

Chapter 645

H.B. No. 4347

AN ACT

1
2 relating to the creation of the Midlothian Municipal Management
3 District No. 3; providing authority to issue bonds; providing
4 authority to impose assessments, fees, or taxes.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws
7 Code, is amended by adding Chapter 3952 to read as follows:

8 CHAPTER 3952. MIDLOTHIAN MUNICIPAL MANAGEMENT DISTRICT NO. 3

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3952.001. DEFINITIONS. In this chapter:

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

12 (2) "City" means the City of Midlothian, Texas.

13 (3) "County" means Ellis County, Texas.

14 (4) "Development agreement and consent application"
15 means the Development Agreement made between the city and Hawkins
16 Midlothian Development, LLC, and the Second Amended and Restated
17 Application for Consent to Create a Municipal Management District
18 submitted to the city by Hawkins Midlothian Development, LLC.

19 (5) "Director" means a board member.

20 (6) "District" means the Midlothian Municipal
21 Management District No. 3.

22 Sec. 3952.002. PRECONDITION. (a) In this section,
23 "finance plan" means a plan that includes a general description of
24 proposed improvement projects that will be financed by the

1 district, an estimate of the costs for the proposed improvement
2 projects, an estimate of the amount of the costs for the proposed
3 improvement projects that the district will pay directly or that
4 will be reimbursed to a developer of property in the district, and
5 the means of financing costs related to the planning, design,
6 construction, improvement, maintenance, and operation of the
7 proposed improvement projects.

8 (b) The district may not exercise any powers under this
9 chapter until:

10 (1) the development agreement and consent application
11 are executed and effective; and

12 (2) the finance plan is approved by the governing body
13 of the city.

14 Sec. 3952.003. CREATION AND NATURE OF DISTRICT. The
15 district is a special district created under Section 59, Article
16 XVI, Texas Constitution.

17 Sec. 3952.004. PURPOSE; LEGISLATIVE FINDINGS. (a) The
18 creation of the district is essential to accomplish the purposes of
19 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
20 Texas Constitution, and other public purposes stated in this
21 chapter. By creating the district and in authorizing the city and
22 other political subdivisions to contract with the district, the
23 legislature has established a program to accomplish the public
24 purposes set out in Section 52-a, Article III, Texas Constitution.

25 (b) The creation of the district is necessary to promote,
26 develop, encourage, and maintain employment, commerce,
27 transportation, housing, tourism, recreation, the arts,

1 entertainment, economic development, safety, and the public
2 welfare in the district.

3 (c) This chapter and the creation of the district may not be
4 interpreted to relieve the city or county from providing the level
5 of services provided as of the effective date of the Act enacting
6 this chapter to the area in the district. The district is created
7 to supplement and not to supplant city and county services provided
8 in the district.

9 Sec. 3952.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
10 The district is created to serve a public use and benefit.

11 (b) All land and other property included in the district
12 will benefit from the improvements and services to be provided by
13 the district under powers conferred by Sections 52 and 52-a,
14 Article III, and Section 59, Article XVI, Texas Constitution, and
15 other powers granted under this chapter.

16 (c) The creation of the district is in the public interest
17 and is essential to further the public purposes of:

18 (1) developing and diversifying the economy of the
19 state;

20 (2) eliminating unemployment and underemployment;

21 (3) providing quality residential housing; and

22 (4) developing or expanding transportation and
23 commerce.

24 (d) The district will:

25 (1) promote the health, safety, and general welfare of
26 residents, employers, potential employees, employees, visitors,
27 and consumers in the district, and of the public;

1 (2) provide needed funding for the district to
2 preserve, maintain, and enhance the economic health and vitality of
3 the district territory as a residential community and business
4 center; and

5 (3) promote the health, safety, welfare, and enjoyment
6 of the public by providing pedestrian ways and by landscaping and
7 developing certain areas in the district, which are necessary for
8 the restoration, preservation, and enhancement of scenic beauty.

9 (e) Pedestrian ways along or across a street, whether at
10 grade or above or below the surface, and street lighting, street
11 landscaping, vehicle parking, and street art objects are parts of
12 and necessary components of a street and are considered to be an
13 improvement project that includes a street or road improvement.

14 (f) The district will not act as the agent or
15 instrumentality of any private interest even though the district
16 will benefit many private interests as well as the public.

17 Sec. 3952.006. 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) A mistake in the field notes of the district contained
21 in Section 2 of the Act enacting this chapter or in copying the
22 field notes in the legislative process does not in any way affect:

23 (1) the district's organization, existence, or
24 validity;

25 (2) the district's right to contract, including the
26 right to issue any type of bond or other obligation for a purpose
27 for which the district is created;

- 1 (3) the district's right to impose or collect an
2 assessment, ad valorem taxes, or any other revenue; or
3 (4) the legality or operation of the board.

4 Sec. 3952.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
5 DISTRICT LAW. Except as provided by this chapter, Chapter 375,
6 Local Government Code, applies to the district.

7 SUBCHAPTER B. BOARD OF DIRECTORS

8 Sec. 3952.051. GOVERNING BODY; TERMS. The district is
9 governed by a board of five voting directors who serve staggered
10 terms of four years, with two or three directors' terms expiring May
11 31 of each even-numbered year.

12 Sec. 3952.052. QUALIFICATIONS. (a) To be qualified to
13 serve as a director appointed by the governing body of the city, a
14 person must be:

15 (1) a resident of the city who is also a registered
16 voter of the city;

17 (2) an owner of property in the district; or

18 (3) an agent, employee, or tenant of a person
19 described by Subdivision (2).

20 (b) A person who is an agent, employee, or tenant of Hawkins
21 Midlothian Development, LLC, is not qualified to be appointed as a
22 director solely because the person is an agent, employee, or tenant
23 of that corporation if the corporation does not own property in the
24 district.

25 (c) Section 49.052, Water Code, does not apply to the
26 district.

27 Sec. 3952.053. APPOINTMENT OF DIRECTORS. The governing

1 body of the city shall appoint directors from a list of names
2 recommended by the board as provided by Section 375.064, Local
3 Government Code.

4 Sec. 3952.054. EX OFFICIO DIRECTORS. (a) The following
5 persons serve ex officio as nonvoting directors:

6 (1) the city manager of the city; and

7 (2) the chief financial officer of the city.

8 (b) An ex officio director is entitled to notice of board
9 meetings and to speak on a matter before the board.

10 Sec. 3952.055. VACANCY. The governing body of the city
11 shall fill a vacancy on the board for the remainder of the unexpired
12 term in the same manner as the original appointment.

13 Sec. 3952.056. DIRECTOR'S OATH OR AFFIRMATION. A director
14 shall file the director's oath or affirmation of office with the
15 district, and the district shall retain the oath or affirmation in
16 the district records.

17 Sec. 3952.057. OFFICERS. The board shall elect from among
18 the directors a chair, a vice chair, and a secretary.

19 Sec. 3952.058. COMPENSATION. A director is entitled to
20 receive fees of office and reimbursement for actual expenses in the
21 manner provided by Section 49.060, Water Code. Sections 375.069 and
22 375.070, Local Government Code, do not apply to the board.

23 Sec. 3952.059. LIABILITY INSURANCE. The district may
24 obtain and pay for comprehensive general liability insurance
25 coverage from a commercial insurance company or other source that
26 protects and insures a director against personal liability and from
27 all claims relating to:

1 (1) actions taken by the director in the director's
2 capacity as a member of the board;

3 (2) actions and activities taken by the district; or

4 (3) the actions of others acting on behalf of the
5 district.

6 Sec. 3952.060. BOARD MEETINGS. The board shall hold
7 meetings at a place accessible to the public.

8 Sec. 3952.061. CONFLICTS OF INTEREST. Chapter 171, Local
9 Government Code, governs conflicts of interest of directors.

