

Chapter 788

H.B. No. 2566

1 AN ACT

2 relating to the creation of the Denton County Municipal Utility
3 District No. 9; 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 7977 to read as follows:

9 CHAPTER 7977. DENTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 9

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7977.001. 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 Denton County Municipal
17 Utility District No. 9.

18 Sec. 7977.002. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 7977.003. CONFIRMATION AND DIRECTORS' 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. 7977.004. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section 7977.003
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. 7977.005. 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. 7977.006. 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. 7977.051. GOVERNING BODY; TERMS. (a) The district is
4 governed by a board of five elected directors.

5 (b) Except as provided by Section 7977.052, directors serve
6 staggered four-year terms.

7 Sec. 7977.052. TEMPORARY DIRECTORS. (a) On or after
8 September 1, 2017, the owner or owners of a majority of the assessed
9 value of the real property in the district may submit a petition to
10 the commission requesting that the commission appoint as temporary
11 directors the five persons named in the petition. The commission
12 shall appoint as temporary directors the five persons named in the
13 petition.

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

15 (1) the date permanent directors are elected under
16 Section 7977.003; or

17 (2) September 1, 2021.

18 (c) If permanent directors have not been elected under
19 Section 7977.003 and the terms of the temporary directors have
20 expired, successor temporary directors shall be appointed or
21 reappointed as provided by Subsection (d) to serve terms that
22 expire on the earlier of:

23 (1) the date permanent directors are elected under
24 Section 7977.003; or

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

27 (d) If Subsection (c) applies, the owner or owners of a

1 majority of the assessed value of the real property in the district
2 may submit a petition to the commission requesting that the
3 commission appoint as successor temporary directors the five
4 persons named in the petition. The commission shall appoint as
5 successor temporary directors the five persons named in the
6 petition.

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 7977.101. GENERAL POWERS AND DUTIES. The district has
9 the powers and duties necessary to accomplish the purposes for
10 which the district is created.

11 Sec. 7977.102. MUNICIPAL UTILITY DISTRICT POWERS AND
12 DUTIES. The district has the powers and duties provided by the
13 general law of this state, including Chapters 49 and 54, Water Code,
14 applicable to municipal utility districts created under Section 59,
15 Article XVI, Texas Constitution.

16 Sec. 7977.103. AUTHORITY FOR ROAD PROJECTS. Under Section
17 52, Article III, Texas Constitution, the district may design,
18 acquire, construct, finance, issue bonds for, improve, operate,
19 maintain, and convey to this state, a county, or a municipality for
20 operation and maintenance macadamized, graveled, or paved roads, or
21 improvements, including storm drainage, in aid of those roads.

22 Sec. 7977.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road
23 project must meet all applicable construction standards, zoning and
24 subdivision requirements, and regulations of each municipality in
25 whose corporate limits or extraterritorial jurisdiction the road
26 project is located.

27 (b) If a road project is not located in the corporate limits

1 or extraterritorial jurisdiction of a municipality, the road
2 project must meet all applicable construction standards,
3 subdivision requirements, and regulations of each county in which
4 the road project is located.

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

8 Sec. 7977.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
9 OR RESOLUTION. The district shall comply with all applicable
10 requirements of any ordinance or resolution that is adopted under
11 Section 54.016 or 54.0165, Water Code, and that consents to the
12 creation of the district or to the inclusion of land in the
13 district.

14 Sec. 7977.106. FIREFIGHTING SERVICES. Notwithstanding
15 Section 49.351(a), Water Code, the district may, as authorized by
16 Section 59(f), Article XVI, Texas Constitution, and Section 49.351,
17 Water Code:

18 (1) establish, operate, and maintain a fire
19 department;

20 (2) contract with another political subdivision for
21 the joint operation of a fire department; or

22 (3) contract with any other person to perform
23 firefighting services in the district and may issue bonds and
24 impose taxes to pay for the department and the activities.

25 Sec. 7977.107. FEES AND CHARGES. (a) The district may
26 adopt and enforce all necessary charges, mandatory fees, or
27 rentals, in addition to taxes, for providing or making available

1 any district facility or service, including firefighting
2 activities provided under Section 7977.106.

3 (b) To enforce payment of an unpaid fee or charge due to the
4 district, on the request of the district, a retail public utility,
5 as defined by Section 13.002, Water Code, providing water or sewer
6 service to a customer in the district shall terminate the service.

