

1-1 By: Stucky (Senate Sponsor - Fallon) H.B. No. 4720
 1-2 (In the Senate - Received from the House May 6, 2019;
 1-3 May 7, 2019, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 20, 2019, reported favorably by
 1-5 the following vote: Yeas 7, Nays 0; May 20, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the creation of the Burns Branch Municipal Utility
 1-18 District No. 1 of Denton County; granting a limited power of eminent
 1-19 domain; providing authority to issue bonds; providing authority to
 1-20 impose assessments, fees, and taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-23 Code, is amended by adding Chapter 8095 to read as follows:

1-24 CHAPTER 8095. BURNS BRANCH MUNICIPAL UTILITY DISTRICT NO. 1 OF
 1-25 DENTON COUNTY
 1-26 SUBCHAPTER A. GENERAL PROVISIONS
 1-27 Sec. 8095.0101. DEFINITIONS. In this chapter:
 1-28 (1) "Board" means the district's board of directors.
 1-29 (2) "Commission" means the Texas Commission on
 1-30 Environmental Quality.
 1-31 (3) "Director" means a board member.
 1-32 (4) "District" means the Burns Branch Municipal
 1-33 Utility District No. 1 of Denton County.

1-34 Sec. 8095.0102. NATURE OF DISTRICT. The district is a
 1-35 municipal utility district created under Section 59, Article XVI,
 1-36 Texas Constitution.

1-37 Sec. 8095.0103. CONFIRMATION AND DIRECTOR ELECTION
 1-38 REQUIRED. The temporary directors shall hold an election to
 1-39 confirm the creation of the district and to elect five permanent
 1-40 directors as provided by Section 49.102, Water Code.

1-41 Sec. 8095.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-42 temporary directors may not hold an election under Section
 1-43 8095.0103 until each municipality in whose corporate limits or
 1-44 extraterritorial jurisdiction the district is located has
 1-45 consented by ordinance or resolution to the creation of the
 1-46 district and to the inclusion of land in the district.

1-47 Sec. 8095.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.
 1-48 (a) The district is created to serve a public purpose and benefit.

1-49 (b) The district is created to accomplish the purposes of:
 1-50 (1) a municipal utility district as provided by
 1-51 general law and Section 59, Article XVI, Texas Constitution; and
 1-52 (2) Section 52, Article III, Texas Constitution, that
 1-53 relate to the construction, acquisition, improvement, operation,
 1-54 or maintenance of macadamized, graveled, or paved roads, or
 1-55 improvements, including storm drainage, in aid of those roads.

1-56 Sec. 8095.0106. INITIAL DISTRICT TERRITORY. (a) The
 1-57 district is initially composed of the territory described by
 1-58 Section 2 of the Act enacting this chapter.

1-59 (b) The boundaries and field notes contained in Section 2 of
 1-60 the Act enacting this chapter form a closure. A mistake made in the
 1-61 field notes or in copying the field notes in the legislative process

2-1 does not affect the district's:

2-2 (1) organization, existence, or validity;

2-3 (2) right to issue any type of bond for the purposes
2-4 for which the district is created or to pay the principal of and
2-5 interest on a bond;

2-6 (3) right to impose a tax; or

2-7 (4) legality or operation.

2-8 SUBCHAPTER B. BOARD OF DIRECTORS

2-9 Sec. 8095.0201. GOVERNING BODY; TERMS. (a) The district is
2-10 governed by a board of five elected directors.

2-11 (b) Except as provided by Section 8095.0202, directors
2-12 serve staggered four-year terms.

2-13 Sec. 8095.0202. TEMPORARY DIRECTORS. (a) On or after
2-14 September 1, 2019, the owner or owners of a majority of the assessed
2-15 value of the real property in the district may submit a petition to
2-16 the commission requesting that the commission appoint as temporary
2-17 directors the five persons named in the petition. The commission
2-18 shall appoint as temporary directors the five persons named in the
2-19 petition.

