

1-1 By: Springer S.B. No. 2219  
 1-2 (In the Senate - Filed April 16, 2021; April 19, 2021, read  
 1-3 first time and referred to Committee on Local Government;  
 1-4 April 27, 2021, reported favorably by the following vote: Yeas 8,  
 1-5 Nays 0; April 27, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Menéndez			X	
1-9 Eckhardt	X			
1-10 Gutierrez	X			
1-11 Hall	X			
1-12 Nichols	X			
1-13 Paxton	X			
1-14 Springer	X			
1-15 Zaffirini	X			

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to the creation of the Heritage Ranch Municipal Utility  
 1-20 District No. 1 of Grayson County; granting a limited power of  
 1-21 eminent domain; providing authority to issue bonds; providing  
 1-22 authority to impose assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
 1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
 1-25 Code, is amended by adding Chapter 7920A to read as follows:

1-26 CHAPTER 7920A. HERITAGE RANCH MUNICIPAL UTILITY DISTRICT NO. 1 OF  
 1-27 GRAYSON COUNTY

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 7920A.0101. DEFINITIONS. In this chapter:

1-30 (1) "Board" means the district's board of directors.

1-31 (2) "Commission" means the Texas Commission on  
 1-32 Environmental Quality.

1-33 (3) "Director" means a board member.

1-34 (4) "District" means the Heritage Ranch Municipal  
 1-35 Utility District No. 1 of Grayson County.

1-36 Sec. 7920A.0102. NATURE OF DISTRICT. The district is a  
 1-37 municipal utility district created under Section 59, Article XVI,  
 1-38 Texas Constitution.

1-39 Sec. 7920A.0103. CONFIRMATION AND DIRECTOR ELECTION  
 1-40 REQUIRED. The temporary directors shall hold an election to  
 1-41 confirm the creation of the district and to elect five permanent  
 1-42 directors as provided by Section 49.102, Water Code.

1-43 Sec. 7920A.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
 1-44 temporary directors may not hold an election under Section  
 1-45 7920A.0103 until each municipality in whose corporate limits or  
 1-46 extraterritorial jurisdiction the district is located has  
 1-47 consented by ordinance or resolution to the creation of the  
 1-48 district and to the inclusion of land in the district.

1-49 Sec. 7920A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.  
 1-50 (a) The district is created to serve a public purpose and benefit.

1-51 (b) The district is created to accomplish the purposes of:  
 1-52 (1) a municipal utility district as provided by  
 1-53 general law and Section 59, Article XVI, Texas Constitution; and  
 1-54 (2) Section 52, Article III, Texas Constitution, that  
 1-55 relate to the construction, acquisition, improvement, operation,  
 1-56 or maintenance of macadamized, graveled, or paved roads, or  
 1-57 improvements, including storm drainage, in aid of those roads.

1-58 Sec. 7920A.0106. INITIAL DISTRICT TERRITORY. (a) The  
 1-59 district is initially composed of the territory described by  
 1-60 Section 2 of the Act enacting this chapter.

1-61 (b) The boundaries and field notes contained in Section 2 of

2-1 the Act enacting this chapter form a closure. A mistake made in the  
2-2 field notes or in copying the field notes in the legislative process  
2-3 does not affect the district's:

- 2-4 (1) organization, existence, or validity;
- 2-5 (2) right to issue any type of bond for the purposes  
2-6 for which the district is created or to pay the principal of and  
2-7 interest on a bond;
- 2-8 (3) right to impose a tax; or
- 2-9 (4) legality or operation.

2-10 SUBCHAPTER B. BOARD OF DIRECTORS

2-11 Sec. 7920A.0201. GOVERNING BODY; TERMS. (a) The district  
2-12 is governed by a board of five elected directors.

2-13 (b) Except as provided by Section 7920A.0202, directors  
2-14 serve staggered four-year terms.

2-15 Sec. 7920A.0202. TEMPORARY DIRECTORS. (a) The temporary  
2-16 board consists of:

- 2-17 (1) Mike Mayberry;
- 2-18 (2) Daniel Worrell;
- 2-19 (3) Russell Maine;
- 2-20 (4) Chris Colombe; and
- 2-21 (5) Rick Ellis.

2-22 (b) Temporary directors serve until the earlier of:

- 2-23 (1) the date permanent directors are elected under  
2-24 Section 7920A.0103; or
- 2-25 (2) the fourth anniversary of the effective date of  
2-26 the Act enacting this chapter.

