

AN ACT

relating to the creation of the Brown's Ranch Municipal Utility District No. 1 of Grayson County; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.

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 8348 to read as follows:

CHAPTER 8348. BROWN'S RANCH MUNICIPAL UTILITY DISTRICT NO. 1 OF  
GRAYSON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8348.001. DEFINITIONS. In this chapter:

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

(2) "Director" means a board member.

(3) "District" means the Brown's Ranch Municipal Utility District No. 1 of Grayson County.

Sec. 8348.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8348.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 8348.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8348.003

1 until each municipality in whose corporate limits or  
2 extraterritorial jurisdiction the district is located has  
3 consented by ordinance or resolution to the creation of the  
4 district and to the inclusion of land in the district.

5 Sec. 8348.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
6 The district is created to serve a public purpose and benefit.

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

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

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

14 Sec. 8348.006. INITIAL DISTRICT TERRITORY. (a) The  
15 district is initially composed of the territory described by  
16 Section 2 of the Act creating this chapter.

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

21 (1) organization, existence, or validity;

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

25 (3) right to impose a tax; or

26 (4) legality or operation.

27 [Sections 8348.007-8348.050 reserved for expansion]

1                   SUBCHAPTER B. BOARD OF DIRECTORS

2                   Sec. 8348.051. GOVERNING BODY; TERMS. (a) The district is  
3 governed by a board of five elected directors.

4                   (b) Except as provided by Section 8348.052, directors serve  
5 staggered four-year terms.

6                   Sec. 8348.052. TEMPORARY DIRECTORS. (a) On or after  
7 September 1, 2009, the owner or owners of a majority of the assessed  
8 value of the real property in the district may submit a petition to  
9 the Texas Commission on Environmental Quality requesting that the  
10 commission appoint as temporary directors the five persons named in  
11 the petition. The commission shall appoint as temporary directors  
12 the five persons named in the petition.

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

14                   (1) the date permanent directors are elected under  
15 Section 8348.003; or

16                   (2) September 1, 2013.

17                   (c) If permanent directors have not been elected under  
18 Section 8348.003 and the terms of the temporary directors have  
19 expired, successor temporary directors shall be appointed or  
20 reappointed as provided by Subsection (d) to serve terms that  
21 expire on the earlier of:

22                   (1) the date permanent directors are elected under  
23 Section 8348.003; or

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

26                   (d) If Subsection (c) applies, the owner or owners of a  
27 majority of the assessed value of the real property in the district

1 may submit a petition to the commission requesting that the  
2 commission appoint as successor temporary directors the five  
3 persons named in the petition. The commission shall appoint as  
4 successor temporary directors the five persons named in the  
5 petition.

6 [Sections 8348.053-8348.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8348.101. GENERAL POWERS AND DUTIES. The district has  
9 the powers and duties necessary to accomplish the purposes for  
10 which the district is created.

11 Sec. 8348.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
12 DUTIES. The district has the powers and duties provided by the  
13 general law of this state, including Chapters 49 and 54, Water Code,  
14 applicable to municipal utility districts created under Section 59,  
15 Article XVI, Texas Constitution.

16 Sec. 8348.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
17 52, Article III, Texas Constitution, the district may design,  
18 acquire, construct, finance, issue bonds for, improve, operate,  
19 maintain, and convey to this state, a county, or a municipality for  
20 operation and maintenance macadamized, graveled, or paved roads, or  
21 improvements, including storm drainage, in aid of those roads.

22 Sec. 8348.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
23 project must meet all applicable construction standards, zoning and  
24 subdivision requirements, and regulations of each municipality in  
25 whose corporate limits or extraterritorial jurisdiction the road  
26 project is located.

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

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

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

8 Sec. 8348.105. COSTS OF ROAD PROJECT. The district shall  
9 bear the cost of maintaining, improving, operating, and repairing a  
10 road authorized by Section 8348.103 that is located in the  
11 district, regardless of whether the district conveys the road to  
12 this state, a county, or a municipality.

13 Sec. 8348.106. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
14 OR RESOLUTION. The district shall comply with all applicable  
15 requirements of any ordinance or resolution that is adopted under  
16 Section 54.016 or 54.0165, Water Code, and that consents to the  
17 creation of the district or to the inclusion of land in the  
18 district.

19 Sec. 8348.107. LIMITATION ON USE OF EMINENT DOMAIN. The  
20 district may not exercise the power of eminent domain outside the  
21 district to acquire a site or easement for:

- 22 (1) a road project authorized by Section 8348.103; or  
23 (2) a recreational facility as defined by Section  
24 49.462, Water Code.

