89 feet to a point for corner being the southwest corner of said called Tract 7;
THENCE, North 00ㅇO'00" West, 1,322.22 feet to a point for corner being the northwest corner of said called Tract 7;
THENCE, North 90'00'00" East, 530.56 feet to a point for corner being in the north line of said called Tract 7 and being the southwest corner of said called 119.5 acre tract;
THENCE, North 00'00'00" West, 2,516.67 feet to a point for corner being the northwest corner of said called 119.5 acre tract;
THENCE, North 8954'50" East, 2,773.34 feet to a point for corner being the northeast corner of said called 119.5 acre tract, being the southwest corner of said called Lot 6 , and being the northwest corner of said called Lot 7;
THENCE, North 00'00'00" West, 840.28 feet to a point for corner being the northwest corner of said called Lot 6;
THENCE, North 900'00" East, 2,735.00 feet to a point for corner being the northeast corner of said called Lot 6;
THENCE, South 0000'00" West, 869.44 feet to a point for corner being the southeast corner of said called Lot 6 , being the northeast corner of said called Lot 7, and being the northwest corner of said called 152 acre tract;
THENCE, North 9000'00" East, 2,657.30 feet to a point for corner being the northeast corner of said called 152 acre tract;
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THENCE, South 00'00'00" East, 2,491.67 feet to a point for corner being the southeast corner of said called 152 acre tract and being in the north line of said called 640 acre tract conveyed to Cochran Road Partners, LLC;

THENCE, North 90'00'00" East, 2,622.70 feet to a point for corner being the northeast corner of said called 640 acre tract conveyed to Cochran Road Partners, LLC, being the northwest corner of said called 640 acre tract conveyed to Adolph and Noelie Pfeffer Family Partnership One, Ltd. and Adolph and Noelie Pfeffer Family Partnership Two, Ltd., and being the southwest corner of said called 823.996 acre tract;

THENCE, North 0004'31" East, 4,548.22 feet to a point for corner being in the west line of said called 823.996 acre tract;

THENCE, North $11^{\circ} 22^{\prime 2} 4^{\prime \prime}$ West, 128.93 feet to a point for corner being in the west line of said called 823.996 acre tract;

THENCE, North 0021'45" East, 459.44 feet to a point for corner being the northwest corner of said called 823.996 acre tract;

THENCE, South 8956'04" East, 2,814.86 feet to a point for corner being the most northerly northeast corner of said called 823.996 acre tract;

THENCE, South 16¹2'54" East, 1,715.81 feet to a point being an interior corner of said called 823.996 acre tract;

THENCE, South 81²8'25" E, $2,000.00$ feet to a point for corner being the most southerly northeast corner of said called 823.996 acre tract;

THENCE, South OO0'10" East, 13,746.77 feet to the POINT OF BEGINNING, CONTAINING 3,791 acres (165,143,925 square feet) of land in Waller County, Texas filed in the office of Manhard Consulting, Ltd. in The Woodlands, Texas.

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 8046, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8046.0307 to read as follows:

Sec. 8046.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain. 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.