2-27 (c) If permanent directors have not been elected under  
2-28 Section 7920A.0103 and the terms of the temporary directors have  
2-29 expired, successor temporary directors shall be appointed or  
2-30 reappointed as provided by Subsection (d) to serve terms that  
2-31 expire on the earlier of:

- 2-32 (1) the date permanent directors are elected under  
2-33 Section 7920A.0103; or
- 2-34 (2) the fourth anniversary of the date of the  
2-35 appointment or reappointment.

2-36 (d) If Subsection (c) applies, the owner or owners of a  
2-37 majority of the assessed value of the real property in the district  
2-38 may submit a petition to the commission requesting that the  
2-39 commission appoint as successor temporary directors the five  
2-40 persons named in the petition. The commission shall appoint as  
2-41 successor temporary directors the five persons named in the  
2-42 petition.

2-43 SUBCHAPTER C. POWERS AND DUTIES

2-44 Sec. 7920A.0301. GENERAL POWERS AND DUTIES. The district  
2-45 has the powers and duties necessary to accomplish the purposes for  
2-46 which the district is created.

2-47 Sec. 7920A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
2-48 DUTIES. The district has the powers and duties provided by the  
2-49 general law of this state, including Chapters 49 and 54, Water Code,  
2-50 applicable to municipal utility districts created under Section 59,  
2-51 Article XVI, Texas Constitution.

2-52 Sec. 7920A.0303. AUTHORITY FOR ROAD PROJECTS. Under  
2-53 Section 52, Article III, Texas Constitution, the district may  
2-54 design, acquire, construct, finance, issue bonds for, improve,  
2-55 operate, maintain, and convey to this state, a county, or a  
2-56 municipality for operation and maintenance macadamized, graveled,  
2-57 or paved roads, or improvements, including storm drainage, in aid  
2-58 of those roads.

2-59 Sec. 7920A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
2-60 road project must meet all applicable construction standards,  
2-61 zoning and subdivision requirements, and regulations of each  
2-62 municipality in whose corporate limits or extraterritorial  
2-63 jurisdiction the road project is located.

2-64 (b) If a road project is not located in the corporate limits  
2-65 or extraterritorial jurisdiction of a municipality, the road  
2-66 project must meet all applicable construction standards,  
2-67 subdivision requirements, and regulations of each county in which  
2-68 the road project is located.

2-69 (c) If the state will maintain and operate the road, the

3-1 Texas Transportation Commission must approve the plans and  
3-2 specifications of the road project.

3-3 Sec. 7920A.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
3-4 ORDINANCE OR RESOLUTION. The district shall comply with all  
3-5 applicable requirements of any ordinance or resolution that is  
3-6 adopted under Section 54.016 or 54.0165, Water Code, and that  
3-7 consents to the creation of the district or to the inclusion of land  
3-8 in the district.

3-9 Sec. 7920A.0306. DIVISION OF DISTRICT. (a) The district  
3-10 may be divided into two or more new districts only if the district:

3-11 (1) has no outstanding bonded debt; and

3-12 (2) is not imposing ad valorem taxes.

3-13 (b) This chapter applies to any new district created by  
3-14 division of the district, and a new district has all the powers and  
3-15 duties of the district.

3-16 (c) A new district created by the division of the district  
3-17 may not, at the time the new district is created, contain any land  
3-18 outside the area described by Section 2 of the Act enacting this  
3-19 chapter.

3-20 (d) The board, on its own motion or on receipt of a petition  
3-21 signed by the owner or owners of a majority of the assessed value of  
3-22 the real property in the district, may adopt an order dividing the  
3-23 district.

3-24 (e) The board may adopt an order dividing the district  
3-25 before or after the date the board holds an election under Section  
3-26 7920A.0103 to confirm the district's creation.

3-27 (f) An order dividing the district shall:

3-28 (1) name each new district;

3-29 (2) include the metes and bounds description of the  
3-30 territory of each new district;

3-31 (3) appoint temporary directors for each new district;

3-32 and

3-33 (4) provide for the division of assets and liabilities  
3-34 between the new districts.

3-35 (g) On or before the 30th day after the date of adoption of  
3-36 an order dividing the district, the district shall file the order  
3-37 with the commission and record the order in the real property  
3-38 records of each county in which the district is located.

