

By: Stucky

H.B. No. 4602

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Rocky Top Ranch Municipal Utility District of Denton County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7905 to read as follows:

CHAPTER 7905. ROCKY TOP RANCH MUNICIPAL UTILITY DISTRICT OF DENTON

COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7905.0101. DEFINITIONS. In this chapter:

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

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Rocky Top Ranch Municipal Utility District of Denton County.

Sec. 7905.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7905.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent

1 directors as provided by Section 49.102, Water Code.

2 Sec. 7905.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
3 temporary directors may not hold an election under Section  
4 7905.0103 until each municipality in whose corporate limits or  
5 extraterritorial jurisdiction the district is located has  
6 consented by ordinance or resolution to the creation of the  
7 district and to the inclusion of land in the district.

8 Sec. 7905.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

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

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

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

17 Sec. 7905.0106. 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) The boundaries and field notes contained in Section 2 of  
21 the Act enacting this chapter form a closure. A mistake made in the  
22 field notes or in copying the field notes in the legislative process  
23 does not affect the district's:

24 (1) organization, existence, or validity;

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

1           (3) right to impose a tax; or

2           (4) legality or operation.

3                   SUBCHAPTER B. BOARD OF DIRECTORS

4           Sec. 7905.0201. GOVERNING BODY; TERMS. (a) The district is  
5 governed by a board of five elected directors.

6           (b) Except as provided by Section 7905.0202, directors  
7 serve staggered four-year terms.

8           Sec. 7905.0202. TEMPORARY DIRECTORS. (a) On or after the  
9 effective date of the Act enacting this chapter, the owner or owners  
10 of a majority of the assessed value of the real property in the  
11 district may submit a petition to the commission requesting that  
12 the commission appoint as temporary directors the five persons  
13 named in the petition. The commission shall appoint as temporary  
14 directors the five persons named in the petition.

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

16                   (1) the date permanent directors are elected under  
17 Section 7905.0103; or

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

20           (c) If permanent directors have not been elected under  
21 Section 7905.0103 and the terms of the temporary directors have  
22 expired, successor temporary directors shall be appointed or  
23 reappointed as provided by Subsection (d) to serve terms that  
24 expire on the earlier of:

25                   (1) the date permanent directors are elected under  
26 Section 7905.0103; or

27                   (2) the fourth anniversary of the date of the

1 appointment or reappointment.

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

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 7905.0301. GENERAL POWERS AND DUTIES. The district  
11 has the powers and duties necessary to accomplish the purposes for  
12 which the district is created.

13 Sec. 7905.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
14 DUTIES. The district has the powers and duties provided by the  
15 general law of this state, including Chapters 49 and 54, Water Code,  
16 applicable to municipal utility districts created under Section 59,  
17 Article XVI, Texas Constitution.

18 Sec. 7905.0303. AUTHORITY FOR ROAD PROJECTS. Under Section  
19 52, Article III, Texas Constitution, the district may design,  
20 acquire, construct, finance, issue bonds for, improve, operate,  
21 maintain, and convey to this state, a county, or a municipality for  
22 operation and maintenance macadamized, graveled, or paved roads, or  
23 improvements, including storm drainage, in aid of those roads.

24 Sec. 7905.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
25 road project must meet all applicable construction standards,  
26 zoning and subdivision requirements, and regulations of each  
27 municipality in whose corporate limits or extraterritorial

1 jurisdiction the road project is located.

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

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

10 Sec. 7905.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
11 ORDINANCE OR RESOLUTION. The district shall comply with all  
12 applicable requirements of any ordinance or resolution that is  
13 adopted under Section 54.016 or 54.0165, Water Code, and that  
14 consents to the creation of the district or to the inclusion of land  
15 in the district.

16 Sec. 7905.0306. DIVISION OF DISTRICT. (a) The district may  
17 be divided into two or more new districts only if the district:

18 (1) has no outstanding bonded debt; and

19 (2) is not imposing ad valorem taxes.

20 (b) This chapter applies to any new district created by the  
21 division of the district, and a new district has all the powers and  
22 duties of the district.

23 (c) A new district created by the division of the district  
24 may not, at the time the new district is created, contain any land  
25 outside the area described by Section 2 of the Act enacting this  
26 chapter.

27 (d) The board, on its own motion or on receipt of a petition

1 signed by the owner or owners of a majority of the assessed value of  
2 the real property in the district, may adopt an order dividing the  
3 district.

4 (e) The board may adopt an order dividing the district  
5 before or after the date the board holds an election under Section  
6 7905.0103 to confirm the district's creation.

