

By: Smith

H.B. No. 4633

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the Grayson County Municipal Utility
3 District No. 9; 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 7936A to read as follows:

9 CHAPTER 7936A. GRAYSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 9

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7936A.0101. 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 Grayson County Municipal
17 Utility District No. 9.

18 Sec. 7936A.0102. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 7936A.0103. CONFIRMATION AND DIRECTOR 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.

1 Sec. 7936A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section
3 7936A.0103 until each municipality in whose corporate limits or
4 extraterritorial jurisdiction the district is located has
5 consented by ordinance or resolution to the creation of the
6 district and to the inclusion of land in the district.

7 Sec. 7936A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

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

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

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

16 Sec. 7936A.0106. INITIAL DISTRICT TERRITORY. (a) The
17 district is initially composed of the territory described by
18 Section 2 of the Act enacting this chapter.

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

23 (1) organization, existence, or validity;

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

27 (3) right to impose a tax; or

1 (4) legality or operation.

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 7936A.0201. GOVERNING BODY; TERMS. (a) The district
4 is governed by a board of five elected directors.

5 (b) Except as provided by Section 7936A.0202, directors
6 serve staggered four-year terms.

7 Sec. 7936A.0202. TEMPORARY DIRECTORS. (a) On or after
8 September 1, 2021, the owner or owners of a majority of the assessed
9 value of the real property in the district may submit a petition to
10 the commission requesting that the commission appoint as temporary
11 directors the five persons named in the petition. The commission
12 shall appoint as temporary directors the five persons named in the
13 petition.

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

15 (1) the date permanent directors are elected under
16 Section 7936A.0103; or

17 (2) September 1, 2025.

18 (c) If permanent directors have not been elected under
19 Section 7936A.0103 and the terms of the temporary directors have
20 expired, successor temporary directors shall be appointed or
21 reappointed as provided by Subsection (d) to serve terms that
22 expire on the earlier of:

23 (1) the date permanent directors are elected under
24 Section 7936A.0103; or

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

27 (d) If Subsection (c) applies, the owner or owners of a

1 majority of the assessed value of the real property in the district
2 may submit a petition to the commission requesting that the
3 commission appoint as successor temporary directors the five
4 persons named in the petition. The commission shall appoint as
5 successor temporary directors the five persons named in the
6 petition.

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 7936A.0301. GENERAL POWERS AND DUTIES. The district
9 has the powers and duties necessary to accomplish the purposes for
10 which the district is created.

11 Sec. 7936A.0302. 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. 7936A.0303. AUTHORITY FOR ROAD PROJECTS. Under
17 Section 52, Article III, Texas Constitution, the district may
18 design, acquire, construct, finance, issue bonds for, improve,
19 operate, maintain, and convey to this state, a county, or a
20 municipality for operation and maintenance macadamized, graveled,
21 or paved roads, or improvements, including storm drainage, in aid
22 of those roads.

23 Sec. 7936A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
24 road project must meet all applicable construction standards,
25 zoning and subdivision requirements, and regulations of each
26 municipality in whose corporate limits or extraterritorial
27 jurisdiction the road project is located.

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

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

9 Sec. 7936A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
10 ORDINANCE OR RESOLUTION. The district shall comply with all
11 applicable requirements of any ordinance or resolution that is
12 adopted under Section 54.016 or 54.0165, Water Code, and that
13 consents to the creation of the district or to the inclusion of land
14 in the district.

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Sec. 7936A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
17 The district may issue, without an election, bonds and other
18 obligations secured by:

- 19 (1) revenue other than ad valorem taxes; or
20 (2) contract payments described by Section
21 7936A.0403.

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

26 (c) The district may not issue bonds payable from ad valorem
27 taxes to finance a road project unless the issuance is approved by a

1 vote of a two-thirds majority of the district voters voting at an
2 election held for that purpose.

3 Sec. 7936A.0402. OPERATION AND MAINTENANCE TAX. (a) If
4 authorized at an election held under Section 7936A.0401, the
5 district may impose an operation and maintenance tax on taxable
6 property in the district in accordance with Section 49.107, Water
7 Code.

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

10 Sec. 7936A.0403. CONTRACT TAXES. (a) In accordance with
11 Section 49.108, Water Code, the district may impose a tax other than
12 an operation and maintenance tax and use the revenue derived from
13 the tax to make payments under a contract after the provisions of
14 the contract have been approved by a majority of the district voters
15 voting at an election held for that purpose.

