

By: Shine

H.B. No. 5360

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the Deer Creek Ranch Municipal Utility
3 District No. 1; granting a limited power of eminent domain;
4 providing authority to issue bonds; providing authority to impose
5 assessments, fees, and taxes.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subtitle F, Title 6, Special District Local Laws
8 Code, is amended by adding Chapter 7960 to read as follows:

9 CHAPTER 7960. DEER CREEK RANCH MUNICIPAL UTILITY DISTRICT NO. 1

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7960.0101. DEFINITIONS. In this chapter:

12 (1) "Board" means the district's board of directors.

13 (2) "Commission" means the Texas Commission on
14 Environmental Quality.

15 (3) "Director" means a board member.

16 (4) "District" means the Deer Creek Ranch Municipal
17 Utility District No. 1.

18 Sec. 7960.0102. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 7960.0103. CONFIRMATION AND DIRECTOR ELECTION
22 REQUIRED. The temporary directors shall hold an election to
23 confirm the creation of the district and to elect five permanent
24 directors as provided by Section 49.102, Water Code.

1 Sec. 7960.0104. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section
3 7960.0103 until each municipality in whose corporate limits or
4 extraterritorial jurisdiction the district is located has
5 consented by ordinance or resolution to the creation of the
6 district and to the inclusion of land in the district as required by
7 applicable law.

8 Sec. 7960.0105. 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. 7960.0106. 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. 7960.0201. GOVERNING BODY; TERMS. (a) The district is
5 governed by a board of five elected directors.

6 (b) Except as provided by Section 7960.0202, directors
7 serve staggered four-year terms.

8 Sec. 7960.0202. TEMPORARY DIRECTORS. (a) On or after the
9 effective date of the Act enacting this chapter, the owner or owners
10 of a majority of the assessed value of the real property in the
11 district may submit a petition to the commission requesting that
12 the commission appoint as temporary directors the five persons
13 named in the petition. The commission shall appoint as temporary
14 directors the five persons named in the petition.

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

16 (1) the date permanent directors are elected under
17 Section 7960.0103; 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 7960.0103 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 7960.0103; 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. 7960.0301. 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. 7960.0302. 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. 7960.0303. 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. 7960.0304. 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. 7960.0305. 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 Sec. 7960.0306. DIVISION OF DISTRICT. (a) The board, on
17 its own motion or on receipt of a petition signed by the owner or
18 owners of a majority of the assessed value of the real property in
19 the district, may adopt an order dividing the district.

20 (b) An order dividing a district may create one or more new
21 districts and may provide for the continuation of the district.

22 (c) An order dividing the district shall:

23 (1) name any new district;

24 (2) include the metes and bounds description of the
25 territory of each of the districts;

26 (3) appoint temporary directors for any new district;

27 and

1 (4) provide for the division of assets and liabilities
2 between the districts.

3 (d) The board may adopt an order dividing the district
4 before or after the date the board holds an election to confirm the
5 district's creation.

6 (e) The district may be divided only if the district:

7 (1) has never issued any bonds; and

8 (2) is not imposing ad valorem taxes.

9 (f) A new district created by the division of the district
10 may not, at the time the new district is created, contain any land
11 outside the area described by Section 2 of the Act enacting this
12 chapter.

13 (g) On or before the 30th day after the date of adoption of
14 an order dividing the district, the district shall file the order
15 with the commission and record the order in the real property
16 records of each county in which the district is located.

17 (h) This chapter applies to any new district created by the
18 division of the district, and a new district has all the powers and
19 duties of the district.

20 (i) A new district created by the division of the district
21 shall hold a confirmation and directors' election.

22 (j) If the creation of the new district is confirmed, the
23 new district shall provide the election date and results to the
24 commission.

25 (k) A new district created by the division of the district
26 must hold an election as required by this chapter to obtain voter
27 approval before the district may impose a maintenance tax or issue

1 bonds payable wholly or partly from ad valorem taxes.

2 (1) The district may continue to rely on confirmation,
3 directors', bond, or tax elections held prior to the division.

4 (m) Municipal consent to the creation of the district and to
5 the inclusion of land in the district acts as municipal consent to
6 the creation of any new district created by the division of the
7 district and to the inclusion of land in the new district.

8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9 Sec. 7960.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)

10 The district may issue, without an election, bonds and other
11 obligations secured by:

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

13 (2) contract payments described by Section 7960.0403.

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

18 (c) The district may not issue bonds payable from ad valorem
19 taxes to finance a road project unless the issuance is approved by a
20 vote of a two-thirds majority of the district voters voting at an
21 election held for that purpose.