7 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

8 Sec. 7977.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
9 district may issue, without an election, bonds and other
10 obligations secured by:

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

12 (2) contract payments described by Section 7977.153.

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

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

21 Sec. 7977.152. OPERATION AND MAINTENANCE TAX. (a) If
22 authorized at an election held under Section 7977.151, the district
23 may impose an operation and maintenance tax on taxable property in
24 the district in accordance with Section 49.107, Water Code.

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

27 Sec. 7977.153. CONTRACT TAXES. (a) In accordance with

1 Section 49.108, Water Code, the district may impose a tax other than
2 an operation and maintenance tax and use the revenue derived from
3 the tax to make payments under a contract after the provisions of
4 the contract have been approved by a majority of the district voters
5 voting at an election held for that purpose.

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

9 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

10 Sec. 7977.201. AUTHORITY TO ISSUE BONDS AND OTHER
11 OBLIGATIONS. The district may issue bonds or other obligations
12 payable wholly or partly from ad valorem taxes, impact fees,
13 revenue, contract payments, grants, or other district money, or any
14 combination of those sources, to pay for any authorized district
15 purpose.

16 Sec. 7977.202. TAXES FOR BONDS. At the time the district
17 issues bonds payable wholly or partly from ad valorem taxes, the
18 board shall provide for the annual imposition of a continuing
19 direct ad valorem tax, without limit as to rate or amount, while all
20 or part of the bonds are outstanding as required and in the manner
21 provided by Sections 54.601 and 54.602, Water Code.

22 Sec. 7977.203. BONDS FOR ROAD PROJECTS. At the time of
23 issuance, the total principal amount of bonds or other obligations
24 issued or incurred to finance road projects and payable from ad
25 valorem taxes may not exceed one-fourth of the assessed value of the
26 real property in the district.

27 SECTION 2. The Denton County Municipal Utility District

1 No. 9 initially includes all the territory contained in the
2 following area:

3 All that certain lot, tract or parcel of land lying and being
4 situated in Denton County, Texas and being a part of the R.R. Jowell
5 Survey, Abstract number 660 and also being a part of those tracts of
6 land described in deed to The JP Griffin Family Limited Partnership
7 recorded in Document number 1995-1682 and 1995-1683, Real Property
8 Records, Denton County, Texas and further described as Frist Tract
9 and Third Tract in Volume 347, Page 141, Deed Records, Denton
10 County, Texas and being more fully described by metes and bounds as
11 follows;

12 BEGINNING at a capped iron rod set stamped "KAZ" at the Most
13 Westerly Southwest corner of said First tract;

14 THENCE North 00 degrees 09 minutes 00 seconds East, 186.74 feet to a
15 capped iron rod set stamped "KAZ" at a reentrant corner of said
16 First tract and an ell corner of that called 114.00 acre tract of
17 land described in deed to Serax Ranch LTD. recorded in Instrument
18 number 1995-70429, Real Property Records, Denton County, Texas;

19 THENCE along the common line of said 114.00 acre tract and this
20 tract, South 89 degrees 51 minutes 00 seconds East, 938.96 feet to a
21 1/2 inch iron rod found at an ell corner of said First tract and a
22 reentrant corner of said 114.00 acre tract;

23 THENCE North 00 degrees 21 minutes 14 seconds East, 456.75 feet to a
24 TXDOT monument found in the new South line of U.S. Highway 380;