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

19 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

20 Sec. 7936A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
21 OBLIGATIONS. The district may issue bonds or other obligations
22 payable wholly or partly from ad valorem taxes, impact fees,
23 revenue, contract payments, grants, or other district money, or any
24 combination of those sources, to pay for any authorized district
25 purpose.

26 Sec. 7936A.0502. TAXES FOR BONDS. At the time the district
27 issues bonds payable wholly or partly from ad valorem taxes, the

1 board shall provide for the annual imposition of a continuing
2 direct ad valorem tax, without limit as to rate or amount, while all
3 or part of the bonds are outstanding as required and in the manner
4 provided by Sections 54.601 and 54.602, Water Code.

5 Sec. 7936A.0503. BONDS FOR ROAD PROJECTS. At the time of
6 issuance, the total principal amount of bonds or other obligations
7 issued or incurred to finance road projects and payable from ad
8 valorem taxes may not exceed one-fourth of the assessed value of the
9 real property in the district.

10 SECTION 2. The Grayson County Municipal Utility District
11 No. 9 initially includes all the territory contained in the
12 following area:

13 Situated in the County of Grayson, State of Texas, being a
14 part of the Charles Lynenburg Survey, Abstract No. 730, and being a
15 part of a 237.230 acre tract of land conveyed to William Levi Smith
16 and wife Bonnie Jean Smith and Robert Shane Cavender and wife Paula
17 Ann Cavender by deed of record in Volume 5842, Page 150, Official
18 Public Records, Grayson County, Texas and being more particularly
19 described by metes and bounds as follows:

20 Beginning at a p/k nail found in the center of a Harrell Road
21 maintaining the southwest corner of a 60.000 acre tract of land
22 conveyed to John Fasolino and wife Stephanie Fasolino by deed of
23 record in Volume 5984, Page 109 of said Official Public Records and
24 being in the east line of said 237.230 acre tract;

25 Thence South 00°09'56" West, along the east line of said
26 237.230 acre tract, a distance of 1,654.74 feet to a mag nail set in
27 a concrete bridge with an aluminum washer marked COPLEY RPLS 6720 in

1 the west edge of said Harrell Road for a southeast corner of said
2 237.230 acre tract and the northeast corner of a 3.00 acre tract of
3 land conveyed to Natalie Tschacher and Brian Tschacher by deed of
4 record in Document No. 2020-23762 of said Official Public Records;

5 Thence North 89°52'21" West, continuing along a south line of
6 said 237.230 acre tract and the north line of said 3.00 acre tract
7 passing the northwest corner of said 3.00 acre tract and continuing
8 along the north line of a 26.85 acre tract of land conveyed to Gil
9 Kent Akins by deed of record in Volume 5543, Page 74 of said
10 Official Public Records, for a total distance of 1,670.58 feet to a
11 5/8" steel rod found maintaining an ell corner in the east line of
12 said 237.230 acre tract and the northwest corner of said 26.85 acre
13 tract;

14 Thence South 00°13'31" West, continuing along the east line of
15 said 237.230 acre tract and the west line of said 26.85 acre tract,
16 a distance of 701.70 feet to a spike nail found maintaining the
17 southwest corner of said 26.85 acre tract and the northwest corner
18 of a 25.360 acre tract of land conveyed to Charles Thompson by deed
19 of record in Document No. 2018-14925 of said Official Public
20 Records;

21 Thence South 00°55'11" West, continuing along the east line of
22 said 237.230 acre tract and the west line of said 25.360 acre tract,
23 a distance of 777.67 feet to a 1/2" steel rod found in the north line
24 of a 41.00 acre tract of land conveyed to Vyron B. Cherry and wife
25 Dana D. Cherry by deed of record in Document No. 2020-28567 of said
26 Official Public Records, maintaining an angle point in the east
27 line of said 237.230 acre tract and the southwest corner of said

1 25.360 acre tract;

2 Thence South 88°07'07" West, continuing along the east line of
3 said 237.230 acre tract and the north line of said 41.00 acre tract,
4 a distance of 293.37 feet to a 1/2" steel rod found maintaining an
5 angle point in the east line of said 237.230 acre tract and the
6 northwest corner of said 41.00 acre tract;

