

By: King of Parker

H.B. No. 4540

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Hillcrest North Municipal Utility District of Wise County; 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 8017 to read as follows:

CHAPTER 8017. HILLCREST NORTH MUNICIPAL UTILITY DISTRICT OF WISE

COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8017.0101. 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 Hillcrest North Municipal Utility District of Wise County.

Sec. 8017.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8017.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent

1 directors as provided by Section 49.102, Water Code.

2 Sec. 8017.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
3 temporary directors may not hold an election under Section  
4 8017.0103 until each municipality in whose corporate limits or  
5 extraterritorial jurisdiction the district is located has  
6 consented by ordinance or resolution to the creation of the  
7 district and to the inclusion of land in the district.

8 Sec. 8017.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

9 (a) The district is created to serve a public purpose and benefit.

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

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

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

17 Sec. 8017.0106. INITIAL DISTRICT TERRITORY. (a) The  
18 district is initially composed of the territory described by  
19 Section 2 of the Act enacting this chapter.

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

24 (1) organization, existence, or validity;

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

1           (3) right to impose a tax; or

2           (4) legality or operation.

3                   SUBCHAPTER B. BOARD OF DIRECTORS

4           Sec. 8017.0201. GOVERNING BODY; TERMS. (a) The district is  
5 governed by a board of five elected directors.

6           (b) Except as provided by Section 8017.0202, directors  
7 serve staggered four-year terms.

8           Sec. 8017.0202. TEMPORARY DIRECTORS. (a) The temporary  
9 board consists of:

10           (1) Lisa Smith;

11           (2) Alma Blanco;

12           (3) Charlotte Ann Pollett;

13           (4) Carter Posey; and

14           (5) Scott Toner.

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

16           (1) the date permanent directors are elected under  
17 Section 8017.0103; or

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

20           (c) If permanent directors have not been elected under  
21 Section 8017.0103 and the terms of the temporary directors have  
22 expired, successor temporary directors shall be appointed or  
23 reappointed as provided by Subsection (d) to serve terms that  
24 expire on the earlier of:

25           (1) the date permanent directors are elected under  
26 Section 8017.0103; or

27           (2) the fourth anniversary of the date of the

1 appointment or reappointment.

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

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8017.0301. GENERAL POWERS AND DUTIES. The district  
11 has the powers and duties necessary to accomplish the purposes for  
12 which the district is created.

13 Sec. 8017.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
14 DUTIES. The district has the powers and duties provided by the  
15 general law of this state, including Chapters 49 and 54, Water Code,  
16 applicable to municipal utility districts created under Section 59,  
17 Article XVI, Texas Constitution.

18 Sec. 8017.0303. AUTHORITY FOR ROAD PROJECTS. Under Section  
19 52, Article III, Texas Constitution, the district may design,  
20 acquire, construct, finance, issue bonds for, improve, operate,  
21 maintain, and convey to this state, a county, or a municipality for  
22 operation and maintenance macadamized, graveled, or paved roads, or  
23 improvements, including storm drainage, in aid of those roads.

24 Sec. 8017.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
25 road project must meet all applicable construction standards,  
26 zoning and subdivision requirements, and regulations of each  
27 municipality in whose corporate limits or extraterritorial

1 jurisdiction the road project is located.

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

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

10 Sec. 8017.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
11 ORDINANCE OR RESOLUTION. The district shall comply with all  
12 applicable requirements of any ordinance or resolution that is  
13 adopted under Section 54.016 or 54.0165, Water Code, and that  
14 consents to the creation of the district or to the inclusion of land  
15 in the district.

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 8017.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)  
18 The district may issue, without an election, bonds and other  
19 obligations secured by:

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

21 (2) contract payments described by Section 8017.0403.

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

26 (c) The district may not issue bonds payable from ad valorem  
27 taxes to finance a road project unless the issuance is approved by a

1 vote of a two-thirds majority of the district voters voting at an  
2 election held for that purpose.

3 Sec. 8017.0402. OPERATION AND MAINTENANCE TAX. (a) If  
4 authorized at an election held under Section 8017.0401, the  
5 district may impose an operation and maintenance tax on taxable  
6 property in the district in accordance with Section 49.107, Water  
7 Code.

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

10 Sec. 8017.0403. CONTRACT TAXES. (a) In accordance with  
11 Section 49.108, Water Code, the district may impose a tax other than  
12 an operation and maintenance tax and use the revenue derived from  
13 the tax to make payments under a contract after the provisions of  
14 the contract have been approved by a majority of the district voters  
15 voting at an election held for that purpose.

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

19 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

20 Sec. 8017.0501. AUTHORITY TO ISSUE BONDS AND OTHER  
21 OBLIGATIONS. The district may issue bonds or other obligations  
22 payable wholly or partly from ad valorem taxes, impact fees,  
23 revenue, contract payments, grants, or other district money, or any  
24 combination of those sources, to pay for any authorized district  
25 purpose.