25 Sec. 8348.108. LIMITATION ON ANNEXATION. The district may  
26 not annex land without the written consent by resolution or  
27 ordinance of each municipality in whose corporate limits or

1 extraterritorial jurisdiction the land is located and the written  
2 consent of each water or sewer service provider that holds a  
3 certificate of public convenience and necessity and whose  
4 certificated service area includes any part of the land.

5 Sec. 8348.109. DIVISION OF DISTRICT. (a) The district may  
6 be divided into two or more new districts only if the district:

7 (1) has no outstanding bonded debt; and

8 (2) is not imposing ad valorem taxes.

9 (b) This chapter applies to any new district created by the  
10 division of the district, and a new district has all the powers and  
11 duties of the district.

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

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

20 (e) The board may adopt an order dividing the district  
21 before or after the date the board holds an election under Section  
22 8348.003 to confirm the district's creation.

23 (f) An order dividing the district shall:

24 (1) name each new district;

25 (2) include the metes and bounds description of the  
26 territory of each new district;

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

1 and

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

4 (g) On or before the 30th day after the date of adoption of  
5 an order dividing the district, the district shall file the order  
6 with the Texas Commission on Environmental Quality and record the  
7 order in the real property records of each county in which the  
8 district is located.

9 (h) Any new district created by the division of the district  
10 shall hold a confirmation and directors' election as required by  
11 Section 8348.003.

12 (i) Municipal consent to the creation of the district and to  
13 the inclusion of land in the district granted under Section  
14 8348.004 acts as municipal consent to the creation of any new  
15 district created by the division of the district and to the  
16 inclusion of land in the new district.

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

21 [Sections 8348.110-8348.150 reserved for expansion]

22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23 Sec. 8348.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
24 district may issue, without an election, bonds and other  
25 obligations secured by:

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

27 (2) contract payments described by Section 8348.153.

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

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

9       Sec. 8348.152. OPERATION AND MAINTENANCE TAX. (a) If  
10 authorized at an election held under Section 8348.151, the district  
11 may impose an operation and maintenance tax on taxable property in  
12 the district in accordance with Section 49.107, Water Code.

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

15       Sec. 8348.153. CONTRACT TAXES. (a) In accordance with  
16 Section 49.108, Water Code, the district may impose a tax other than  
17 an operation and maintenance tax and use the revenue derived from  
18 the tax to make payments under a contract after the provisions of  
19 the contract have been approved by a majority of the district voters  
20 voting at an election held for that purpose.

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

24       [Sections 8348.154-8348.200 reserved for expansion]

25       SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

26       Sec. 8348.201. 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. 8348.202. 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. 8348.203. 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 SECTION 2. The Brown's Ranch Municipal Utility District No.  
17 1 of Grayson County initially includes all the territory contained  
18 in the following area:

19 TRACT 1

20 BEING a tract of land located in the A.M. CROW SURVEY,  
21 ABSTRACT 291, W.H. CROW SURVEY, ABSTRACT NO. 1539 and the W.H. CROW  
22 SURVEY, ABSTRACT NO. 309, Grayson County, Texas and being part of a  
23 tract of land described in Deed to Marcus H. Brown and wife, Emma  
24 Lee Brown, recorded in Volume 1481, Page 708, Deed Records, Grayson  
25 County, Texas and all of a tract of land described in Deed to Marcus  
26 Brown, recorded in Volume 2081, Page 657, Deed Records, Grayson  
27 County, Texas and all of a tract of land described in Deed to Marcus

1 H. Brown, recorded in Volume 2247, Page 744, Deed Records, Grayson  
2 County, Texas, and being more particularly described as follows:

3 BEGINNING at a railroad spike found at the intersection of  
4 the approximate centerline of Wright Road with the approximate  
5 centerline of Enterprise Road, said point being the Southeast  
6 corner of said Marcus H. Brown tract and the Northeast corner of a  
7 tract of land described as Second Tract in Deed to H.M. Shytles, Jr.  
8 recorded in Volume 1966, Page 206, Deed Records, Grayson County,  
9 Texas;

10 THENCE North 89 degrees 07 minutes 14 seconds West, a  
11 distance of

12 4,563.29 feet to a 1/2 inch iron rod with a yellow plastic cap  
13 stamped "DAA" set in the North line of a tract of land described in  
14 Deed to Elizabeth Brown, recorded in Volume 2254, Page 94, Deed  
15 Records, Grayson County, Texas at the Southeast corner of a tract of  
16 land described in Deed to Patricia Ann Lawrence Sethaler, recorded  
17 in Volume 2467, Page 56, Deed Records, Grayson County, Texas;

