By:  Wilson (Senate Sponsor - Schwertner) H.B. No. 5404

(In the Senate - Received from the House May 15, 2023; May 15, 2023, read first time and referred to Committee on Local Government; May 19, 2023, reported favorably by the following vote: Yeas 9, Nays 0; May 19, 2023, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Bettencourt       X

Springer          X

Eckhardt          X

Gutierrez         X

Hall              X

Nichols           X

Parker            X

Paxton            X

West              X

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Williamson County Municipal Utility District No. 49; 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 8010A to read as follows:

CHAPTER 8010A. WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 49

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8010A.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. 49.

Sec. 8010A.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8010A.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. 8010A.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8010A.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 as required by applicable law.

Sec. 8010A.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. 8010A.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. 8010A.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 8010A.0202, directors serve staggered four-year terms.

Sec. 8010A.0202.  TEMPORARY DIRECTORS. (a) The temporary board consists of:

(1)  Mark Tickner;

(2)  Nick Easley;

(3)  Walter Duke;

(4)  Zachary Summers; and

(5)  Noah Terrazas.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 8010A.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 8010A.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 8010A.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. 8010A.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8010A.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. 8010A.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. 8010A.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. 8010A.0305.  COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8010A.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 8010A.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. 8010A.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8010A.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. 8010A.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. 8010A.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. 8010A.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. 8010A.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. 49 initially includes all the territory contained in the following area:

TRACT 1:

A 59.891 ACRE TRACT OF LAND SITUATED IN THE ELISHA DAVIS SURVEY, SECTION NO. 23, ABSTRACT NO. 172, IN WILLIAMSON COUNTY, TEXAS, BEING OUT OF A CALLED 60.57 ACRE TRACT CONVEYED TO LETTS FAMILY TRUST BY INSTRUMENT RECORDED IN VOLUME 528, PAGE 376 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS A 59.891 ACRE TRACT OF LAND SITUATED IN THE ELISHA DAVIS SURVEY, SECTION NO. 23, ABSTRACT NO. 172, IN WILLIAMSON COUNTY, TEXAS, BEING OUT OF A CALLED 60.57 ACRE TRACT CONVEYED TO LETTS FAMILY TRUST BY INSTRUMENT RECORDED IN VOLUME 528, PAGE 376 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS. SAID 59.891 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS BASED ON THE TEXAS COORDINATE SYSTEM ESTABLISHED FOR THE CENTRAL ZONE FROM THE NORTH AMERICAN DATUM OF 1983 NAD 83 (NA2011) EPOCH 2010.00.:

BEGINNING at a 1/2" iron rod found in the west right-of-way line of County Road 308, said point being the northeast corner of said 60.57-acre tract, for the northeast corner and POINT OF BEGINNING hereof;

THENCE S 20°52'36" E, with the west right-of-way line of said County Road 308, same being the east boundary line of said 60.57-acre tract, a distance of 2045.72 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set in the north right-of-way line of County Road 305, same being the north boundary line of a called 0.5039 acre tract of land conveyed to Williamson County, Texas by instrument recorded in Document No. 9820041 of the Official Public Records of said County, for the southeast corner hereof;

THENCE S 68°212'37" W, with the north boundary line of said 0.5039-acre tract, same being the north right-of-way line of said County Road 305, through the interior of said 60.57-acre tract, a distance of 1258.78 feet to a 1/2" iron rod found on a point in the east boundary line of a called 3.92-acre tract of land conveyed to Gary R. Sheley and Rosita R. Sheley, by instrument recorded in Document No. 2009090657 of said Official Public Records, same being the west boundary line of said 60.57-acre tract, for the southwest corner hereof;

THENCE N 21°39'56" W, departing the north right-of-way line of said County Road 305, with, in part, the east boundary lines of: said 3.92-acre tract, a called 10.00-acre tract of land conveyed to Dudley K. Bukowsky and Tami Bukowsky by instrument recorded in Document No. 2008016420 of said Official Public Records, Lot 5, Bukowsky Subdivision, recorded in Document No. 2019064044 of said Official Public Records, a called 10.51-acre tract of land conveyed to Kerry Conaway, Jr., by instrument recorded in Document No. 2006005509 of said Official Public Records and a called 10.51-acre tract of land conveyed to Darral Henderson and Elaine Henderson by instrument recorded in Document No. 2006032860 of said Official Public Records, a distance of 2053.57 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set, for the southwest corner of a called 60.99-acre tract of land conveyed to Wayne E. Cavalier and Cyndi Pietan Cavalier, by instrument recorded in Document No. 2012099245 of said Official Public Records, for the northwest corner hereof;

THENCE N 68°48'58" E, with the south boundary line of said 60.99-acre tract, same being the north boundary line of said 60.57-acre tract, a distance of 1286.98 feet to the POINT OF BEGINNING and containing 59.891 acres of land in Williamson County, Texas. Said tract being described in accordance with a survey prepared by Pape Dawson Engineers, Inc. under Job No. 51303-00.

