By: Bell of Montgomery

H.B. No. 3211

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the creation of the Waller County Municipal Utility District No. 34; granting a limited power of eminent domain; 3 providing authority to issue bonds; providing authority to impose 4 5 assessments, fees, and taxes. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 6 SECTION 1. Subtitle F, Title 6, Special District Local Laws 7 Code, is amended by adding Chapter 8046 to read as follows: 8 9 CHAPTER 8046. WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 34 SUBCHAPTER A. GENERAL PROVISIONS 10 Sec. 8046.0101. DEFINITIONS. In this chapter: 11 (1) 12 "Board" means the district's board of directors. (2) "Commission" means the Texas Commission on 13 14 Environmental Quality. (3) "Director" means a board member. 15 16 (4) "District" means the Waller County Municipal Utility District No. 34. 17 Sec. 8046.0102. NATURE OF DISTRICT. The district is a 18 municipal utility district created under Section 59, Article XVI, 19 Texas Constitution. 20 21 Sec. 8046.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to 22 23 confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code. 24

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<u>Sec. 8046.0104. CONSENT OF MUNICIPALITY REQUIRED. The</u>
 <u>temporary directors may not hold an election under Section</u>
 <u>8046.0103 until each municipality in whose corporate limits or</u>
 <u>extraterritorial jurisdiction the district is located has</u>
 <u>consented by ordinance or resolution to the creation of the</u>
 <u>district and to the inclusion of land in the district.</u>

Sec. 8046.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. 7 8 (a) The district is created to serve a public purpose and benefit. 9 (b) The district is created to accomplish the purposes of: (1) a municipal utility district as provided by 10 general law and Section 59, Article XVI, Texas Constitution; and 11 12 (2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, 13 or maintenance of macadamized, graveled, or paved roads, or 14 15 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.

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. 8046.0201. GOVERNING BODY; TERMS. (a) The district is
4	governed by a board of five elected directors.
5	(b) Except as provided by Section 8046.0202, directors
6	serve staggered four-year terms.
7	Sec. 8046.0202. TEMPORARY DIRECTORS. (a) On or after the
8	effective date of the Act enacting this chapter, the owner or owners
9	of a majority of the assessed value of the real property in the
10	district may submit a petition to the commission requesting that
11	the commission appoint as temporary directors the five persons
12	named in the petition. The commission shall appoint as temporary
13	directors the five persons named in the petition.
14	(b) Temporary directors serve until the earlier of:
15	(1) the date permanent directors are elected under
16	Section 8046.0103; or
17	(2) the fourth anniversary of the effective date of
18	the Act enacting this chapter.
19	(c) If permanent directors have not been elected under
20	Section 8046.0103 and the terms of the temporary directors have
21	expired, successor temporary directors shall be appointed or
22	reappointed as provided by Subsection (d) to serve terms that
23	expire on the earlier of:
24	(1) the date permanent directors are elected under
25	Section 8046.0103; or
26	(2) the fourth anniversary of the date of the
27	appointment or reappointment.

1 (d) If Subsection (c) applies, the owner or owners of a 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 7 petition. 8 SUBCHAPTER C. POWERS AND DUTIES 9 Sec. 8046.0301. GENERAL POWERS AND DUTIES. The district 10 has the powers and duties necessary to accomplish the purposes for which the district is created. 11 12 Sec. 8046.0302. MUNICIPAL UTILITY DISTRICT POWERS AND 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 Arti<u>cle XVI, Texas Constitution.</u> 16 Sec. 8046.0303. 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 22 improvements, including storm drainage, in aid of those roads. Sec. 8046.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A 23 24 road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each 25 26 municipality in whose corporate limits or extraterritorial jurisdiction the road project is located. 27

H.B. No. 3211 1 (b) If a road project is not located in the corporate limits 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 5 the road project is located. (c) If the state will maintain and operate the road, the 6 7 Texas Transportation Commission must approve the plans and 8 specifications of the road project. Sec. 8046.0305. COMPLIANCE WITH MUNICIPAL 9 CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all 10 applicable requirements of any ordinance or resolution that is 11 adopted under Section 54.016 or 54.0165, Water Code, and that 12 consents to the creation of the district or to the inclusion of land 13 14 in the district. 15 Sec. 8046.0306. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district: 16 17 (1) has no outstanding bonded debt; and (2) is not imposing ad valorem taxes. 18 19 (b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and 20 duties of the district. 21 (c) Any new district created by the division of the district 22 may not, at the time the new district is created, contain any land 23 24 outside the area described by Section 2 of the Act creating this 25 chapter. 26 (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 27