7 Thence South 04°11'40" West, continuing along the east line of
8 said 237.230 acre tract and the west line of said 41.00 acre tract,
9 a distance of 452.67 feet to a 1/2" steel rod found maintaining an
10 angle point in the west line of said 237.230 acre tract, the
11 southwest corner of said 41.00 acre tract and the northwest corner
12 of a 15.00 acre tract of land conveyed to Jimmy Don Bertoldo by deed
13 of record in Volume 5613, Page 346 of said Official Public Records;

14 Thence South 03°43'49" West, continuing along the east line of
15 said 237.230 acre tract and the west line of said 15.00 acre tract,
16 a distance of 380.77 feet to a 1/2" steel rod found maintaining an
17 angle point in the west line of said 237.230 acre tract, the
18 southwest corner of said 15.00 acre tract and the northwest corner
19 of a 15.000 acre tract of land conveyed to Bruce Maniet and wife
20 Kathleen Maniet by deed of record in Volume 2875, Page 719 of said
21 Official Public Records;

22 Thence South 03°32'50" West, continuing along the east line of
23 said 237.230 acre tract and the west line of said 15.000 acre Maniet
24 Tract, a distance of 77.48 feet to a 1/2" steel rod set with an
25 aluminum cap marked COPLEY RPLS 6720 for the southeast corner of
26 said 237.230 acre tract;

27 Thence South 89°39'10" West, along the south line of said

1 237.230 acre tract passing a 1/2" steel rod found at a distance of
2 86.59 feet maintaining the northerly most northeast corner of a
3 79.313 acre tract of land conveyed to Barbara Jean Kralis by deed of
4 record in Document No. 2019-30641 of said Official Public Records
5 and continuing along its north line for a total distance of 1,160.21
6 feet to a 1/2" steel rod set with an aluminum cap marked COPLEY RPLS
7 6720 for an angle point in the south line of said 237.230 and the
8 north line of said 79.313 acre tract;

9 Thence North 82°45'08" West, continuing along the south line
10 of said 237.230 acre tract and the north line of said 79.313 acre
11 tract, a distance of 80.86 feet to a point in the center of Cedar
12 Creek said point being the southwest corner of the herein described
13 tract, an angle point in the north line of said 79.313 acre;

14 Thence northerly downstream with the center of said Cedar
15 Creek the following calls and distances:

16 South 86°45'16" East, a distance of 44.40 feet to a point;
17 North 74°05'53" East, a distance of 54.45 feet to a point;
18 North 22°41'04" East, a distance of 104.10 feet to a point;
19 North 00°12'41" East, a distance of 221.87 feet to a point;
20 South 65°33'30" East, a distance of 77.28 feet to a point;
21 South 33°00'50" East, a distance of 79.29 feet to a point;
22 South 56°06'52" East, a distance of 282.98 feet to a point;
23 North 69°20'33" East, a distance of 139.19 feet to a point;
24 North 19°19'55" East, a distance of 174.03 feet to a point;
25 North 25°31'12" West, a distance of 100.68 feet to a point;
26 North 59°47'52" West, a distance of 194.62 feet to a point;
27 North 17°08'25" West, a distance of 48.76 feet to a point;

1 North 65°21'00" East, a distance of 73.10 feet to a point;
2 South 76°00'40" East, a distance of 225.33 feet to a point;
3 North 46°35'03" East, a distance of 102.81 feet to a point;
4 Thence Northerly along the center of a branch of Cedar Creek
5 upstream the following calls and distances:
6 North 59°46'20" West, a distance of 122.53 feet to a point;
7 North 67°34'57" West, a distance of 92.91 feet to a point;
8 North 41°51'14" West, a distance of 21.86 feet to a point;
9 North 05°17'24" West, a distance of 42.34 feet to a point;
10 North 26°44'59" East, a distance of 90.52 feet to a point;
11 North 16°56'24" West, a distance of 19.54 feet to a point;
12 North 85°18'41" West, a distance of 72.69 feet to a point;
13 South 36°26'00" West, a distance of 27.33 feet to a point;
14 South 18°32'41" West, a distance of 69.27 feet to a point;
15 South 58°32'37" West, a distance of 83.04 feet to a point;
16 South 43°37'32" West, a distance of 80.60 feet to a point;
17 South 70°09'05" West, a distance of 44.86 feet to a point;
18 South 58°28'39" West, a distance of 57.70 feet to a point;
19 South 71°17'57" West, a distance of 19.90 feet to a point;
20 North 74°25'35" West, a distance of 34.75 feet to a point;
21 North 19°59'36" West, a distance of 84.88 feet to a point;
22 North 49°02'11" West, a distance of 53.44 feet to a point;
23 North 21°49'51" West, a distance of 99.97 feet to a point;
24 North 54°44'37" West, a distance of 75.47 feet to a point;
25 North 47°25'49" West, a distance of 80.78 feet to a point;
26 North 29°16'11" East, a distance of 116.08 feet to a point;
27 North 60°11'40" East, a distance of 60.14 feet to a point;

