AN ACT
relating to the creation of the Williamson County Municipal Utility District No. 40; 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 8141 to read as follows: CHAPTER 8141. WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 40 SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8141.0101. 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 Williamson County Municipal Utility District No. 40.

Sec. 8141.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8141.0103. 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. 8141.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8141.0103 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. 8141.0105. 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. 8141.0106. 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. 8141.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.
(b) Except as provided by Section 8141.0202, directors serve staggered four-year terms.

Sec. 8141.0202. 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 8141.0103; 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 8141.0103 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 8141.0103; 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. 8141.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8141.0302. 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. 8141.0303. 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. 8141.0304. 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. 8141.0305. 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. 8141.0306. 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) A 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 enacting 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 8141.0103 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 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) A new district created by the division of the district shall hold a confirmation and directors' election as required by Section 8141.0103. If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to the original district.
(i) If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.
(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) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 8141.0104 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.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
Sec. 8141.0401. 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 8141.0403.
(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. 8141.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8141.0401, 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. 8141.0403. 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. 8141.0501. 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. 8141.0502. 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. 8141.0503. 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 Williamson County Municipal Utility District No. 40 initially includes all the territory contained in the following area:

BEING 1229.695 acres of land, situated in the E. Leichtle Survey No. 5, Abstract No. 382 in Williamson County, Texas and Abstract No. 524 in Burnet County, Texas, being all of that certain tract of land called to contain 950.635 acres in a Warranty Deed with Vendor's Lien to Higher Ground Capital, LLC as described in Document No. 2020149480, all of that certain tract of land called to contain 171.85 acres in a Warranty Deed with Vendor's Lien to Higher Ground Capital, LLC as described in Document No. 2020149349 of the Official Public Records of Williamson County, Texas and all of that certain tract of land called to contain 107.21 acres to Todd Cox as described in a General Warranty Deed with Vendor's Lien in Document No. 2019023574 of the Official Public Records of Williamson County, Texas and 201911838 of the Official Public Records of Burnet County, Texas; said 1229.695 acres being more particularly described as follows, with bearings based on the Texas Coordinate System of 1983, South Central zone:

BEGINNING: at a calculated point on the Northeastern right-of-way of State Highway No. 29 (ROW Varies) for the westernmost southwestern corner of the said 171.85-acre tract, a corner of the said 950.635-acre tract;

THENCE: Along the Northeasterly right-of-way of said State Highway 29 with the three (3) following courses and distances;
(1) North 5106'07" West a distance of 296.61 feet to a calculated point for corner;
(2) North 51³9'07" West a distance of 1356.59 feet to a calculated point for the southeastern corner of the said 107.21-acre tract, the southwestern corner of the said 950.635-acre tract, for a corner of this herein described tract;
(3) North 51¹9'37" West a distance of 635.82 feet to a calculated point for the southwestern corner of the said 107.21-acre tract, the southeastern corner of that certain tract of land called to contain 20.01 acres in a General Warranty Deed to Good Neighbor Storage, LLC in Document No. 2014097763 of the Official Public Records of Williamson County, Texas, for the southwestern corner of this herein described tract;

THENCE: North $00^{\circ} 25^{\prime} 08^{\prime \prime}$ East a distance of 2138.38 feet along the Eastern line of the said 20.01 -acre tract, a line of the said 107.21-acre tract to a calculated point for the northeastern corner of the said 20.01 -acre tract, a corner of the said 107.21-acre tract, for a corner of this herein described tract;

THENCE: North $89^{\circ} 23^{\prime \prime} 42^{\prime \prime}$ West a distance of 1686.80 feet along a southern line of the said 107.21 acre tract, the northern line of the said 20.01 acre tract, the northern line of that certain tract of land called to contain 10.02 acres to Esmaeil Rowshan as described in a Warranty Deed with Vendor's Lien in Document No. 2006078138 of the Official Public Records of Williamson County, Texas to a calculated point on the northeastern line of Burnet County Road 266, for the westernmost southwestern corner of the said 107.21 acre tract, the northwestern corner of the said 10.02
acre tract, for a corner of this herein described tract;
THENCE: North $20^{\circ} 55^{\prime} 38^{\prime \prime}$ West a distance of 1337.12 feet along a western line of the said 107.21 acre tract, the northeastern line of said Burnet County Road 266 to a calculated point for the westernmost corner of the said 107.21 acre tract, the southwestern corner of that certain tract of land called to contain 12.94 acres to Howard Coursey as described in a General Warranty Deed in Document No. 2020149480 of the Official Public Records of Burnet County, Texas, for a corner of this herein described tract;

THENCE: South 71¹8'58" East a distance of 690.80 feet along the southern line of the said 12.94 -acre tract, a line of the said 107.21-acre tract to a calculated point for the southeastern corner of the said 12.94-acre tract, an interior corner of the said 107.21-acre tract, for a corner of this herein described tract;

