

Chapter 881

H.B. No. 4160

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

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

7 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
8 Code, is amended by adding Chapter 7913 to read as follows:

9 CHAPTER 7913. BURNET COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7913.001. 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 Burnet County Municipal  
17 Utility District No. 1.

18 Sec. 7913.002. NATURE OF DISTRICT. The district is a  
19 municipal utility district created under Section 59, Article XVI,  
20 Texas Constitution.

21 Sec. 7913.003. 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.

Sec. 7913.004. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)

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

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

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

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

Sec. 7913.005. INITIAL DISTRICT TERRITORY. (a) The

district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

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

(1) organization, existence, or validity;

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

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7913.051. GOVERNING BODY; TERMS. (a) The district is

governed by a board of five elected directors.

(b) Except as provided by Section 7913.052, directors serve staggered four-year terms.

1       Sec. 7913.052. TEMPORARY DIRECTORS. (a) On or after the  
2 effective date of the Act enacting this chapter, the owner or owners  
3 of a majority of the assessed value of the real property in the  
4 district may submit a petition to the commission requesting that  
5 the commission appoint as temporary directors the five persons  
6 named in the petition. The commission shall appoint as temporary  
7 directors the five persons named in the petition.

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

9           (1) the date permanent directors are elected under  
10 Section 7913.003; or

11           (2) the fourth anniversary of the effective date of  
12 the Act enacting this chapter.

13       (c) If permanent directors have not been elected under  
14 Section 7913.003 and the terms of the temporary directors have  
15 expired, successor temporary directors shall be appointed or  
16 reappointed as provided by Subsection (d) to serve terms that  
17 expire on the earlier of:

18           (1) the date permanent directors are elected under  
19 Section 7913.003; or

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

22       (d) If Subsection (c) applies, the owner or owners of a  
23 majority of the assessed value of the real property in the district  
24 may submit a petition to the commission requesting that the  
25 commission appoint as successor temporary directors the five  
26 persons named in the petition. The commission shall appoint as  
27 successor temporary directors the five persons named in the

1 petition.

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 7913.101. GENERAL POWERS AND DUTIES. The district has  
4 the powers and duties necessary to accomplish the purposes for  
5 which the district is created.

6 Sec. 7913.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
7 DUTIES. The district has the powers and duties provided by the  
8 general law of this state, including Chapters 49 and 54, Water Code,  
9 applicable to municipal utility districts created under Section 59,  
10 Article XVI, Texas Constitution.

11 Sec. 7913.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
12 52, Article III, Texas Constitution, and Section 53.029(c), Water  
13 Code, the district may design, acquire, construct, finance, issue  
14 bonds for, improve, operate, maintain, and convey to this state, a  
15 county, or a municipality for operation and maintenance  
16 macadamized, graveled, or paved roads, or improvements, including  
17 storm drainage, in aid of those roads.

18 Sec. 7913.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
19 project must meet all applicable construction standards, zoning and  
20 subdivision requirements, and regulations of each municipality in  
21 whose corporate limits or extraterritorial jurisdiction the road  
22 project is located.

23 (b) If a road project is not located in the corporate limits  
24 or extraterritorial jurisdiction of a municipality, the road  
25 project must meet all applicable construction standards,  
26 subdivision requirements, and regulations of each county in which  
27 the road project is located.

1       (c) If the state will maintain and operate the road, the  
2 Texas Transportation Commission must approve the plans and  
3 specifications of the road project.

4       Sec. 7913.105. STRATEGIC PARTNERSHIP AGREEMENT. The  
5 district may negotiate and enter into a written strategic  
6 partnership agreement with a municipality under Section 43.0751,  
7 Local Government Code.

8       Sec. 7913.106. DIVISION OF DISTRICT. (a) The district may  
9 be divided into two or more new districts only if the district:

10           (1) has no outstanding bonded debt; and

11           (2) is not imposing ad valorem taxes.

12       (b) This chapter applies to any new district created by the  
13 division of the district, and a new district has all the powers and  
14 duties of the district.

