

1-1 By: Phillips (Senate Sponsor - Estes) H.B. No. 4790  
1-2 (In the Senate - Received from the House May 13, 2009;  
1-3 May 14, 2009, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 22, 2009, reported favorably by  
1-5 the following vote: Yeas 5, Nays 0; May 22, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the creation of the Brown's Ranch Municipal Utility  
1-9 District No. 1 of Grayson County; providing authority to impose a  
1-10 tax and issue bonds; granting a limited power of eminent domain.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
1-13 Code, is amended by adding Chapter 8348 to read as follows:

1-14 CHAPTER 8348. BROWN'S RANCH MUNICIPAL UTILITY DISTRICT NO. 1 OF  
1-15 GRAYSON COUNTY

1-16 SUBCHAPTER A. GENERAL PROVISIONS

1-17 Sec. 8348.001. DEFINITIONS. In this chapter:

1-18 (1) "Board" means the district's board of directors.

1-19 (2) "Director" means a board member.

1-20 (3) "District" means the Brown's Ranch Municipal  
1-21 Utility District No. 1 of Grayson County.

1-22 Sec. 8348.002. NATURE OF DISTRICT. The district is a  
1-23 municipal utility district created under Section 59, Article XVI,  
1-24 Texas Constitution.

1-25 Sec. 8348.003. CONFIRMATION AND DIRECTORS' ELECTION  
1-26 REQUIRED. The temporary directors shall hold an election to  
1-27 confirm the creation of the district and to elect five permanent  
1-28 directors as provided by Section 49.102, Water Code.

1-29 Sec. 8348.004. CONSENT OF MUNICIPALITY REQUIRED. The  
1-30 temporary directors may not hold an election under Section 8348.003  
1-31 until each municipality in whose corporate limits or  
1-32 extraterritorial jurisdiction the district is located has  
1-33 consented by ordinance or resolution to the creation of the  
1-34 district and to the inclusion of land in the district.

1-35 Sec. 8348.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
1-36 The district is created to serve a public purpose and benefit.

1-37 (b) The district is created to accomplish the purposes of:

1-38 (1) a municipal utility district as provided by  
1-39 general law and Section 59, Article XVI, Texas Constitution; and

1-40 (2) Section 52, Article III, Texas Constitution, that  
1-41 relate to the construction, acquisition, improvement, operation,  
1-42 or maintenance of macadamized, graveled, or paved roads, or  
1-43 improvements, including storm drainage, in aid of those roads.

1-44 Sec. 8348.006. INITIAL DISTRICT TERRITORY. (a) The  
1-45 district is initially composed of the territory described by  
1-46 Section 2 of the Act creating this chapter.

1-47 (b) The boundaries and field notes contained in Section 2 of  
1-48 the Act creating this chapter form a closure. A mistake made in the  
1-49 field notes or in copying the field notes in the legislative process  
1-50 does not affect the district's:

1-51 (1) organization, existence, or validity;

1-52 (2) right to issue any type of bond for the purposes  
1-53 for which the district is created or to pay the principal of and  
1-54 interest on a bond;

1-55 (3) right to impose a tax; or

1-56 (4) legality or operation.

1-57 [Sections 8348.007-8348.050 reserved for expansion]

1-58 SUBCHAPTER B. BOARD OF DIRECTORS

1-59 Sec. 8348.051. GOVERNING BODY; TERMS. (a) The district is  
1-60 governed by a board of five elected directors.

1-61 (b) Except as provided by Section 8348.052, directors serve  
1-62 staggered four-year terms.

1-63 Sec. 8348.052. TEMPORARY DIRECTORS. (a) On or after  
1-64 September 1, 2009, the owner or owners of a majority of the assessed

2-1 value of the real property in the district may submit a petition to  
2-2 the Texas Commission on Environmental Quality requesting that the  
2-3 commission appoint as temporary directors the five persons named in  
2-4 the petition. The commission shall appoint as temporary directors  
2-5 the five persons named in the petition.

2-6 (b) Temporary directors serve until the earlier of:  
2-7 (1) the date permanent directors are elected under  
2-8 Section 8348.003; or  
2-9 (2) September 1, 2013.