THENCE: North 18*42'55" East a distance of 674.10 feet along a western line of the said 107.21 -acre tract, to a calculated point for the northeastern corner of the said 12.94-acre tract, the southeastern corner of that certain tract of land called to contain 13.50 acres to Edward F. Clark as described in a Warranty Deed in Document No. 201703973 of the Official Public Records of Burnet County, Texas, for a corner of this herein described tract;

THENCE: North 18.37'00" East a distance of 450.79 feet continuing with a western line of the said 107.21-acre tract to a calculated point for a corner of the said 107.21-acre tract, the northeastern corner of the said 13.50-acre tract, for a corner of this herein described tract;

THENCE: North 71¹9'01" West a distance of 50.03 feet along a
line of the said 107.21-acre tract, the northern line of the said 13.50-acre tract to a calculated point for a corner of the said 107.21-acre tract, the southeastern corner of that certain tract of land called to contain 5.59 acres to Brazos L. Cardwell as described in a General Warranty Deed in Document No. 201605277 of the Official Public Records of Burnet County, Texas, for a corner of this herein described tract;

THENCE: North 1842'39" East a distance of 1219.14 feet along a western line of the said 107.21 -acre tract, the eastern line of the said 5.59-acre tract to a calculated point on the southern line of Burnet County Road 264, for the northeastern corner of the said 5.59-acre tract, the northernmost northwestern corner of the said 107.21-acre tract, for a corner of this herein described tract;

THENCE: South 71²5'54" East a distance of 49.97 feet along the southern line of said Burnet County Road 264 to a calculated point for the northernmost northeastern corner of the said 107.21-acre tract, the northwestern corner of that certain tract of land called to contain 3.10 acres to Louise Dalton as described in a Warranty Deed in Document No. 200709836 of the Official Public Records of Burnet County, Texas;

THENCE: South 1841'18" West a distance of 1149.99 feet along a line of the said 107.21 acre tract, the western line of the said 3.10 acre, the western line of that certain tract of land being the remainder of a called 19.66 acres to Marsha Johnson as described in a Special Warranty Deed with Vendor's Lien in Volume 1348, Page 405 of the Official Public Records of Burnet County, Texas to a calculated point for the southwestern corner of the said 19.66 acre tract, a corner of the said 107.21 acre tract, for a corner of this herein described tract;

THENCE: South $70^{\circ} 12^{\prime} 07^{\prime \prime}$ East a distance of 476.31 feet along the southern line of the said 19.66 acre tract, a line of the remainder of a 16.64 acre tract in Volume 658 , Page 200 of the Deed Records of Williamson County, Texas to a calculated point for the westernmost corner of that certain tract of land called to contain 21.113 acres to David S. Karpenske as described in Document No. 2018059486 of the Official Public Records of Williamson County, Texas, a corner of the said 107.21 acre tract, for a corner of this herein described tract;

THENCE: along the common lines of the said 107.21-acre tract
 and distances;
(1) South $45^{\circ} 17^{\prime} 39^{\prime \prime}$ East a distance of 487.78 feet to a calculated point for a corner of this herein described tract;
(2) South 07 $31^{\prime} 40^{\prime \prime}$ East a distance of 790.14 feet to a calculated point for a corner of this herein described tract;
(3) North 79.56'03' East a distance of 320.49 feet to a calculated point for a corner of this herein described tract;
(4) North $88^{\circ} 03^{\prime} 43^{\prime \prime}$ East a distance of 417.90 feet to a calculated point on the Western line of the said 950.635-acre tract, for the southeastern corner of the said 21.113-acre tract, for a corner of this herein described tract;

THENCE: North 00²6'00" East a distance of 1913.53 feet along
 that certain tract of land called to contain 10.663 acres to clinton C. Hamilton as described in a Receiver's Deed in Document No. 2019097604 of the Official Public Records of Williamson County, Texas, to a calculated point on the southwesterly right-of-way of the Southern Pacific Railroad (100' Right-of-way) for the northeastern corner of the said 10.663 acres, the northwestern corner of the said 950.635 acre tract, for the Northwestern corner of this herein described tract;

THENCE: Along the southwestern right-of-way of the said Southern Pacific Railroad with the seven (7) following courses and distances;
(1) South 71²5'42" East a distance of 7871.28 feet to a calculated point for corner;
(2) South 71³0'49" East a distance of 877.87 feet to a calculated point for corner;
(3) South 71²8'50" East a distance of 1044.93 feet to a calculated point for corner;
(4) South 69²6'50" East a distance of 218.43 feet to a calculated point for corner;
(5) South 62²6'50" East a distance of 194.63 feet to a calculated point for corner;
(6) South 59²7'52" East a distance of 1288.91 feet to a calculated point for corner;
(7) South 5925'43" East a distance of 919.44 feet to a calculated point for the most northern corner of that certain tract of land called to contain 22.005 acres to Edena Bray Harris as described in an Executor's Deed in Document No. 2018052583 of the Official Public Records of Williamson County, Texas, for the
easternmost corner of the said 950.635-acre tract, for the easternmost corner of this herein described tract;