15       (c) Any new district created by the division of the district  
16 may not, at the time the new district is created, contain any land  
17 outside the area described by Section 2 of the Act creating this  
18 chapter.

19       (d) The board, on its own motion or on receipt of a petition  
20 signed by the owner or owners of a majority of the assessed value of  
21 the real property in the district, may adopt an order dividing the  
22 district.

23       (e) The board may adopt an order dividing the district  
24 before or after the date the board holds an election under Section  
25 7913.003 to confirm the district's creation.

26       (f) An order dividing the district shall:

27           (1) name each new district;

1           (2) include the metes and bounds of each new district;

2           (3) appoint temporary directors for each new district  
3 or provide that the owner or owners of a majority of the assessed  
4 value of the real property in each new district may submit a  
5 petition to the Texas Commission on Environmental Quality  
6 requesting that the commission appoint as temporary directors the  
7 five persons named in the petition; and

8           (4) provide for the division of assets and liabilities  
9 between or among the new districts.

10          (g) On or before the 30th day after the date of adoption of  
11 an order dividing the district, the district shall file the order  
12 with the Texas Commission on Environmental Quality and record the  
13 order in the real property records of each county in which the  
14 district is located.

15          (h) Any new district created by the division of the district  
16 shall hold a confirmation and directors' election as required by  
17 Section 7913.003. A new district that is not confirmed is subject  
18 to dissolution under general law.

19          (i) Any new district created by the division of the district  
20 must hold an election as required by this chapter to obtain voter  
21 approval before the district may impose a maintenance tax or issue  
22 bonds payable wholly or partly from ad valorem taxes.

23                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

24          Sec. 7913.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
25 district may issue, without an election, bonds and other  
26 obligations secured by:

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



1 RECREATIONAL FACILITIES AND IMPROVEMENTS WITH ASSESSMENTS. (a)  
2 Except as provided by this subchapter, the board may finance a  
3 recreational facility or improvement with assessments on property  
4 under this subchapter, but only if:

5 (1) a written petition requesting that facility or  
6 improvement has been filed with the board; and

7 (2) the board holds a hearing on the proposed  
8 assessments.

9 (b) The petition must be signed by the owners of a majority  
10 of the assessed value of real property in the district subject to  
11 assessment according to the most recent certified tax appraisal  
12 roll for the county.

13 Sec. 7913.202. METHOD OF NOTICE FOR HEARING. The district  
14 shall mail notice of the hearing to each property owner in the  
15 district who will be subject to the assessment at the current  
16 address to be assessed as reflected on the tax rolls. The district  
17 may mail the notice by certified or first class United States mail.  
18 The board shall determine the method of notice.

19 Sec. 7913.203. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) An  
20 assessment or a reassessment imposed under this subchapter by the  
21 district, penalties and interest on an assessment or reassessment,  
22 an expense of collection, and reasonable attorney's fees incurred  
23 by the district:

24 (1) are a first and prior lien against the property  
25 assessed;

26 (2) are superior to any other lien or claim other than  
27 a lien or claim for county, school district, or municipal ad valorem



1 taxes; and

2 (3) are the personal liability of and a charge against  
3 the owners of the property even if the owners are not named in the  
4 assessment proceedings.

5 (b) The lien is effective from the date of the board's  
6 resolution imposing the assessment until the date the assessment is  
7 paid. The board may enforce the lien in the same manner that the  
8 board may enforce an ad valorem tax lien against real property.

9 (c) The board may make a correction to or deletion from the  
10 assessment roll that does not increase the amount of assessment of  
11 any parcel of land without providing notice and holding a hearing in  
12 the manner required for additional assessments.

13 Sec. 7913.204. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
14 ASSESSMENTS. The district may not impose an impact fee or  
15 assessment on the property, including the equipment,  
16 rights-of-way, facilities, or improvements, of:

17 (1) an electric utility or a power generation company  
18 as defined by Section 31.002, Utilities Code;

19 (2) a gas utility as defined by Section 101.003 or  
20 121.001, Utilities Code;

21 (3) a telecommunications provider as defined by  
22 Section 51.002, Utilities Code; or

23 (4) a person who provides to the public cable  
24 television or advanced telecommunications services.

