

Chapter 642

H.B. No. 4340

AN ACT

relating to the creation of the Williamson County Municipal Utility District No. 34; 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 8008 to read as follows:

CHAPTER 8008. WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 34

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8008.001. 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. 34.

Sec. 8008.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8008.003. CONFIRMATION AND DIRECTORS' 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.

1 Sec. 8008.004. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section 8008.003
3 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.

7 Sec. 8008.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
8 The district is created to serve a public purpose and benefit.

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

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

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

16 Sec. 8008.006. INITIAL DISTRICT TERRITORY. (a) The
17 district is initially composed of the territory described by
18 Section 2 of the Act enacting this chapter.

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

23 (1) organization, existence, or validity;

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

27 (3) right to impose a tax; or

1 (4) legality or operation.

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8008.051. GOVERNING BODY; TERMS. (a) The district is
4 governed by a board of five elected directors.

5 (b) Except as provided by Section 8008.052, directors serve
6 staggered four-year terms.

7 Sec. 8008.052. TEMPORARY DIRECTORS. (a) On or after the
8 effective date of the Act enacting this chapter, the owner or owners
9 of a majority of the assessed value of the real property in the
10 district may submit a petition to the commission requesting that
11 the commission appoint as temporary directors the five persons
12 named in the petition. The commission shall appoint as temporary
13 directors the five persons named in the petition.

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

15 (1) the date permanent directors are elected under
16 Section 8008.003; or

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

19 (c) If permanent directors have not been elected under
20 Section 8008.003 and the terms of the temporary directors have
21 expired, successor temporary directors shall be appointed or
22 reappointed as provided by Subsection (d) to serve terms that
23 expire on the earlier of:

24 (1) the date permanent directors are elected under
25 Section 8008.003; or

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

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

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8008.101. GENERAL POWERS AND DUTIES. The district has
10 the powers and duties necessary to accomplish the purposes for
11 which the district is created.

12 Sec. 8008.102. MUNICIPAL UTILITY DISTRICT POWERS AND
13 DUTIES. The district has the powers and duties provided by the
14 general law of this state, including Chapters 49 and 54, Water Code,
15 applicable to municipal utility districts created under Section 59,
16 Article XVI, Texas Constitution.

17 Sec. 8008.103. AUTHORITY FOR ROAD PROJECTS. Under Section
18 52, Article III, Texas Constitution, the district may design,
19 acquire, construct, finance, issue bonds for, improve, operate,
20 maintain, and convey to this state, a county, or a municipality for
21 operation and maintenance macadamized, graveled, or paved roads, or
22 improvements, including storm drainage, in aid of those roads.

23 Sec. 8008.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road
24 project must meet all applicable construction standards, zoning and
25 subdivision requirements, and regulations of each municipality in
26 whose corporate limits or extraterritorial jurisdiction the road
27 project is located.

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

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

9 Sec. 8008.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
10 OR RESOLUTION. (a) The district shall comply with all applicable
11 requirements of any ordinance or resolution that is adopted under
12 Section 54.016 or 54.0165, Water Code, and that consents to the
13 creation of the district or to the inclusion of land in the
14 district.

15 (b) In addition to all the rights and remedies provided by
16 other law, if the district violates the terms of an ordinance or
17 resolution described by Subsection (a), the municipality is
18 entitled to injunctive relief or a writ of mandamus issued by a
19 court requiring the district and the district's officials to
20 observe and comply with the terms of the ordinance or resolution.

21 Sec. 8008.106. LIMITATION ON USE OF EMINENT DOMAIN. The
22 district may not exercise the power of eminent domain outside the
23 district without the written consent of the City of Weir.

24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

25 Sec. 8008.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
26 district may issue, without an election, bonds and other
27 obligations secured by revenue other than ad valorem taxes.

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

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

9 Sec. 8008.152. OPERATION AND MAINTENANCE TAX. (a) If
10 authorized at an election held under Section 8008.151, the district
11 may impose an operation and maintenance tax on taxable property in
12 the district in accordance with Section 49.107, Water Code.

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

15 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

16 Sec. 8008.201. AUTHORITY TO ISSUE BONDS AND OTHER
17 OBLIGATIONS. The district may issue bonds or other obligations
18 payable wholly or partly from ad valorem taxes, impact fees,
19 revenue, contract payments, grants, or other district money, or any
20 combination of those sources, to pay for any authorized district
21 purpose.

22 Sec. 8008.202. TAXES FOR BONDS. At the time the district
23 issues bonds payable wholly or partly from ad valorem taxes, the
24 board shall provide for the annual imposition of a continuing
25 direct ad valorem tax, without limit as to rate or amount, while all
26 or part of the bonds are outstanding as required and in the manner
27 provided by Sections 54.601 and 54.602, Water Code.

1 Sec. 8008.203. BONDS FOR ROAD PROJECTS. At the time of
2 issuance, the total principal amount of bonds or other obligations
3 issued or incurred to finance road projects and payable from ad
4 valorem taxes may not exceed one-fourth of the assessed value of the
5 real property in the district.