1	the real property in the district, may adopt an order dividing the
2	<u>district.</u>
3	(e) The board may adopt an order dividing the district
4	before or after the date the board holds an election under Section
5	8046.0103 to confirm the district's creation.
6	(f) An order dividing the district shall:
7	(1) name each new district;
8	(2) include the metes and bounds description of the
9	territory of each new district;
10	(3) appoint temporary directors for each new district;
11	and
12	(4) provide for the division of assets and liabilities
13	between or among the new districts.
14	(g) On or before the 30th day after the date of adoption of
15	an order dividing the district, the district shall file the order
16	with the commission and record the order in the real property
17	records of each county in which the district is located.
18	(h) Any new district created by the division of the district
19	shall hold a confirmation and directors' election as required by
20	Section 8046.0103.
21	(i) Municipal consent to the creation of the district and to
22	the inclusion of land in the district granted under Section
23	8046.0104 acts as municipal consent to the creation of any new
24	district created by the division of the district and to the
25	inclusion of land in the new district.
26	(j) Any new district created by the division of the district
27	must hold an election as required by this chapter to obtain voter

1	approval before the district may impose a maintenance tax or issue
2	bonds payable wholly or partly from ad valorem taxes.
3	(k) If the creation of the new district is confirmed, the
4	new district shall provide the election date and results to the
5	commission.
6	SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
7	Sec. 8046.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
8	The district may issue, without an election, bonds and other
9	obligations secured by:
10	(1) revenue other than ad valorem taxes; or
11	(2) contract payments described by Section 8046.0403.
12	(b) The district must hold an election in the manner
13	provided by Chapters 49 and 54, Water Code, to obtain voter approval
14	before the district may impose an ad valorem tax or issue bonds
15	payable from ad valorem taxes.
16	(c) The district may not issue bonds payable from ad valorem
17	taxes to finance a road project unless the issuance is approved by a
18	vote of a two-thirds majority of the district voters voting at an
19	election held for that purpose.
20	Sec. 8046.0402. OPERATION AND MAINTENANCE TAX. (a) If
21	authorized at an election held under Section 8046.0401, the
22	district may impose an operation and maintenance tax on taxable
23	property in the district in accordance with Section 49.107, Water
24	Code.
25	(b) The board shall determine the tax rate. The rate may not
26	exceed the rate approved at the election.
27	Sec. 8046.0403. CONTRACT TAXES. (a) In accordance with

1 Section 49.108, Water Code, the district may impose a tax other than 2 an operation and maintenance tax and use the revenue derived from 3 the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters 4 5 voting at an election held for that purpose. 6 (b) A contract approved by the district voters may contain a 7 provision stating that the contract may be modified or amended by 8 the board without further voter approval. SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS 9 10 Sec. 8046.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations 11 12 payable wholly or partly from ad valorem taxes, impact fees, 13 revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district 14 15 purpose. Sec. 8046.0502. TAXES FOR BONDS. At the time the district 16 17 issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing 18 19 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 20 provided by Sections 54.601 and 54.602, Water Code. 21 22 Sec. 8046.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations 23

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24 <u>issued or incurred to finance road projects and payable from ad</u> 25 <u>valorem taxes may not exceed one-fourth of the assessed value of the</u>

26 real property in the district.

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SECTION 2. The Waller County Municipal Utility District No.

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A METES & BOUNDS description of a certain 3,791 acre 3 (165,143,925 square feet) tract of land situated in the W. 4 5 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.) 6 Survey, Abstract No. 315, H. & T.C. R.R. Co. Survey, Abstract 7 No. 193, W. McCutchen (H. & T.C. R.R. Co.) Survey, Abstract 8 No. 309, H. & T.C. R.R. Co. Survey, Abstract No. 192, H. & T.C. R.R. 9 Co. Survey, Abstract No. 188, J. McCutchen (H. & T.C. R.R. Co.) 10 Survey, Abstract No. 307, and the E. Wright (H. & T. R.R. Co.) 11 Survey, Abstract No. 381 in Waller County, Texas, being all of a 12 called 640 acre tract conveyed to Margaret Sager Pfeffer Estate 13 14 Trust by Deed recorded in Volume 271, Page 308, Waller County Deed 15 Records, being all of a called 640 acre tract conveyed to Adolph and Noelie Pfeffer Family Partnership One, Ltd. and Adolph and Noelie 16 17 Pfeffer Family Partnership Two, Ltd. by Special Warranty Deed recorded in Volume 1284, Page 133, Waller Official Public Records 18 19 of Real Property, being all of a called 823.996 acre tract conveyed to Adolph A . Pfeffer Sr., Trustee, of the Margaret Sager Pfeffer 20 Estate Trust by Warranty Deed recorded in Volume 297, Page 825, 21 Waller County Deed Records, being all of a called 320 acre tract 22 conveyed to Cochran Road Partners, LLC by Special Warranty Deed 23 24 recorded in Volume 1212, Page 399, Waller County Deed Records, being all of a called 640 acre tract conveyed to Cochran Road 25 26 Partners, LLC by Special Warranty Deed recorded in Volume 1212, Page 399, Waller County Deed Records, being all of a called 152 acre 27