7 (f) An order dividing the district shall:

8 (1) name each new district;

9 (2) include the metes and bounds description of the  
10 territory of each new district;

11 (3) appoint temporary directors for each new district;

12 and

13 (4) provide for the division of assets and liabilities  
14 between the new districts.

15 (g) On or before the 30th day after the date of adoption of  
16 an order dividing the district, the district shall file the order  
17 with the commission and record the order in the real property  
18 records of each county in which the district is located.

19 (h) Any new district created by the division of the district  
20 shall hold a confirmation and directors' election as required by  
21 Section 7905.0103. If the voters of a new district do not confirm  
22 the creation of the new district, the assets, obligations,  
23 territory, and governance of the new district revert to the  
24 original district.

25 (i) If the creation of the new district is confirmed, the  
26 new district shall provide the election date and results to the  
27 commission.

1       (j) Any new district created by the division of the district  
2 must hold an election as required by this chapter to obtain voter  
3 approval before the district may impose a maintenance tax or issue  
4 bonds payable wholly or partly from ad valorem taxes.

5       (k) Municipal consent to the creation of the district and to  
6 the inclusion of land in the district granted under Section  
7 7905.0104 acts as municipal consent to the creation of any new  
8 district created by the division of the district and to the  
9 inclusion of land in the new district.

10               SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

11       Sec. 7905.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)  
12 The district may issue, without an election, bonds and other  
13 obligations secured by:

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

15               (2) contract payments described by Section 7905.0403.

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

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

24       Sec. 7905.0402. OPERATION AND MAINTENANCE TAX. (a) If  
25 authorized at an election held under Section 7905.0401, the  
26 district may impose an operation and maintenance tax on taxable  
27 property in the district in accordance with Section 49.107, Water

1 Code.

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

4 Sec. 7905.0403. CONTRACT TAXES. (a) In accordance with  
5 Section 49.108, Water Code, the district may impose a tax other than  
6 an operation and maintenance tax and use the revenue derived from  
7 the tax to make payments under a contract after the provisions of  
8 the contract have been approved by a majority of the district voters  
9 voting at an election held for that purpose.

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

13 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

14 Sec. 7905.0501. AUTHORITY TO ISSUE BONDS AND OTHER  
15 OBLIGATIONS. The district may issue bonds or other obligations  
16 payable wholly or partly from ad valorem taxes, impact fees,  
17 revenue, contract payments, grants, or other district money, or any  
18 combination of those sources, to pay for any authorized district  
19 purpose.

20 Sec. 7905.0502. TAXES FOR BONDS. At the time the district  
21 issues bonds payable wholly or partly from ad valorem taxes, the  
22 board shall provide for the annual imposition of a continuing  
23 direct ad valorem tax, without limit as to rate or amount, while all  
24 or part of the bonds are outstanding as required and in the manner  
25 provided by Sections 54.601 and 54.602, Water Code.

26 Sec. 7905.0503. BONDS FOR ROAD PROJECTS. At the time of  
27 issuance, the total principal amount of bonds or other obligations



1 issued or incurred to finance road projects and payable from ad  
2 valorem taxes may not exceed one-fourth of the assessed value of the  
3 real property in the district.

4 SECTION 2. Rocky Top Ranch Municipal Utility District of  
5 Denton County initially includes all the territory contained in the  
6 following area:

7 Tract 1:

8 BEING A 152.226 ACRE TRACT OF LAND SITUATED IN THE JOHN B. CRAWFORD  
9 SURVEY, ABSTRACT NO. 224, DENTON COUNTY, TEXAS, AND BEING ALL OF A  
10 CALLED 60.030 ACRE TRACT OF LAND CONVEYED TO GARLAND R. BOYD, AS  
11 RECORDED IN VOLUME 2715, PAGE 650, OFFICIAL PUBLIC RECORDS, DENTON  
12 COUNTY, TEXAS, AND THE REMAINING PORTION OF A CALLED 115.3885 ACRE  
13 TRACT OF LAND CONVEYED TO GARLAND R. BOYD AND JOSEPHINE BOYD, AS  
14 RECORDED IN VOLUME 1483, PAGE 250, REAL PROPERTY RECORDS, DENTON  
15 COUNTY, TEXAS. SAID 152.226 ACRE TRACT BEING MORE PARTICULARLY  
16 DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

17 BEGINNING AT A 1/2" CAPPED IRON ROD STAMPED "TRANSGLOBAL SERVICES"  
18 SET FOR THE NORTHWEST CORNER OF SAID 152.226 ACRE TRACT, FROM WHICH  
19 A 1/2" IRON ROD FOUND BEARS S 89°57'04" W, A DISTANCE OF 1302.00  
20 FEET. SAID 1/2" CAPPED IRON ROD STAMPED "TRANSGLOBAL SERVICES"  
21 BEING CALLED THE POINT OF BEGINNING AND HAVING A TEXAS COORDINATE  
22 SYSTEM OF 1983, TEXAS NORTH CENTRAL ZONE (4202), STATE PLANE  
23 COORDINATE OF N:7140353.10, E:2323847.58 FEET, FOR REFERENCE.