10 Sec. 3952.062. INITIAL DIRECTORS. (a) The initial board
11 consists of:

<u>Pos. No.</u>	<u>Name of Director</u>
13 <u>1</u>	<u>Terrance Jobe</u>
14 <u>2</u>	<u>Tiffany Jobe</u>
15 <u>3</u>	<u>Jonathan Jobe</u>
16 <u>4</u>	<u>Tiffany Roath</u>
17 <u>5</u>	<u>Travis Hudson</u>

18 (b) The governing body of the city shall stagger the initial
19 directors' terms, with two or three directors' terms expiring May
20 31, 2018. The remaining directors' terms must expire May 31, 2020.

21 (c) Section 3952.052 does not apply to this section.

22 SUBCHAPTER C. POWERS AND DUTIES

23 Sec. 3952.101. IMPROVEMENT PROJECTS. The district may
24 provide, or it may enter into contracts with a governmental or
25 private entity to provide, the improvement projects described by
26 Subchapter D or activities in support of or incidental to those
27 projects.

1 Sec. 3952.102. WATER DISTRICT POWERS. The district has the
2 powers provided by the general laws relating to conservation and
3 reclamation districts created under Section 59, Article XVI, Texas
4 Constitution, including Chapters 49 and 54, Water Code.

5 Sec. 3952.103. ROAD DISTRICT POWERS; EXCEPTION. (a)
6 Except as provided by Subsection (b), the district has the powers
7 provided by the general laws relating to road districts and road
8 utility districts created under Section 52(b), Article III, Texas
9 Constitution, including Chapter 441, Transportation Code.

10 (b) The district may exercise any power granted by this
11 chapter and by Chapter 441, Transportation Code, without regard to
12 any provision or requirement of, or procedure prescribed by,
13 Chapter 441, Transportation Code.

14 Sec. 3952.104. RULES; ENFORCEMENT. (a) The district may
15 adopt rules:

16 (1) to administer or operate the district; or

17 (2) for the use, enjoyment, availability, protection,
18 security, and maintenance of the district's property and
19 facilities.

20 (b) The district may enforce its rules by injunctive relief.

21 Sec. 3952.105. NAME CHANGE; NOTICE. (a) The board by
22 resolution may change the district's name.

23 (b) The board shall give written notice of a name change to
24 the city.

25 Sec. 3952.106. TERMS OF EMPLOYMENT; COMPENSATION. The
26 board may employ and establish the terms of employment and
27 compensation of an executive director or general manager and any

1 other district employees the board considers necessary.

2 Sec. 3952.107. NO EMINENT DOMAIN POWER. The district may
3 not exercise the power of eminent domain.

4 SUBCHAPTER D. IMPROVEMENT PROJECTS

5 Sec. 3952.151. BOARD DETERMINATION REQUIRED. The district
6 may not undertake an improvement project or service unless the
7 board determines the project or service:

8 (1) is necessary to accomplish a public purpose of the
9 district;

10 (2) complies with the development agreement and
11 consent application or the parties to the development agreement and
12 consent application agree to the project or service, in writing;
13 and

14 (3) is authorized by an ordinance of the city that
15 consents to the creation of the district.

16 Sec. 3952.152. CITY REQUIREMENTS. (a) An improvement
17 project must comply with any applicable city construction codes and
18 construction ordinances.

19 (b) The district may not provide, conduct, or authorize any
20 improvement project on the city streets, highways, rights-of-way,
21 or easements without the consent of the governing body of the city.

22 Sec. 3952.153. ADDITIONAL CITY POWERS REGARDING
23 IMPROVEMENT PROJECTS. (a) Unless the district and the city agree
24 otherwise, the city may:

25 (1) by ordinance, order, or resolution require that
26 title to all or any portion of an improvement project vest in the
27 city; or

1 (2) by ordinance, order, or resolution or other
2 directive authorize the district to own, encumber, maintain, and
3 operate an improvement project or convey the project to the city at
4 a later date.

5 (b) The district shall immediately comply with any city
6 ordinance, order, or resolution adopted under this section.

7 Sec. 3952.154. LAKE. For the purposes of this subchapter,
8 planning, design, construction, improvement, or maintenance of a
9 lake includes work done for drainage, reclamation, or recreation.

10 SUBCHAPTER E. CONTRACTS

11 Sec. 3952.201. GENERAL CONTRACT POWERS. The district may
12 contract with any person to accomplish any district purpose.

13 Sec. 3952.202. CONTRACT TERMS. A contract the district
14 enters into to carry out a purpose of this chapter may be on any
15 terms and for any period the board determines, including an
16 obligation to issue a negotiable or nonnegotiable note or warrant
17 payable to the city, the county, or any other person.

18 Sec. 3952.203. REIMBURSEMENT OF COSTS. The district may
19 contract with any person for the payment, repayment, or
20 reimbursement of costs incurred by that person on behalf of the
21 district, including all or part of the costs of an improvement
22 project and interest on the reimbursed cost.

23 Sec. 3952.204. CONTRACT FOR IMPROVEMENT PROJECT. (a) The
24 district may contract with any person for the use, occupancy,
25 lease, rental, operation, maintenance, or management of all or part
26 of a proposed or existing improvement project.

27 (b) The district may apply for and contract with any person

1 to receive, administer, and perform a duty or obligation of the
2 district under a federal, state, local, or private gift, grant,
3 loan, conveyance, transfer, bequest, or other financial assistance
4 arrangement relating to the investigation, planning, analysis,
5 study, design, acquisition, construction, improvement, completion,
6 implementation, or operation by the district or others of a
7 proposed or existing improvement project.

8 Sec. 3952.205. NO FURTHER CONTRACT AUTHORIZATION REQUIRED.

9 Any person, including the city, may contract with the district to
10 carry out the purposes of this chapter without further statutory or
11 other kind of authorization.

12 SUBCHAPTER F. GENERAL FINANCIAL PROVISIONS

13 Sec. 3952.251. DEVELOPMENT AGREEMENT AND CONSENT

14 APPLICATION REQUIRED TO BORROW MONEY OR IMPOSE TAXES OR
15 ASSESSMENTS, INCLUDING BONDS. Before the district may issue bonds,
16 impose taxes or assessments, or borrow money, the district must
17 obtain from the city confirmation that the development agreement
18 and consent application are enforceable and no defaults are known.

19 Sec. 3952.252. BORROWING MONEY. The district may borrow

20 money for a district purpose by issuing or executing bonds, notes,
21 credit agreements, or other obligations of any kind found by the
22 board to be necessary or appropriate for a district purpose. The
23 bond, note, credit agreement, or other obligation must be secured
24 by and payable from any combination of ad valorem taxes,
25 assessments, or any other district revenue.

26 Sec. 3952.253. GENERAL POWERS REGARDING PAYMENT OF DISTRICT

27 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or

1 secure the payment or repayment of any bond, note, or other
2 temporary or permanent obligation or reimbursement or other
3 contract with any person and the costs and expenses of the
4 establishment, administration, and operation of the district and
5 the district's costs or share of the costs or revenue of an
6 improvement project or district contractual obligation or debt by:

7 (1) a lease, installment purchase contract, or other
8 agreement; or

9 (2) any other revenue or resources of the district or
10 other revenue authorized by the city, including revenue from a tax
11 increment reinvestment zone created by the city.

12 Sec. 3952.254. PETITION REQUIRED FOR FINANCING SERVICES AND
13 IMPROVEMENTS WITH ASSESSMENTS. The board may not finance a service
14 or improvement project with assessments under this chapter unless a
15 written petition requesting that service or improvement has been
16 filed with the board in the manner provided by Section 375.114,
17 Local Government Code.

