

By: Paxton

S.B. No. 3051

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Grassland Municipal Utility District No. 1 of Collin County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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 8021A to read as follows:

CHAPTER 8021A. GRASSLAND MUNICIPAL UTILITY DISTRICT NO. 1 OF

COLLIN COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8021A.0101. DEFINITIONS. In this chapter:

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

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Grassland Municipal Utility District No. 1 of Collin County.

Sec. 8021A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8021A.0103. CONFIRMATION AND DIRECTOR 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. 8021A.0104. CONDITIONS PRECEDENT TO CONFIRMATION ELECTION. (a) The temporary directors may not hold an election under Section 8021A.0103 until:

(1) each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district; and

(2) the district has entered into a contract with a municipality, Collin County, or another entity:

(A) for adequate supplemental police, fire, emergency, and animal control services for the district; and

(B) that is approved by the Commissioners Court of Collin County under Subsection (c).

(b) A contract under Subsection (a) may include a provision that the contract takes effect only on the approval of the Commissioners Court of Collin County and the voters in the district voting in an election held for that purpose.

(c) The Commissioners Court of Collin County shall review a contract under Subsection (a) and evaluate the supplemental police, fire, emergency, and animal control services provided in the contract. If the commissioners court determines that the contract provides adequate services, the commissioners court shall adopt a resolution stating that the contract has met the requirements of Subsection (a).

Sec. 8021A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

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

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

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

8 Sec. 8021A.0106. INITIAL DISTRICT TERRITORY. (a) The
9 district is initially composed of the territory described by
10 Section 2 of the Act enacting this chapter.

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

15 (1) organization, existence, or validity;

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

19 (3) right to impose a tax; or

20 (4) legality or operation.

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 8021A.0201. GOVERNING BODY; TERMS. (a) The district
23 is governed by a board of five elected directors.

24 (b) Except as provided by Section 8021A.0202, directors
25 serve staggered four-year terms.

26 Sec. 8021A.0202. TEMPORARY DIRECTORS. (a) On or after the
27 effective date of the Act enacting this chapter, the owner or owners

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

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

7 (1) the date permanent directors are elected under
8 Section 8021A.0103; or

9 (2) the fourth anniversary of the effective date of
10 the Act enacting this chapter.

11 (c) If permanent directors have not been elected under
12 Section 8021A.0103 and the terms of the temporary directors have
13 expired, successor temporary directors shall be appointed or
14 reappointed as provided by Subsection (d) to serve terms that
15 expire on the earlier of:

16 (1) the date permanent directors are elected under
17 Section 8021A.0103; or

18 (2) the fourth anniversary of the date of the
19 appointment or reappointment.

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

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8021A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8021A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8021A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8021A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

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

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

Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 8021A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

Sec. 8021A.0306. DIVISION OF DISTRICT. This chapter applies to any new district created by the division of the district under Section 49.316, Water Code, and a new district has all the powers and duties of the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8021A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or
(2) contract payments described by Section 8021A.0403.

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

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

1 Sec. 8021A.0402. OPERATION AND MAINTENANCE TAX. (a) If
2 authorized at an election held under Section 8021A.0401, the
3 district may impose an operation and maintenance tax on taxable
4 property in the district in accordance with Section 49.107, Water
5 Code.

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

8 Sec. 8021A.0403. CONTRACT TAXES. (a) In accordance with
9 Section 49.108, Water Code, the district may impose a tax other than
10 an operation and maintenance tax and use the revenue derived from
11 the tax to make payments under a contract after the provisions of
12 the contract have been approved by a majority of the district voters
13 voting at an election held for that purpose.

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

17 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

18 Sec. 8021A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
19 OBLIGATIONS. The district may issue bonds or other obligations
20 payable wholly or partly from ad valorem taxes, impact fees,
21 revenue, contract payments, grants, or other district money, or any
22 combination of those sources, to pay for any authorized district
23 purpose.