25 SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS

26 Sec. 7913.251. AUTHORITY TO ISSUE BONDS AND OTHER  
27 OBLIGATIONS. The district may issue bonds or other obligations

1 payable wholly or partly from ad valorem taxes, impact fees,  
2 revenue, contract payments, grants, or other district money, or any  
3 combination of those sources, to pay for any authorized district  
4 purpose.

5 Sec. 7913.252. TAXES FOR BONDS. At the time the district  
6 issues bonds payable wholly or partly from ad valorem taxes, the  
7 board shall provide for the annual imposition of a continuing  
8 direct ad valorem tax, without limit as to rate or amount, while all  
9 or part of the bonds are outstanding as required and in the manner  
10 provided by Sections 54.601 and 54.602, Water Code.

11 Sec. 7913.253. BONDS FOR ROAD PROJECTS. At the time of  
12 issuance, the total principal amount of bonds or other obligations  
13 issued or incurred to finance road projects and payable from ad  
14 valorem taxes may not exceed one-fourth of the assessed value of the  
15 real property in the district.

16 SUBCHAPTER G. DEFINED AREAS

17 Sec. 7913.301. AUTHORITY TO ESTABLISH DEFINED AREAS OR  
18 DESIGNATED PROPERTY. The district may define areas or designate  
19 certain property of the district to pay for improvements,  
20 facilities, or services that primarily benefit that area or  
21 property and do not generally and directly benefit the district as a  
22 whole.

23 Sec. 7913.302. PROCEDURE FOR ELECTION. (a) Before the  
24 district may impose an ad valorem tax or issue bonds payable from ad  
25 valorem taxes of the defined area or designated property, the board  
26 shall hold an election in the defined area or in the designated  
27 property only.

1        (b) The board may submit the issues to the voters on the same  
2 ballot to be used in another election.

3        Sec. 7913.303. DECLARING RESULT AND ISSUING ORDER. (a) If  
4 a majority of the voters voting at the election approve the  
5 proposition or propositions, the board shall declare the results  
6 and, by order, shall establish the defined area and describe it by  
7 metes and bounds or designate the specific property.

8        (b) A court may not review the board's order except on the  
9 ground of fraud, palpable error, or arbitrary and confiscatory  
10 abuse of discretion.

11        Sec. 7913.304. TAXES FOR SERVICES, IMPROVEMENTS, AND  
12 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter  
13 approval and adoption of the order described by Section 7913.303,  
14 the district may apply separately, differently, equitably, and  
15 specifically its taxing power and lien authority to the defined  
16 area or designated property to provide money to construct,  
17 administer, maintain, and operate services, improvements, and  
18 facilities that primarily benefit the defined area or designated  
19 property.

20        Sec. 7913.305. ISSUANCE OF BONDS FOR DEFINED AREA OR  
21 DESIGNATED PROPERTY. After the order under Section 7913.303 is  
22 adopted, the district may issue bonds to provide for any land,  
23 improvements, facilities, plants, equipment, and appliances for  
24 the defined area or designated property.

25        SECTION 2. The Burnet County Municipal Utility District No.  
26 1 initially includes all the territory contained in the following  
27 area:

1 Being a parcel of land situated in the GC&SF RR CO Survey, Section  
2 330, Grantee - J.N. Crawford, Abstract Number 1772, the HE&WT RR CO  
3 Survey, Section 304, Grantee - J.N. Crawford, Abstract Number 1833,  
4 the T&NO RR CO Survey, Section 2, Grantee - C.F. Burton, Abstract  
5 Number 1756 and the Maria Catalina Salinas Survey Number 17,  
6 Abstract Number 776 and being a portion of a parcel of land as  
7 described in the deed to Hines HWY 71, Limited Partnership recorded  
8 under Instrument Number 2007-9805 of the Official Public Records of  
9 Burnet County, Texas (hereafter referred to as the Hines Tract),  
10 being more particularly described as follows:

