

1-1 By: Springer S.B. No. 2259
1-2 (In the Senate - Filed May 13, 2021; May 14, 2021, read
1-3 first time and referred to Committee on Local Government;
1-4 May 19, 2021, reported favorably by the following vote: Yeas 9,
1-5 Nays 0; May 19, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	<u>Bettencourt</u>	X		
1-9	<u>Menéndez</u>	X		
1-10	<u>Eckhardt</u>	X		
1-11	<u>Gutierrez</u>	X		
1-12	<u>Hall</u>	X		
1-13	<u>Nichols</u>	X		
1-14	<u>Paxton</u>	X		
1-15	<u>Springer</u>	X		
1-16	<u>Zaffirini</u>	X		

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

1-19 relating to the creation of the Clear Sky Municipal Utility
1-20 District No. 1 of Cooke County; granting a limited power of eminent
1-21 domain.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-23 SECTION 1. Subtitle F, Title 6, Special District Local Laws
1-24 Code, is amended by adding Chapter 7954A to read as follows:
1-25 CHAPTER 7954A. CLEAR SKY MUNICIPAL UTILITY DISTRICT NO. 1 OF COOKE

1-26 COUNTY

1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 7954A.0101. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.

1-30 (2) "Commission" means the Texas Commission on

1-31 Environmental Quality.

1-32 (3) "Director" means a board member.

1-33 (4) "District" means the Clear Sky Municipal Utility

1-34 District No. 1 of Cooke County.

1-35 Sec. 7954A.0102. NATURE OF DISTRICT. The district is a

1-36 municipal utility district created under Section 59, Article XVI,

1-37 Texas Constitution.

1-38 Sec. 7954A.0103. CONFIRMATION AND DIRECTOR ELECTION

1-39 REQUIRED. The temporary directors shall hold an election to

1-40 confirm the creation of the district and to elect five permanent

1-41 directors as provided by Section 49.102, Water Code.

1-42 Sec. 7954A.0104. CONSENT OF MUNICIPALITY REQUIRED. The

1-43 temporary directors may not hold an election under Section

1-44 7954A.0103 until each municipality in whose corporate limits or

1-45 extraterritorial jurisdiction the district is located has

1-46 consented by ordinance or resolution to the creation of the

1-47 district and to the inclusion of land in the district.

1-48 Sec. 7954A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-49 (a) The district is created to serve a public purpose and benefit.

1-50 (b) The district is created to accomplish the purposes of:

1-51 (1) a municipal utility district as provided by

1-52 general law and Section 59, Article XVI, Texas Constitution; and

1-53 (2) Section 52, Article III, Texas Constitution, that

1-54 relate to the construction, acquisition, improvement, operation,

1-55 or maintenance of macadamized, graveled, or paved roads, or

1-56 improvements, including storm drainage, in aid of those roads.

1-57 Sec. 7954A.0106. INITIAL DISTRICT TERRITORY. (a) The

1-58 district is initially composed of the territory described by

1-59 Section 2 of the Act enacting this chapter.

1-60 (b) The boundaries and field notes contained in Section 2 of

1-61 the Act enacting this chapter form a closure. A mistake made in the

1-62 field notes or in copying the field notes in the legislative process

1-63 does not affect the district's:

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

SUBCHAPTER B. BOARD OF DIRECTORS

2-8 Sec. 7954A.0201. GOVERNING BODY; TERMS. (a) The district
 2-9 is governed by a board of five elected directors.
 2-10 (b) Except as provided by Section 7954A.0202, directors
 2-11 serve staggered four-year terms.

2-12 Sec. 7954A.0202. TEMPORARY DIRECTORS. (a) On or after
 2-13 September 1, 2021, the owner or owners of a majority of the assessed
 2-14 value of the real property in the district may submit a petition to
 2-15 the commission requesting that the commission appoint as temporary
 2-16 directors the five persons named in the petition. The commission
 2-17 shall appoint as temporary directors the five persons named in the
 2-18 petition.

2-19 (b) Temporary directors serve until the earlier of:
 2-20 (1) the date permanent directors are elected under
 2-21 Section 7954A.0103; or
 2-22 (2) September 1, 2025.

2-23 (c) If permanent directors have not been elected under
 2-24 Section 7954A.0103 and the terms of the temporary directors have
 2-25 expired, successor temporary directors shall be appointed or
 2-26 reappointed as provided by Subsection (d) to serve terms that
 2-27 expire on the earlier of:

2-28 (1) the date permanent directors are elected under
 2-29 Section 7954A.0103; or
 2-30 (2) the fourth anniversary of the date of the
 2-31 appointment or reappointment.

2-32 (d) If Subsection (c) applies, the owner or owners of a
 2-33 majority of the assessed value of the real property in the district
 2-34 may submit a petition to the commission requesting that the
 2-35 commission appoint as successor temporary directors the five
 2-36 persons named in the petition. The commission shall appoint as
 2-37 successor temporary directors the five persons named in the
 2-38 petition.