TRACT 2:

A 110.720 ACRE TRACT OF LAND SITUATED IN THE ELISHA DAVIS SURVEY, SECTION NO. 23, ABSTRACT NO. 172, IN WILLIAMSON COUNTY, TEXAS. BEING ALL OF A CALLED 113 ACRE TRACT CONVEYED TO LETTS FAMILY TRUST BY INSTRUMENT RECORDED IN VOLUME 486, PAGE 442 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS, A 110.720 ACRE TRACT OF LAND SITUATED IN THE ELISHA DAVIS SURVEY, SECTION NO. 23, ABSTRACT NO. 172, IN WILLIAMSON COUNTY, TEXAS. BEING ALL OF A CALLED 113 ACRE TRACT CONVEYED TO LETTS FAMILY TRUST BY INSTRUMENT RECORDED IN VOLUME 486, PAGE 442 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS, SAID 110.720 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS BASED ON THE TEXAS COORDINATE SYSTEM ESTABLISHED FOR THE CENTRAL ZONE FROM THE NORTH AMERICAN DATUM OF 1983 NAD 83 (NA2011) EPOCH 2010.00.:

BEGINNING at a 1/2" iron rod with yellow cap marked "Pape-Dawson" set in the east right-of-way line of County Road 308, said point being the northwest corner of a called 169.5 acre tract of land conveyed to R.D. Hopper and Margaret Hopper Letts by instrument recorded in Volume 478, Page 349 of said Deed Records, same being the southwest corner of said 113 acre tract, for the southeast corner and POINT OF BEGINNING hereof;

THENCE N 21°22'58" W, with the east right-of-way line of said County Road 308, same being the west boundary line of said 113-acre tract, a distance of 2048.33 feet to a 5/8" iron rod found for the southwest corner of a called 17.0 acre tract of land conveyed to Gertrude Ann Braband by instrument recorded in Document No. 2016033164 of the Official Public Records of said County, same being the northwest corner of said 113-acre tract, for the northwest corner hereof;

THENCE N 69°02'46" E, departing the east right-of-way line of said County Road 308, with the south boundary line of said 17.0 acre tract, same being the north boundary line of said 113 acre tract, for a distance of 1268.96 feet to a 5/8" iron rod found for the southeast corner of said 17.0 acre tract, same being an interior ell corner in said 113 acre tract, for an ell corner hereof;

THENCE N 21°00'19" W, with the east boundary line of said 17.0 acre tract, same being a west boundary line of said 113 acre tract, a distance of 582.80 feet to a 1/2" iron rod found for the southwest corner of a called 64.797 acre tract of land conveyed to Jose G. Garcia, by instrument recorded in Document No. 2017005987 of said Official Public records, same being the southeast corner of called 10.789 acre tract of land conveyed to the Belinda Ramsey Living Trust, by instrument recorded in Document No. 2019022035 of said Official Public Records, same being the northeast corner of said 17.0 acre tract, also being the northernmost northwest corner of said 113 acre tract, for the northernmost northwest hereof;

THENCE N 68°21'45" E, with the south boundary line of said 64.797 acre tract, same being the north boundary line of said 113 acre tract, a distance of 993.87 feet to a 1/2" iron rod found being the northwest corner of a called 177.5 acre tract of land conveyed to Charles D. Tonn and Ronald D. Tonn by instrument recorded in Document No. 9601061 of said Official Public Records, same being the north east corner of said 113-acre tract, for the northeast corner hereof:

THENCE S 21°08'10" E, departing the south boundary line of said 64.797 acre tract, with the west boundary line of said 177.5 acre tract, same being the east boundary line of said 113 acre tract, a distance of 2244.92 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set in the north boundary line of said 169.5 acre tract, said point being the southwest corner of said 177.5 acre tract, same being the southeast corner of said 113 acre tract, for the southeast corner hereof;

THENCE with the north boundary line of said 169.5 acre tract, same being the south boundary line of said 113 acre tract, the following three (3) courses and distances:

1.  S 68°41'10" W, a distance of 982.01 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set for an angle point hereof,

2.  S 21°25'27" E, a distance of 386.24 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set for an angle point hereof, and

3.  S 68°47'37" W, a distance of 1275.22 feet to the POINT OF BEGINNING and containing 110.720 acres of land in Williamson County, Texas. Said tract being described in accordance with a survey prepared by Pape Dawson Engineers, Inc. under Job No. 51303-00.