22 Sec. 7960.0402. OPERATION AND MAINTENANCE TAX. (a) If

23 authorized at an election held under Section 7960.0401, the
24 district may impose an operation and maintenance tax on taxable
25 property in the district in accordance with Section 49.107, Water
26 Code.

27 (b) The board shall determine the tax rate. The rate may not

1 exceed the rate approved at the election.

2 Sec. 7960.0403. CONTRACT TAXES. (a) In accordance with
3 Section 49.108, Water Code, the district may impose a tax other than
4 an operation and maintenance tax and use the revenue derived from
5 the tax to make payments under a contract after the provisions of
6 the contract have been approved by a majority of the district voters
7 voting at an election held for that purpose.

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

11 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

12 Sec. 7960.0501. AUTHORITY TO ISSUE BONDS AND OTHER
13 OBLIGATIONS. The district may issue bonds or other obligations
14 payable wholly or partly from ad valorem taxes, impact fees,
15 revenue, contract payments, grants, or other district money, or any
16 combination of those sources, to pay for any authorized district
17 purpose.

18 Sec. 7960.0502. TAXES FOR BONDS. At the time the district
19 issues bonds payable wholly or partly from ad valorem taxes, the
20 board shall provide for the annual imposition of a continuing
21 direct ad valorem tax, without limit as to rate or amount, while all
22 or part of the bonds are outstanding as required and in the manner
23 provided by Sections 54.601 and 54.602, Water Code.

24 Sec. 7960.0503. BONDS FOR ROAD PROJECTS. At the time of
25 issuance, the total principal amount of bonds or other obligations
26 issued or incurred to finance road projects and payable from ad
27 valorem taxes may not exceed one-fourth of the assessed value of the

1 real property in the district.

2 SECTION 2. The Deer Creek Ranch Municipal Utility District
3 No. 1 initially includes all the territory contained in the
4 following area:

5 A 685.400 ACRE TRACT OF LAND SITUATED IN THE THOMAS POLK
6 SURVEY, ABSTRACT NO. 703, THE HENRY ASKEW SURVEY, ABSTRACT NO. 35,
7 ABSTRACT NO. 703, THE HENRY ASKEW SURVEY, ABSTRACT NO. 396, THE
8 SAMUEL W. DAVIS SURVEY, ABSTRACT NO. 1087 AND THE SAMUEL W. DAVIS
9 SURVEY, ABSTRACT NO. 165, LOCATED IN BELL COUNTY, TEXAS AND
10 McCLENNAN COUNTY, TEXAS AND BEING A PORTION OF A CALLED 730.417 ACRE
11 TRACT OF LAND CONVEYED TO VWB TRUST BY INSTRUMENTS RECORDED IN
12 DOCUMENT NO. 20160034747 OF THE OFFICIAL PPUBLIC RECORDS OF BELL
13 COUNTY, TEXAS AND IN DOCUMENT NO. 2016029961 OF THE OFFICIAL PUBLIC
14 RECORDS OF McCLENNAN COUNTY, TEXAS. SAID 685.400 ACRE TRACT BEING
15 MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS BASED ON THE NORTH
16 AMERICAN DATUM OF 1983 (NA 2011) EPOCH 2010.00, FROM THE TEXAS
17 COORDINATE SYSTEM ESTABLISHED FOR THE CENTRAL ZONE:

18 BEGINNING at a 1/2" iron rod found on a point being the
19 northeast corner of said 730.417-acre tract of land, for the
20 northeast corner and POINT OF BEGINNING hereof;

21 THENCE with the east boundary line of said 730.417-acre
22 tract, the following three (3) courses and distances:

23 1. S 29°39'16" E for a distance of 23.01 feet to an angle point
24 hereof,

25 2. S 29°37'25" E for a distance of 486.87 feet to an angle point
26 hereof, and

27 3. S 29°29'03" E for a distance of 493.85 feet to a point being the

1 northeast corner of a called 5.525-acre tract of land conveyed to
2 Larry Pietsch et ux, by instrument recorded in Document
3 No. 2010000488 of the Official Public Records of Falls County,
4 Texas, for an angle point hereof;

5 THENCE with the north boundary line of said 5.525-acre tract,
6 the following two (2) courses and distances:

7 1. S 57°58'39" W for a distance of 542.26 feet to an angle point
8 hereof, and

9 2. S 56°02'27" W for a distance of 58.49 feet to a point being the
10 northwest corner of said 5.525-acre tract, for an angle point
11 hereof;

12 THENCE with west boundary line of said 5.525-acre tract,
13 S 32°56'37" E for a distance of 396.46 feet to a point being the
14 northwest corner of a called 5.075-acre tract of land conveyed to
15 Larry Pietsch et ux, by instrument recorded in Document no.
16 2010000485 of the Official Public Records of Falls County, Texas,
17 same being the southwest corner of said 5.525-acre tract, for an
18 angle point hereof;