18 Sec. 3952.255. ASSESSMENTS. (a) The district may impose an
19 assessment on property in the district, if the assessment is
20 authorized by an ordinance of the city, to pay the cost or the cost
21 of maintenance of any authorized district improvement in the manner
22 provided for a district under Subchapters A, E, and F, Chapter 375,
23 Local Government Code.

24 (b) An assessment, a reassessment, or an assessment
25 resulting from an addition to or correction of the assessment roll
26 by the district, penalties and interest on an assessment or
27 reassessment, an expense of collection, and reasonable attorney's

1 fees incurred by the district:

2 (1) are a first and prior lien against the property
3 assessed; and

4 (2) are superior to any other lien or claim other than
5 a lien or claim for county, school district, or municipal ad valorem
6 taxes.

7 (c) The lien of an assessment against property runs with the
8 land. The portion of an assessment payment obligation that has not
9 yet come due is not eliminated by the foreclosure of an ad valorem
10 tax lien, and any purchaser of property in a foreclosure of an ad
11 valorem tax lien takes the property subject to the assessment
12 payment obligations that have not yet come due and to the lien and
13 terms of the lien's payment under the applicable assessment
14 ordinance or order.

15 (d) The board may make a correction to or deletion from the
16 assessment roll that does not increase the amount of assessment of
17 any parcel of land without providing notice and holding a hearing in
18 the manner required for additional assessments.

19 Sec. 3952.256. NONPOTABLE WATER USER CHARGES; CITY
20 APPROVAL. The district may establish user charges for the use of
21 nonpotable water for irrigation purposes, subject to approval of
22 the governing body of the city.

23 Sec. 3952.257. COSTS FOR IMPROVEMENT PROJECTS. The
24 district may undertake separately or jointly with other persons,
25 including the city or county, all or part of the cost of an
26 improvement project, including an improvement project:

27 (1) for improving, enhancing, and supporting public

1 safety and security, fire protection and emergency medical
2 services, and law enforcement in and adjacent to the district; or
3 (2) that confers a general benefit on the entire
4 district or a special benefit on a definable part of the district.

5 SUBCHAPTER G. TAXES AND BONDS

6 Sec. 3952.301. BONDS AND OTHER OBLIGATIONS. (a) The
7 district may issue, by competitive bid or negotiated sale, bonds,
8 notes, or other obligations payable wholly or partly from ad
9 valorem taxes or assessments in the manner provided by Subchapter
10 J, Chapter 375, Local Government Code.

11 (b) In exercising the district's borrowing power, the
12 district may issue a bond or other obligation in the form of a bond,
13 note, certificate of participation or other instrument evidencing a
14 proportionate interest in payments to be made by the district, or
15 other type of obligation.

16 (c) In addition to the sources of money described by
17 Subchapter J, Chapter 375, Local Government Code, district bonds
18 may be secured and made payable wholly or partly by a pledge of any
19 part of the money the district receives from improvement revenue or
20 from any other source.

21 Sec. 3952.302. BOND MATURITY. Bonds may mature not more
22 than 40 years from their date of issue.

23 Sec. 3952.303. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
24 the time bonds or other obligations payable wholly or partly from ad
25 valorem taxes are issued:

26 (1) the board shall impose a continuing direct annual
27 ad valorem tax for each year that all or part of the bonds are

1 outstanding; and

2 (2) the district annually shall impose an ad valorem
3 tax on all taxable property in the district in an amount sufficient
4 to:

5 (A) pay the interest on the bonds or other
6 obligations as the interest becomes due; and

7 (B) create a sinking fund for the payment of the
8 principal of the bonds or other obligations when due or the
9 redemption price at any earlier required redemption date.

10 Sec. 3952.304. ELECTION REQUIRED FOR TAXES OR BONDS. The
11 district must hold an election in the manner provided by Subchapter
12 L, Chapter 375, Local Government Code, to obtain voter approval
13 before the district may impose an ad valorem tax or issue bonds
14 payable from ad valorem taxes.

15 Sec. 3952.305. TAX RATE. The district's ad valorem tax rate
16 may not exceed 40 cents per \$100 valuation.

17 Sec. 3952.306. ISSUER POWERS FOR CERTAIN PUBLIC
18 IMPROVEMENTS. The district may exercise any power of an issuer
19 under Chapter 1371, Government Code.

20 SUBCHAPTER H. DISSOLUTION

21 Sec. 3952.351. DISSOLUTION BY CITY ORDINANCE. (a) The city
22 by ordinance may dissolve the district.

23 (b) The city may not dissolve the district until the
24 district's outstanding debt or contractual obligations have been
25 repaid or discharged, including the defeasance of any outstanding
26 debt issued by the city.

27 (c) The city may not dissolve the district until the

1 development agreement and consent application have been executed
2 and the district's performance under the agreement has been
3 fulfilled, including any right or obligation the district has to
4 reimburse a developer or owner for the costs of improvement
5 projects.

6 Sec. 3952.352. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

7 (a) If the dissolved district has bonds or other obligations
8 outstanding secured by and payable from assessments or other
9 revenue, the city shall succeed to the rights and obligations of the
10 district regarding enforcement and collection of the assessments or
11 other revenue.

12 (b) The city shall have and exercise all district powers to
13 enforce and collect the assessments or other revenue to pay:

14 (1) the bonds or other obligations when due and
15 payable according to their terms; or

16 (2) special revenue or assessment bonds or other
17 obligations issued by the city to refund the outstanding bonds or
18 obligations.

19 Sec. 3952.353. ASSUMPTION OF ASSETS AND LIABILITIES. (a)

20 After the city dissolves the district, the city assumes the
21 obligations of the district, including any bonds or other debt
22 payable from assessments or other district revenue.

23 (b) If the city dissolves the district, the board shall
24 transfer ownership of all district property to the city.

25 SECTION 2. The Midlothian Municipal Management District No.
26 3 initially includes all the territory contained in the following
27 area:

LEGAL LAND DESCRIPTION

1
2 BEING 175.834 acres (7,659,336 square feet) in the
3 William W. Rawls Survey, Abstract No. 915, Benjamin F.
4 Hawkins Survey, Abstract Number 464, Marcellus T.
5 Hawkins Survey, Abstract No. 463, and John M. Garvin
6 Survey, Abstract No. 424, Ellis County, Texas; being a
7 175.834 acres (7,659,336 square feet) of land being
8 all of that certain tract of land described in a
9 Special Warranty Deed to Hawkins Midlothian
10 Development, LLC (hereinafter referred to as Hawkins
11 Midlothian Development tract), as recorded in
12 Instrument Number 1521607, Official Public Records,
13 Ellis County, Texas (O.P.R.E.C.T.); said 175.834 acres
14 (7,659,336 square feet) being more particularly
15 described, by metes and bounds, as follows:
16 BEGINNING at a 60D nail found for the Westerly
17 Southwest corner of said Hawkins Midlothian
18 Development tract, same being the existing Easterly
19 right-of-way line of F.M. Road 663 (80' right-of-way),
20 as recorded in Volume 387, Page 161, Deed Records,
21 Ellis County, Texas (D.R.E.C.T.), same also being the
22 North line of Lawson Farms - Phase One (hereinafter
23 referred to as Lawson Farms - Phase One), an addition
24 to the City of Midlothian, Ellis County, Texas,
25 according to the plat recorded in Cabinet G, Slide 388,
26 Plat Records, Ellis County, Texas, from which the
27 Northwest corner of Lot 20, Block 1 of said Lawson