3-39 (h) A new district created by the division of the district  
3-40 shall hold a confirmation and directors' election as required by  
3-41 Section 7920A.0103. If the voters of a new district do not confirm  
3-42 the creation of the new district, the assets, obligations,  
3-43 territory, and governance of the new district revert to the  
3-44 original district.

3-45 (i) If the creation of the new district is confirmed, the  
3-46 new district shall provide the election date and results to the  
3-47 commission.

3-48 (j) A new district created by the division of the district  
3-49 must hold an election as required by this chapter to obtain voter  
3-50 approval before the district may impose a maintenance tax or issue  
3-51 bonds payable wholly or partly from ad valorem taxes.

3-52 (k) Municipal consent to the creation of the district and to  
3-53 the inclusion of land in the district granted under Section  
3-54 7920A.0104 acts as municipal consent to the creation of any new  
3-55 district created by the division of the district and to the  
3-56 inclusion of land in the new district.

3-57 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-58 Sec. 7920A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)  
3-59 The district may issue, without an election, bonds and other  
3-60 obligations secured by:

3-61 (1) revenue other than ad valorem taxes; or

3-62 (2) contract payments described by Section  
3-63 7920A.0403.

3-64 (b) The district must hold an election in the manner  
3-65 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
3-66 before the district may impose an ad valorem tax or issue bonds  
3-67 payable from ad valorem taxes.

3-68 (c) The district may not issue bonds payable from ad valorem  
3-69 taxes to finance a road project unless the issuance is approved by a

4-1 vote of a two-thirds majority of the district voters voting at an  
4-2 election held for that purpose.

4-3 Sec. 7920A.0402. OPERATION AND MAINTENANCE TAX. (a) If  
4-4 authorized at an election held under Section 7920A.0401, the  
4-5 district may impose an operation and maintenance tax on taxable  
4-6 property in the district in accordance with Section 49.107, Water  
4-7 Code.

4-8 (b) The board shall determine the tax rate. The rate may not  
4-9 exceed the rate approved at the election.

4-10 Sec. 7920A.0403. CONTRACT TAXES. (a) In accordance with  
4-11 Section 49.108, Water Code, the district may impose a tax other than  
4-12 an operation and maintenance tax and use the revenue derived from  
4-13 the tax to make payments under a contract after the provisions of  
4-14 the contract have been approved by a majority of the district voters  
4-15 voting at an election held for that purpose.

4-16 (b) A contract approved by the district voters may contain a  
4-17 provision stating that the contract may be modified or amended by  
4-18 the board without further voter approval.

4-19 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-20 Sec. 7920A.0501. AUTHORITY TO ISSUE BONDS AND OTHER  
4-21 OBLIGATIONS. The district may issue bonds or other obligations  
4-22 payable wholly or partly from ad valorem taxes, impact fees,  
4-23 revenue, contract payments, grants, or other district money, or any  
4-24 combination of those sources, to pay for any authorized district  
4-25 purpose.

4-26 Sec. 7920A.0502. TAXES FOR BONDS. At the time the district  
4-27 issues bonds payable wholly or partly from ad valorem taxes, the  
4-28 board shall provide for the annual imposition of a continuing  
4-29 direct ad valorem tax, without limit as to rate or amount, while all  
4-30 or part of the bonds are outstanding as required and in the manner  
4-31 provided by Sections 54.601 and 54.602, Water Code.

4-32 Sec. 7920A.0503. BONDS FOR ROAD PROJECTS. At the time of  
4-33 issuance, the total principal amount of bonds or other obligations  
4-34 issued or incurred to finance road projects and payable from ad  
4-35 valorem taxes may not exceed one-fourth of the assessed value of the  
4-36 real property in the district.