26 Sec. 8017.0502. TAXES FOR BONDS. At the time the district  
27 issues bonds payable wholly or partly from ad valorem taxes, the

1 board shall provide for the annual imposition of a continuing  
2 direct ad valorem tax, without limit as to rate or amount, while all  
3 or part of the bonds are outstanding as required and in the manner  
4 provided by Sections 54.601 and 54.602, Water Code.

5 Sec. 8017.0503. BONDS FOR ROAD PROJECTS. At the time of  
6 issuance, the total principal amount of bonds or other obligations  
7 issued or incurred to finance road projects and payable from ad  
8 valorem taxes may not exceed one-fourth of the assessed value of the  
9 real property in the district.

10 SECTION 2. The Hillcrest North Municipal Utility District  
11 of Wise County initially includes all the territory contained in  
12 the following area:

13 PHASE ONE:

14 129.531 acres of land situated in the ASA HILL SURVEY, ABSTRACT NO.  
15 363, Wise County, Texas, being the tracts described as First Tract  
16 and Second Tract, described by deed to Russell Hayes Stephens,  
17 recorded in Volume 1307, Page 563, Real Records, Wise County, Texas  
18 and being more particularly described as follows:

19 BEGINNING at a 5/8" iron rod found for the Southwest corner of said  
20 First Tract, said point being, per deed call, WEST, 1436.11 feet and  
21 S 16 °34'43" W, 4451.44 feet from the northeast corner of said HILL  
22 SURVEY, for the Northwest corner of that certain tract of land  
23 described by deed to The Harry and Jherrie Logan Family Limited  
24 Partnership, recorded in Volume 1634, Page 559, Real Records, Wise  
25 County, Texas;

26 THENCE N 00°27'31" W, along the West line of said First Tract,  
27 3251.80 feet to a 1/2" capped iron rod found for the Southwest

1 corner of that certain tract of land described by deed to George I.  
2 Caballero and Michele L. Caballero, recorded in Volume 881, Page  
3 568, Real Records, Wise County, Texas;

4 THENCE N 88°16'12" E, along the South line of said Caballero tract,  
5 381.67 feet from which a 4" metal fence post bears N 48°27'59" W,  
6 0.69 feet;

7 THENCE N 01°47'57" E, along the East line of said Caballero tract, at  
8 959.66 feet passing a 3" metal fence post found, continuing in all,  
9 979.48 feet to the approximate center of County Road No. 4010 (a  
10 variable width Right-of-Way);

11 THENCE N 88°26'01" E, along the approximate center of said County  
12 Road No. 4010, passing the northeast corner of said First Tract and  
13 the northwest corner of said Second Tract, continuing along the  
14 approximate center of said County Road No. 4010, in all, 884.25  
15 feet;

16 THENCE S 00°14'44" W, along the East line of said Second Tract, at  
17 22.94 feet passing a 4" metal fence corner post found, continuing in  
18 all, 1736.40 feet to a 4" metal fence corner post found;

19 THENCE N 88°59'44" E, 216.87 feet to a 4" metal fence post found;

20 THENCE S 00°31'11" E, along the East line of said Second Tract,  
21 2551.64 feet to a 4" metal fence corner post found for the Southeast  
22 corner of said Second Tract, from which a 3" metal fence post found  
23 for the Northeast corner of said Logan tract bears S 89°13'59" E,  
24 1162.91 feet;

25 THENCE N 89°19'26" W, along the South line of said Second Tract,  
26 passing the southwest corner of said Second Tract and the southeast  
27 corner of said First Tract, continuing, in all, 1502.78 feet to the



1 POINT OF BEGINNING and containing 129.531 acres of land.  
2 PHASE TWO:  
3 WHEREAS FFILP LAND HOLDINGS LLC., BEING THE OWNERS OF A 172.359  
4 ACRES TRACT OF LAND OUT OF THE J. LEVINS SURVEY, ABSTRACT NO. 489,  
5 WISE COUNTY, TEXAS; BEING ALL OF THAT CERTAIN TRACT AS RECORDED IN  
6 DOC. NO. 201915186, REAL PROPERTY RECORDS, WISE COUNTY, TEXAS; AND  
7 BEING FURTHER DESCRIBED BY METES AND BOUNDS AS FOLLOWS:  
8 THE FOLLOWING BEARINGS, DISTANCES, AND/OR AREAS DERIVED FROM GNSS  
9 OBSERVATIONS PERFORMED BY TEXAS SURVEYING, INC. AND REFLECT N.A.D.  
10 1983, TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202  
11 (GRID).  
12 BEGINNING AT A SET 1/2" CAPPED IRON ROD (TEXAS SURVEYING, INC.) IN  
13 THE EAST LINE OF THAT CALLED 72 ACRES TRACT DESCRIBED IN VOLUME  
14 2416, PAGE 558, R.P.R.W.C.T., AND AT THE SOUTHWEST CORNER OF SAID  
15 DOC. NO. 201915186, FOR THE SOUTHWEST AND BEGINNING CORNER OF THIS  
16 TRACT. WHENCE THE NORTHWEST CORNER OF OAK TREE FARMS, PHASE I, AS  
17 RECORDED IN CABINET D, SLIDE 159, PLAT RECORDS, WISE COUNTY, TEXAS  
18 BEARS S 41°31'13" W 529.04 FEET.  
19 THENCE N 00°49'04" W 1888.27 FEET ALONG THE EAST LINE OF SAID 72  
20 ACRES TRACT TO A 3" STEEL FENCE POST AT THE SOUTHWEST CORNER OF THAT  
21 CALLED 303.087 ACRES TRACT DESCRIBED IN VOLUME 2015, PAGE 238,  
22 R.P.R.W.C.T., AND AT THE NORTHWEST CORNER OF SAID DOC. NO.  
23 201915186, FOR THE NORTHWEST CORNER OF THIS TRACT.  
24 THENCE N 89°09'34" E 3629.87 FEET ALONG THE SOUTH LINE OF SAID  
25 303.087 ACRES TRACT TO A FOUND 2" IRON PIPE AT THE COMMON SOUTHERN  
26 CORNER OF SAID 303.087 ACRES TRACT AND THAT CALLED 454.8 ACRES TRACT  
27 DESCRIBED IN VOLUME 476, PAGE 415, R.P.R.W.C.T., FOR A CORNER OF

