

By: Hagenbuch

S. B. No. 3045

A BILL TO BE ENTITLED

# 1 AN ACT

2 relating to the creation of the Hills of Walnut Creek Municipal  
3 Utility District of Parker County; granting a limited power of  
4 eminent domain; providing authority to issue bonds; providing  
5 authority to impose 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 7897 to read as follows:

9 CHAPTER 7897. HILLS OF WALNUT CREEK MUNICIPAL UTILITY DISTRICT OF

## PARKER COUNTY

## SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 7897.0101. DEFINITIONS. In this chapter:

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

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

19                   Sec. 7897.0102. NATURE OF DISTRICT. The district is a  
20 municipal utility district created under Section 59, Article XVI,  
21 Texas Constitution.

22 Sec. 7897.0103. CONFIRMATION AND DIRECTOR ELECTION  
23 REQUIRED. The temporary directors shall hold an election to  
24 confirm the creation of the district and to elect five permanent

1 directors as provided by Section 49.102, Water Code.

2 Sec. 7897.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
3 temporary directors may not hold an election under Section  
4 7897.0103 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 as required by  
8 applicable law.

9 Sec. 7897.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

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

12 (1) a municipal utility district as provided by  
13 general law and Section 59, Article XVI, Texas Constitution; and  
14 (2) Section 52, Article III, Texas Constitution, that  
15 relate to the construction, acquisition, improvement, operation,  
16 or maintenance of macadamized, graveled, or paved roads, or  
17 improvements, including storm drainage, in aid of those roads.

18 Sec. 7897.0106. INITIAL DISTRICT TERRITORY. (a) The  
19 district is initially composed of the territory described by  
20 Section 2 of the Act enacting this chapter.

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

25 (1) organization, existence, or validity;  
26 (2) right to issue any type of bond for the purposes  
27 for which the district is created or to pay the principal of and

1 interest on a bond;  
2                   (3) right to impose a tax; or  
3                   (4) legality or operation.

4                   SUBCHAPTER B. BOARD OF DIRECTORS

5                   Sec. 7897.0201. GOVERNING BODY; TERMS. (a) The district is  
6 governed by a board of five elected directors.

7                   (b) Except as provided by Section 7897.0202, directors  
8 serve staggered four-year terms.

9                   Sec. 7897.0202. TEMPORARY DIRECTORS. (a) On or after the  
10 effective date of the Act enacting this chapter, the owner or owners  
11 of a majority of the assessed value of the real property in the  
12 district may submit a petition to the commission requesting that  
13 the commission appoint as temporary directors the five persons  
14 named in the petition. The commission shall appoint as temporary  
15 directors the five persons named in the petition.

16                   (b) Temporary directors serve until the earlier of:  
17                    (1) the date permanent directors are elected under  
18 Section 7897.0103; or  
19                    (2) the fourth anniversary of the effective date of  
20 the Act enacting this chapter.

21                   (c) If permanent directors have not been elected under  
22 Section 7897.0103 and the terms of the temporary directors have  
23 expired, successor temporary directors shall be appointed or  
24 reappointed as provided by Subsection (d) to serve terms that  
25 expire on the earlier of:

26                    (1) the date permanent directors are elected under  
27 Section 7897.0103; or

1                   (2) the fourth anniversary of the date of the  
2 appointment or reappointment.

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

10                   SUBCHAPTER C. POWERS AND DUTIES

11                   Sec. 7897.0301. GENERAL POWERS AND DUTIES. The district  
12 has the powers and duties necessary to accomplish the purposes for  
13 which the district is created.

14                   Sec. 7897.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
15 DUTIES. The district has the powers and duties provided by the  
16 general law of this state, including Chapters 49 and 54, Water Code,  
17 applicable to municipal utility districts created under Section 59,  
18 Article XVI, Texas Constitution.

19                   Sec. 7897.0303. AUTHORITY FOR ROAD PROJECTS. Under Section  
20 52, Article III, Texas Constitution, the district may design,  
21 acquire, construct, finance, issue bonds for, improve, operate,  
22 maintain, and convey to this state, a county, or a municipality for  
23 operation and maintenance macadamized, graveled, or paved roads, or  
24 improvements, including storm drainage, in aid of those roads.

25                   Sec. 7897.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
26 road project must meet all applicable construction standards,  
27 zoning and subdivision requirements, and regulations of each

1 municipality in whose corporate limits or extraterritorial  
2 jurisdiction the road project is located.

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

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

11 Sec. 7897.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
12 ORDINANCE OR RESOLUTION. The district shall comply with all  
13 applicable requirements of any ordinance or resolution that is  
14 adopted under Section 54.016 or 54.0165, Water Code, and that  
15 consents to the creation of the district or to the inclusion of land  
16 in the district.