4-37 SECTION 2. The Heritage Ranch Municipal Utility District  
4-38 No. 1 of Grayson County initially includes all the territory  
4-39 contained in the following area:

4-40 FIELD NOTES

4-41 173.916 Acres

4-42 SITUATED in the County of Grayson, State of Texas, and being a  
4-43 part of the Uriah Burns Survey, Abstract No. 121, and John Jennings  
4-44 Survey, Abstract No. 647, and being part of the 184.50 acre tract of  
4-45 land conveyed by Warranty Deed with Vendor's Lien from John H.  
4-46 Becker, Jr., Trustee, and Amy H. Fennell, Co-Trustee of the Hugh L.  
4-47 Head, Jr., Revocable Trust, to TPJ Properties, LTD, on February 15,  
4-48 2002, recorded in Volume 3203, Page 464, Official Public Records,  
4-49 Grayson County, Texas, and being more particularly described by  
4-50 metes and bounds as follows, to-wit:

4-51 BEGINNING at a spike nail found in or near the center of  
4-52 Plainview Road, an Ell corner of said Burns Survey, the Southwest  
4-53 corner of the Alexander and Richards Survey, Abstract No. 42, the  
4-54 Northwest corner of said TPJ 184.50 ac., the East line of Heritage  
4-55 Ranch Land Holdings, LTD 254.489 acre tract of land, recorded in  
4-56 Instrument No. 2020-19193, said Official Public Records, Grayson  
4-57 County, Texas, the Southwest corner of Astoria Homes, LLC 100.832  
4-58 acre tract of land (Tract I), recorded in Instrument  
4-59 No. 2020-30762, said Official Public Records, Grayson County,  
4-60 Texas, the Northwest corner of the herein described tract;

4-61 THENCE South 88 deg. 00 min. 43 sec. East, with the North  
4-62 lines of both said Burns Survey and TPJ 184.50 ac., the South lines  
4-63 of both said Richards Survey and Astoria 100.832 ac., a distance of  
4-64 1,495.81 ft. to a point at the Northwest corner of BMT Global, LLC  
4-65 37.08 acre tract of land (Tract Two), recorded in Instrument  
4-66 No. 2018-12534, said Official Public Records, Grayson County,  
4-67 Texas, an Ell corner of said Burns Survey, the South line of said  
4-68 Richards Survey, the Northwest corner of said Jennings Survey, the  
4-69 most Northerly Northeast corner of both said TPJ 184.50 ac. and the

5-1 herein described tract;

5-2 THENCE South 01 deg. 25 min. 51 sec. West, with East lines of  
5-3 both said Burns Survey and TPJ 184.50 ac., the West line of both  
5-4 said Jennings Survey and BMT 37.08 ac., a distance of 1,687.83 ft.  
5-5 to a 1/2 inch rebar found on the East line of said Burns Survey, the  
5-6 West line of said Jennings Survey, the Southwest corner of Melissa  
5-7 Smith Murray, et al "called" 58.42 acre tract of land, recorded in  
5-8 Volume 4413, Page 186, said Official Public Records, Grayson  
5-9 County, Texas, an Ell comer of both said TPJ 184.50 ac. and the  
5-10 herein described tract;

5-11 THENCE South 88 deg. 22 min. 24 sec. East, with a North line  
5-12 of said TPJ 184.50 ac., the South line of said Murray 58.42 ac., a  
5-13 distance of 1,909.01 ft. to a 1/2 inch rebar found at the Northwest  
5-14 corner of Legacy Title Holding Corp. 9.71 acre tract of land,  
5-15 recorded in Volume 5581, Page 396, said Official Public Records,  
5-16 Grayson County, Texas, the South line of said Murray 58.42 ac., the  
5-17 most Southerly Northeast corner of both said TPJ 184.50 ac. and the  
5-18 herein described tract;

5-19 THENCE South 25 deg. 37 min. 12 sec. East, with an East line  
5-20 of said TPJ 184.50 ac., the West line of said Legacy 9.71 ac., a  
5-21 distance of 1,234.96 ft. to a concrete nail found in or near the  
5-22 center of Canyon Grove Road, the South line of said Jennings Survey,  
5-23 the North line of the J. B. McAnair Survey, Abstract No. 763, the  
5-24 Southwest corner of said Legacy 9.71 ac., the Southeast comer of  
5-25 both said TPJ 184.50 ac. and the herein described tract;

5-26 THENCE South 75 deg. 51 min. 38 sec. West, with or near the  
5-27 center of said Canyon Grove Road, the South line of said Jennings  
5-28 Survey, the North line of said McAnair Survey, a South line of said  
5-29 TPJ 184.50 ac., a distance of 1,284.66 ft. to a point at an Ell comer  
5-30 of said TPJ 184.50 ac. and the herein described tract;