1 Farms - Phase One bears North 89 degrees 45 minutes 57
2 seconds East, a distance of 13.69 feet;
3 THENCE North 05 degrees 16 minutes 20 seconds East,
4 departing the North line of said Lawson Farms - Phase
5 One and with the common line between said Hawkins
6 Midlothian Development tract and the existing Easterly
7 right-of-way line of said F.M. Road 663, a distance of
8 575.72 feet to a five-eighths inch iron rod found for
9 the Southerly corner of that certain tract of land
10 described in a Deed to the State of Texas for
11 right-of-way of said F.M. Road 663, as recorded in
12 Volume 1465, Page 1208, D.R.E.C.T.;

13 THENCE with the common line between the remainder of
14 said Hawkins Midlothian Development tract and the
15 existing Easterly right-of-way line of said F.M. Road
16 663 for the following 7 courses:

- 17 1. North 08 degrees 21 minutes 23 seconds East, a
18 distance of 200.25 feet to a fence post found for
19 corner;
- 20 2. North 06 degrees 48 minutes 13 seconds East, a
21 distance of 85.00 feet to a five-eighths inch iron rod
22 found for corner;
- 23 3. North 09 degrees 25 minutes 21 seconds East, a
24 distance of 85.00 feet to a five-eighths inch iron rod
25 found for corner;
- 26 4. North 12 degrees 02 minutes 28 seconds East, a
27 distance of 85.00 feet to a one-half inch iron rod with

1 plastic cap stamped "VOTEX" found for corner;
2 5. North 14 degrees 39 minutes 36 seconds East, at a
3 distance of 6.91 feet, pass a TxDOT monument found for
4 the Southeast corner that certain tract of land
5 described in a Deed to the State of Texas for
6 right-of-way of said F.M. Road 663, as recorded in
7 Volume 1747, Page 1109, D.R.E.C.T, and continue a
8 total distance of 85.00 feet to a one-half inch iron
9 rod with plastic cap stamped "VOTEX" found for corner;
10 6. North 17 degrees 16 minutes 43 seconds East, a
11 distance of 85.00 feet to a one-half inch iron rod with
12 plastic cap stamped "VOTEX" found for corner;
13 7. North 19 degrees 53 minutes 51 seconds East, a
14 distance of 52.97 feet to a one-half inch iron rod with
15 plastic cap stamped "VOTEX" found for corner, same
16 being the Westerly Northwest corner of said Hawkins
17 Midlothian Development tract and the Southwest corner
18 of the remainder of that certain tract of land
19 described in a deed to Wilbur L. Stephenson and Wife
20 Jo. M. Stephenson (hereinafter referred to as
21 Stephenson tract), as recorded in Volume 1866, Page
22 2280, D.R.E.C.T.;
23 THENCE South 68 degrees 03 minutes 05 seconds East,
24 departing the existing Easterly right-of-way line of
25 said F.M. Road 663 and with the common line between
26 said Hawkins Midlothian Development tract and the
27 remainder of said Stephenson tract, a distance of

1 337.59 feet to a one-half inch iron rod with plastic
2 cap stamped "VOTEX" found for the beginning of a curve
3 to the left, whose long chord bears South 79 degrees 19
4 minutes 22 seconds East, a distance of 390.93 feet;
5 THENCE Easterly continue with the common line between
6 said Hawkins Midlothian Development tract and the
7 remainder of said Stephenson tract and with said curve
8 to the left having a radius of 1000.00 feet, through a
9 central angle of 22 degrees 32 minutes 39 seconds, for
10 an arc distance of 393.47 feet to a one-half inch iron
11 rod with plastic cap stamped "VOTEX" found for the end
12 of said curve;
13 THENCE North 89 degrees 24 minutes 17 seconds East
14 continue with the common line between said Hawkins
15 Midlothian Development tract and the remainder of said
16 Stephenson tract and generally with a fence line, a
17 distance of 1149.39 feet to a fence post for an
18 inner-ell corner of said Hawkins Midlothian
19 Development tract;
20 THENCE North 01 degree 48 minutes 16 seconds West with
21 the common line between said Hawkins Midlothian
22 Development tract and said Stephenson tract, a
23 distance of 45.01 feet to a one-half inch iron rod with
24 plastic cap stamped "VOTEX" found for the Southwest
25 corner of that certain tract of land described in a
26 Special Warranty Deed to The Board of Trustees of the
27 Midlothian Independent School District (hereinafter

1 referred to as MISD tract), as recorded in Instrument
2 Number 1522030, O.P.R.E.C.T.;

3 THENCE North 89 degrees 23 minutes 54 seconds East,
4 departing the Easterly line of said Stephenson tract
5 and with the common line between said Hawkins
6 Midlothian Development tract and said MISD tract, a
7 distance of 474.84 feet to a one-half inch iron rod
8 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
9 found for the Southerly Southeast corner of said MISD
10 tract;

11 THENCE North 44 degrees 18 minutes 23 seconds East
12 continue with the common line between said Hawkins
13 Midlothian Development tract and said Hawkins Meadow
14 tract, a distance of 63.58 feet to a one-half inch iron
15 rod with yellow plastic cap stamped "VOTEX R.P.L.S.
16 4813" found for the Easterly Southeast corner of said
17 Hawkins Meadow tract;

18 THENCE North 00 degrees 47 minutes 14 seconds West,
19 continue with the common line between said Hawkins
20 Midlothian Development tract and said MISD tract, a
21 distance of 1004.02 feet to a one-half inch iron rod
22 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
23 found for the Northeast corner of said MISD tract;

24 THENCE South 88 degrees 44 minutes 42 seconds West
25 continue with the common line between said Midlothian
26 Development tract and said MISD tract, a distance of
27 30.26 feet to a three-quarter inch iron rod found for

1 an angle point on the West line of said Hawkins
2 Midlothian Development tract;
3 THENCE North 01 degree 36 minutes 49 seconds West,
4 departing the North line of said MISD tract and with
5 the West line of said Hawkins Midlothian Development
6 tract, a distance of 574.65 feet to a three-quarters
7 inch pipe found for the Northwest corner of said
8 Hawkins Midlothian Development tract;
9 THENCE South 89 degrees 25 minutes 31 seconds East with
10 a Nand the existing South right-of-way line of said Mt.
11 Zion Road, a distance of 56.72 feet to a one-half inch
12 iron rod with yellow plastic cap stamped "VOTEX
13 R.P.L.S. 4813" found for the beginning of a
14 non-tangent curve to the left, whose long chord bears
15 South 14 degrees 42 minutes 34 seconds East, a distance
16 of 103.35 feet;
17 THENCE with a Northerly line of said Hawkins
18 Midlothian Development tract for the following 6
19 courses:
20 1. Southerly, departing the existing South
21 right-of-way line of said Mt. Zion Road and with said
22 non-tangent curve to the left having a radius of
23 1000.00 feet, through a central angle of 5 degrees 55
24 minutes 26 seconds, for an arc distance of 103.39 feet
25 to a one-half inch iron rod with yellow plastic cap
26 stamped "VOTEX R.P.L.S. 4813" found for the beginning
27 of a reverse curve whose long chord bears South 09

1 degrees 34 minutes 03 seconds East, a distance of
2 307.31 feet;

3 2. Southerly with said reverse curve having a radius
4 of 1090.00 feet, through a central angle of 16 degrees
5 12 minutes 28 seconds, for an arc distance of 308.34
6 feet to a one-half inch iron rod with yellow plastic
7 cap stamped "VOTEX R.P.L.S. 4813" found for corner;

8 3. North 88 degrees 57 minutes 58 seconds East, a
9 distance of 170.22 feet to a one-half inch iron rod
10 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
11 found for corner;

12 4. North 00 degrees 18 minutes 59 seconds West, a
13 distance of 255.12 feet to a one-half inch iron rod
14 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
15 found for corner;