11 BEGINNING at a 12 inch diameter steel fence corner post found at the  
12 northwest corner of said Hines Tract;

13 THENCE the following nineteen (19) calls coincident with the  
14 perimeter and to the corners of said Hines Tract:

15 1. NORTH 88 degrees 07 minutes 25 seconds EAST, 160.65 feet  
16 to a found 1/2 inch rebar;

17 2. NORTH 88 degrees 11 minutes 33 seconds EAST, 381.95 feet  
18 to a found 1/2 inch rebar;

19 3. NORTH 88 degrees 17 minutes 11 seconds EAST, 557.49 feet  
20 to a found cotton gin spindle in the base of a 24 inch Live Oak;

21 4. NORTH 87 degrees 48 minutes 14 seconds EAST, 106.07 feet  
22 to a found 1/2 inch rebar;

23 5. NORTH 88 degrees 40 minutes 10 seconds EAST, 340.08 feet  
24 to a found 1/2 inch rebar;

25 6. NORTH 88 degrees 21 minutes 35 seconds EAST, 161.15 feet  
26 to a found 60D nail in the base of a 18 inch Cedar;

27 7. NORTH 88 degrees 02 minutes 57 seconds EAST, 588.76 feet

- 1 to a found 2.5 inch steel fence corner post;
- 2           8. NORTH 01 degree 44 minutes 40 seconds WEST, 760.21 feet  
3 to a found 1/2 inch rebar;
- 4           9. NORTH 01 degree 29 minutes 14 seconds WEST, 214.13 feet  
5 to a found 1/2 inch rebar;
- 6           10. NORTH 01 degree 53 minutes 17 seconds WEST, 590.33 feet  
7 to a found 3/8 inch rebar;
- 8           11. SOUTH 77 degrees 00 minutes 08 seconds EAST, 491.52 feet  
9 to a found 2.5 inch steel fence corner post;
- 10          12. NORTH 87 degrees 53 minutes 14 seconds EAST, 1554.95  
11 feet to a found 2.5 inch steel fence corner post;
- 12          13. NORTH 00 degrees 38 minutes 32 seconds WEST, 566.01 feet  
13 to a found 1/2 inch capped rebar stamped "Bergman 3103";
- 14          14. NORTH 00 degrees 28 minutes 11 seconds WEST, 406.18 feet  
15 to a found 1/2 inch capped rebar stamp illegible;
- 16          15. NORTH 88 degrees 34 minutes 22 seconds EAST, 1439.89  
17 feet to a found 1/2 inch rebar;
- 18          16. NORTH 89 degrees 03 minutes 16 seconds EAST, 502.28 feet  
19 to a found 1/2 inch capped rebar stamped "Austin Surveyors";
- 20          17. NORTH 88 degrees 53 minutes 10 seconds EAST, 977.10 feet  
21 to a found 1/2 inch rebar;
- 22          18. SOUTH 01 degree 17 minutes 47 seconds EAST, 2875.44 feet  
23 to a found 3/8 inch rebar;
- 24          19. SOUTH 01 degree 12 minutes 03 seconds EAST, 1145.50 feet  
25 to a set 1/2 inch capped rebar stamped "JPH LAND SURVEYING" set at  
26 the intersection of the east line of said Hines Tract with the  
27 Burnet-Travis County Line as described in Texas Senate Bill 1009,