24 Sec. 8021A.0502. TAXES FOR BONDS. At the time the district
25 issues bonds payable wholly or partly from ad valorem taxes, the
26 board shall provide for the annual imposition of a continuing
27 direct ad valorem tax, without limit as to rate or amount, while all

or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 8021A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2. The Grassland Municipal Utility District No. 1 of Collin County initially includes all the territory contained in the following area:

TRACT 1

BEING a 60.224 acre (2,623,369 square foot) tract of land situated in the William D. Thompson Survey, Abstract No. 892, Extraterritorial Jurisdiction of Princeton, Collin County, Texas, said tract being all of a called 60.20 acre tract of land described as Tract 1 in General Warranty Deed with Vendor's Lien to Austin Two Tracts, L.P. recorded in Volume 5518, Page 2813, Deed Records, Collin County, Texas (D.R.C.C.T.), said tract being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod found with a cap stamped "PATE ENGR RPLS 3917" in the north right-of-way line of County Road 392 (a variable width right-of-way), said iron rod being the southwest corner of said Austin Two Tracts tract and in the east line of a tract of land described in Warranty Deed to Charles Hutcheson recorded in Volume 4595, Page 2784, D.R.C.C.T.;

THENCE North 01°00'35" East, along the west line of said Austin Two Tracts tract, a distance of 2,088.97 feet to a 1/2" iron rod found

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1 with a cap stamped "PATE ENGR RPLS 3917" in the south line of a tract
2 of land described in Special Warranty Deed to GRBK Edgewood LLC
3 recorded in Instrument Number 20220315000414390, Official Public
4 Records, Collin County, Texas (O.P.R.C.C.T.), said iron rod being
5 the northwest corner of said Austin Two Tracts tract and the
6 northeast corner of a tract of land described in Deed of Gift of
7 Land to Jacky L. Sartain and Susan W. Sartain recorded in Instrument
8 Number 19920805000526640, O.P.R.C.C.T.;

9 THENCE South 89°28'04" East, along the north line of said Austin Two
10 Tracts tract and the said south line of GRBK Edgewood tract, a
11 distance of 1,484.98 feet to a 1/2" iron rod found with a cap
12 stamped "PATE ENGR RPLS 3917", said iron rod being the northeast
13 corner of said Austin Two Tracts tract and an ell corner of said
14 GRBK Edgewood tract;

15 THENCE along the east line of said Austin Two Tracts tract the
16 following five (5) calls:

17 South 00°51'21" West, at a distance of 17.93 feet passing a
18 1/2" iron rod found being the northwest corner of Block C, Richland
19 Estates Addition, an addition to the City of Princeton according to
20 the plat recorded in Cabinet K, Slide 817, Plat Records, Collin
21 County, Texas (P.R.C.C.T.), continuing in all a total distance of
22 724.86 feet to a 1/2" iron rod found in the west line of said Block
23 C, said iron rod being the most easterly southeast corner of said
24 Austin Two Tracts tract and the northeast corner of a tract of land
25 described in General Warranty Deed to Waseem Akram recorded in
26 Instrument Number 20210316000521340, O.P.R.C.C.T.;

27 South 89°47'09" West, a distance of 221.33 feet to a 1/2" iron

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rod found, said iron rod being a reentrant corner of said Austin Two Tracts tract and the northwest corner of said Akram tract;

South 00°05'55" East, a distance of 715.43 feet to a 5/8" iron rod found with a cap stamped "KHA";

South 47°12'14" West, a distance of 598.13 feet to a 3/8" iron rod found;

South 09°52'04" West, a distance of 238.98 feet to a mag nail found with washer stamped "KHA" in the said north right-of-way line of County Road 392, said iron rod being the most southerly southeast corner of said Austin Two Tracts tract;

THENCE North 89°26'06" West, along the south line of said Austin Two Tracts tract and the said north right-of-way line of County Road 392, a distance of 810.99 feet to the POINT OF BEGINNING and containing 2,623,369 square feet or 60.224 acres of land, more or less.

TRACT 2

BEING a 1.2926 acre (56,307 square foot) tract of land situated in the William D. Thompson Survey, Abstract No. 892, Collin County, Texas; said tract being a portion of a called 11.447 acre tract of land described in General Warranty Deed to Waseem Akram recorded in Instrument Number 20210316000521340, Official Public Records, Collin County, Texas; said tract being more particularly described by metes and bounds as follows:

BEGINNING at a mag nail found with washer stamped "KHA" in County Road 392 (a variable width right-of-way), said nail being the southwest corner of said Akram tract;