16 5. South 89 degrees 41 minutes 01 second West, a
17 distance of 113.27 feet to a one-half inch iron rod
18 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
19 found for corner;

20 6. North 00 degrees 18 minutes 59 seconds West, a
21 distance of 139.90 feet to a one-half inch iron rod
22 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
23 found for the existing South right-of-way line of said
24 Mt. Zion Road, same being the beginning of a
25 non-tangent curve to the right, whose long chord bears
26 South 74 degrees 38 minutes 51 seconds East, a distance
27 of 227.69 feet;

1 THENCE Easterly with the common line between said
2 Hawkins Midlothian Development tract and the existing
3 South right-of-way line of Mt. Zion Road and with said
4 non-tangent curve to the right having a radius of
5 755.00 feet, through a central angle of 17 degrees 20
6 minutes 43 seconds, for an arc distance of 228.56 feet
7 to a five-eighths inch iron rod with plastic cap
8 stamped "RPLS 4838" set for corner;

9 THENCE South 67 degrees 58 minutes 31 seconds East
10 continue with the common line between said Hawkins
11 Midlothian Development tract and the existing South
12 right-of-way line of Mt. Zion Road, a distance of
13 460.94 feet to a five-eighths inch iron rod with
14 plastic cap stamped "RPLS 4838" set for the beginning
15 of a curve to the left, whose long chord bears South 68
16 degrees 55 minutes 06 seconds East, a distance of 86.66
17 feet;

18 THENCE Southeasterly continue with the common line
19 between said Hawkins Midlothian Development tract and
20 the existing South right-of-way line of Mt. Zion Road
21 and with said curve to the left having a radius of
22 842.75 feet, through a central angle of 5 degrees 53
23 minutes 40 seconds, for an arc distance of 86.70 feet
24 to a five-eighths inch iron rod with plastic cap
25 stamped "RPLS 4838" set for the Northerly Northeast
26 corner of said Hawkins Midlothian Development tract;

27 THENCE South 00 degrees 13 minutes 36 seconds West with

1 an Easterly line of said Hawkins Midlothian
2 Development tract, passing at a distance of 9.50 feet,
3 the Northwest corner of that certain tract of land
4 described in a General Warranty Deed to Midlothian
5 Economic Development (hereinafter referred to as
6 Midlothian Economic Development tract), as recorded in
7 Instrument Number 1517886, O.P.R.E.C.T. and continue
8 with said course and the common line between said
9 Hawkins Midlothian Development tract and Midlothian
10 Economic Development tract for a total distance of
11 241.18 feet to a one inch iron pipe found for an
12 inner-ell corner of said Hawkins Midlothian
13 Development tract, same being the Southwest corner of
14 said Midlothian Economic Development tract;
15 THENCE South 89 degrees 55 minutes 29 seconds East
16 continue with the common line between said Hawkins
17 Midlothian Development tract and said Midlothian
18 Economic Development tract, a distance of 188.11 feet
19 to a five-eighths inch iron rod found for an angle
20 point in a Northerly line of said Hawkins Midlothian
21 Development tract, same being the Southeasterly corner
22 of said Midlothian Economic Development tract;
23 THENCE North 89 degrees 29 minutes 47 seconds East with
24 a Northerly line of said Hawkins Midlothian
25 Development tract, passing at a distance of 93.18
26 feet, the Southwest corner of that certain tract of
27 land described in a deed to Christina Marie Luther

1 (hereinafter referred to as Luther tract), as recorded
2 in Volume 1652, Page 287, O.P.R.E.C.T. and continue
3 with said course and the common line between said
4 Hawkins Midlothian Development tract and said Luther
5 tract for a total distance of 380.22 feet to a fence
6 post found for the Easterly Northeast corner of said
7 Hawkins Midlothian Development tract, same being the
8 Southeast corner of said Luther tract;
9 THENCE South 02 degrees 37 minutes 04 seconds East with
10 the East line of said Hawkins Midlothian Development
11 tract, passing at a distance of 155.04 feet, the
12 Northwest corner of that certain tract of land
13 described in a General Warranty Deed with Third Party
14 Vendor's Lien to Lee Morgan Whitehead and wife, Deborah
15 Lei Whitehead (hereinafter referred to as Whitehead
16 tract), as recorded in Volume 2555, Page 1721,
17 O.P.R.E.C.T. and continue with said course and the
18 common line between said Hawkins Midlothian
19 Development tract and said Whitehead tract for a total
20 distance of 675.55 feet to a five-eighths inch pipe
21 found for the Easterly Southeast corner of said
22 Hawkins Midlothian Development tract, same being the
23 Southwest corner of said Whitehead tract, same being
24 the North line of that certain tract of land described
25 in a deed to Billy Ray Brandon (hereinafter referred to
26 as Brandon tract), as recorded in Volume 548, Page 79,
27 Deed Records, Ellis County, Texas (D.R.E.C.T.);

1 THENCE South 89 degrees 36 minutes 52 seconds West with
2 the common line between said Hawkins Midlothian
3 Development tract and said Brandon tract, a distance
4 of 571.25 feet to a five-eighths inch iron pipe found
5 for an inner-ell corner of said Hawkins Midlothian
6 Development tract, same being the Northwest corner of
7 said Brandon tract;
8 THENCE South 01 degree 30 minutes 18 seconds East
9 continue with the common line between said Hawkins
10 Midlothian Development tract and said Brandon tract,
11 passing at a distance of 660.17 feet, the Southwest
12 corner of said Brandon tract, same being the Northwest
13 corner of that certain tract of land described in a
14 Warranty Deed to City of Midlothian (hereinafter
15 referred to as City of Midlothian tract), as recorded
16 in Volume 2540, Page 2088, D.R.E.C.T. and continue
17 with said course and the common line between said
18 Hawkins Midlothian Development tract and said City of
19 Midlothian tract, passing at a distance of 1980.54
20 feet, the Southwest corner of said City of Midlothian
21 tract, same being the Northerly Northwest corner of
22 that certain tract of land described as Lakegrove
23 (hereinafter referred to as Lakegrove), an addition to
24 Ellis County, Texas, according to the plat recorded in
25 Cabinet A, Page 753, P.R.E.C.T. and continue with said
26 course for a total distance of 3388.12 feet to a fence
27 post found for the Southeast corner of said Hawkins

1 Midlothian Development tract, same being an inner-ell
2 corner of said Lakegrove;
3 THENCE South 88 degrees 56 minutes 48 seconds West
4 continue with the common line between said Hawkins
5 Midlothian Development tract and said Lakegrove,
6 passing at a distance of 361.12 feet, the Westerly
7 Northwest corner of said Lakegrove, same being the
8 Northeast corner of that certain tract of land
9 described in a deed to the City of Midlothian
10 (hereinafter referred to as City of Midlothian 2
11 tract), as recorded in Volume 2540, Page 1952,
12 D.R.E.C.T., and continue with said course and the
13 common line between said Hawkins Midlothian
14 Development tract and said City of Midlothian 2 tract
15 for a total distance of 452.58 feet to a five-eighths
16 inch iron rod with plastic cap stamped "RPLS 4838" set
17 for corner;
18 THENCE South 86 degrees 33 minutes 50 seconds West,
19 continue with the common line between said Hawkins
20 Midlothian Development tract and said City of
21 Midlothian 2 tract, a distance of 380.52 feet to a
22 one-half inch iron rod found for the Southerly
23 Southwest corner of said Hawkins Midlothian
24 Development tract;
25 THENCE North 01 degree 50 minutes 27 seconds East,
26 continue with the common line between said Hawkins
27 Midlothian Development tract and said City of