2-10 (c) If permanent directors have not been elected under  
2-11 Section 8348.003 and the terms of the temporary directors have  
2-12 expired, successor temporary directors shall be appointed or  
2-13 reappointed as provided by Subsection (d) to serve terms that  
2-14 expire on the earlier of:

2-15 (1) the date permanent directors are elected under  
2-16 Section 8348.003; or  
2-17 (2) the fourth anniversary of the date of the  
2-18 appointment or reappointment.

2-19 (d) If Subsection (c) applies, the owner or owners of a  
2-20 majority of the assessed value of the real property in the district  
2-21 may submit a petition to the commission requesting that the  
2-22 commission appoint as successor temporary directors the five  
2-23 persons named in the petition. The commission shall appoint as  
2-24 successor temporary directors the five persons named in the  
2-25 petition.

2-26 [Sections 8348.053-8348.100 reserved for expansion]

2-27 SUBCHAPTER C. POWERS AND DUTIES

2-28 Sec. 8348.101. GENERAL POWERS AND DUTIES. The district has  
2-29 the powers and duties necessary to accomplish the purposes for  
2-30 which the district is created.

2-31 Sec. 8348.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
2-32 DUTIES. The district has the powers and duties provided by the  
2-33 general law of this state, including Chapters 49 and 54, Water Code,  
2-34 applicable to municipal utility districts created under Section 59,  
2-35 Article XVI, Texas Constitution.

2-36 Sec. 8348.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
2-37 52, Article III, Texas Constitution, the district may design,  
2-38 acquire, construct, finance, issue bonds for, improve, operate,  
2-39 maintain, and convey to this state, a county, or a municipality for  
2-40 operation and maintenance macadamized, graveled, or paved roads, or  
2-41 improvements, including storm drainage, in aid of those roads.

2-42 Sec. 8348.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
2-43 project must meet all applicable construction standards, zoning and  
2-44 subdivision requirements, and regulations of each municipality in  
2-45 whose corporate limits or extraterritorial jurisdiction the road  
2-46 project is located.

2-47 (b) If a road project is not located in the corporate limits  
2-48 or extraterritorial jurisdiction of a municipality, the road  
2-49 project must meet all applicable construction standards,  
2-50 subdivision requirements, and regulations of each county in which  
2-51 the road project is located.

2-52 (c) If the state will maintain and operate the road, the  
2-53 Texas Transportation Commission must approve the plans and  
2-54 specifications of the road project.

2-55 Sec. 8348.105. COSTS OF ROAD PROJECT. The district shall  
2-56 bear the cost of maintaining, improving, operating, and repairing a  
2-57 road authorized by Section 8348.103 that is located in the  
2-58 district, regardless of whether the district conveys the road to  
2-59 this state, a county, or a municipality.

2-60 Sec. 8348.106. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
2-61 OR RESOLUTION. The district shall comply with all applicable  
2-62 requirements of any ordinance or resolution that is adopted under  
2-63 Section 54.016 or 54.0165, Water Code, and that consents to the  
2-64 creation of the district or to the inclusion of land in the  
2-65 district.

2-66 Sec. 8348.107. LIMITATION ON USE OF EMINENT DOMAIN. The  
2-67 district may not exercise the power of eminent domain outside the  
2-68 district to acquire a site or easement for:

2-69 (1) a road project authorized by Section 8348.103; or

3-1                   (2) a recreational facility as defined by Section  
3-2 49.462, Water Code.  
3-3                   Sec. 8348.108. LIMITATION ON ANNEXATION. The district may  
3-4 not annex land without the written consent by resolution or  
3-5 ordinance of each municipality in whose corporate limits or  
3-6 extraterritorial jurisdiction the land is located and the written  
3-7 consent of each water or sewer service provider that holds a  
3-8 certificate of public convenience and necessity and whose  
3-9 certificated service area includes any part of the land.  
3-10                  Sec. 8348.109. DIVISION OF DISTRICT. (a) The district may  
3-11 be divided into two or more new districts only if the district:  
3-12                   (1) has no outstanding bonded debt; and  
3-13                   (2) is not imposing ad valorem taxes.  
3-14                  (b) This chapter applies to any new district created by the  
3-15 division of the district, and a new district has all the powers and  
3-16 duties of the district.  
3-17                  (c) Any new district created by the division of the district  
3-18 may not, at the time the new district is created, contain any land  
3-19 outside the area described by Section 2 of the Act creating this  
3-20 chapter.  
3-21                  (d) The board, on its own motion or on receipt of a petition  
3-22 signed by the owner or owners of a majority of the assessed value of  
3-23 the real property in the district, may adopt an order dividing the  
3-24 district.  
3-25                  (e) The board may adopt an order dividing the district  
3-26 before or after the date the board holds an election under Section  
3-27 8348.003 to confirm the district's creation.  
3-28                  (f) An order dividing the district shall:  
3-29                   (1) name each new district;  
3-30                   (2) include the metes and bounds description of the  
3-31 territory of each new district;  
3-32                   (3) appoint temporary directors for each new district;  
3-33 and  
3-34                   (4) provide for the division of assets and liabilities  
3-35 between or among the new districts.  
3-36                  (g) On or before the 30th day after the date of adoption of  
3-37 an order dividing the district, the district shall file the order  
3-38 with the Texas Commission on Environmental Quality and record the  
3-39 order in the real property records of each county in which the  
3-40 district is located.  
3-41                  (h) Any new district created by the division of the district  
3-42 shall hold a confirmation and directors' election as required by  
3-43 Section 8348.003.  
3-44                  (i) Municipal consent to the creation of the district and to  
3-45 the inclusion of land in the district granted under Section  
3-46 8348.004 acts as municipal consent to the creation of any new  
3-47 district created by the division of the district and to the  
3-48 inclusion of land in the new district.  
3-49                  (j) Any new district created by the division of the district  
3-50 must hold an election as required by this chapter to obtain voter  
3-51 approval before the district may impose a maintenance tax or issue  
3-52 bonds payable wholly or partly from ad valorem taxes.  
3-53                   [Sections 8348.110-8348.150 reserved for expansion]  
3-54                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
3-55                  Sec. 8348.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
3-56 district may issue, without an election, bonds and other  
3-57 obligations secured by:  
3-58                   (1) revenue other than ad valorem taxes; or  
3-59                   (2) contract payments described by Section 8348.153.  
3-60                  (b) The district must hold an election in the manner  
3-61 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
3-62 before the district may impose an ad valorem tax or issue bonds  
3-63 payable from ad valorem taxes.  
3-64                  (c) The district may not issue bonds payable from ad valorem  
3-65 taxes to finance a road project unless the issuance is approved by a  
3-66 vote of a two-thirds majority of the district voters voting at an  
3-67 election held for that purpose.  
3-68                  Sec. 8348.152. OPERATION AND MAINTENANCE TAX. (a) If  
3-69 authorized at an election held under Section 8348.151, the district

4-1 may impose an operation and maintenance tax on taxable property in  
4-2 the district in accordance with Section 49.107, Water Code.

4-3 (b) The board shall determine the tax rate. The rate may not  
4-4 exceed the rate approved at the election.

4-5 Sec. 8348.153. CONTRACT TAXES. (a) In accordance with  
4-6 Section 49.108, Water Code, the district may impose a tax other than  
4-7 an operation and maintenance tax and use the revenue derived from  
4-8 the tax to make payments under a contract after the provisions of  
4-9 the contract have been approved by a majority of the district voters  
4-10 voting at an election held for that purpose.

4-11 (b) A contract approved by the district voters may contain a  
4-12 provision stating that the contract may be modified or amended by  
4-13 the board without further voter approval.

4-14 [Sections 8348.154-8348.200 reserved for expansion]

4-15 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-16 Sec. 8348.201. AUTHORITY TO ISSUE BONDS AND OTHER  
4-17 OBLIGATIONS. The district may issue bonds or other obligations  
4-18 payable wholly or partly from ad valorem taxes, impact fees,  
4-19 revenue, contract payments, grants, or other district money, or any  
4-20 combination of those sources, to pay for any authorized district  
4-21 purpose.