SUBCHAPTER C. POWERS AND DUTIES

2-39 Sec. 7954A.0301. GENERAL POWERS AND DUTIES. The district
 2-40 has the powers and duties necessary to accomplish the purposes for
 2-41 which the district is created.

2-42 Sec. 7954A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-43 DUTIES. The district has the powers and duties provided by the
 2-44 general law of this state, including Chapters 49 and 54, Water Code,
 2-45 applicable to municipal utility districts created under Section 59,
 2-46 Article XVI, Texas Constitution.

2-47 Sec. 7954A.0303. AUTHORITY FOR ROAD PROJECTS. Under
 2-48 Section 52, Article III, Texas Constitution, the district may
 2-49 design, acquire, construct, finance, issue bonds for, improve,
 2-50 operate, maintain, and convey to this state, a county, or a
 2-51 municipality for operation and maintenance macadamized, graveled,
 2-52 or paved roads, or improvements, including storm drainage, in aid
 2-53 of those roads.

2-54 Sec. 7954A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-55 road project must meet all applicable construction standards,
 2-56 zoning and subdivision requirements, and regulations of each
 2-57 municipality in whose corporate limits or extraterritorial
 2-58 jurisdiction the road project is located.

2-59 (b) If a road project is not located in the corporate limits
 2-60 or extraterritorial jurisdiction of a municipality, the road
 2-61 project must meet all applicable construction standards,
 2-62 subdivision requirements, and regulations of each county in which
 2-63 the road project is located.

2-64 (c) If the state will maintain and operate the road, the
 2-65 Texas Transportation Commission must approve the plans and
 2-66 specifications of the road project.

2-67 Sec. 7954A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
 2-68 ORDINANCE OR RESOLUTION. The district shall comply with all
 2-69 applicable requirements of any ordinance or resolution that is
 2-70 adopted under Section 54.016 or 54.0165, Water Code, and that
 2-71

3-1 consents to the creation of the district or to the inclusion of land
3-2 in the district.

3-3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-4 Sec. 7954A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)

3-5 The district may issue, without an election, bonds and other
3-6 obligations secured by:

3-7 (1) revenue other than ad valorem taxes; or

3-8 (2) contract payments described by Section
3-9 7954A.0403.

3-10 (b) The district must hold an election in the manner
3-11 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-12 before the district may impose an ad valorem tax or issue bonds
3-13 payable from ad valorem taxes.

3-14 (c) The district may not issue bonds payable from ad valorem
3-15 taxes to finance a road project unless the issuance is approved by a
3-16 vote of a two-thirds majority of the district voters voting at an
3-17 election held for that purpose.

3-18 Sec. 7954A.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-19 authorized at an election held under Section 7954A.0401, the
3-20 district may impose an operation and maintenance tax on taxable
3-21 property in the district in accordance with Section 49.107, Water
3-22 Code.

3-23 (b) The board shall determine the tax rate. The rate may not
3-24 exceed the rate approved at the election.

3-25 Sec. 7954A.0403. CONTRACT TAXES. (a) In accordance with
3-26 Section 49.108, Water Code, the district may impose a tax other than
3-27 an operation and maintenance tax and use the revenue derived from
3-28 the tax to make payments under a contract after the provisions of
3-29 the contract have been approved by a majority of the district voters
3-30 voting at an election held for that purpose.

3-31 (b) A contract approved by the district voters may contain a
3-32 provision stating that the contract may be modified or amended by
3-33 the board without further voter approval.

3-34 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-35 Sec. 7954A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
3-36 OBLIGATIONS. The district may issue bonds or other obligations
3-37 payable wholly or partly from ad valorem taxes, impact fees,
3-38 revenue, contract payments, grants, or other district money, or any
3-39 combination of those sources, to pay for any authorized district
3-40 purpose.

3-41 Sec. 7954A.0502. TAXES FOR BONDS. At the time the district
3-42 issues bonds payable wholly or partly from ad valorem taxes, the
3-43 board shall provide for the annual imposition of a continuing
3-44 direct ad valorem tax, without limit as to rate or amount, while all
3-45 or part of the bonds are outstanding as required and in the manner
3-46 provided by Sections 54.601 and 54.602, Water Code.

3-47 Sec. 7954A.0503. BONDS FOR ROAD PROJECTS. At the time of
3-48 issuance, the total principal amount of bonds or other obligations
3-49 issued or incurred to finance road projects and payable from ad
3-50 valorem taxes may not exceed one-fourth of the assessed value of the
3-51 real property in the district.