1 THIS TRACT.  
2 THENCE N 89°09'18" E 866.12 FEET ALONG THE SOUTH LINE OF SAID 454.8  
3 ACRES TRACT TO A FOUND 1/2" IRON ROD AT A CORNER IN THE WEST LINE OF  
4 THAT CALLED 151.559 ACRES TRACT DESCRIBED IN VOLUME 1196, PAGE 229,  
5 R.P.R.W.C.T., AND AT THE NORTHEAST CORNER OF SAID DOC. NO.  
6 201915186, FOR THE NORTHEAST CORNER OF THIS TRACT.  
7 THENCE ALONG THE WEST LINE OF SAID 151.559 ACRES TRACT AS FOLLOWS:  
8 S 02°36'08" E 629.26 FEET TO A FOUND 1/2" IRON ROD, FOR A CORNER OF  
9 THIS TRACT.  
10 S 89°59'10" W 756.80 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
11 SURVEYING, INC.), FOR AN ELL CORNER OF THIS TRACT.  
12 S 00°13'36" E 1225.52 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
13 SURVEYING, INC.) AT THE SOUTHEAST CORNER OF SAID DOC. NO.  
14 201915186, FOR THE SOUTHEAST CORNER OF THIS TRACT.  
15 THENCE ALONG THE SOUTH LINE OF SAID DOC. NO. 201915186 THE FOLLOWING  
16 COURSES AND DISTANCES:  
17 S 88°28'24" W 1314.90 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
18 SURVEYING, INC.) AT THE BEGINNING OF A CURVE TO THE RIGHT, FOR A  
19 CORNER OF THIS TRACT.  
20 ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 380.00  
21 FEET, AN ARC LENGTH OF 226.27 FEET, AND WHOSE CHORD BEARS S 17°43'20"  
22 E 222.94 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS SURVEYING, INC.)  
23 FOR A CORNER OF THIS TRACT.  
24 S 00°39'50" E 85.92 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
25 SURVEYING, INC.) FOR A CORNER OF THIS TRACT.  
26 S 88°28'24" W 60.01 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
27 SURVEYING, INC.) FOR A CORNER OF THIS TRACT.

1 N 00°39'50" W 86.82 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
2 SURVEYING, INC.) AT THE BEGINNING OF A CURVE TO THE LEFT, FOR A  
3 CORNER OF THIS TRACT.  
4 ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 320.00  
5 FEET, AN ARC LENGTH OF 224.23 FEET, AND WHOSE CHORD BEARS N 20°44'16"  
6 W 219.67 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS SURVEYING, INC.)  
7 FOR A CORNER OF THIS TRACT.  
8 N 40°48'42" W 7.43 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
9 SURVEYING, INC.) FOR A CORNER OF THIS TRACT.  
10 S 88°28'24" W 1697.99 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
11 SURVEYING, INC.) FOR A CORNER OF THIS TRACT.  
12 S 01°31'36" E 300.00 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
13 SURVEYING, INC.) FOR A CORNER OF THIS TRACT.  
14 S 88°28'24" W 60.00 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
15 SURVEYING, INC.) FOR A CORNER OF THIS TRACT.  
16 N 01°31'36" W 300.00 FEET TO A SET 1/2" CAPPED IRON ROD (TEXAS  
17 SURVEYING, INC.) FOR A CORNER OF THIS TRACT.  
18 S 88°28'24" W 598.81 FEET TO THE POINT OF BEGINNING.

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

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

1 Environmental Quality.

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

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

10 SECTION 4. (a) If this Act does not receive a two-thirds  
11 vote of all the members elected to each house, Subchapter C, Chapter  
12 8017, Special District Local Laws Code, as added by Section 1 of  
13 this Act, is amended by adding Section 8017.0306 to read as follows:

14 Sec. 8017.0306. NO EMINENT DOMAIN POWER. The district may  
15 not exercise the power of eminent domain.

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

19 SECTION 5. 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, 2021.