1 an Act of May 22, 2013, 83rd Legislature, Regular Session, Chapter  
2 599, filed in the Office of the Texas Secretary of State;  
3 THENCE SOUTH 28 degrees 40 minutes 00 seconds WEST, with said  
4 Burnet-Travis County Line, passing at 738.26 feet a found rock  
5 mound noted as the 5th mile in the field notes by T. A. Chamberlain  
6 recorded under Document Number 50949 of the County Boundary Files  
7 for Burnet County in the Archives and Records of the Texas General  
8 Land Office, in the vicinity of said rock mound a 1/2 inch capped  
9 rebar stamped "Bergman RPLS 3103" lies northwesterly of said  
10 Burnet-Travis County Line 2.5 feet, continuing for a total distance  
11 of 1591.88 feet to a 1/2 inch capped rebar stamped "JPH LAND  
12 SURVEYING" set at the intersection of said Burnet-Travis County  
13 Line with a south line of said Hines Tract, from which a 6"x 6" x 44"  
14 tall concrete monument marked "T" on the east side, "B" on the west  
15 side and "1930" on the base found marking the corner of Burnet and  
16 Blanco Counties and on the Travis County line bears SOUTH 28 degrees  
17 40 minutes 00 seconds WEST, 1343.39 feet, and from said concrete  
18 monument a 14 inch Live Oak Tree bears NORTH 86 degrees WEST, 16.5  
19 feet;  
20 THENCE the following six (6) calls coincident with the perimeter  
21 and to the corners of said Hines Tract:  
22       1. SOUTH 88 degrees 48 minutes 34 seconds WEST, 406.38 feet  
23 to a found 1/2 inch rebar from which a found 5/8 inch capped rebar  
24 stamped "RPLS 453?" bears NORTH 28 degrees WEST, 0.3 feet;  
25       2. SOUTH 88 degrees 51 minutes 05 seconds WEST, 283.38 feet  
26 to a found 60D nail in top of a 12 inch diameter fence corner post;  
27       3. NORTH 01 degree 12 minutes 27 seconds WEST, 475.01 feet

1 to a found cotton gin spindle;

2 4. SOUTH 88 degrees 57 minutes 29 seconds WEST, 1924.98 feet  
3 to a set mag nail in rock;

4 5. SOUTH 25 degrees 44 minutes 58 seconds WEST, 532.03 feet  
5 to a found 1/2 inch capped rebar stamped "RPLS 4?52";

6 6. SOUTH 06 degrees 38 minutes 28 seconds WEST, 387.56 feet  
7 to a set 1/2 inch capped rebar stamped "JPH LAND SURVEYING" set at  
8 the intersection of an easterly line of said Hines Tract with the  
9 Burnet-Blanco County Line;

10 THENCE NORTH 71 degrees 49 minutes 50 seconds WEST, 2120.42 feet  
11 with said Burnet-Blanco County Line to a 1/2 inch capped rebar  
12 stamped "JPH LAND SURVEYING" set at the intersection of the east  
13 right of way line of State Highway 71 (formerly known as R.M.  
14 Highway 93) a 150-foot right of way, as described in the deed to the  
15 State of Texas recorded in Volume 98, Pages 530 and 531 of the Deed  
16 Records of Burnet County, Texas with said Burnet-Blanco County  
17 Line, from which a calculated point being a deed call tie as  
18 described in said deed to the State of Texas to said Burnet-Blanco  
19 County Line bears NORTH 71 degrees 49 minutes 50 seconds WEST, 148.8  
20 feet;

21 THENCE the following four (4) calls coincident with the perimeter  
22 and to the corners of the east right of way line of said State  
23 Highway 71:

24 1. NORTH 48 degrees 03 minutes 28 seconds WEST, 518.91 feet  
25 to a Texas Department of Transportation 4 inch x 4 inch concrete  
26 right of way monument found at the beginning of a tangent curve  
27 concave to the northeast, having a radius of 2805.00 feet;

1           2. northwesterly an arc length of 1334.88 feet to a Texas  
2 Department of Transportation 4 inch x 4 inch concrete right of way  
3 monument found at the beginning of a tangent line to the  
4 aforementioned curve;

5           3. NORTH 20 degrees 47 minutes 28 seconds WEST, 635.31 feet  
6 to a Texas Department of Transportation 4 inch x 4 inch concrete  
7 right of way monument found at the beginning of a tangent curve  
8 concave to the southwest having a radius of 5790.00 feet;

9           4. northerly an arc length of 596.51 feet to the POINT OF  
10 BEGINNING, containing 643.0 acres.