6 SECTION 2. The Williamson County Municipal Utility District
7 No. 34 initially includes all the territory contained in the
8 following area:

9 BEING 40.00 acres of land, situated in the Samuel Nimmo
10 Survey, Abstract No. 481, in Williamson County, Texas, said land
11 being a portion of that certain First Tract, called 121.15 acres, as
12 conveyed to K&B Limited Partnership by deed as recorded in Volume
13 2079, Page 68, of the Official Records of Williamson County, Texas.
14 Surveyed on the ground in the month of August, 2006, under the
15 supervision of Brian F. Peterson, Registered Professional Land
16 Surveyor, and being more particularly described as follows;

17 BEGINNING for Reference at a 1" x 1" steel rod found on the
18 east side of a ditch, 6 feet west of the edge of pavement on the west
19 side of County Road No. 120, marking the Northeast corner of the
20 above-referenced 121.15 acre First Tract, being the most easterly
21 Southeast corner of that certain Tract No. 1, called 147.32 acres,
22 as conveyed to Anton P. Schwertner and his wife, Bernice
23 Schwertner, by deed as recorded in Volume 495, Page 621, of the Deed
24 Records of Williamson County, Texas;

25 THENCE, along the north line of the said 121.15 acre Frist
26 Tract, being the south line of the said 147.32 acre Tract No. 1, S
27 71° 00' W, 16.33 feet to an iron pin set at the top of a berm on the

1 occupied west line of County Road No. 120, for the Northeast corner
2 and Point of BEGINNING hereof;

3 THENCE, along the top of the said berm along the said occupied
4 west line of County Road No. 120, S 19° 17' 15" E, 177.12 feet to an
5 iron pin set; S 18° 04' E, 362.94 feet to an iron pin set; S 19° 01'
6 30" E, at 420.25 feet pass an iron pin set for a total distance of
7 774.83 feet, in all, to an iron pin set and S 25° 24' 15" W, 56.52
8 feet to an iron pin set for the Southeast corner hereof;

9 THENCE, along the occupied north line of County Road No. 120,
10 S 44° 07' 45" W, 54.89 feet to an iron pin set; S 70° 25' 45" W, 626.75
11 feet to an iron pin set; S 67° 35' 30" W, 67.37 feet to an iron pin
12 set; S 71° 14' 30" W, 362.95 feet to an iron pin set and S 71° 41' 30"
13 W, 112.64 feet to an iron pin set for the Southwest corner hereof;

14 THENCE, N 19° 00' W, 1,387.42 feet to an iron pin set on the
15 said north line of the 121.15 acre First Tract, being the said south
16 line of the 147.32 acre Tract No. 1, for the Northwest corner
17 hereof; from said point an iron pin found at an 8" Pecan tree
18 marking the most easterly Northwest corner of the said 121.15 acre
19 First Tract, being an interior corner of the said 147.32 acre Tract
20 No. 1 bears S 71° 00' W, 1,066.11 feet;

21 THENCE, N 71° 00' E, 1,262.76 feet to the Place of BEGINNING
22 and containing 40.00 acres of land.

23 SECTION 3. (a) The legal notice of the intention to
24 introduce this Act, setting forth the general substance of this
25 Act, has been published as provided by law, and the notice and a
26 copy of this Act have been furnished to all persons, agencies,
27 officials, or entities to which they are required to be furnished

1 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
2 Government Code.

3 (b) The governor, one of the required recipients, has
4 submitted the notice and Act to the Texas Commission on
5 Environmental Quality.

6 (c) The Texas Commission on Environmental Quality has filed
7 its recommendations relating to this Act with the governor, the
8 lieutenant governor, and the speaker of the house of
9 representatives within the required time.

10 (d) All requirements of the constitution and laws of this
11 state and the rules and procedures of the legislature with respect
12 to the notice, introduction, and passage of this Act are fulfilled
13 and accomplished.

14 SECTION 4. (a) Section 8008.106, Special District Local
15 Laws Code, as added by Section 1 of this Act, takes effect only if
16 this Act receives a two-thirds vote of all the members elected to
17 each house.

18 (b) If this Act does not receive a two-thirds vote of all the
19 members elected to each house, Subchapter C, Chapter 8008, Special
20 District Local Laws Code, as added by Section 1 of this Act, is
21 amended by adding Section 8008.106 to read as follows:

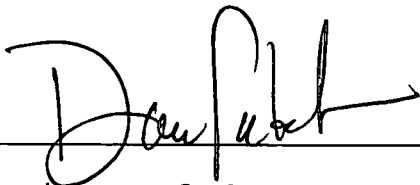
22 Sec. 8008.106. NO EMINENT DOMAIN POWER. The district may
23 not exercise the power of eminent domain.

24 (c) 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.

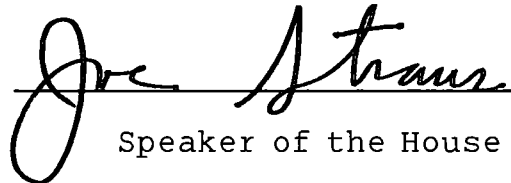
27 SECTION 5. This Act takes effect immediately if it receives

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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, 2017.