17 Sec. 7897.0306. DIVISION OF DISTRICT. This chapter applies  
18 to any new district created by the division of the district under  
19 Section 49.316, Water Code, and a new district has all the powers  
20 and duties of the district.

21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

22 Sec. 7897.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)  
23 The district may issue, without an election, bonds and other  
24 obligations secured by:

25 (1) revenue other than ad valorem taxes; or  
26 (2) contract payments described by Section 7897.0403.  
27 (b) The district must hold an election in the manner

1 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
2 before the district may impose an ad valorem tax or issue bonds  
3 payable from ad valorem taxes.

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

8       Sec. 7897.0402. OPERATION AND MAINTENANCE TAX. (a) If  
9 authorized at an election held under Section 7897.0401, the  
10 district may impose an operation and maintenance tax on taxable  
11 property in the district in accordance with Section 49.107, Water  
12 Code.

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

15       Sec. 7897.0403. CONTRACT TAXES. (a) In accordance with  
16 Section 49.108, Water Code, the district may impose a tax other than  
17 an operation and maintenance tax and use the revenue derived from  
18 the tax to make payments under a contract after the provisions of  
19 the contract have been approved by a majority of the district voters  
20 voting at an election held for that purpose.

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

24       SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

25       Sec. 7897.0501. AUTHORITY TO ISSUE BONDS AND OTHER  
26 OBLIGATIONS. The district may issue bonds or other obligations  
27 payable wholly or partly from ad valorem taxes, impact fees,

1 revenue, contract payments, grants, or other district money, or any  
2 combination of those sources, to pay for any authorized district  
3 purpose.

4 Sec. 7897.0502. TAXES FOR BONDS. At the time the district  
5 issues bonds payable wholly or partly from ad valorem taxes, the  
6 board shall provide for the annual imposition of a continuing  
7 direct ad valorem tax, without limit as to rate or amount, while all  
8 or part of the bonds are outstanding as required and in the manner  
9 provided by Sections 54.601 and 54.602, Water Code.

10 Sec. 7897.0503. BONDS FOR ROAD PROJECTS. At the time of  
11 issuance, the total principal amount of bonds or other obligations  
12 issued or incurred to finance road projects and payable from ad  
13 valorem taxes may not exceed one-fourth of the assessed value of the  
14 real property in the district.

15 SECTION 2. The Hills of Walnut Creek Municipal Utility  
16 District of Parker County initially includes all the territory  
17 contained in the following area:

18 BEING a tract of land situated in the G. Clifton Survey, Abstract  
19 Number 1942, the T. & P. Railroad Company Survey, Abstract Number  
20 1421, the W. Hall Survey, Abstract Number 2123, the R. Wright  
21 Survey, Abstract Number 1636, the C. Gildon Survey, Abstract Number  
22 523, the J. Wimbley Survey, Abstract Number 1612, and the T. & P.  
23 Railroad Company Survey, Abstract Number 1377, Parker County,  
24 Texas, being a portion of that tract of land described by deed to  
25 MITX, LTD., Wells Reno Investors, LTD., and White Reno Investors,  
26 LTD., recorded in Volume 2154, Page 1607, County Records, Parker  
27 County, Texas, and being more particularly described by metes and

1 bounds as follows:

2 BEGINNING at the most westerly southwest corner of said MITX,  
3 Wells, and White tract, the northwest corner of that tract of land  
4 described by deed to Jesus R. Medina, et ux., recorded in Volume  
5 2476, Page 1703, said County Records, and the east right-of-way  
6 line of S. Reno Road (F.M. 1542, a variable width right-of-way);  
7 THENCE N 00°16'43"E, 1314.90 feet, to the most westerly northwest  
8 corner of said MITX, Wells, and White tract;  
9 THENCE N 89°44'15"E, 1425.34 feet, to the southeast corner of that  
10 tract of land described by deed to Barney and Shirley Stanford,  
11 recorded in Volume 1155, Page 225 and the southwest corner of that  
12 tract of land described by deed to Georgie Ann Morrow, recorded in  
13 Instrument Number 201401446, both of said County Records;  
14 THENCE N 89°18'15"E, 2101.36 feet, to the southeast corner of said  
15 Georgie Morrow tract and the southwest corner of that tract of land  
16 described by deed to Johnny F. Morrow, recorded in Volume 1720, Page  
17 1798, said County Records;  
18 THENCE N 89°45'38"E, 1692.96 feet, to the southeast corner of said  
19 Johnny Morrow tract and an "ell" corner in the north line of said  
20 MITX, Wells, and White tract;  
21 THENCE N 00°13'36"W, 2251.38 feet, with the east line of said Johnny  
22 Morrow tract and the approximate centerline of Walnut Creek;  
23 THENCE with said centerline, the following bearings and distances:  
24 S 47°38'48"E, 471.49 feet;  
25 S 58°04'22"E, 155.77 feet;  
26 S 66°39'46"E, 575.57 feet;  
27 S 76°47'59"E, 160.75 feet;