3-52 SECTION 2. The Clear Sky Municipal Utility District No. 1 of
3-53 Cooke County initially includes all the territory contained in the
3-54 following area:

3-55 TRACT ONE

3-56 FIELD NOTES TO 179.94 ACRES IN THE JOHN ADDA SURVEY ABSTRACT 1177,
3-57 ET AL, COOKE COUNTY, TEXAS

3-58 All that certain tract or parcel of land situated in the John Adda
3-59 Survey Abstract 1177 and the E. Bradley Survey Abstract 34, Cooke
3-60 County, Texas, being part of a 293.56 acre tract conveyed by Rose
3-61 Marie Strickland, Trustee to Earl L. Bengtston by deed recorded in
3-62 Volume 1022, page 263, of the Cooke County Official Public Records,
3-63 and being more particularly described as follows:

3-64 BEGINNING at a found steel pin at the Northeast corner of said
3-65 Bengtston tract, common to the Southeast corner of a tract conveyed
3-66 to Alvrone Sater by deed recorded in Volume 734, page 275 of the
3-67 Cooke County Deed Records, in County Road 200, on the West line of a
3-68 tract conveyed to John Porter Farms, Inc. by deed recorded in Volume
3-69 626, page 123 of said Deed Records, said beginning corner further
3-70 being South 00 degrees 11 minutes 30 seconds East, a distance of
3-71 1219.85 feet from the Southwest corner of the J. R. Davis Survey

4-1 Abstract 334 in Cooke County.
4-2 THENCE South 00 degrees 11 minutes 30 seconds East, in said County
4-3 Road 200, crossing the South line of said Adda Survey, common to the
4-4 North line of said Bradley Survey, continuing a total of 2824.05
4-5 feet to a found steel pin at the Easternmost Southeast corner of
4-6 said John Porter Farms tract, on the North line of a tract conveyed
4-7 to Alvrone Sater, Trustee, by deed recorded in Volume 734, page 271
4-8 of said Deed Records, at a turn in said County Road 200, on the South
4-9 line of Cooke County, common to the North line of Denton County as
4-10 described in said Bengtston deed;
4-11 THENCE North 89 degrees 51 minutes 52 seconds West, with said North
4-12 line of said Sater tract, a distance of 40.68 feet to a found steel
4-13 pin;
4-14 THENCE South 89 degrees 45 minutes 12 seconds West, a distance of
4-15 3012.78 feet to a found steel pin at the Southernmost Southeast
4-16 corner of a tract conveyed to Troy P. Miller, Jr. by deed recorded
4-17 in Volume 805, page 156 of said Deed Records;
4-18 THENCE with an old fence line the following courses and distances:
4-19 North 07 degrees 55 minutes 34 seconds East, crossing the
4-20 line common to said Adda and Bradley Surveys, a distance of 745.34
4-21 feet to a found steel pin,
4-22 North 19 degrees 20 minutes 59 seconds East, a distance of
4-23 105.60 feet to a found steel pin,
4-24 North 10 degrees 07 minutes 43 seconds East, a distance of
4-25 796.69 feet to a found steel pin,
4-26 North 72 degrees 35 minutes 49 seconds East, a distance of
4-27 201.96 feet to a found steel pin;
4-28 THENCE North 00 degrees 20 minutes 42 seconds East, along or near a
4-29 fence, a distance of 1157.87 feet to a found steel pin at the
4-30 Southwest corner of said Sater tract;
4-31 THENCE South 89 degrees 55 minutes 19 seconds East, along or near a
4-32 fence, passing a found steel pin at a fence corner on the West line
4-33 of said County Road 200, continuing a total of 2566.42 feet to the
4-34 point of beginning containing 179.94 acres of land.
4-35 SECTION 3. (a) The legal notice of the intention to
4-36 introduce this Act, setting forth the general substance of this
4-37 Act, has been published as provided by law, and the notice and a
4-38 copy of this Act have been furnished to all persons, agencies,
4-39 officials, or entities to which they are required to be furnished
4-40 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4-41 Government Code.
4-42 (b) The governor, one of the required recipients, has
4-43 submitted the notice and Act to the Texas Commission on
4-44 Environmental Quality.
4-45 (c) The Texas Commission on Environmental Quality has filed
4-46 its recommendations relating to this Act with the governor, the
4-47 lieutenant governor, and the speaker of the house of
4-48 representatives within the required time.
4-49 (d) All requirements of the constitution and laws of this
4-50 state and the rules and procedures of the legislature with respect
4-51 to the notice, introduction, and passage of this Act are fulfilled
4-52 and accomplished.
4-53 SECTION 4. (a) If this Act does not receive a two-thirds
4-54 vote of all the members elected to each house, Subchapter C, Chapter
4-55 7954A, Special District Local Laws Code, as added by Section 1 of
4-56 this Act, is amended by adding Section 7954A.0306 to read as
4-57 follows:
4-58 Sec. 7954A.0306. NO EMINENT DOMAIN POWER. The district may
4-59 not exercise the power of eminent domain.
4-60 (b) This section is not intended to be an expression of a
4-61 legislative interpretation of the requirements of Section 17(c),
4-62 Article I, Texas Constitution.
4-63 SECTION 5. This Act takes effect September 1, 2021.

4-64

* * * * *