11           SECTION 3. (a) The legal notice of the intention to  
12 introduce this Act, setting forth the general substance of this  
13 Act, has been published as provided by law, and the notice and a  
14 copy of this Act have been furnished to all persons, agencies,  
15 officials, or entities to which they are required to be furnished  
16 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
17 Government Code.

18           (b) The governor, one of the required recipients, has  
19 submitted the notice and Act to the Texas Commission on  
20 Environmental Quality.

21           (c) The Texas Commission on Environmental Quality has filed  
22 its recommendations relating to this Act with the governor, the  
23 lieutenant governor, and the speaker of the house of  
24 representatives within the required time.

25           (d) All requirements of the constitution and laws of this  
26 state and the rules and procedures of the legislature with respect  
27 to the notice, introduction, and passage of this Act are fulfilled



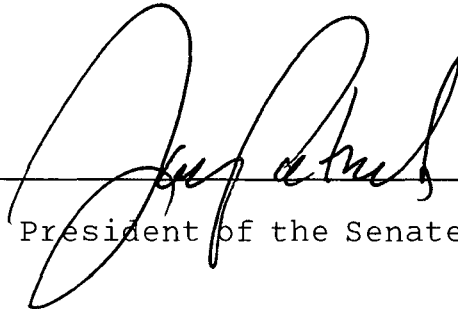
1 and accomplished.

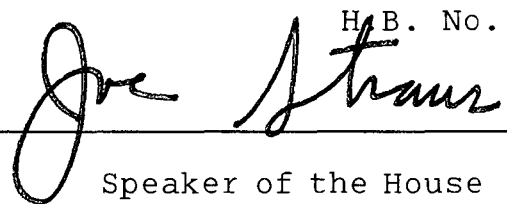
2 SECTION 4. (a) If this Act does not receive a two-thirds  
3 vote of all the members elected to each house, Subchapter C, Chapter  
4 7913, Special District Local Laws Code, as added by Section 1 of  
5 this Act, is amended by adding Section 7913.107 to read as follows:

6 Sec. 7913.107. NO EMINENT DOMAIN POWER. The district may  
7 not exercise the power of eminent domain.

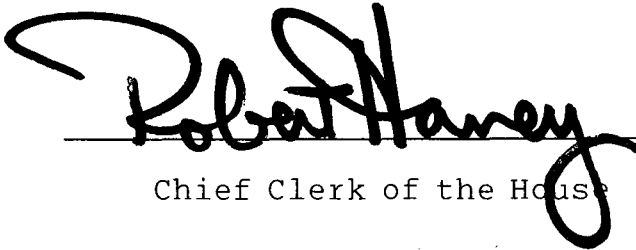
8 (b) This section is not intended to be an expression of a  
9 legislative interpretation of the requirements of Section 17(c),  
10 Article I, Texas Constitution.

11 SECTION 5. This Act takes effect immediately if it receives  
12 a vote of two-thirds of all the members elected to each house, as  
13 provided by Section 39, Article III, Texas Constitution. If this  
14 Act does not receive the vote necessary for immediate effect, this  
15 Act takes effect September 1, 2015.

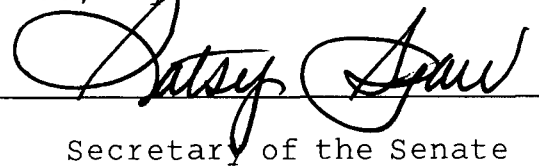
  
\_\_\_\_\_  
President of the Senate

H.B. No. 4160  
  
\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 4160 was passed by the House on May 8, 2015, by the following vote: Yeas 140, Nays 2, 2 present, not voting.

  
\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 4160 was passed by the Senate on May 27, 2015, by the following vote: Yeas 30, Nays 1.