5-31 THENCE North 03 deg. 51 min. 00 sec. West, continuing with a  
5-32 South line of said TPJ 184.50 ac., a distance of 17.20 ft. to a point  
5-33 at an Ell comer of both said TPJ 184.50 ac. and the herein described  
5-34 tract;

5-35 THENCE South 75 deg. 46 min. 55 sec. West, continuing with a  
5-36 South line of said TPJ 184.50 ac., a distance of 778.89 ft. to a  
5-37 point at the intersection of the North right-of-way line of U. S.  
5-38 Highway No. 82 and said Canyon Grove Road, an angle point of both  
5-39 said TPJ 184.50 ac., and the herein described tract;

5-40 THENCE Northwesterly, with a curve to the right having a  
5-41 radius of 5,579.68 ft., a central angle of 04 deg. 45 min. 50 sec.,  
5-42 (Chord Bears: North 86 deg. 01 min. 55 sec. West, 463.80 ft.) an arc  
5-43 distance of 463.93 ft. to a point on the North right-of-way line of  
5-44 said Highway 82, an angle point of both said TPJ 184.50 ac. and the  
5-45 herein described tract;

5-46 THENCE North 83 deg. 39 min. 00 sec. West, continuing with the  
5-47 North right-of-way line of said Highway 82, a South line of said TPJ  
5-48 184.50 ac., a distance of 892.95 ft. to a point on the North  
5-49 right-of-way line of said Highway 82, a South line of said TPJ  
5-50 184.50 ac., the most Southerly Southwest corner of the herein  
5-51 described tract;

5-52 THENCE North 01 deg. 03 min. 03 sec. East, over and across  
5-53 said TPJ 184.50 ac., a distance of 798.17 ft. to a point at an Ell  
5-54 corner of the herein described tract;

5-55 THENCE North 88 deg. 56 mm. 57 sec. West, continuing over and  
5-56 across said TPJ 184.50 ac., a distance of 602.69 ft. to a point in or  
5-57 near the center of said Plainview Road, the West line of said TPJ  
5-58 184.50 ac., the East line of said Heritage 254.489 ac., the most  
5-59 Northerly Southwest corner of the herein described tract;

5-60 THENCE North 01 deg. 03 min. 03 sec. East, with or near the  
5-61 center of said Plainview Road, the West line of said TPJ 184.50 ac.,  
5-62 the East line of said Heritage 254.489 ac., a distance of 2,455.35  
5-63 ft. to the PLACE OF BEGINNING and containing 173.916 ACRES of land.

5-64 SECTION 3. (a) The legal notice of the intention to  
5-65 introduce this Act, setting forth the general substance of this  
5-66 Act, has been published as provided by law, and the notice and a  
5-67 copy of this Act have been furnished to all persons, agencies,  
5-68 officials, or entities to which they are required to be furnished  
5-69 under Section 59, Article XVI, Texas Constitution, and Chapter 313,

6-1 Government Code.

6-2 (b) The governor, one of the required recipients, has  
6-3 submitted the notice and Act to the Texas Commission on  
6-4 Environmental Quality.

6-5 (c) The Texas Commission on Environmental Quality has filed  
6-6 its recommendations relating to this Act with the governor, the  
6-7 lieutenant governor, and the speaker of the house of  
6-8 representatives within the required time.

6-9 (d) All requirements of the constitution and laws of this  
6-10 state and the rules and procedures of the legislature with respect  
6-11 to the notice, introduction, and passage of this Act are fulfilled  
6-12 and accomplished.

6-13 SECTION 4. (a) If this Act does not receive a two-thirds  
6-14 vote of all the members elected to each house, Subchapter C, Chapter  
6-15 7920A, Special District Local Laws Code, as added by Section 1 of  
6-16 this Act, is amended by adding Section 7920A.0307 to read as  
6-17 follows:

6-18 Sec. 7920A.0307. NO EMINENT DOMAIN POWER. The district may  
6-19 not exercise the power of eminent domain.

6-20 (b) This section is not intended to be an expression of a  
6-21 legislative interpretation of the requirements of Section 17(c),  
6-22 Article I, Texas Constitution.

6-23 SECTION 5. This Act takes effect immediately if it receives  
6-24 a vote of two-thirds of all the members elected to each house, as  
6-25 provided by Section 39, Article III, Texas Constitution. If this  
6-26 Act does not receive the vote necessary for immediate effect, this  
6-27 Act takes effect September 1, 2021.

6-28 \* \* \* \* \*