18 THENCE North 00 degrees 58 minutes 31 seconds East, a  
19 distance of 840.07 feet to a 1/2 inch iron rod with a yellow plastic  
20 cap stamped "DAA" set at the Northeast corner of said Sethaler  
21 tract;

22 THENCE North 89 degrees 06 minutes 17 seconds West, a  
23 distance of

24 799.71 feet to a 3/4 inch iron rod found in the approximate  
25 centerline of Kusch Lane at the Northwest corner of said Sethaler  
26 tract;

27 THENCE North 01 degrees 01 minutes 30 seconds East, along the

1 approximate centerline of said Kusch Lone, a distance of 1,825.99  
2 feet to a 1/2 inch iron rod found at the Northwest corner of said  
3 Marcus H. Brown and wife, Emma Lee Brown tract and the Southwest  
4 corner of a tract of land described in Deed to Madolene Carol  
5 Williams, recorded in Volume 2247, Page 732, Deed Records, Grayson  
6 County, Texas;

7       THENCE South 89 degrees 08 minutes 51 seconds East, a  
8 distance of 4,497.55 feet to a point in a pond at the Northwest  
9 corner of a tract of land described in Deed to Marcus Brown and  
10 wife, Emma Lee Brown, recorded in Volume 1193, Page 85, Deed  
11 Records, Grayson County, Texas;

12       THENCE South 00 degrees 40 minutes 39 seconds West, along the  
13 West line of said Marcus Brown and wife, Emma Lee Brown tract  
14 recorded in Volume 1193, Page 85, a distance of 450.00 feet to a 1/2  
15 inch iron rod with a yellow plastic cap stamped "DAA" set at the  
16 Southwest corner of said Marcus Brown and wife, Emma Lee Brown tract  
17 recorded in Volume 1193, Page 85;

18       THENCE South 89 degrees 08 minutes 51 seconds East, along the  
19 South line of said Marcus Brown and wife, Emma Lee Brown tract  
20 recorded in Volume 1193, Page 85, a distance of 850.00 feet to a 1/2  
21 inch iron rod with a yellow plastic cap stamped "DAA" set in said  
22 Enterprise Road at the Southeast corner of said Marcus Brown and  
23 wife, Emma Lee Brown tract recorded in Volume 1193, Page 85;

24       THENCE South 00 degrees 40 minutes 39 seconds West, a  
25 distance of 2,218.79 feet to the POINT OF BEGINNING and containing  
26 303.755 acres of land, more or less.

27       TRACT 2

1 BEING a tract of land located in the I.N. WINDROW SURVEY,  
2 ABSTRACT NO. 1378, Grayson County, Texas and being part of a tract  
3 of land described in Deed to Madalene Carol Williams, recorded in  
4 Volume 2247, Page 732, Deed Records, Grayson County, Texas and  
5 being more particularly described as follows:

6 BEGINNING at a 1/2 inch iron rod found in the approximate  
7 centerline of Kusch Lane at the Southwest corner of said Williams  
8 tract and the Northwest corner of a tract of land described in Deed  
9 to Marcus H. Brown and wife, Emma Lee Brown, recorded in Volume  
10 1481, Page 708, Deed Records, Grayson County, Texas;

11 THENCE North 00 degrees 56 minutes 29 seconds East, a  
12 distance of 1,680.18 feet to a 1/2 inch iron rod with a yellow  
13 plastic cap stamped "DAA" set at the intersection of the  
14 Southeasterly right-of-way line of M-K-T Railroad, a variable width  
15 right-of-way, with the Westerly line of said Williams tract, said  
16 point being at the beginning of a non-tangent curve to the left  
17 having a central angle of 07 degrees 17 minutes 31 seconds, a radius  
18 of 5,789.65 feet and a chord bearing and distance of North 46  
19 degrees 26 minutes 26 seconds East, 736.85 feet;

20 THENCE Northeasterly, along said Southeasterly right-of-way  
21 line, the following three (3) courses and distances:

22 Northeasterly, along said curve to the left, an arc  
23 distance of 736.85 feet to a 1/2 inch iron rod with a yellow plastic  
24 cap stamped "DAA" set for corner;

25 North 46 degrees 52 minutes 08 seconds West, a distance  
26 of 10.00 feet to a 1/2 inch iron rod with a yellow plastic cap  
27 stamped "DAA" set at the beginning of a non-tangent curve to the