1 Midlothian 2 tract, a distance of 562.86 feet to a
2 one-half inch iron rod found for corner;
3 THENCE South 89 degrees 50 minutes 48 seconds West,
4 continue with the common line between said Hawkins
5 Midlothian Development tract and said City of
6 Midlothian 2 tract, passing at a distance of 456.78
7 feet, the Northeast corner of Lot 32, Block 2 of that
8 certain tract of land described as Lawson Farms - Phase
9 2A (hereinafter referred to as Lawson Farms - Phase
10 2A), an addition to the City of Midlothian, Ellis
11 County, Texas, according to the plat recorded in
12 Cabinet H, Page 252, P.R.E.C.T., and continue with
13 said course and with the common line between said
14 Hawkins Midlothian Development tract and said Lawson
15 Farms - Phase 2A, a total distance of 620.49 feet to a
16 one-half inch iron rod found for corner;
17 THENCE North 00 degrees 20 minutes 17 seconds West
18 continue with the common line between said Hawkins
19 Midlothian Development tract and said Lawson Farms -
20 Phase 2A, passing at a distance of 154.34 feet, a
21 Northerly corner of said Lawson Farms - Phase 2A, same
22 being the Southeast corner of the remainder of that
23 certain tract of land described in a deed to SKJ Lawson
24 Farms Development, L.P., (hereinafter referred to as
25 SKJ Lawson Farms Development tract), as recorded in
26 Volume 2005, Page 2309, O.P.R.E.C.T. and continue with
27 said course and the common line between said Hawkins

1 Midlothian Development tract and the remainder of said
2 SKJ Lawson Farms Development tract for a total
3 distance of 1330.40 feet to a one-half inch iron rod
4 found for an inner-ell corner of said Hawkins
5 Midlothian Development tract, same being the Northeast
6 corner of said SKJ Lawson Farms Development tract;
7 THENCE South 89 degrees 45 minutes 57 seconds West with
8 the common line between said Hawkins Midlothian
9 Development tract and said SKJ Lawson Farms
10 Development tract, passing at a distance of 1209.51
11 feet, a one-half inch iron rod found for the Northeast
12 corner of the aforesaid Lawson Farms - Phase One and
13 continue with said course and the common line between
14 said Hawkins Midlothian Development tract and said
15 Lawson Farms - Phase One, for a total distance of
16 2082.59 feet to the PLACE OF BEGINNING, and containing
17 a calculated area of 175.834 acres (7,659,336 square
18 feet) of land.

19 SAVE AND EXCEPT

20 LEGAL LAND DESCRIPTION:

21 BEING 4.339 acres or (188,987 square feet) in the
22 Marcellus T. Hawkins Survey, Abstract No. 463 and
23 Benjamin F. Hawkins Survey, Abstract No. 464, Ellis
24 County, Texas; said 4.339 acres or (188,987 square
25 feet) of land being all of that certain tract of land
26 described in a Correction Warranty Deed to James
27 Marcus Pitts, as recorded in Volume 2132, Page 442,

1 Official Public Records, Ellis County, Texas
2 (O.P.R.E.C.T.); said 4.339 acres or (188,987 square
3 feet) of land being all of that certain tract of land
4 described as SAVE AND EXCEPT TRACT in a Special
5 Warranty Deed to Hawkins Midlothian Development, LLC
6 (hereinafter referred to as SAVE AND EXCEPT TRACT), as
7 recorded in Instrument Number 1521607, O.P.R.E.C.T.;
8 said 4.339 acres or (188,987 square feet) being more
9 particularly described, by metes and bounds, as
10 follows:

11 BEGINNING at a three-quarters inch iron rod found for
12 the Northwest corner of said SAVE AND EXCEPT TRACT,
13 same being an inner-ell corner of that certain tract of
14 land described in a Special Warranty Deed to Hawkins
15 Midlothian Development, LLC (hereinafter referred to
16 as Hawkins Midlothian Development tract), as recorded
17 in Instrument Number 1521607, O.P.R.E.C.T.;

18 THENCE North 89 degrees 47 minutes 57 seconds East with
19 the common line between said SAVE AND EXCEPT TRACT and
20 said Hawkins Midlothian Development tract, a distance
21 of 477.86 feet to a three-eighths inch iron rod found
22 for the Northeast corner of said SAVE AND EXCEPT TRACT,
23 same being an inner-ell corner of said Hawkins
24 Midlothian Development tract;

25 THENCE South 02 degrees 32 minutes 45 seconds West
26 continue with the common line between said SAVE AND
27 EXCEPT TRACT and said Hawkins Midlothian Development

1 tract, a distance of 399.01 feet to a one-half inch
2 iron rod found for the Southeast corner of said SAVE
3 AND EXCEPT TRACT, same being an inner-ell corner of
4 said Hawkins Midlothian Development tract;
5 THENCE South 87 degrees 30 minutes 51 seconds West
6 continue with the common line between said SAVE AND
7 EXCEPT TRACT and said Hawkins Midlothian Development
8 tract, a distance of 450.20 feet to a five-eighths inch
9 iron rod with plastic cap stamped "RPLS 4838" set for
10 the Southwest corner of said SAVE AND EXCEPT TRACT,
11 same being an inner-ell corner of said Hawkins
12 Midlothian Development tract;
13 THENCE North 01 degree 25 minutes 30 seconds West
14 continue with the common line between said SAVE AND
15 EXCEPT TRACT and said Hawkins Midlothian Development
16 tract, a distance of 416.60 feet to the PLACE OF
17 BEGINNING, and containing a calculated area of 4.339
18 acres or (188,987 square feet) of land.
19 LEAVING A NET ACREAGE OF 171.496 ACRES or (7,470,349
20 SQUARE FEET).

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

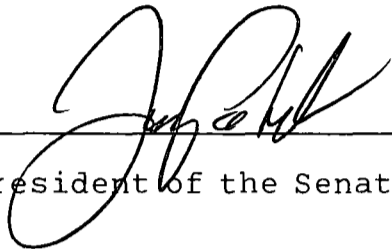
1 (b) The governor, one of the required recipients, has
2 submitted the notice and Act to the Texas Commission on
3 Environmental Quality.

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

8 (d) The general law relating to consent by political
9 subdivisions to the creation of districts with conservation,
10 reclamation, and road powers and the inclusion of land in those
11 districts has been complied with.

12 (e) All requirements of the constitution and laws of this
13 state and the rules and procedures of the legislature with respect
14 to the notice, introduction, and passage of this Act have been
15 fulfilled and accomplished.

16 SECTION 4. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2017.

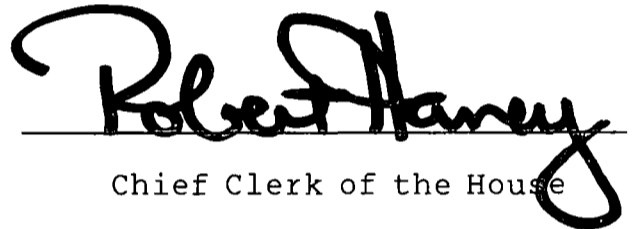


President of the Senate



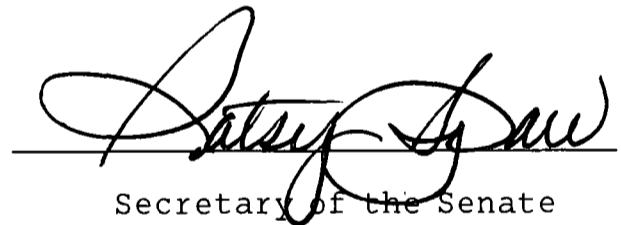
Speaker of the House

I certify that H.B. No. 4347 was passed by the House on May 19, 2017, by the following vote: Yeas 137, Nays 7, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 4347 on May 26, 2017, by the following vote: Yeas 131, Nays 12, 2 present, not voting.