25 THENCE along said South line, South 71 degrees 55 minutes 00 seconds
26 East, 180.29 feet to a TXDOT monument found;

27 THENCE continuing along said South line, South 80 degrees 01

1 minutes 46 seconds East, 99.99 feet to a TXDOT monument found;
2 THENCE continuing along said South line, North 76 degrees 08
3 minutes 36 seconds East, 327.87 feet to a TXDOT monument found;
4 THENCE continuing along said South line, South 80 degrees 08
5 minutes 48 seconds East, 999.73 feet to a TXDOT monument found;
6 THENCE continuing along said South line, South 71 degrees 41
7 minutes 06 seconds East, 101.07 feet to a TXDOT monument found;
8 THENCE continuing along said South line, South 84 degrees 21
9 minutes 50 seconds East, 200.57 feet to a TXDOT monument found;
10 THENCE continuing along said South line, South 80 degrees 07
11 minutes 31 seconds East, 1400.23 feet to a TXDOT monument found;
12 THENCE continuing along said South line, South 72 degrees 55
13 minutes 42 seconds East, 312.20 feet to a TXDOT monument found;
14 THENCE continuing along said South line, South 85 degrees 18
15 minutes 17 seconds East, 600.23 feet to a TXDOT monument found;
16 THENCE continuing along said South line, North 86 degrees 06
17 minutes 47 seconds East, 101.08 feet to a TXDOT monument found;
18 THENCE continuing along said South line, South 85 degrees 19
19 minutes 44 seconds East, 800.10 feet to a TXDOT monument found;
20 THENCE continuing along said South line, South 89 degrees 35
21 minutes 24 seconds East, 247.96 feet to a TXDOT monument found;
22 THENCE North 05 degrees 59 minutes 08 seconds East, 15.84 feet to a
23 capped iron rod set stamped "KAZ";
24 THENCE continuing along said South line, South 84 degrees 16
25 minutes 38 seconds East, 330.78 feet to a capped iron rod set
26 stamped "KAZ";
27 THENCE South 42 degrees 40 minutes 33 seconds East, 147.19 feet to a

1 capped iron rod set stamped "KAZ" in the West line of F.M. 2622;
2 THENCE along said West line, South 00 degrees 04 minutes 34 seconds
3 East, 1268.92 feet to a capped iron rod set stamped "KAZ";
4 THENCE South 45 degrees 24 minutes 27 seconds West, 70.09 feet to a
5 P.K. nail set in the centerline of George Foster Road;
6 THENCE along said centerline, North 89 degrees 01 minutes 43
7 seconds West, 2458.67 feet to a P.K. nail set;
8 THENCE continuing along said centerline, North 89 degrees 21
9 minutes 15 seconds West, 2704.05 feet to a 1/2 inch iron rod found;
10 THENCE North 00 degrees 02 minutes 51 seconds West, 125.54 feet to a
11 1/2 inch iron rod found;
12 THENCE continuing along said centerline, part of the way, North 49
13 degrees 00 minutes 24 seconds West, 1925.59 feet to the PLACE OF
14 BEGINNING and containing 230.43 acres of land more or less;

15 This description is based upon an exhibit as prepared by KAZ
16 Surveying, dated _____. Bearings are based upon the
17 West line of the 583.12 acre tract of land.

18 SECTION 3. (a) The legal notice of the intention to
19 introduce this Act, setting forth the general substance of this
20 Act, has been published as provided by law, and the notice and a
21 copy of this Act have been furnished to all persons, agencies,
22 officials, or entities to which they are required to be furnished
23 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
24 Government Code.

25 (b) The governor, one of the required recipients, has
26 submitted the notice and Act to the Texas Commission on
27 Environmental Quality.

1 (c) The Texas Commission on Environmental Quality has filed
2 its recommendations relating to this Act with the governor, the
3 lieutenant governor, and the speaker of the house of
4 representatives within the required time.

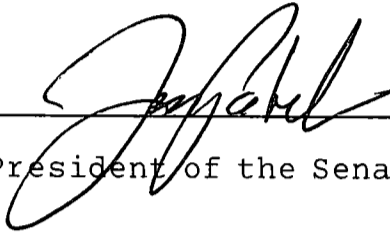
5 (d) All requirements of the constitution and laws of this
6 state and the rules and procedures of the legislature with respect
7 to the notice, introduction, and passage of this Act are fulfilled
8 and accomplished.

9 SECTION 4. (a) If this Act does not receive a two-thirds
10 vote of all the members elected to each house, Subchapter C, Chapter
11 7977, Special District Local Laws Code, as added by Section 1 of
12 this Act, is amended by adding Section 7977.108 to read as follows:

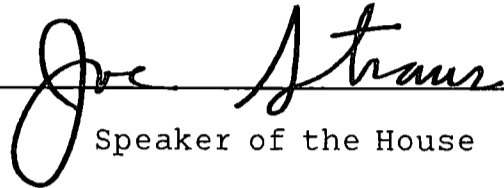
13 Sec. 7977.108. NO EMINENT DOMAIN POWER. The district may
14 not exercise the power of eminent domain.

