



Williamson County Courthouse

710 Main Street, Georgetown, TX 78626

512.943.1100

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SEPTEMBER 17, 2024

OFFICE OF THE CHIEF CLERK
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
MC-105, TCEQ
P.O. BOX 13087
AUSTIN, TX 78711-3087

RE: LAKSHMI MUD NO. 1
TCEQ INTERNAL CONTROL NO. D-06172024-030
CN: 606275998 RN: 111994844

To Whom It May Concern:

Williamson County writes in response to your notice dated August 2, 2024, copy attached, regarding the submission of a petition for the creation of the above-referenced Lakshmi MUD No. 1 of Williamson County ("District"). The County opposes the creation of the proposed District unless certain conditions are met.

The County is requesting a contested case hearing.

The County understands that this is a formal protest proceeding and tenders its opinion, findings, conclusions, and any other information that would assist the TCEQ.

The County has authority over various functions – including but not limited to transportation, emergency services, and health and safety – that may be affected by the creation of the District and that the petition fails to take into account. See, e.g., Tex. Local Gov't Code §§ 232.001-.011 (county authority for road construction in subdivisions as well as other subdivision regulations); Tex. Local Gov't Code § 251.003 (county order and rulemaking authority for roads); Tex. Local Gov't Code, Chapter 233, Subchapter C (fire code in unincorporated areas); Tex. Local Gov't Code, Chapter 232, Subchapter E (infrastructure planning provisions in certain urban counties); Texas Local Gov't Code, Chapter 233, Subchapter B (building and set back lines); Tex. Local Gov't Code, Chapter 233, Subchapter E (fire code in unincorporated area); Tex. Local Gov't Code, Chapter 418 (emergency management); Tex. Transp. Code § 251.016 (general control over roads, highways and bridges); Tex. Transp. Code, Chapter 254 (drainage on public roads). Thus, the County has statutory authority under state law over numerous issues contemplated by this petition and is, therefore, an affected person. 30 Tex. Admin. Code § 55.256(b).



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For example, the County notes that, in your notice item (5), the District seeks traditional road powers including:

“(5) design, acquire, construct, finance, improve, operate, and maintain macadamized, graveled, or paved roads, or improvements in aid of those roads; and (6) provide such other facilities systems, plants, and enterprises as shall be consonant with all of the purposes for which the proposed District is created and permitted under state law.”

However, the District does not state that it will not convey the road, particularly the maintenance, to the County without limitation. Considering the recent legislative changes outlined below, the County no longer accepts roads from newly created MUDs into the County’s maintenance system without a corresponding obligation of the MUD to maintain the road after a specified time period.

Since the 2017 and 2019 legislative sessions effectively ended unilateral annexations by cities, the fiscal burden of developmental control has fallen on counties in general. Historically in Williamson County, MUD creation included agreements between the County and the neighboring municipality that would lead to annexation of that MUD by the municipality after a stated time period, thus limiting the financial exposure of the County in relation to the MUDs. Now however, despite this legislatively created increase in financial exposure to the County by limiting the ability of cities to annex MUDs, the current tax laws cap county tax rates to such a degree that the ability to address growth by counties is severely hampered. Because of these fiscal constraints, new residents of the County, such as those residing in this proposed District, should not shift the cost of development onto the current residents and the County’s position and recommendation is that the proposed District help bear the continued cost of its development. This is consistent with recent efforts by the County to share costs between the County and legislatively created MUDs through the enacting legislation and/or Consent and Development Agreements.

For legislatively created MUDs, Williamson County, with the help of Senator Schwertner, has addressed this increased fiscal burden on the County by successfully negotiating Consent and Development Agreements that provide cost sharing between the County, the property developer/owner, and the MUD. The following paragraphs from such agreements include standard terms relating to roads and the County argues should also apply to the TCEQ created MUDs for equity and public health and safety.

ROADS

The County has adopted a Long-Range Transportation Plan (“LRTP”) which provides for the planning and future construction of certain road corridors within the County (“Corridor Project”). The County request that the Owner will convey, or cause to be conveyed, by special warranty deed, in fee simple and free and clear of all liens and encumbrances, to County, at no cost to the County, 100% of the right-of-way required for any roads which are shown within the boundaries of the Land as Corridor Projects in the LRTP within either 30 days after the final alignment for any Corridor Project is set; or, in the case that a final alignment for any Corridor Project has not been set, prior to the approval of any preliminary plat containing any Corridor Project within or directly adjacent to the Land.



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Furthermore, the Owner will dedicate to the County, in fee simple and free and clear of all liens and encumbrances, at no cost to the County, through plat or otherwise, as determined by the County, 100% of the right-of-way required for any roads which are shown within the boundaries of the Land as arterial roadways ("Arterial(s)") in the LRTP. The County agrees that it or another governmental entity will be responsible for the design and construction of any Corridor Project and paying the cost for same. The District shall be solely responsible for any maintenance, repair or reconstruction or both of any Subdivision Road, including paying the cost for same, and, except traffic operations, the County shall not be responsible those items.

Additionally, MUDs will place an even greater burden on law enforcement, emergency medical, fire and animal control services that are already very strained in the county and that, not only will the health and safety of the residents of the developer's MUD be affected, all other residents for which the county provides such services will also be affected. The first MUD in Williamson County came in 1974 and in the last 10 years the number of MUDs has almost doubled versus the previous 38 years, growing from 41 MUDs to 80 and acreage has increased by 15,620 acres (72% increase) in the last 10 years. In the last 20 years the numbers of MUDs have grown by 627% (from 11 to 80 MUDs) and acreage has grown by 319% (8,926 to 37,373 acres). The burden is too great on the County without the long- term commitment of the MUDS to also bear the burden of growth on the services normally provided by cities and now attempting to be shifted to the County.

In conclusion, the County believes that all MUDs created within the County should have the same or similar provisions that are set out in the County's Consent and Development Agreements regardless of whether they are created by the Legislature or created by the TCEQ. Therefore, the provisions required in either the legislation or Consent and Development Agreements should also be included in a TCEQ created MUD, thus allowing all County residents, especially those living in MUDs, to be treated fairly and equally.

As referenced above, the County opposes the creation of this MUD and requests a contested case hearing.

Sincerely,

Bill Gravell, Jr.
Williamson County Judge

Enc.