TRACT 3:

A 172.890 ACRE TRACT OF LAND SITUATED IN THE ELISHA DAVIS SURVEY, SECTION 23, ABSTRACT NO. 172, IN WILLIAMSON COUNTY, TEXAS, BEING ALL OF A CALLED 169.5 ACRE TRACT CONVEYED TO R.D. HOPPER AND MARGARET HOPPER LETT BY A 172.890 ACRE TRACT OF LAND SITUATED IN THE ELISHA DAVIS SURVEY, SECTION 23, ABSTRACT NO. 172, IN WILLIAMSON COUNTY, TEXAS. BEING ALL OF A CALLED 169.5 ACRE TRACT CONVEYED TO R.D. HOPPER AND MARGARET HOPPER LETT BY INSTRUMENT RECORDED IN VOLUME 478, PAGE 349 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS. SAID 172.890 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS BASED ON THE TEXAS COORDINATE SYSTEM ESTABLISHED FOR THE CENTRAL ZONE FROM THE NORTH AMERICAN DATUM OF 1983 NAD 83 (NA2011) EPOCH 2010.00.:

COMMENCING at a 60D nail found in the north right-of-way line of County Road 305, same being the southeast corner of a called 0.58 acre tract of land conveyed to Dewey Roger Blackman by instrument recorded in Volume 742, Page 777 of said Deed Records, also being the southwest corner of a called 47.5 acre tract recorded in Volume 734, Page 931 of said Deed Records;

THENCE S 68°58'06" W, departing the west boundary line of said 47.5 acre tract, with the north right-of-way line of said County Road 305, same being the south boundary line of said 0.58 acre tract, a distance of 110.09 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set on the southwest corner of said 0.58 acre tract, same being the southeast corner of said 169.5 acre tract, for the southeast corner and POINT OF BEGINNING hereof;

THENCE S 68°58'06" W, continuing with the north right-of-way line of said County Road 305, and in part, crossing through the right-of-way of County Road 308, same being the south boundary line of said 169.5-acre tract, a distance of 3188.95 feet to an 1/2" iron rod with yellow cap marked "Pape-Dawson" set for the southwest corner hereof;

THENCE N 21°05'48" W, with the west boundary line of said 169.5-acre tract, and in part, crossing through the right-of-way of said County Road 308, a distance of 2071.04 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set, being the southwest corner of a called 113 acre tract of land conveyed to the Letts Family Trust, by instrument recorded in Volume 486, Page 442 of said deed records, same being the northwest corner of said 169.5-acre tract, for the northwest corner hereof, from which a 5/8" iron rod found for the northwest corner of said 113 acre tract bears N 21°22'58" W, 2048.33 feet;

THENCE departing the east right-of-way line of said County Road 308, with, in part, the south boundary line of said 113-acre tract and, in part, the south boundary line of a called 177.5 acre tract of land conveyed to Charles D. Tonn and Ronald D. Tonn by instrument recorded in Document No. 9601061 of the Official Public Records of said County, same being the north boundary line of said 169.5-acre tract, the following three (3) courses and distances:

1.  N 68°47'37" E, a distance of 1275.22 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set for an angle point hereof,

2.  N 21°25'27" W, a distance of 386.24 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set for an angle point hereof, and

3.  N 68°41'10" E, a distance of 2332.32 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set being the northeast corner of said 169.5-acre tract, for the northeast corner hereof;

THENCE S 22°06'37" E, with the south boundary line of said 177.5-acre tract, same being the east boundary line of said 169.5-acre tract, a distance of 392.10 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set in the north boundary line of a called 50-acre tract of land conveyed to Cheryl A. Chamberlain, by instrument recorded in Document No. 2013019239 of the Official Public Records of said County, same being an angle point in the east boundary line of said 169.5-acre tract, for an angle point hereof;

THENCE S 68°53'39" W, with the north boundary line of said 50-acre tract, same being the east boundary line of said 169.5-acre tract, a distance of 419.61 feet to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set, being the northwest corner of said 50-acre tract, same being an angle point in the east boundary line of said 169.5-acre tract, for an angle point hereof;

THENCE S 20°59'42" E, with, in part, the west boundary line of said 50-acre tract and, in part, the west boundary line of a called 47.5 acre tract of land conveyed to D.C. Blackman, by instrument recorded in Volume 734, Page 931 of said Deed Records and, in part, the west boundary line of the aforementioned 0.58-acre tract, same being the east boundary line of said 169.5-acre tract, a distance of 2080.08 feet to the POINT OF BEGINNING and containing 172.890 acres of land in Williamson County, Texas. Said tract being described in accordance with a survey prepared by Pape Dawson Engineers, Inc. under Job No. 51303-00.

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 8010A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8010A.0306 to read as follows:

Sec. 8010A.0306.  NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

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

SECTION 5.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.

\* \* \* \* \*