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

18 SECTION 5. This Act takes effect September 1, 2017.

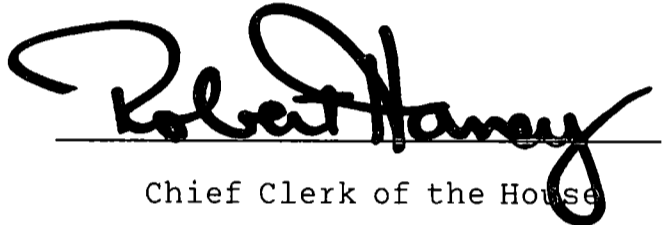


President of the Senate



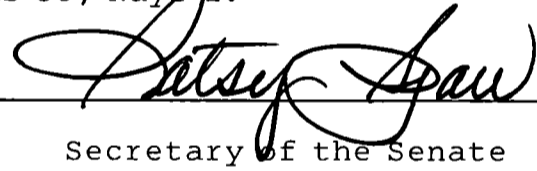
Speaker of the House

I certify that H.B. No. 2566 was passed by the House on May 4, 2017, by the following vote: Yeas 140, Nays 3, 2 present, not voting.



Chief Clerk of the House

I certify that H.B. No. 2566 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
3:00 PM O'CLOCK

JUN 15 2017


Secretary of State

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 11, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2566 by Stucky (Relating to the creation of the Denton County Municipal Utility District No. 9; 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 Denton County Municipal Utility District No. 9. The district would have authority for road projects. The district would have authority to issue bonds, without an election. The district would have authority to impose an operation and maintenance tax, and a contract tax. The district would not have authority to exercise the power of eminent domain.

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**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 21, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2566 by Stucky (Relating to the creation of the Denton County Municipal Utility District No. 9; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **Committee Report 1st House, Substituted**

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**LEGISLATIVE BUDGET BOARD
Austin, Texas**

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 13, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2566 by Stucky (Relating to the creation of the Denton County Municipal Utility District No. 9; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Engrossed**

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 Denton County Municipal Utility District No. 9 (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 2566, the population is estimated to be less than 5 people according to 2010 Census blocks.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Denton County served by small systems or private wells (County-Other) is 28,448. The Denton County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 30,207 in 2020, 33,609 in 2030 and 37,232 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Denton 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 0.36 square miles in western Denton County, located west of the City of Denton, and Northwest of the Town of Ponder. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by Aqua Texas, INC.

Comments on Powers/Duties Different from Similar Types of Districts: The House Committee Substitute adds Section 7977.106 to the Special District Local Laws Code, which allows the District to: establish, operate, and maintain a fire department; contract with another political subdivision for the joint operation of a fire department; or contract with any other person to perform firefighting services in the District and may issue bonds and impose taxes to pay for the department and the activities; the House Committee Substitute adds Section 7977.107 to the Special District Local Laws Code, which allows the District to adopt and enforce all necessary

changes, mandatory fees, or rentals, in addition to taxes, for providing or making available any District facility or service, including firefighting activities.

The bill requires the TCEQ to appoint the initial 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 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 2566 specifies that "the district has the powers and duties provided by the general law of the state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Denton County, 88 percent of the total water use was surface water in 2014. Ninety seven percent of all the surface water use was for municipal purposes. The water source of the proposed district might pursue is unknown.

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

LBB Staff: UP, SZ

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

April 21, 2017

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

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Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Denton County served by small systems or private wells (County-Other) is 28,448. The Denton County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 30,207 in 2020, 33,609 in 2030 and 37,232 in 2040.

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Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Denton County served by small systems or private wells (County-Other) is 28,448. The Denton County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 30,207 in 2020, 33,609 in 2030 and 37,232 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Denton 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 0.36 square miles in western Denton County, located west of the City of Denton, and Northwest of the Town of Ponder. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by Aqua Texas, INC.

Comments on Powers/Duties Different from Similar Types of Districts: The bill requires the TCEQ to appoint the initial 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 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 2566 specifies that "the district has the powers and duties provided by the general law of the state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Denton County, 88 percent of the total water use was surface water in 2014. Ninety seven percent of all the surface water use was for municipal purposes. The water source of the proposed district might pursue is unknown.

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

LBB Staff: UP, SZ

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 30, 2017

The Honorable Joe Straus
Texas House of Representatives
Capitol Station
PO Box 2910
Austin, Texas 78768-2910

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

House Bill (HB) 2566, as Filed by Representative Lynn Stucky - Relating to the creation of the Denton County Municipal Utility District No. 9; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Dear Speaker Straus:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

Sincerely,

A handwritten signature in black ink that reads "Cari-Michel LaCaille".