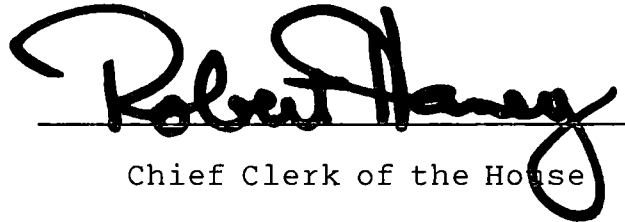


President of the Senate



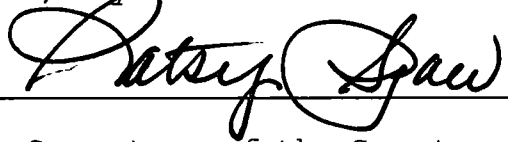
Speaker of the House

I certify that H.B. No. 4340 was passed by the House on May 19, 2017, by the following vote: Yeas 137, Nays 7, 2 present, not voting.



Chief Clerk of the House

I certify that H.B. No. 4340 was passed by the Senate on May 24, 2017, by the following vote: Yeas 30, Nays 1.



Secretary of the Senate

APPROVED: _____

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3:30 PM O'CLOCK



Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 22, 2017

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Administration

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4340 by Wilson (Relating to the creation of the Williamson County Municipal Utility District No. 34; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Williamson County Municipal Utility District No. 34. The district would have authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, KK, JGA, GG, BM

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 3, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4340 by Wilson (Relating to the creation of the Williamson County Municipal Utility District No. 34; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Williamson County Municipal Utility District No. 34. The district would have authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 1, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4340 by Wilson (Relating to the creation of the Williamson County Municipal Utility District No. 34; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Williamson County Municipal Utility District No. 34 (District) with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in HB 4340, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Williamson County served by small systems or private wells (County-Other) is 51,995. The Williamson County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 87,828 in 2020, 111,818 in 2030 and 134,714 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Williamson County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 0.06 square miles in central Williamson County, located south of the City of Weir and east of the City of Georgetown. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by Jonah Water SUD.

Comments on Powers/Duties Different from Similar Types of Districts: The bill requires the TCEQ to appoint the five initial temporary directors upon receipt of a petition from the owners of a majority of the assessed value of the real property in the district; this bill grants the District authority for road projects; the District may not exercise the power of eminent domain outside the District without the written consent of the City of Weir; the bill specifies that 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 real property in the District; if the bill does not receive a two-thirds vote of all members elected to each house, the District may not exercise the power of eminent domain

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - HB 4340 specifies that "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".

Within Williamson County, 23 percent of the total water use was groundwater (Edwards-BFZ and Trinity Aquifer) in 2014. Ninety one percent of the groundwater pumping was for municipal use. The water source which the proposed district might pursue is unknown.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: UP, SZ

Austin American-Statesman

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NOTICE OF INTENT TO INTRODUCE A BILL

Pursuant to the Constitution and laws of the State of Texas, notice is hereby given of the intention to apply to the 85th Legislature of the State of Texas at its regular session in Austin, Texas, for the introduction of a bill, the substance of the contemplated law being as follows:

An act relating to the creation, administration, powers, duties, operation, and financing of the Williamson County Municipal Utility District No. 34.

The Act proposes to create a municipal utility district to be known as the Williamson County Municipal Utility District No. 34, being approximately 42 acres in Williamson County, Texas, located generally north of State Highway 29 and east of Toll Road 130, subject to approval at a confirmation election.

All interested persons will, therefore, take notice of the matters and facts set out in the foregoing statement of the substance of the contemplated laws as required by the Constitution and laws of the State of Texas.

PUB: 2-7/2017 #703863

STATE OF TEXAS
COUNTY OF TRAVIS

Before me, the undersigned authority, a Notary Public in and for the County of Travis, State of Texas, on this day personally appeared Alejandro Cado. Advertising Agent of the Austin American-Statesman, a daily newspaper published in said County and State that is generally circulated in Bastrop, Bell, Blanco, Brazos, Burleson, Burnet, Caldwell, Colorado, Comal, Coryell, Fayette, Gillespie, Gonzales, Guadalupe, Hays, Kerr, Lampasas, Lee, Llano, Milam, Nueces, San Saba, Travis, Washington and Williamson Counties, who being duly sworn by me, states that the attached advertisement was published at the lowest published rate for Classified advertising in said newspaper on the following date(s), to wit: Sanford Kuhl Hagan Kugle Parker Kahn LLP, First date of Publication 02/07/2017, Last date of Publication 02/07/2017, Web and print times Published 2, Legal Notices, 1 X 34, and that the attached is a true copy of said advertisement.

NOTICE OF INTENT

Ad ID: 1381495

Ad Cost: 336.94

SWORN AND SUBSCRIBED TO BEFORE ME, on
02/13/2017

Notary Public