24 THENCE, N 89°57'04" E, A DISTANCE OF 1056.17 FEET TO A 1/2" CAPPED  
25 IRON ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR CORNER ON THE NORTH  
26 LINE OF SAID 152.226 ACRE TRACT;

27 THENCE, N 89°57'04" E, A DISTANCE OF 777.30 FEET TO A 1/2" CAPPED

1 IRON ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR CORNER ON THE NORTH  
2 LINE OF SAID 152.226 ACRE TRACT;  
3 THENCE, S 07°20'11" E, A DISTANCE OF 23.45 FEET TO A FENCE CORNER  
4 POST FOUND FOR CORNER OF SAID 152.226 ACRE TRACT;  
5 THENCE, S 89°44'52" E, A DISTANCE OF 834.84 FEET TO A 1/2" CAPPED  
6 IRON ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR THE NORTHEAST  
7 CORNER OF SAID 152.226 ACRE TRACT;  
8 THENCE, S 00°24'16" W, A DISTANCE OF 2474.53 FEET TO A 1/2" CAPPED  
9 IRON ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR THE SOUTHEAST  
10 CORNER OF SAID 152.226 ACRE TRACT ON THE NORTH LINE OF JACKSON ROAD;  
11 THENCE WITH THE SOUTH LINE OF SAID 152.226 ACRE TRACT THE FOLLOWING  
12 COURSES AND DISTANCES:  
13 N 89°34'11" W, ALONG THE NORTH LINE OF JACKSON ROAD, A  
14 DISTANCE OF 167.02 FEET TO A BENT 1" IRON ROD FOUND FOR  
15 CORNER;  
16 S 00°29'47" W, OVER AND ACROSS SAID JACKSON ROAD, A DISTANCE  
17 OF 40.00 FEET TO A 1/2" CAPPED IRON ROD STAMPED "TRANSGLOBAL  
18 SERVICES" SET FOR AN ANGLE POINT OF SAID 152.226 ACRE TRACT;  
19 N 89°10'42" W, A DISTANCE OF 400.35 FEET TO A 1/2" CAPPED IRON  
20 ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR CORNER;  
21 N 00°29'47" E, OVER AND ACROSS SAID JACKSON ROAD, A DISTANCE  
22 OF 40.00 FEET TO A 5/8" IRON ROD FOUND FOR CORNER ON THE NORTH  
23 LINE OF JACKSON ROAD;  
24 N 89°13'48" W, ALONG THE NORTH LINE OF SAID JACKSON ROAD, A  
25 DISTANCE OF 1046.07 FEET TO A FENCE CORNER POST FOR CORNER;  
26 N 89°37'45" W, CONTINUING ALONG THE NORTH LINE OF JACKSON  
27 ROAD, A DISTANCE OF 1055.80 FEET TO FENCE POST FOUND FOR

1 THE SOUTHWEST CORNER OF SAID 152.226 ACRE TRACT;  
2 THENCE, N 00°21'12" E, DEPARTING SAID NORTH LINE OF JACKSON ROAD,  
3 WITH THE WEST LINE OF SAID 152.226 ACRE TRACT, A DISTANCE OF 2471.99  
4 FEET TO THE POINT OF BEGINNING, CONTAINING 152.226 ACRES OR  
5 6,630,966 SQUARE FEET OF LAND, MORE OR LESS.

6 Tract 2:  
7 BEING A 247.889 ACRE TRACT OF LAND SITUATED IN THE JOHN B. CRAWFORD  
8 SURVEY, ABSTRACT NO. 224, DENTON COUNTY, TEXAS, AND BEING ALL OF A  
9 CALLED 247.194 ACRE TRACT OF LAND CONVEYED TO BORUCH FRISHMAN AS  
10 RECORDED IN VOLUME 1282, PAGE 412, OFFICIAL PUBLIC RECORDS, DENTON  
11 COUNTY, TEXAS. SAID 247.889 ACRE TRACT BEING MORE PARTICULARLY  
12 DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