Cari-Michel LaCaille, Director
Water Supply Division

cc: Honorable Jim Murphy, Chairman, House Special Purpose Districts Committee
Representative Cecil Bell, Texas House of Representatives

Enclosure

**HB 2566, as Filed by Representative Lynn Stucky
Texas Commission on Environmental Quality's Comments**

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 amends the Special District Local Laws Code by adding Chapter 7977 which creates Denton County Municipal Utility District No. 9 (District) with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54, with the following exceptions.

Comments on Powers/Duties Different from Similar Types of Districts: The bill also: requires the TCEQ to appoint the initial 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 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; and, 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.



314 E Hickory
 P O Box 369
 Denton, TX 76202
 940-387-3811

Publisher(s) Denton Record-Chronicle

PROOF OF PUBLICATION

Being duly sworn (s)he is the Publisher/authorized designee of **Denton Record-Chronicle**, in City of Denton/surrounding areas in Denton County, Newspaper of general circulation which has been continuously and regularly published for a period of not less than one year preceding the date of the attached notice, and that the said notice was published in said newspaper **Denton Record-Chronicle** on the following dates below

01/11/2017

Bill Patterson

(signature of Authorized Designee)

Subscribed and sworn to before me
 this 11 day of Jan by
2017

Bill Patterson

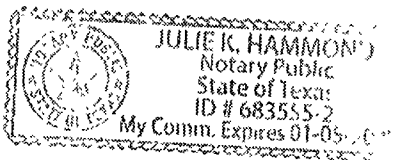
(printed name of Designee)

Witness my hand and official seal

[Signature]

(signature of notary public)

Notary Public, Denton County, Texas



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Ad Number 0001583239-01 Price \$53.20

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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 of the Denton County Municipal Utility District No. 9, providing authority to impose a tax and issue bonds.

The Act proposes to create a conservation and reclamation district to be known as Denton County Municipal Utility District No. 9, being one tract of land totaling approximately 230.43 acres in Denton County, Texas more particularly described as follows:

Bounded on the north by Highway 380, bounded on the south and west by George Foster Road, bounded on the east by County Road 2622, and south of Big Sky Municipal Utility District of Denton County.

The District's creation is 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.

DRC 1/11/2017

Denton LOCATION: Commercial lots across from Ryan High School. Lot A sits on 3.288 acres, \$500,000 and Lot B sits on 2.828 acres, \$385,500. Commercial lots on the corner of McKinney and Glanngary, Just East of Loop 288

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Please visit the www.renebates.com for further details about this auction. Reno Bates Auctioneers, Inc 4680 County Road 1006 McKinney TX 75071
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Fax: 972-542-5485
www.renebates.com

Kelly Smith
City of Denton
Purchasing Office
(940) 349-7143

DRC 12/28/16, 1/4/17, 1/11/17
CITY OF DENTON FLEET, SEIZURE, & EQUIPMENT AUCTION
LOT # 6276
Closes January 20, 2017

The City of Denton will sell via internet auction to the highest bidder the following equipment: Fleet Vehicles and Equipment including: Pickups, Sedans, Trailers, and a Variety of Equipment

Date & Time:
Opens: January 4, 2017 at approx. 12:00 P.M. C.S.T
Closes: January 20, 2017 at 10:00 A.M. C.S.T.

Inspection:
Wednesday- January 11, 2017 from 9:00 AM - 12:00 PM
Thursday- January 18, 2017 from 12:00 PM - 3:00 PM

Inspection Location:
Location A & B- City of Denton Service Center Yard

The City of Denton will sell via internet auction to the highest bidder the following:

Lot #6300-1- 2002- Gold- Nissan Altima- VIN # 1N4AL11D82C206502
Condition: Bad- Accident damage rear quarter

Lot #6300-2- 2003- Orange- Kia Rio- VIN # KNADC125738278520
Condition: Bad- Missing all four wheels and tires

Lot #6300-3- 2004- White- Ford Focus- VIN # 1FAFP3544W140411
Condition: Bad- I Extensive Accident Damage

Lot #6300-4- 2004- Gold- Mercury Mountaineer- VIN # 4M2ZU88K44UJ23294
Condition: Bad- Accident damage

Lot #6300-5- 2005- Blue- Dodge Magnum- VIN # 2D4FV48V05H850803
Condition: Bad- Front Left Quarter Accident damage

Lot #6300-6- 2008- Silver- Pontiac Grand Prix- VIN# 2G2WP52881239231
Condition: Poor- Oil Leak