Chief Clerk of the House

I certify that H.B. No. 4347 was passed by the Senate, with amendments, on May 24, 2017, by the following vote: Yeas 29, Nays 2.



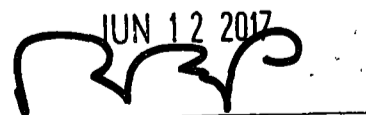
Secretary of the Senate

APPROVED: _____

Date

Governor

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

JUN 12 2017


Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 24, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Midlothian Municipal Management District No. 3. The district would have authority of a water district and a road district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem 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, SD, JGA, GG, BM

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 23, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 2nd House, Substituted**

<p>No fiscal implication to the State is anticipated.</p>
--

The bill would amend the Special District Local Laws Code establishing the Midlothian Municipal Management District No. 3. The district would have authority of a water district and a road district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem 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

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 20, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Midlothian Municipal Management District No. 3. The district would have authority of a water district, road district, public improvement district, and a municipal management district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem 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**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 5, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB4347** by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Midlothian Municipal Management District No. 3. The district would have authority of a water district, road district, public improvement district, and a municipal management district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem 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 23, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 2nd House, Substituted**

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 3952 which creates Midlothian Municipal Management District No. 3 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375, a standard municipal utility district under Water Code Chapters 49 and 54, and a standard road utility district under Section 52(b), Article III, Texas Constitution, including chapter 441, Transportation Code. 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 4347, 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 Ellis County served by small systems or private wells (County-Other) is 6,012. The Ellis County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 6,100 in 2020, 6,500 in 2030 and 7,177 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Ellis 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 0.27 square miles in northwestern Ellis County, located partially within the city limits of the City of Midlothian along Farm to Market Road 663. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by the City of Midlothian, Sardis-Lone Elm WSC, or Mountain Peak SUD.

Comments on Powers/Duties Different from Similar Types of Districts: House Committee Substitute 2 adds section 3952.007, applicability of municipal management district law: except as provided by this chapter, Chapter 375, Local Government Code, applies to the District. House Committee Substitute 2 removes dollar limit amounts on board of directors' compensation and

instead states that directors are entitled to receive fees of office and reimbursement for actual expenses in the manner provided by Water Code, Chapter 49.060. Local Government Code Section 375.069 states that a position on the board may not be construed to be a civil office of emolument for any purpose, including those purposes described by Article XVI, Section 40, of the Texas Constitution; House Committee Substitute 2 specifies that this section does not apply to the board. Local Government Code Section 375.070 states that a director is not entitled to compensation for service on the board but is entitled to be reimbursed for necessary expenses incurred in carrying out the duties and responsibilities of a directors; House Committee Substitute 2 specifies that this section does not apply to the board. House Committee Substitute 2 removes Section 3952.101 stating that an improvement project may be located inside or outside the District. The substitute removes Public Improvement District powers. The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board in the manner provided by Local Government Code Section 375.14. The substitute removes the provision stating that Local Government Code Section 372.023 does not apply to the District. The substitute removes the provision stating that Local Government Code Section 375.161 does not apply to the District.

The District may not exercise any powers under this chapter until the development agreement is executed; the District is to be governed by a board of five voting directors that are appointed by the governing body of the City of Midlothian from a list of persons recommended by the board; the board of directors will also include the City's manager, and chief financial officer that will serve as non-voting directors; Texas Water Code, Section 49.052 (Disqualifications of Directors) will not apply to the District's board members; the bill specifies that the District may adopt rules to administer or operate the district and enforce its rules by injunctive relief; the District may not exercise the power of eminent domain; the District may not undertake an improvement project or service unless the board determines the project or service: is necessary to accomplish a public purpose of the district; complies with the development agreement and consent application agree to the project or service, in writing; and is authorized by an ordinance of the city that consents to the creation of the District; the bill specifies that planning, design, construction, improvement, or maintenance of a lake includes work done for drainage, reclamation, or recreation; the bill specifies that the District may contract with any person to accomplish any district purpose; before the District may issue bonds, impose taxes or assessments, or borrow money, the District must obtain city confirmation that the development agreement and consent application are enforceable and no defaults are known; the District may impose an assessment on property in the District if the assessment is authorized by an ordinance of the city to pay the cost or the cost of maintenance of any authorized district improvement; this bill specifies that Local Government Code Section 372.023(e), that states that the interest rate on unpaid amounts due under an installment sales contract, reimbursement agreement, temporary note, or time warrant of costs payable from a special assessment that is payable in installments, does not apply to the District; Local Government Code Section 375.161 states that an MMD may not impose an impact fee, assessment, tax, or other requirement for payment, construction, alteration, or dedication under this chapter on single-family detached residential property, duplexes, triplexes, and fourplexes; the bill specifies that this section does not apply to the District; the bill specifies that the District may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments; Local Government Code Section 375.208 states that a District must obtain approval from the TCEQ if it issues bonds to provide, water, wastewater, or drainage facilities; Texas Water Code Chapter 49.181 and 49.182 state that a District may not issue bonds without TCEQ approval of feasibility and no substantial alterations may be made in the plans and specifications without the approval of the TCEQ; the bill specifies that these sections do not apply to the District; the District may impose an ad valorem tax; the governing body of the City may dissolve the district by ordinance.

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 4347 specifies that "the district has the powers provided by the general laws "relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code".

Within Ellis County, 69 percent of the total water use was surface water in 2014. Seventy eight percent of all the surface water use was for municipal use. 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

LEGISLATIVE BUDGET BOARD

Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 5, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or 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 amends the Special District Local Laws code by adding Chapter 3952 which creates Midlothian Municipal Management District No. 3 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375, a standard municipal utility district under Water Code Chapters 49 and 54, a standard road utility district under Section 52(b), Article III, Texas Constitution, including chapter 441, Transportation Code, and a standard public improvement district under Chapter 372, Local Government Code.

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 4347, 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 Ellis County served by small systems or private wells (County-Other) is 6,012. The Ellis County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 6,100 in 2020, 6,500 in 2030 and 7,177 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Ellis 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 0.27 square miles in northwestern Ellis County, located partially within the city limits of the City of Midlothian along Farm to Market Road 663. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by the City of Midlothian, Sardis-Lone Elm WSC, or Mountain Peak SUD.

Comments on Powers/Duties Different from Similar Types of Districts: The District may not exercise any powers under this chapter until the development agreement is executed; the District

is to be governed by a board of five voting directors that are appointed by the governing body of the City of Midlothian from a list of persons recommended by the board; the board of directors will also include the City's manager, and chief financial officer that will serve as non-voting directors; Texas Water Code, Section 49.052 (Disqualifications of Directors) will not apply to the District's board members; the bill specifies that the District may adopt rules to administer or operate the district and enforce its rules by injunctive relief; the District may not exercise the power of eminent domain; the District may not undertake an improvement project or service unless the board determines the project or service: is necessary to accomplish a public purpose of the district; complies with the development agreement and consent application agree to the project or service, in writing; and is authorized by an ordinance of the city that consents to the creation of the District; the bill specifies that planning, design, construction, improvement, or maintenance of a lake includes work done for drainage, reclamation, or recreation; the bill specifies that the District may contract with any person to accomplish any district purpose; before the District may issue bonds, impose taxes or assessments, or borrow money, the District must obtain city confirmation that the development agreement and consent application are enforceable and no defaults are known; the District may impose an assessment on property in the District if the assessment is authorized by an ordinance of the city to pay the cost or the cost of maintenance of any authorized district improvement; this bill specifies that Local Government Code Section 372.023(e), that states that the interest rate on unpaid amounts due under an installment sales contract, reimbursement agreement, temporary note, or time warrant of costs payable from a special assessment that is payable in installments, does not apply to the District; Local Government Code Section 375.161 states that an MMD may not impose an impact fee, assessment, tax, or other requirement for payment, construction, alteration, or dedication under this chapter on single-family detached residential property, duplexes, triplexes, and fourplexes; the bill specifies that this section does not apply to the District; the bill specifies that the District may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments; Local Government Code Section 375.208 states that a District must obtain approval from the TCEQ if it issues bonds to provide, water, wastewater, or drainage facilities; Texas Water Code Chapter 49.181 and 49.182 state that a District may not issue bonds without TCEQ approval of feasibility and no substantial alterations may be made in the plans and specifications without the approval of the TCEQ; the bill specifies that these sections do not apply to the District; the District may impose an ad valorem tax; the governing body of the City may dissolve the district by ordinance.