  
\_\_\_\_\_  
Secretary of the Senate

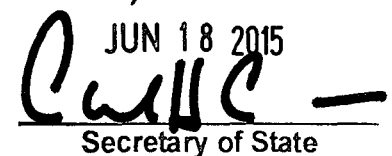
APPROVED: \_\_\_\_\_

Date

\_\_\_\_\_

Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
8:00 pm O'CLOCK

JUN 18 2015  
  
\_\_\_\_\_  
Secretary of State

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 14, 2015**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4160** by Farney (Relating to the creation of the Burnet County Municipal Utility District No. 1; 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.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** UP, KVe, EK

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 21, 2015**

**TO:** Honorable Doug Miller, Chair, House Committee on Special Purpose Districts

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4160** by Farney (Relating to the creation of the Burnet County Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Introduced**

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**Local Government Impact**

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**Source Agencies:**

**LBB Staff:** UP, KVe, EK

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**WATER DEVELOPMENT POLICY IMPACT STATEMENT**

**84TH LEGISLATIVE REGULAR SESSION**

**April 21, 2015**

**TO:** Honorable Doug Miller, Chair, House Committee on Special Purpose Districts

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4160** by Farney (Relating to the creation of the Burnet County Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Introduced**

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

The bill creates Burnet County Municipal Utility District No. 1 (the "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 4160, population as of the 2010 Census could be as high as 31.

**Population growth** in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Burnet County served by small systems or private wells (County-Other) is 19,530. The Burnet County-Other population projections approved for the 2016 Region K Water Plan projects the population to grow to 22,839 in 2020, 25,137 in 2030 and 24,796 in 2040.

**Location** - The Proposed districts initial boundaries are described with a combination of Original Texas Land Surveys, Official Public Records of Burnet County, County Boundary Files for Burnet County 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 1 square mile in Southeast Burnet County. The proposed district is located on the southwest county line between Burnet, Blanco and Travis Counties with HWY 71 serving as the western boundary. The proposed district does not fall within any existing Certificate of Convenience and Necessity.

**Comments on Powers/Duties Different from Similar Types of Districts:** The bill grants the District road powers, the District may subdivide; 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 the review of bonds issued by the District and the review of financial reports.

Water Use - HB 4160 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 Burnet County, 48 percent of the total water use was groundwater (Trinity Aquifer, Ellenburger-San Saba Aquifer, Marble Falls Aquifer and Hickory Aquifer) in 2012. Sixty-one percent of all the groundwater pumping 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

LETTER OF TRANSMITTAL  
HOUSE OF REPRESENTATIVES  
STATE OF TEXAS


HB 4160  
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.

4/2/2015

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.

April 2, 2015

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



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



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

April 17, 2015

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) 4160, as Filed by Representative Marsha Farney -Relating to the creation of the Burnet County Municipal Utility District No. 1; 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 cursive script that reads "Linda Brookins".

Linda Brookins, Director  
Water Supply Division

cc: Honorable Doug Miller, Chairman, House Committee on Special Purpose Districts  
Representative Marsha Farney, Texas House of Representatives

Enclosure

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**HB 4160, as Filed by Representative Marsha Farney  
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:

The bill creates Burnet County Municipal Utility District No. 1 (the "District") with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54.

**Comments on Powers/Duties Different from Similar Types of Districts:** The bill grants the District road powers, the District may subdivide; 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 the review of bonds issued by the District (water, wastewater, and drainage facilities only) and the review of financial reports.

# Highland Lakes Newspapers

*The Highlander — Burnet Bulletin — Llano County Journal — Lake Country Life*

304-A Gateway Loop, PO Box 1000  
Marble Falls, TX 78654-1000  
(830) 693-4367

## PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF BURNET

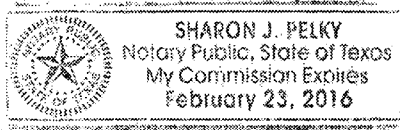
Before me, the undersigned authority, on this day personally appeared

Cheryl Michel who being by me duly sworn, deposes and  
(name) Burnet Bulletin, Highlander,  
says that (s)he is a bona fide representative of the Llano County Journal  
(name of newspaper)  
that said newspaper is regularly published in Burnet County(ies)  
and generally circulated in Burnet, Llano County(ies),  
Texas, and that the attached public notice was published in said newspaper on the following  
date(s), to wit: 2-17-15, 2-18-15  
and that the attached is a true copy of said notice.