4-22 Sec. 8348.202. TAXES FOR BONDS. At the time the district  
4-23 issues bonds payable wholly or partly from ad valorem taxes, the  
4-24 board shall provide for the annual imposition of a continuing  
4-25 direct ad valorem tax, without limit as to rate or amount, while all  
4-26 or part of the bonds are outstanding as required and in the manner  
4-27 provided by Sections 54.601 and 54.602, Water Code.

4-28 Sec. 8348.203. BONDS FOR ROAD PROJECTS. At the time of  
4-29 issuance, the total principal amount of bonds or other obligations  
4-30 issued or incurred to finance road projects and payable from ad  
4-31 valorem taxes may not exceed one-fourth of the assessed value of the  
4-32 real property in the district.

4-33 SECTION 2. The Brown's Ranch Municipal Utility District No.  
4-34 1 of Grayson County initially includes all the territory contained  
4-35 in the following area:

4-36 TRACT 1

4-37 BEING a tract of land located in the A.M. CROW SURVEY,  
4-38 ABSTRACT 291, W.H. CROW SURVEY, ABSTRACT NO. 1539 and the W.H. CROW  
4-39 SURVEY, ABSTRACT NO. 309, Grayson County, Texas and being part of a  
4-40 tract of land described in Deed to Marcus H. Brown and wife, Emma  
4-41 Lee Brown, recorded in Volume 1481, Page 708, Deed Records, Grayson  
4-42 County, Texas and all of a tract of land described in Deed to Marcus  
4-43 Brown, recorded in Volume 2081, Page 657, Deed Records, Grayson  
4-44 County, Texas and all of a tract of land described in Deed to Marcus  
4-45 H. Brown, recorded in Volume 2247, Page 744, Deed Records, Grayson  
4-46 County, Texas, and being more particularly described as follows:

4-47 BEGINNING at a railroad spike found at the intersection of  
4-48 the approximate centerline of Wright Road with the approximate  
4-49 centerline of Enterprise Road, said point being the Southeast  
4-50 corner of said Marcus H. Brown tract and the Northeast corner of a  
4-51 tract of land described as Second Tract in Deed to H.M. Shytles, Jr.  
4-52 recorded in Volume 1966, Page 206, Deed Records, Grayson County,  
4-53 Texas;

4-54 THENCE North 89 degrees 07 minutes 14 seconds West, a  
4-55 distance of

4-56 4,563.29 feet to a 1/2 inch iron rod with a yellow plastic cap  
4-57 stamped "DAA" set in the North line of a tract of land described in  
4-58 Deed to Elizabeth Brown, recorded in Volume 2254, Page 94, Deed  
4-59 Records, Grayson County, Texas at the Southeast corner of a tract of  
4-60 land described in Deed to Patricia Ann Lawrence Sethaler, recorded  
4-61 in Volume 2467, Page 56, Deed Records, Grayson County, Texas;

4-62 THENCE North 00 degrees 58 minutes 31 seconds East, a  
4-63 distance of 840.07 feet to a 1/2 inch iron rod with a yellow plastic  
4-64 cap stamped "DAA" set at the Northeast corner of said Sethaler  
4-65 tract;

4-66 THENCE North 89 degrees 06 minutes 17 seconds West, a  
4-67 distance of

4-68 799.71 feet to a 3/4 inch iron rod found in the approximate  
4-69 centerline of Kusch Lane at the Northwest corner of said Sethaler

5-1 tract;

5-2 THENCE North 01 degrees 01 minutes 30 seconds East, along the

5-3 approximate centerline of said Kusch Lane, a distance of 1,825.99

5-4 feet to a 1/2 inch iron rod found at the Northwest corner of said

5-5 Marcus H. Brown and wife, Emma Lee Brown tract and the Southwest

5-6 corner of a tract of land described in Deed to Madolene Carol

5-7 Williams, recorded in Volume 2247, Page 732, Deed Records, Grayson

5-8 County, Texas;

5-9 THENCE South 89 degrees 08 minutes 51 seconds East, a

5-10 distance of 4,497.55 feet to a point in a pond at the Northwest

5-11 corner of a tract of land described in Deed to Marcus Brown and

5-12 wife, Emma Lee Brown, recorded in Volume 1193, Page 85, Deed

5-13 Records, Grayson County, Texas;