1 left having a central angle of 05 degrees 50 minutes 28  
2 seconds, a radius of 5,779.65 feet and a chord bearing  
3 and distance of North 39 degrees 52 minutes 25 seconds East,  
4 588.97 feet;

5 Northeasterly, along said curve to the left, an arc  
6 distance of 589.23 feet to a 1/2 inch iron rod with a yellow plastic  
7 cap stamped "DAA" set at intersection of said Southeasterly  
8 right-of-way line with the North line of said Williams tract;

9 THENCE South 88 degrees 59 minutes 13 seconds East, leaving  
10 said Southeasterly right-of-way line and along the North line of  
11 said Williams tract, a distance of 883.12 feet to a 1/2 inch iron  
12 rod with a yellow plastic cap stamped "DAA" set at the Northeast  
13 corner of said Williams tract;

14 THENCE South 00 degrees 40 minutes 39 seconds West, along the  
15 East line of said Williams tract, a distance of 2657.33 feet to a  
16 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the  
17 North line of said Brown tract at the Southeast corner of said  
18 Williams tract;

19 THENCE North 89 degrees 08 minutes 51 seconds West, along the  
20 common line of said Williams tract and said Brown tract, a distance  
21 of 1783.26 feet to the POINT OF BEGINNING and containing 97.718  
22 acres of land, more or less.

23 TRACT 3

24 BEING a tract of land located in the I.N. WINDROW SURVEY,  
25 ABSTRACT NO. 1378 and the CYRUS PALMER SURVEY, ABSTRACT NO. 982,  
26 Grayson County, Texas and being all of a tract of land described in  
27 Deed to Ron Acton, recorded in Volume 3726, Page 390, Deed Records,

1 Grayson County, Texas and being more particularly described as  
2 follows:

3 BEGINNING at a PK nail found at the intersection of the  
4 approximate

5 centerline of Quail Run Road with the approximate centerline  
6 of Enterprise Road, said point being the Northeast corner of said  
7 Acton tract and the Southeast corner of a tract of land described in  
8 Deed to The Veterans Land Board of The State of Texas, recorded in  
9 Volume 2243, Page 172, Deed Records, Grayson County, Texas;

10 THENCE South 00 degrees 40 minutes 39 seconds West, along the  
11 East line of said Acton tract, a distance of 2,647.35 feet to a 1/2  
12 inch iron rod with a yellow plastic cap stamped "DAA" set at the  
13 Southeast corner of said Acton tract and the Northeast corner of a  
14 tract of land described in Deed to Marcus Brown and wife, Emma Lee  
15 Brown, recorded in Volume 1193, Page 85, Deed Records, Grayson  
16 County, Texas;

17 THENCE North 89 degrees 08 minutes 51 seconds West, leaving  
18 said East line, a distance of 3,564.29 feet to a 1/2 inch iron rod  
19 with a yellow plastic cap stamped "DAA" set in the North line of a  
20 tract of land described in Deed to Marcus H. Brown and wife, Emma  
21 Lee Brown, recorded in Volume 1481, Page 708, Deed Records, Grayson  
22 County, Texas, at the Southwest corner of said Acton tract;

23 THENCE North 00 degrees 40 minutes 39 seconds East, leaving  
24 the North line of said Brown tract, a distance of 2657.33 feet to a  
25 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set in the  
26 approximate centerline of said Quail Run Road at the Northwest  
27 corner of said Acton tract;

1           THENCE South 88 degrees 59 minutes 13 seconds East, along the  
2 approximate centerline of said Quail Run Road, a distance of  
3 3564.33 feet to the POINT OF BEGINNING and containing 217.026 acres  
4 of land, more or less.

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

12           (b) The governor, one of the required recipients, has  
13 submitted the notice and Act to the Texas Commission on  
14 Environmental Quality.

15           (c) The Texas Commission on Environmental Quality has filed  
16 its recommendations relating to this Act with the governor, the  
17 lieutenant governor, and the speaker of the house of  
18 representatives within the required time.

19           (d) All requirements of the constitution and laws of this  
20 state and the rules and procedures of the legislature with respect  
21 to the notice, introduction, and passage of this Act are fulfilled  
22 and accomplished.

23           SECTION 4. This Act takes effect September 1, 2009.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 4790 was passed by the House on May 12, 2009, by the following vote: Yeas 149, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 4790 was passed by the Senate on May 27, 2009, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

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

Date

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Governor