1 N 85°32'30"E, 458.61 feet;  
2 N 89°02'03"E, 199.40 feet;  
3 S 76°13'41"E, 149.22 feet;  
4 S 46°16'57"E, 152.45 feet;  
5 S 25°11'46"E, 264.45 feet;  
6 S 61°54'17"E, 236.98 feet;  
7 S 80°32'04"E, 318.93 feet;  
8 S 51°50'03"E, 470.97 feet;  
9 N 83°46'19"E, 235.80 feet;  
10 S 83°31'07"E, 206.49 feet;  
11 S 88°41'18"E, 339.09 feet;  
12 S 66°11'45"E, 321.05 feet, to the northeast corner of said  
13 MITX, Wells, and White tract and the west line of that tract  
14 of land described by deed to Charles and Carolyn Sonnenburg,  
15 recorded in Volume 1002, Page 163, said County Records;  
16 THENCE with the east line of said MITX, Wells, and White tract, the  
17 following bearings and distances:  
18 S 00°10'25"E, 2058.07 feet, to the southwest corner of that  
19 tract of land described by deed to Jose J. Clemente, recorded  
20 in Instrument Number 201711878, all of said County  
21 Records;  
22 S 00°18'39"E, 1192.13 feet, to the most easterly southeast  
23 corner of said MITX, Wells, and White tract;  
24 S 89°27'00"W, 1519.03 feet, to an "ell" corner in said east  
25 line and the northwest corner of Lot 1, Jackson Trail  
26 Estates, an addition to Parker County, Texas, by plat  
27 recorded in Volume 363-A, Page 33, said County Records;

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1 THENCE S 89°41'12"W, 2649.54 feet, over and across said MITX, Wells,  
2 and White tract;

3 THENCE S 00°57'03"E, 901.92 feet, continuing over and across said  
4 MITX, Wells, and White tract, to an "ell" corner in the west line of  
5 said MITX, Wells, and White tract and the northeast corner of Lot 1  
6 Pearson Crossing, an addition to Parker County, Texas, by plat  
7 recorded in Cabinet B, Slide 548, said County Records;

8 THENCE with said west line, the following bearings and distances:

9 S 89°37'15"W, 1324.85 feet, to the northwest corner of Lot 7,  
10 said Pearson Crossing and the northeast corner of that tract  
11 of land described by deed to Everardo D. Ramirez, LLC,  
12 recorded in Instrument Number 202042879, said County  
13 Records;

14 S 89°51'18"W, 670.75 feet, to the northwest corner of that  
15 tract of land described by deed to RBBR Enterprises, Inc.,  
16 recorded in Instrument Number 201703769 and the east line of  
17 that tract of land described by deed to Terry Lee and Eva Joan  
18 Benton, recorded in Volume 1775, Page 1572, both of said  
19 County Records;

20 N 00°16'37"W, 901.42 feet, to the northeast corner of said  
21 Benton tract;

22 N 89°29'00"W, 624.44 feet, to the southeast corner of that  
23 tract of land described by deed to Clyda Sue Johnson,  
24 recorded in Instrument Number 202012870, said County  
25 Records;

26 N 00°38'10"W, 1314.40 feet, to the northeast corner of said  
27 Johnson tract;

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1 THENCE S 89°08'05"W, 2593.70 feet, to the Point of Beginning and  
2 containing 28,443,549 square feet or 652.974 acres of land more or  
3 less.

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

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

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

18 (d) All requirements of the constitution and laws of this  
19 state and the rules and procedures of the legislature with respect  
20 to the notice, introduction, and passage of this Act are fulfilled  
21 and accomplished.

22 SECTION 4. (a) If this Act does not receive a two-thirds  
23 vote of all the members elected to each house, Subchapter C, Chapter  
24 7897, Special District Local Laws Code, as added by Section 1 of  
25 this Act, is amended by adding Section 7897.0307 to read as follows:

26 Sec. 7897.0307. NO EMINENT DOMAIN POWER. The district may  
27 not exercise the power of eminent domain.

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

4                   SECTION 5. This Act takes effect immediately if it receives  
5 a vote of two-thirds of all the members elected to each house, as  
6 provided by Section 39, Article III, Texas Constitution. If this  
7 Act does not receive the vote necessary for immediate effect, this  
8 Act takes effect September 1, 2025.