Lot #6300-7- 2013- Black- Ford Mustang- VIN# 1ZVBP0CF5D5280040
Condition: Bad- Extensive front distributed accident damage

Lot #6300-8- Shop Made Flatbed Trailer- Black- VIN # N/A
Condition: Appears to have broken axles

Open for Bidding: January 9, 2017 at approx. 12:00 P.M. C.S.T
Closed for Bidding: January 27, 2017 at 10:00 A.M. C.S.T

Inspection and Pick up: Will be by Appointment ONLY. Contact Kevin Kronenborger at (940) 349-7956 or at Kevin.kronenborger@cityofdenton.com

All materials, equipment and/or vehicles sold must be removed

www.renebates.com

Kelly Smith
Procurement Assistant
(840) 349-7143
Kelly.Smith@cityofdenton.com

DRC 1/4/17, 1/11/17, 1/18/17

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:

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Bounded on the north by Highway 380; bounded on the south and west by George Foster Road; bounded on the east by County Road 2622; and south of Big Sky Municipal Utility District of Denton County

The District's creation is subject to approval at a confirmation election.

All interested persons will, therefore, take notice of the

Community Affairs, Texas Department of Transportation, Department of Aging and Disabilities,

Texas Department of Agriculture, and must have been subjected to peer-review within the last three years. Bid specifications and packets are available online at www.cafcoralcan.com, the Administrative Office, 401 East 6th Ave, Corsicana, Texas 76110, or via email request sent directly to hickey@cafcoralcan.com. Bid proposals should be sealed and delivered to CSI by noon, January 23, 2017. Direct inquiries to: Fiscal Officer at (803) 875-3729 or hickey@cafcoralcan.com.

DRC 1/10, 1/11/2017

Iron Guard Storage at 550 Ft Worth Dr. Denton, TX 76201 will be conducting a public auction on Thursday, January 18, 2017 at 12:30 pm, in accordance with TX. Property Code Sub. CSEC.68 the contents of the following storage units will be sold in order to satisfy a landlord's lien

#120 Mohamed Al Abdi, #124 John Sternadel, #284 DeeDoe Buse, #328 Joey Price, #327 Crystal George, #380 Justin Gable, #378 Jeffery Slinger, #383 Charita Richards. Contents include, but not limited to: Household goods, furniture, boxes. Terms: Individual unit contents will be sold AS-IS, WHERE-IS to the highest registered bidder for CASH ONLY.

My address is 3137 Furness Lane, Carrollton, Texas 75007

Independent Executor of the Estate of Clifford Earl Tarlton, Deceased. CAUSE NO. PR-2016-00788

Howard County, Texas c/o Charles E. Beachley, III 396 West Main Street, Lewisville, Texas 76057

All persons having claims against this estate, which is currently being administered, are required to present them within the time and in the manner prescribed by law.

SIGNED on 1/6/17

By: Charles E. Beachley, III
Charles E. Beachley, III
Attorney for Guardian

State Bar No. 01945300
beachley@beachleyllc.com
396 West Main Street, Lewisville, Texas 75057
(972) 538-0358
Fax: (972) 538-0359

DRC 1/11/2017

Notice to Creditors of The Estate of Clifford Earl Tarlton, Deceased

Notice is hereby given that Letters Testamentary upon the Estate of Clifford Earl Tarlton, Deceased were granted to the undersigned on the 4 of October, 2016 by the Probate Court of Denton County, Texas.

All persons having claims against said estate are hereby required to present the same to Karen Lynn Tarlton within the time prescribed by law.

My address is 3137 Furness Lane, Carrollton, Texas 75007

Independent Executor of the Estate of Clifford Earl Tarlton, Deceased. CAUSE NO. PR-2016-00788

DRC 1/11/2017

BUSINESS DIRECT

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LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

HB 2566


Bill Number

TO. The Honorable Governor of Texas
SUBJECT. A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas.

3/1/2017

Date transmitted to
Governor's Office


Chief Clerk
House of Representatives

TO Texas Commission on Environmental Quality
SUBJECT. A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill

March 3, 2017

Date transmitted to
Texas Commission on Environmental Quality


Governor

TO The Honorable Speaker of the House
The Honorable President of the Senate
The Honorable Governor of Texas

SUBJECT. A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas


Texas Commission on Environmental Quality



85R HB 02566