5-14 THENCE South 00 degrees 40 minutes 39 seconds West, along the

5-15 West line of said Marcus Brown and wife, Emma Lee Brown tract

5-16 recorded in Volume 1193, Page 85, a distance of 450.00 feet to a 1/2

5-17 inch iron rod with a yellow plastic cap stamped "DAA" set at the

5-18 Southwest corner of said Marcus Brown and wife, Emma Lee Brown tract

5-19 recorded in Volume 1193, Page 85;

5-20 THENCE South 89 degrees 08 minutes 51 seconds East, along the

5-21 South line of said Marcus Brown and wife, Emma Lee Brown tract

5-22 recorded in Volume 1193, Page 85, a distance of 850.00 feet to a 1/2

5-23 inch iron rod with a yellow plastic cap stamped "DAA" set in said

5-24 Enterprise Road at the Southeast corner of said Marcus Brown and

5-25 wife, Emma Lee Brown tract recorded in Volume 1193, Page 85;

5-26 THENCE South 00 degrees 40 minutes 39 seconds West, a

5-27 distance of 2,218.79 feet to the POINT OF BEGINNING and containing

5-28 303.755 acres of land, more or less.

5-29 TRACT 2

5-30 BEING a tract of land located in the I.N. WINDROW SURVEY,

5-31 ABSTRACT NO. 1378, Grayson County, Texas and being part of a tract

5-32 of land described in Deed to Madalene Carol Williams, recorded in

5-33 Volume 2247, Page 732, Deed Records, Grayson County, Texas and

5-34 being more particularly described as follows:

5-35 BEGINNING at a 1/2 inch iron rod found in the approximate

5-36 centerline of Kusch Lane at the Southwest corner of said Williams

5-37 tract and the Northwest corner of a tract of land described in Deed

5-38 to Marcus H. Brown and wife, Emma Lee Brown, recorded in Volume

5-39 1481, Page 708, Deed Records, Grayson County, Texas;

5-40 THENCE North 00 degrees 56 minutes 29 seconds East, a

5-41 distance of 1,680.18 feet to a 1/2 inch iron rod with a yellow

5-42 plastic cap stamped "DAA" set at the intersection of the

5-43 Southeasterly right-of-way line of M-K-T Railroad, a variable width

5-44 right-of-way, with the Westerly line of said Williams tract, said

5-45 point being at the beginning of a non-tangent curve to the left

5-46 having a central angle of 07 degrees 17 minutes 31 seconds, a radius

5-47 of 5,789.65 feet and a chord bearing and distance of North 46

5-48 degrees 26 minutes 26 seconds East, 736.85 feet;

5-49 THENCE Northeasterly, along said Southeasterly right-of-way

5-50 line, the following three (3) courses and distances:

5-51 Northeasterly, along said curve to the left, an arc

5-52 distance of 736.85 feet to a 1/2 inch iron rod with a yellow plastic

5-53 cap stamped "DAA" set for corner;

5-54 North 46 degrees 52 minutes 08 seconds West, a distance

5-55 of 10.00 feet to a 1/2 inch iron rod with a yellow plastic cap

5-56 stamped "DAA" set at the beginning of a non-tangent curve to the

5-57 left having a central angle of 05 degrees 50 minutes 28

5-58 seconds, a radius of 5,779.65 feet and a chord bearing

5-59 and distance of North 39 degrees 52 minutes 25 seconds East,

5-60 588.97 feet;

5-61 Northeasterly, along said curve to the left, an arc

5-62 distance of 589.23 feet to a 1/2 inch iron rod with a yellow plastic

5-63 cap stamped "DAA" set at intersection of said Southeasterly

5-64 right-of-way line with the North line of said Williams tract;

5-65 THENCE South 88 degrees 59 minutes 13 seconds East, leaving

5-66 said Southeasterly right-of-way line and along the North line of

5-67 said Williams tract, a distance of 883.12 feet to a 1/2 inch iron

5-68 rod with a yellow plastic cap stamped "DAA" set at the Northeast

5-69 corner of said Williams tract;