1 North 18°14'16" East, a distance of 56.09 feet to a point;
2 North 47°16'27" West, a distance of 33.30 feet to a point;
3 North 63°41'35" West, a distance of 89.86 feet to a point;
4 North 81°53'32" West, a distance of 202.67 feet to a point;
5 North 72°30'52" West, a distance of 29.27 feet to a point;
6 North 42°37'22" West, a distance of 30.05 feet to a point;
7 North 07°07'30" East, a distance of 18.24 feet to a point;
8 North 29°24'18" East, a distance of 88.41 feet to a point;
9 North 15°56'04" West, a distance of 74.32 feet to a point;
10 North 31°31'43" West, a distance of 56.51 feet to a point;
11 North 03°38'54" West, a distance of 59.55 feet to a point;
12 North 53°42'57" West, a distance of 81.55 feet to a point;
13 North 44°06'42" West, a distance of 35.21 feet to a point;
14 North 10°06'41" West, a distance of 35.59 feet to a point;
15 North 05°31'22" East, a distance of 127.33 feet to a point;
16 North 00°05'18" East, a distance of 4.97 feet to a point in the

17 south line of a 61.5 acre tract of land conveyed to Bennett Anderson
18 Joiner, Jr., Ann Joiner Evans, Charles Steven Joiner, and Carol
19 Joiner Doggett by deed of record in Volume 2441, Page 9 of said
20 Official Public Records;

21 Thence South 69°48'49" East, along the west line of said
22 237.230 acre tract and the south line of said 61.5 acre tract
23 passing a metal fence corner post at a distance of 19.21 feet and
24 continuing for a total distance of 706.07 feet to a metal fence
25 corner post maintaining and ell corner in the west line of said
26 237.230 acre tract and the southeast corner of said 61.5 acre tract;

27 Thence North 00°33'39" East, continuing along the west line of

1 said 237.230 acre tract, the east line of said 61.5 acre tract
2 passing the southeast corner of a 53.75 acre tract of land conveyed
3 to Bennett Anderson Joiner, Jr., Ann Joiner Evans, Charles Steven
4 Joiner, and Carol Joiner Doggett by deed of record in Volume 2441,
5 Page 9 of said Official Public Records and continuing for a total
6 distance of 2,552.80 feet to a 1/2" square tube found with a cap
7 marked RPLS 4577 maintaining the southwest corner of said 60.000
8 acre tract;

9 Thence North 89°46'46" East, along the south line of said
10 60.000 acre tract passing a 1/2" square tube found with a cap marked
11 4577 at a distance of 2871.10 feet and continuing for a total
12 distance of 2,894.89 feet to the Point-of-Beginning and containing
13 177.273 acres of land.

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

21 (b) The governor, one of the required recipients, has
22 submitted the notice and Act to the Texas Commission on
23 Environmental Quality.

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

1 (d) All requirements of the constitution and laws of this
2 state and the rules and procedures of the legislature with respect
3 to the notice, introduction, and passage of this Act are fulfilled
4 and accomplished.

5 SECTION 4. (a) If this Act does not receive a two-thirds
6 vote of all the members elected to each house, Subchapter C, Chapter
7 7936A, Special District Local Laws Code, as added by Section 1 of
8 this Act, is amended by adding Section 7936A.0306 to read as
9 follows:

10 Sec. 7936A.0306. NO EMINENT DOMAIN POWER. The district may
11 not exercise the power of eminent domain.

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

15 SECTION 5. This Act takes effect September 1, 2021.