1 tract conveyed to Cochran Road Partners, LLC by Special Warranty Deed recorded in Volume 1212, Page 399, Waller County Official 2 3 Public Records of Real Property, being all of a called 80.741 acre tract conveyed to Adolph A Pfeffer, Jr., Trustee, of the Margaret 4 5 Sager Pfeffer Estate Trust by Warranty Deed recorded in Volume 570, Page 822, Waller County Deed Records, being all of a called 40 acre 6 (Tract 6) tract conveyed to Adolph Pfeffer by Deed recorded in 7 8 Volume 350, Page 5, Waller County Deed Records, being all of a called 40 acre (Tract 7) tract conveyed to Adolph Pfeffer by Deed 9 10 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 11 conveyed to Adolph Pfeffer by Deed recorded in Volume 350, Page 5, 12 Waller County Deed Records, being all of Lot 6 (called Tract 1) 13 14 conveyed to Adolph Pfeffer by Partition Deed recorded in Volume 15 350, Page 5, Waller County Deed Records, being all of Lot 7 (called Tract 2) conveyed to Adolph Pfeffer by Partition Deed recorded in 16 17 Volume 350, Page 5, Waller County Deed Records, being all of Lot 8 (called Tract 3) conveyed to Adolph Pfeffer by Partition Deed 18 recorded in Volume 350, Page 5, Waller County Deed Records, being 19 all of Lot 9 (called Tract 4) conveyed to Adolph Pfeffer by 20 21 Partition Deed recorded in Volume 350, Page 5, Waller County Deed Records, being the residue of a called 20.00 acre tract conveyed to 22 23 Adolph A. Pfeffer by Special Warranty Deed recorded in Volume 1109, 24 Page 001, Waller County Official Public Records of Real Property, and being a portion of tracts conveyed to Adolph A. Pfeffer by deed 25 26 recorded in Volume 119, Page 113 Waller County Deed Records; said 3,791-acre (165,143,925 square feet) tract of land being more 27

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1 particularly described as follows with all bearings being based on 2 the Texas Coordinate System, South Central Zone, NAD 83:

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3 BEGINNING at a point being the southeast corner of said 4 called 640 acre tract conveyed to Margaret Sager Pfeffer Estate 5 Trust;

THENCE, North 90°00'00" 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;

9 THENCE, North 00°00'00" West, 2,640.00 feet to a point for 10 corner being in the west line of said called 640 acre tract conveyed 11 to Margaret Sager Pfeffer Estate Trust and being the southeast 12 corner of said called 320 acre tract;

13 THENCE, North 90°00'00" West, 5,280.00 feet to a point for 14 corner being the southwest corner of said called 320 acre tract;

15 THENCE, North 00°00'00" East, 2,728.33 feet to a point for 16 corner being the northwest corner of said called 320 acre tract, 17 being the southwest corner of said called 640 acre tract conveyed to 18 Cochran Road Partners, LLC, and being the southeast corner of said 19 called Volume 119, Page 113;

THENCE, North 90°00'00" West, 761.11 feet to a point for corner being in the south line of said called Volume 119, Page 113;

THENCE, South 89°36'31" 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 27 20.00 acre tract;

THENCE, North 00°22'16" 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;

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THENCE, South 89°37'43" 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;

8 THENCE, North 01°24'32" West, 391.93 feet to a point for 9 corner being in the west line of said called 80.741 acre tract and 10 being in the east line of said called residue of a called 20.00 acre 11 tract;