13 BEGINNING AT A 1/2" CAPPED IRON ROD STAMPED "TRANSGLOBAL SERVICES"  
14 SET FOR THE SOUTHWEST CORNER OF SAID 247.889 ACRE TRACT, FROM WHICH  
15 A 1/2" IRON ROD FOUND BEARS S 89°57'04" W, A DISTANCE OF 1597.05  
16 FEET. SAID 1/2" CAPPED IRON ROD STAMPED "TRANSGLOBAL SERVICES"  
17 BEING CALLED THE POINT OF BEGINNING AND HAVING A TEXAS COORDINATE  
18 SYSTEM OF 1983, TEXAS NORTH CENTRAL ZONE (4202), STATE PLANE  
19 COORDINATE OF N: 7140353.35, E: 2324142.63 FEET, FOR REFERENCE.

20 THENCE FROM SAID POINT OF BEGINNING, N 00°12'15" W, A DISTANCE OF  
21 2466.89 FEET TO A 1/2" CAPPED IRON ROD STAMPED "TRANSGLOBAL  
22 SERVICES" SET FOR THE NORTHWEST CORNER OF SAID 247.889 ACRE TRACT;  
23 THENCE, S 89°45'15" E, A DISTANCE OF 3170.12 FEET TO A 1/2" IRON PIPE  
24 FOUND FOR CORNER OF SAID 247.889 ACRE TRACT;

25 THENCE, S 00°24'01" W, A DISTANCE OF 603.03 FEET TO A FENCE CORNER  
26 POST FOUND FOR CORNER OF SAID 247.889 ACRE TRACT, FROM WHICH A 1/2"  
27 IRON ROD FOUND BEARS S 04°21'04" E, A DISTANCE OF 0.28 FEET;

1 THENCE, S 89°30'52" E, A DISTANCE OF 1623.61 FEET TO A 1/2" CAPPED  
2 IRON ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR CORNER OF SAID  
3 247.889 ACRE TRACT AND BEING IN RIPPY ROAD, FROM WHICH AN IRON ROD  
4 FOUND BEARS N 00°07'28" W, A DISTANCE OF 604.87 FEET;  
5 THENCE, S 00°06'47" E, ALONG SAID RIPPY ROAD, A DISTANCE OF 1832.41  
6 FEET TO A 1/2" CAPPED IRON ROD STAMPED "TRANSGLOBAL SERVICES" SET  
7 FOR THE SOUTHEAST CORNER OF SAID 247.889 ACRE TRACT IN RIPPY ROAD;  
8 THENCE WITH THE SOUTH LINE OF SAID 247.889 ACRE TRACT THE FOLLOWING  
9 COURSES AND DISTANCES:

10 S 89°57'04" W, A DISTANCE OF 2002.33 FEET TO A 1/2" CAPPED IRON  
11 ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR CORNER OF SAID  
12 247.889 ACRE TRACT;

13 S 01°21'57" W, A DISTANCE OF 29.78 FEET TO A FENCE CORNER POST  
14 FOUND FOR CORNER OF SAID 247.889 ACRE TRACT;

15 N 89°44'52" W, A DISTANCE OF 1239.81 FEET TO A FENCE CORNER  
16 POST FOUND FOR CORNER OF SAID 247.889 ACRE TRACT;

17 N 07°20'11" W, A DISTANCE OF 23.45 FEET TO A 1/2" CAPPED IRON  
18 ROD STAMPED "TRANSGLOBAL SERVICES" SET FOR CORNER OF SAID  
19 247.889 ACRE TRACT;

20 THENCE, S 89°57'04" W, CONTINUING WITH THE SOUTH LINE OF SAID  
21 247.889 ACRE TRACT A DISTANCE OF 1538.42 FEET TO TO THE POINT OF  
22 BEGINNING, CONTAINING 247.889 ACRES OR 10,798,024 SQUARE FEET OF  
23 LAND, MORE OR LESS.

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

1 officials, or entities to which they are required to be furnished  
2 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
3 Government Code.

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

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

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

15 SECTION 4. (a) If this Act does not receive a two-thirds  
16 vote of all the members elected to each house, Subchapter C, Chapter  
17 7905, Special District Local Laws Code, as added by Section 1 of  
18 this Act, is amended by adding Section 7905.0307 to read as follows:

19 Sec. 7905.0307. NO EMINENT DOMAIN POWER. The district may  
20 not exercise the power of eminent domain.

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

24 SECTION 5. This Act takes effect immediately if it receives  
25 a vote of two-thirds of all the members elected to each house, as  
26 provided by Section 39, Article III, Texas Constitution. If this  
27 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2021.