19 THENCE with the west boundary line of said 5.075-acre tract,
20 S 14°23'05" E for a distance of 363.73 feet to a point being the
21 southwest corner of said 5.075-acre tract for an angle point
22 hereof;

23 THENCE with the south boundary line of said 5.075-acre tract
24 N 59°41'47" E for a distance of 143.92 feet to a point in the
25 approximate west boundary line of Falls County, Texas, same being
26 the approximate east boundary line of Bell County, Texas, for an
27 angle point hereof;

1 THENCE departing the south boundary line of said 5.075-acre
2 tract with the approximate west boundary line of Falls County,
3 Texas, same being the approximate east boundary line of Bell
4 County, Texas and through the interior of said 730.417 acre tract,
5 S 32°52'48" E for a distance of 2076.93 feet to a point in the north
6 right-of-way line of County Road 498 (right-of-way width varies),
7 same being the southern boundary line of said 730.417-acre tract
8 for the southeast corner hereof;

9 THENCE with the north right-of-way line of County Road 498,
10 same being the southern boundary line of said 730.417-acre tract,
11 the following six (6) courses and distances:

- 12 1. S 59°45'11" W for a distance of 307.98 feet to a point
- 13 2. S 56°40'31" W for a distance of 452.77 feet to an angle point
14 hereof,
- 15 3. S 59°50'03" W for a distance of 818.71 feet to an angle point
16 hereof,
- 17 4. S 59°28'26" W for a distance of 725.73 feet to an angle point
18 hereof,
- 19 5. S 59°11'05" W for a distance of 653.72 feet to 1/2" iron rod
20 found on a point, for an angle point hereof, and
- 21 6. S 15°31'38" W for a distance of 522.86 feet to a 1/2" iron rod
22 found on a point being the northeasterly corner of a called 125-acre
23 tract of land conveyed to Jackie Elizabeth Bounds, et al by
24 instrument recorded on Document No. 2020014897 of the Official
25 Public Records of Bell County, Texas, same being a southeasterly
26 corner of said 730.417-acre tract, for a southeasterly corner
27 hereof;

1 THENCE with the northerly boundary line of said 125-acre
2 tract, same being the southerly boundary line of said 730.417-acre
3 tract, the following four (4) courses and distances:

4 1. N 68°17'07" W for a distance of 1982.29 feet to an angle point
5 hereof,

6 2. S 20°13'41" W for a distance of 1194.63 feet to a 1/2" iron rod
7 found on an angle point hereof,

8 3. N 70°00'40" W for a distance of 1040.46 feet to a 1/2" iron rod
9 found on an angle point hereof, and

10 4. S 20°16'01" W for a distance of 913.53 feet to a point in the
11 north boundary line of called 50.00-acre tract of land conveyed to
12 Howard Thomas Daye and Glenda Marie Daye, by instrument recorded in
13 Document No. 20085002539 of the Official Public Records of Bell
14 County, Texas, same being the southwesterly corner of said 125-acre
15 tract, for an angle point hereof;

16 THENCE with, in part, the northerly boundary lines of: said
17 50.002-acre tract, a called 9.68-acre tract conveyed to Arthur
18 Poston, by instrument recorded in Volume 5990, Page 314 of the
19 Probate Records of Bell County, Texas and a called 64-acre tract of
20 land conveyed to John D. Price and Vi Price, by instrument recorded
21 in Volume 3324, Page 204 of the Deed Records of Bell County, Texas,
22 respectively, same being the southerly boundary line of said
23 730.417-acre tract, N 69°43'06" W for a distance of 1577.88 feet to
24 a 1/2" iron rod found on a point in the southeasterly boundary line
25 of a called 89.5-acre tract of land conveyed to the H.B. Hillyard,
26 Jr. and Julia I. Hillyard Revocable Living Trust, by instrument
27 recorded in Volume 1845, Page 808 of the Deed Records of McClennan

1 County, Texas, for an angle point hereof;

2 THENCE with the southeasterly boundary line of said 89.5-acre
3 tract, same being the southerly boundary line of said 730.417-acre
4 tract, N 57°14'15" E for a distance of 1017.80 feet to a 1/2" iron
5 rod found on a point being the northeast corner of said 89.5-acre
6 tract, for an angle point hereof;

7 THENCE with the northerly boundary line of said 89.5-acre
8 tract, same being the southerly boundary line of said 730.417-acre
9 tract, N 73°22'08" W for a distance of 2682.51 feet to a to a 1/2"
10 iron rod found on a point in the easterly right-of-way of Neal Road
11 (right-of-way width varies), said point being the northwest corner
12 of said 89.5-acre tract, same being the southwesterly corner of
13 said 730.417-acre tract, for the southwesterly corner hereof;