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 4347 specifies that "the district has the powers provided by the general laws "relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code".

Within Ellis County, 69 percent of the total water use was surface water in 2014. Seventy eight percent of all the surface water use was for municipal use. 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

PUBLISHER'S AFFIDAVIT

**STATE OF TEXAS
COUNTY OF ELLIS**

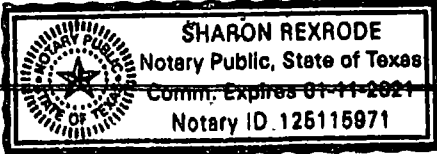
Before me, the undersigned authority in and for said State and County, on this day personally appeared Robin Fox to me known, who, after being by me first duly sworn, on oath, says: that she is Clerk of the Midlothian Mirror which is a newspaper of general circulation, published in the City of Midlothian, in Ellis County, Texas, and which has been continuously and regularly published therein for a period of more than one year next before the first publication of the attached writ and notice; that the said writ and notice was printed and published in said newspaper once each consecutive week for the period of time required, and on the following dates:

2-1, 2017, as appeared from a copy thereof attached.

Witness my hand this 1 day of February 2017
[Signature] Robin Fox

Subscribed and sworn to before me this 1 day of February 2017
[Signature]
Notary Public in and for Ellis County, Texas

Printer's Fee \$ _____



MIDLOTHIAN MIRRO

2.1.2017 | Follow us on Twitter & LinkedIn



B **Classified & Merchandise Deal**

Run a single item priced at \$50-\$100 for only \$7.50 per week

6 lines runs in Midlothian Mirror and online

All services
All major categories
Call (972) 937-3311

LEGALIS Legal Notices
to place your advertisement

CLASSIFIED AD RATES **BUYER BEWARE**

Have something to sell? Looking to buy? Need a new place to rent? The Many ads for these classifieds come from all the major points in the Waxahatchee area.

Midlothian SERVICE

If you need service be sure to contact one of the

ELECTRIC SERVICE	HANDYMAN	HOME IMPROVEMENT	LAWN CARE
REEVES ELECTRICAL CONTRACTING INC. 50+ Years Experience  Whole Home Surge Protectors For Lightning Strikes SERVICE BREAKER BOX REPLACEMENT NEW CONSTRUCTION COMMERCIAL HOME THEATER FREE ESTIMATES 972-938-0893	QUALITY WORK HANDYMAN <i>I Do It All!!</i> Carpentry • Painting Fences • Drywall Doors • Siding • Decks Trim • Tile • Etc. Large & small jobs Free Estimates • Reasonable 30 yrs. exp. • Refs. Avail. Locally owned in Waxahachie (972) 658-6312	DECKS PATIO COVERS REPLACEMENT WINDOWS HARDIE & VINYL SIDING DECK & GARAGE ENCLOSURES Larry Burks 404 Bryson • Waxahachie Serving all of Ellis County 972-935-0016 Credit Cards References FREE ESTIMATES	Javier's Tractor Dirt Grading Complete Lawn Service Complete Tree Service French Drainage Systems 972-948-1239 mata972@sbcglobal.net Waxahachie

To include your business on this page, please call (469) 517-1501 or email srexrode@waxa

Legal Notices	Employment	Employment	Employment	General Services	Items For Sale
trict will be created under the provisions of Article 16, Section 59 of the Constitution of Texas and pursuant to the inherent power of the Legislature to create special governmental agencies and districts, with powers including those given to municipal management districts operating pursuant to Chapter 375, Local Government Code, and including the powers under Article III, Section 52, Article XVI, Section 59 and Article III, Section 52-a, of the Constitution of Texas. The bill will provide for the district's administration, powers, name, duties, operation, and financing.	FENCE CONTRACTOR 5+ yrs exp. Insured. Tools/truck req'd. (972) 723-3249. OTR DRIVERS WANTED! Specializing in flats, steps and lowboys. Must have 2 years experience. Drug free environment. Oversize experience a plus but willing to teach if you're willing to learn. Pay is percentage and weekly. (972) 646-5486. CLASS A OR B ROLL OFF & GARBAGE DRIVER & DIESEL MECHANIC Apply at DCI Sanitation, 103 Planters Gin Dr., Bardwell, TX.	VENUS ISD ABM JANITORIAL is now hiring for full-time/part-time cleaners. \$8.50-\$8.75 hourly. Benefits available. To apply please contact Maria Quijano at 214-889-8173 or Kelley Lewis at 469-889-8083. HOME INSTEAD Caregiver Wanted homeinstead.com/742 NOW HIRING! Contract Labor and Drivers: No CDL required; will train. Full-Time positions, 48-60 hrs., starting pay \$9.50 & incentives. Apply in person: 280 Ward Rd., Midlothian, TX. (817) 539-8536 or (817) 539-8538 Drug screen will be required.	We are looking to fill 2 positions in our Textile / Clothes Division. Start \$10-\$11/hr. depending on exp. Send resume sherry@stanleyrestoration.com or call (972) 296-4959 RECREATION AUTOMOTIVE Cars SELL IT FAST!! Have a car, truck, SUV, van, boat, RV, motorcycle or any other type of vehicle for sale? You're in luck! Place your 6 line ad with a photo to run a month in the Waxahachie Daily Light, Midlothian Mirror and Ellis County Trading Post plus waxahachietx.com for only \$49.95 per month. Additional lines are \$2 each. All ads must be	TRACTOR WORK Mowing, loader work, demolition brush & tree removal, hauling, dirt work, fence repair & misc. (972) 217-2107. Child Care STATE LAW REQUIRES all child caring facilities to be licensed by or registered with the Texas Department of Protective and Regulatory Services to assure that they meet minimum health and safety standards. Look for a license or registration certificate when you visit a child care facility. Call your local DHR office and ask for day care licensing if you have questions.	FOR SALE Solid walnut dining table - needs some repair, 2 leafs, 6 chairs, 2 arm chairs, large buffet, serving cart, sofa, \$500. (254) 266-0033. SIDE-BY-SIDE Refrigerator/freezer, white, \$50. white standing freezer, \$50; refrigerator (top fridge/bottom freezer), \$100; sewing machine, \$35; 32" color TV, \$50; air compressor, \$100; riding lawn mower, \$75; 2 push mowers \$50/ea. chain saw, \$25; drill press, \$75; drill, \$25; tools and more! (972) 723-2123.
MEALS-ON-WHEELS of Johnson and El	LEVINGE FREIGHT LINES Is now hiring Class A CDL drivers for OTR and dedic	ESTA CAPACITADO EN TODOS LOS TIPOS DE ROPA Estamos buscando a un Planchador	SALES PER Tucker Lumber Co. in sales personnel with ex and hardware retail sale the opportunity for advancement. Excellent benefits, insurance, vacation and profit sharing plan.		