THENCE North 09°52'04" East, along the west line of said Akram

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1 tract, at a distance of 19.70 feet passing a mag nail found with
2 washer stamped "KHA" in the north right-of-way line of said County
3 Road 392, said nail being the southeast corner of a called 60.20
4 acre tract of land described as Tract 1 in General Warranty Deed
5 with Vendor's Lien to Austin Two Tracts, LP, continuing in all a
6 total distance of 258.68 feet to a 3/8" iron rod found;
7 THENCE North 47°12'14" East, continuing along the said west line of
8 Akram tract, a distance of 213.36 feet to a 5/8" iron rod found with
9 a cap stamped "KHA", from which a 5/8" iron rod found with a cap
10 stamped "KHA" bears North 47°12'14" East, 384.77 feet;
11 THENCE South 00°33'21" West, departing the said west line of Akram
12 tract, a distance of 401.73 feet to a mag nail found with washer
13 stamped "KHA" in said County Road 392;
14 THENCE North 89°26'39" West, along said County Road 392, a distance
15 of 197.00 feet to the POINT OF BEGINNING and containing 56,307
16 square feet or 1.2926 acres of land, more or less.
17 BEING a 10.146 acre (441,981) square foot tract of land situated in
18 the William D. Thompson Survey, Abstract No. 892, Collin County,
19 Texas, and being a portion of the called 11.447 acre tract of land
20 described in the General Warranty Deed to Waseem Akram recorded in
21 Instrument No. 20210316000521340 of the Official Public Records of
22 Collin County, Texas, said 10.146 acre (441,981) square foot tract
23 of land being more particularly described by metes and bounds as
24 follows:
25 BEGINNING at a mag anil with washer stamped "KHA" found in the south
26 line of said 10.147 acre tract of land, said mag nail with washer
27 stamped "KHA" being the southeast corner of a called 1.2926 acre

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1 tract of land described in the deed to Austin Two Tracts, L.P.
2 recorded in Instrument No. 2023000064692 of said Official Public
3 Records of Collin County, Texas, said mag nail with washer stamped
4 "KHA" also being in County Road 392 (variable width right-of-way);
5 THENCE North 00 degrees 33 minutes 21 seconds East, with the east
6 line of said 1.2926 acre tract of land, a distance of 401.73 feet to
7 a 5/8 inch iron rod with cap stamped "KHA found in the common
8 northwesterly line of said 11.447 acre tract of land and
9 southeasterly line of a called 60.20 acre tract of land described as
10 Tract 1 in the deed to Austin Two Tracts, L.P. recorded in Volume
11 5518, Page 2813 of said Official Public Records of Collin County,
12 Texas, said 5/8 inch iron rod with cap stamped "KHA" also being the
13 northeast corner of said 1.2926 acre tract of land;
14 THENCE North 47 degrees 12 minutes 14 seconds East, with the common
15 northwesterly line of said 11.447 acre tract of land and
16 southeasterly line of said 60.20 acre tract of land, a distance of
17 384.77 feet to a 5/8 inch iron rod with cap stamped "KHA" found for a
18 common reentrant corner of said 11.447 acre tract of land and
19 salient corner of said 60.20 acre tract of land;
20 THENCE North 00 degrees 05 minutes 55 seconds West, with the common
21 west line of said 11.447 acre tract of land and an east line of said
22 60.20 acre tract of land, a distance of 715.43 feet to a 1/2 inch
23 iron rod found for the common northwest corner of said 11.447 acre
24 tract of land and a reentrant corner of said 60.20 acre tract of
25 land;
26 THENCE North 89 degrees 47 minutes 09 seconds East, with the common
27 north line of said 11.447 acre tract of land and a south line of said

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1 60.20 acre tract of land, a distance of 221.33 feet to a 1/2 inch
2 iron rod found for the common northeast corner of said 11.447 acre
3 tract of land and a salient corner of said 60.20 acre tract of land,
4 said 1/2 inch iron rod also being in the west line of a Richland
5 Estates Addition, an addition to Collin County, Texas recorded in
6 Cabinet K, Slide 817 of the Plat Records of Collin County, Texas;
7 THENCE South 00 degrees 51 minutes 21 seconds West, with the east
8 line of said 11.447 acre tract of land, a distance of 1,384.25 feet
9 to a mag nail with washer stamped "KHA" set for the southeast corner
10 of said 11.447 acre tract of land, said mag nail with washer stamped
11 "KHA" also being in said County Road 392;
12 THENCE North 89 degrees 26 minutes 39 seconds West, with the south
13 line of said 11.447 acre tract of land and with said County Road
14 392, a distance of 485.67 to the POINT OF BEGINNING and containing
15 441,981 square feet or 10.146 acres of land.

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

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

26 (c) The Texas Commission on Environmental Quality has filed
27 its recommendations relating to this Act with the governor, the

lieutenant governor, and the speaker of the house of representatives within the required time.

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

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8021A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8021A.0307 to read as follows:

Sec. 8021A.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

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

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.