14 THENCE with the easterly right-of-way line of said Neal Road,
15 same being the westerly boundary line of said 730.417-acre tract,
16 the following two (2) courses and distances:

17 N 16°44'59" E for a distance of 641.51 feet to an angle
18 point hereof, and

19 N 16°43'27" E for a distance of 1649.96 feet to a 1/2:"
20 iron rod found on a point in the southerly margin of Franklin
21 Road, said point being the northwest corner of said
22 730.417-acre tract, for the northwest corner hereof;

23 THENCE with the southerly margin of said Franklin Road, same
24 being the northwesterly boundary line of said 730.417-acre tract,
25 the following three (3) courses and distances:

26 1. N 88°45'56" E for a distance of 1956.89 feet to an angle point
27 hereof,

1 2. S 89°44'59" E for a distance of 1153.82 feet to a 1/2" iron rod
2 found on for an angle point hereof, and

3 3. N 59°40'59" E for a distance of 1208.65 feet to an angle point
4 hereof;

5 THENCE departing the southerly margin of Franklin Road,
6 through the interior of said 730.417-acre tract, S 61°17'12" E for a
7 distance of 29.19 feet to a point being the northwesterly corner of
8 a called 10.00-acre tract of land conveyed to Kimberly Worthington,
9 by instrument recorded in Document No. 2021020842 of the Official
10 Public Records of McClennan County, Texas, for an angle point
11 hereof;

12 THENCE with the westerly, southerly and easterly boundary
13 lines, respectively, of said 10.00-acre tract the following twelve
14 (12) courses and distances:

15 1. S 61°17'12" E for a distance of 324.55 feet to an angle point
16 hereof,

17 2. N 06°20'39" E for a distance of 80.42 feet to an angle point
18 hereof,

19 3. N 57°20'12" E for a distance of 81.81 feet to an angle point
20 hereof,

21 4. S 23°32'20" E for a distance of 67.80 feet to an angle point
22 hereof,

23 5. S 08°42'13" E for a distance of 181.25 feet to an angle point
24 hereof,

25 6. N 39°25'15" E for a distance of 103.44 feet to an angle point
26 hereof,

27 7. S 22°37'59" E for a distance of 186.24 feet to an angle point

1 hereof,

2 8. N 57°23'30" E for a distance of 88.53 feet to an angle point
3 hereof,

4 9. S 29°10'57" E for a distance of 72.30 feet to an angle point
5 hereof,

6 10. N 59°40'57" E for a distance of 20.00 feet to an angle point
7 hereof,

8 11. N 59°40'57" E for a distance of 489.21 feet to an angle point
9 hereof, and

10 12. N 30°19'01" W for a distance of 663.75 feet to a point being the
11 northeasterly corner of said 10.00-acre tract for an angle point
12 hereof;

13 THENCE departing the boundary line of said 10.00-acre tract,
14 through the interior of said 730.417-acre tract, N 30°19'01" W for a
15 distance of 25.02 feet to a point in the southerly margin of
16 Franklin Road, same being the northwesterly boundary line of said
17 730.417-acre tract, the following three (3) courses and distances:

18 1. N 59°40'59" E for a distance of 701.97 feet to an angle point
19 hereof,

20 2. N 60°40'09" E for a distance of 1305.59 feet to an angle point
21 hereof, and

22 3. N 60°36'34" E for a distance of 617.98 feet to a point to the
23 POINT OF BEGINNING and containing 685.400 acres in the McClennan
24 County, Texas and Bell County, Texas. Said tract being described in
25 accordance with a survey prepared under Job No. 59012-22 by
26 Pape-Dawson Engineers, Inc.

27 SECTION 3. (a) The legal notice of the intention to

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

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

10 (c) The Texas Commission on Environmental Quality has filed
11 its recommendations relating to this Act with the governor, the
12 lieutenant governor, and the speaker of the house of
13 representatives within the required time.

14 (d) All requirements of the constitution and laws of this
15 state and the rules and procedures of the legislature with respect
16 to the notice, introduction, and passage of this Act are fulfilled
17 and accomplished.

18 SECTION 4. (a) If this Act does not receive a two-thirds
19 vote of all the members elected to each house, Subchapter C, Chapter
20 7960, Special District Local Laws Code, as added by Section 1 of
21 this Act, is amended by adding Section 7960.0307 to read as follows:

22 Sec. 7960.0307. NO EMINENT DOMAIN POWER. The district may
23 not exercise the power of eminent domain.

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

27 SECTION 5. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2023.