THENCE: South 6843'21" West a distance of 291.70 feet departing the southwesterly right-of-way line of said Southern Pacific Railroad and the along the northerly line of the said 22.005-acre tract to a calculated point for the northwestern corner of the said 22.005 -acre tract, the northern most corner of that certain tract of land called to contain 546.33 acres to Butler Family Partnership, Ltd as described in Document No. 2010087926 of the Official Public Record of Williamson County, Texas, for a corner of this herein described tract;

THENCE: along the northwesterly line of the said 546.33-acre tract, with the following three (3) courses and distances;
(1) South 6842'10" West a distance of 401.10 feet to a calculated point for corner;
(2) South 6754'46" West a distance of 681.61 feet to a calculated point for corner;
(3) South 6938'35" West a distance of 380.63 feet to a calculated point for corner;

THENCE: South 6940'05" West a distance of 1081.10 feet continuing along the northwesterly line of the said 546.33-acre tract and the northwesterly of the certain tract of land called to contain 134.741 acres to Dinah Beth Brothers in a Warranty Deed with Vendor's Lien in Document No. 2008063553 of the Official Public Records of Williamson County, Texas, to a calculated point for a corner of this herein described tract;

THENCE: continuing along the northwesterly line of the said 134.741-acre tract with the following seven (7) courses and distances;
(1) North 5417'26" West a distance of 18.60 feet to a calculated point for corner;
(2) South 6844'09" West a distance of 948.36 feet to a calculated point for corner;
(3) South 68¹1'18" West a distance of 602.77 feet to a calculated point for corner;
(4) South 68³5'55" West a distance of 588.11 feet to a calculated point for corner;
(5) South 77¹9'22" West a distance of 35.17 feet to a calculated point for corner ;
(6) South 45¹5'34" West a distance of 10.93 feet to a calculated point for corner;
(7) South 68³7'50" West a distance of 835.61 feet to a calculated point for the northwesterly corner of the said 134.741-acre tract, the same being the northernmost corner of that certain tract of land called to contain 76.00 acres of land to LH29 Land Holdings, LLC as described in a General Warranty Deed in Document NO. 2015110967 of the Official Public Records of Williamson County, Texas for a corner of this herein described tract;

THENCE: along the northwesterly line of the said 76.00 -acre tract of land with the following four (4) courses and distances;
(1) South 6850'47" West a distance of 289.93 feet to a calculated point for corner;
(2) South 6912'48" West a distance of 766.35 feet to a
calculated point for corner;
(3) South 69²6'08" West a distance of 160.97 feet to a calculated point for corner;
(4) South 68²7'56" West a distance of 417.26 feet to a calculated point for the northwesterly corner of the said 76.00-acre tract, the northernmost corner of that certain tract of land called to contain 43.88 acres to Wilson Lay \& Theary Korng as described in a General Warranty Deed with Vendor's Lien in Document No. 2015099491 of the Official Public Records of Williamson County, Texas, for a corner of this herein described tract;

THENCE: South 690 '02" West a distance of 131.00 feet along the northwesterly line of the said 43.88 -acre tract to a calculated point for the easternmost corner of the said 171.85-acre tract, for a corner of this herein described tract;

THENCE: South 69²2'52" West a distance of 1724.86 feet continuing along the southeasterly line of the said 171.85-acre tract, the northwestern line of the said 43.88-acre tract to a calculated point on the northeastern right-of-way line of said State Highway 29 for the northwestern corner of the said 43.88 -acre tract, the southernmost corner of the said 171.85-acre tract, for the southernmost corner of this herein described tract;

THENCE: along the northeasterly line of said State Highway 29, the southwestern line of the said 171.85 -acre tract with the following four (4) courses and distances;
(1) North 54³1'00" West a distance of 278.88 feet to a calculated point for corner ;
(2) North 48.34'12" West a distance of 301.11 feet to a

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calculated point for corner;
(3) North 5415'16" West a distance of 201.54 feet to a
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(4) North \(48^{\circ} 39^{\prime} 46^{\prime \prime}\) West a distance of 1017.60 feet to a calculated point for corner;

THENCE: Continuing along the northeastern line of said State Highway 29, the southwestern line of the said 171.85-acre tract with a curve to the left having a Delta angle of \(01^{\circ} 1^{\prime \prime} 3^{\prime \prime}\), a Radius of 11519.16 feet, an Arc length of 253.39 feet with the chord of the curve North \(48^{\circ} 37\) '54" West a distance of 253.38 feet to the POINT OF BEGINNING and CONTAINING an area of 1229.695 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 8141, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8141.0307 to read as follows:

Sec. 8141.0307. 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, 2021.

President of the Senate
Speaker of the House

I certify that H.B. No. 4609 was passed by the House on May 8, 2021, by the following vote: Yeas 109, Nays 30, 2 present, not voting; and that the House concurred in Senate amendments to \(H\). B. No. 4609 on May 28,2021 , by the following vote: Yeas 96 , Nays 51, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 4609 was passed by the Senate, with amendments, on May 27, 2021, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: \(\qquad\)
Date

Governor```