12 THENCE, North 01°16'47" East, 33.21 feet to a point for corner 13 being in the west line of said called 80.741 acre tract and being in 14 the east line of said called residue of a called 20.00 acre tract;

15 THENCE, North 89°37'43" West, 488.89 feet to a point for 16 corner being in the west line of said called residue of a called 17 20.00 acre tract;

18 THENCE, North 00°22'21" East, 189.43 feet to a point for 19 corner being the northwest corner of said called residue of a called 20 20.00 acre tract;

THENCE, South 89°37'43" 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 01°16'47" 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

1 119, 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;

5 THENCE, North 90°00'00" West, 2,638.89 feet to a point for 6 corner being the southwest corner of said called Tract 7;

7 THENCE, North 00°00'00" West, 1,322.22 feet to a point for 8 corner being the northwest corner of said called Tract 7;

9 THENCE, North 90°00'00" East, 530.56 feet to a point for 10 corner being in the north line of said called Tract 7 and being the 11 southwest corner of said called 119.5 acre tract;

12 THENCE, North 00°00'00" West, 2,516.67 feet to a point for 13 corner being the northwest corner of said called 119.5 acre tract;

14 THENCE, North 89°54'50" East, 2,773.34 feet to a point for 15 corner being the northeast corner of said called 119.5 acre tract, 16 being the southwest corner of said called Lot 6, and being the 17 northwest corner of said called Lot 7;

18 THENCE, North 00°00'00" West, 840.28 feet to a point for 19 corner being the northwest corner of said called Lot 6;

THENCE, North 90°00'00" East, 2,735.00 feet to a point for corner being the northeast corner of said called Lot 6;

THENCE, South 00°00'00" 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 90°00'00" East, 2,657.30 feet to a point for corner being the northeast corner of said called 152 acre tract;

1 THENCE, South 00°00'00" East, 2,491.67 feet to a point for 2 corner being the southeast corner of said called 152 acre tract and 3 being in the north line of said called 640 acre tract conveyed to 4 Cochran Road Partners, LLC;

5 THENCE, North 90°00'00" East, 2,622.70 feet to a point for 6 corner being the northeast corner of said called 640 acre tract 7 conveyed to Cochran Road Partners, LLC, being the northwest corner 8 of said called 640 acre tract conveyed to Adolph and Noelie Pfeffer 9 Family Partnership One, Ltd. and Adolph and Noelie Pfeffer Family 10 Partnership Two, Ltd., and being the southwest corner of said 11 called 823.996 acre tract;

12 THENCE, North 00°04'31" East, 4,548.22 feet to a point for 13 corner being in the west line of said called 823.996 acre tract;

14THENCE, North 11°22'24" West, 128.93 feet to a point for15corner being in the west line of said called 823.996 acre tract;

16 THENCE, North 00°21'45" East, 459.44 feet to a point for 17 corner being the northwest corner of said called 823.996 acre 18 tract;

19 THENCE, South 89°56'04" East, 2,814.86 feet to a point for 20 corner being the most northerly northeast corner of said called 21 823.996 acre tract;

THENCE, South 16°12'54" East, 1,715.81 feet to a point being an interior corner of said called 823.996 acre tract;

THENCE, South 81°28'25" E, 2,000.00 feet to a point for corner being the most southerly northeast corner of said called 823.996 acre tract;

27

THENCE, South 00°06'10" 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.

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4 SECTION 3. (a) The legal notice of the intention to 5 introduce this Act, setting forth the general substance of this 6 Act, has been published as provided by law, and the notice and a 7 copy of this Act have been furnished to all persons, agencies, 8 officials, or entities to which they are required to be furnished 9 under Section 59, Article XVI, Texas Constitution, and Chapter 313, 10 Government Code.

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

14 The Texas Commission on Environmental Quality has filed (c)15 its recommendations relating to this Act with the governor, the governor, 16 lieutenant and the speaker of the house of representatives within the required time. 17

18 (d) All requirements of the constitution and laws of this 19 state and the rules and procedures of the legislature with respect 20 to the notice, introduction, and passage of this Act are fulfilled 21 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: <u>Sec. 8046.0307. NO EMINENT DOMAIN POWER. The district may</u> 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.

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4 SECTION 5. This Act takes effect immediately if it receives 5 a vote of two-thirds of all the members elected to each house, as 6 provided by Section 39, Article III, Texas Constitution. If this 7 Act does not receive the vote necessary for immediate effect, this 8 Act takes effect September 1, 2019.