Cheryl Michel  
Newspaper Representative's Signature

Subscribed and sworn to before me this 31st day of March, 2014, to certify which witness  
my hand and seal of office.

Sharon J Pelky  
Notary Public in and for the State of Texas



Sharon J Pelky  
Print or Type Name of Notary Public

My Commission Expires: 2-23-2016

PUBLIC NOTICE | PUBLIC NOTICE | PUBLIC NOTICE | PUBLIC NOTICE | PUBLIC NOTICE | PUBLIC NOTICE

**PUBLIC NOTICES**

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**



**Notice of an Application from the Lower Colorado River Authority  
For an Emergency Order Reducing Instream Flow Requirements for the  
Blue Sucker under its Water Management Plan**

**Permit No. 5838**

On December 23, 2014, the Lower Colorado River Authority (LCRA) filed an application with the Texas Commission on Environmental Quality (TCEQ) for an emergency order under Tex. Water Code §§ 5.506, 11.139, or 11.148, and 30 Tex. Admin. Code (TAC) §§ 35.24, 35.25, 35.101, or 293.91, to amend its Water Management Plan (WMP) to reduce the requirement to maintain a minimum streamflow of 500 cubic feet per second (cfs) for six consecutive weeks between March and May from Bastrop to Eagle Lake for the Blue Sucker. LCRA's requested relief would reduce the requirement from 500 cfs to 300 cfs for this time period.

The TCEQ Executive Director will consider whether to grant this request and issue an emergency order on February 18, 2015. If the Executive Director issues an order, the Commission will hold a hearing to affirm, modify or set aside the order on March 4, 2015. See more information below.

**Summary of LCRA's application:**

LCRA has the right to divert and use up to 1.5 million acre feet (AF) from Lakes Buchanan and Travis under Certificates of Adjudication Nos. 14-5478 and 14-5482. By court order, LCRA has developed a Water Management Plan (WMP), currently dated 2010, which is part of these certificates and has its own number, Permit No. 5838.

LCRA's WMP describes how LCRA will manage and curtail supplies from the lakes during times of drought including through a repeat of the Drought of Record. The Certificates of Adjudication and the 2010 WMP govern LCRA's operation of lakes Buchanan and Travis and dictate how LCRA makes water available from these lakes to help meet "firm" water customer needs, downstream interruptible irrigation demands, and environmental flow needs of the lower Colorado River and Matagorda Bay. Environmental flow needs include instream flows for the river, and bay and estuary freshwater inflows.

**LCRA states in its application that:**

The inflow conditions experienced in the last several years present an extreme drought situation that was not contemplated when the special conditions related to instream flows were incorporated into the 2010 WMP. LCRA may be required to make a declaration of a Drought Worse than the Drought of Record (DWDR) as soon as March 2015. Two of the three criteria for a DWDR have been met, leaving only a lake storage level of 600,000 acre-feet as the remaining criteria to be met. When LCRA makes a DWDR declaration, firm water customers are curtailed and firm water for environmental requirements is subject to a pro rata reduction.

Under the 2010 WMP, LCRA is required to maintain critical instream flows, including maintaining a minimum continuous instream flow of 120 cfs from Bastrop to Eagle Lake at all times, and a minimum flow of 500 cfs for a continuous six week period between March and May from Bastrop to Eagle Lake to provide higher flows to support habitat for blue sucker spawning. If the river is not supplying this amount during a six week period from March to May, stored water must be released. In 2012, this instream flow requirement resulted in releases of about 22,991 AF and in 2013, this instream flow requirement resulted in releases of about 15,678 AF from the lakes. In 2014, LCRA was granted emergency relief from the 500 cfs requirement and operated under the 300 cfs requirement it requests again in this application. From January to November 2014, the amount released from the Highland lakes for instream flows was approximately 4,600 AF; approximately 17,000 AF of water was preserved in storage due to the 2014 Blue Sucker Emergency Order.