2-20 (b) Temporary directors serve until the earlier of:

2-21 (1) the date permanent directors are elected under
2-22 Section 8095.0103; or

2-23 (2) September 1, 2023.

2-24 (c) If permanent directors have not been elected under
2-25 Section 8095.0103 and the terms of the temporary directors have
2-26 expired, successor temporary directors shall be appointed or
2-27 reappointed as provided by Subsection (d) to serve terms that
2-28 expire on the earlier of:

2-29 (1) the date permanent directors are elected under
2-30 Section 8095.0103; or

2-31 (2) the fourth anniversary of the date of the
2-32 appointment or reappointment.

2-33 (d) If Subsection (c) applies, the owner or owners of a
2-34 majority of the assessed value of the real property in the district
2-35 may submit a petition to the commission requesting that the
2-36 commission appoint as successor temporary directors the five
2-37 persons named in the petition. The commission shall appoint as
2-38 successor temporary directors the five persons named in the
2-39 petition.

2-40 SUBCHAPTER C. POWERS AND DUTIES

2-41 Sec. 8095.0301. GENERAL POWERS AND DUTIES. The district
2-42 has the powers and duties necessary to accomplish the purposes for
2-43 which the district is created.

2-44 Sec. 8095.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
2-45 DUTIES. The district has the powers and duties provided by the
2-46 general law of this state, including Chapters 49 and 54, Water Code,
2-47 applicable to municipal utility districts created under Section 59,
2-48 Article XVI, Texas Constitution.

2-49 Sec. 8095.0303. AUTHORITY FOR ROAD PROJECTS. Under Section
2-50 52, Article III, Texas Constitution, the district may design,
2-51 acquire, construct, finance, issue bonds for, improve, operate,
2-52 maintain, and convey to this state, a county, or a municipality for
2-53 operation and maintenance macadamized, graveled, or paved roads, or
2-54 improvements, including storm drainage, in aid of those roads.

2-55 Sec. 8095.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
2-56 road project must meet all applicable construction standards,
2-57 zoning and subdivision requirements, and regulations of each
2-58 municipality in whose corporate limits or extraterritorial
2-59 jurisdiction the road project is located.

2-60 (b) If a road project is not located in the corporate limits
2-61 or extraterritorial jurisdiction of a municipality, the road
2-62 project must meet all applicable construction standards,
2-63 subdivision requirements, and regulations of each county in which
2-64 the road project is located.

2-65 (c) If the state will maintain and operate the road, the
2-66 Texas Transportation Commission must approve the plans and
2-67 specifications of the road project.

2-68 Sec. 8095.0305. COMPLIANCE WITH MUNICIPAL CONSENT
2-69 ORDINANCE OR RESOLUTION. The district shall comply with all

3-1 applicable requirements of any ordinance or resolution that is
 3-2 adopted under Section 54.016 or 54.0165, Water Code, and that
 3-3 consents to the creation of the district or to the inclusion of land
 3-4 in the district.

3-5 Sec. 8095.0306. DIVISION OF DISTRICT. (a) The district may
 3-6 be divided into two or more new districts only if the district:

3-7 (1) has no outstanding bonded debt; and

3-8 (2) is not imposing ad valorem taxes.

3-9 (b) This chapter applies to any new district created by the
 3-10 division of the district, and a new district has all the powers and
 3-11 duties of the district.

3-12 (c) Any new district created by the division of the district
 3-13 may not, at the time the new district is created, contain any land
 3-14 outside the area described by Section 2 of the Act enacting this
 3-15 chapter.

3-16 (d) A new district created by the division of the district
 3-17 may contain land in Denton County only if the commissioners court of
 3-18 Denton County consents to the creation of the new district and the
 3-19 inclusion of the land.

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

3-24 (f) 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 8095.0103 to confirm the district's creation.

3-27 (g) 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 (h) 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 (i) Any new district created by the division of the district
 3-40 shall hold a confirmation and directors' election as required by
 3-41 Section 8095.0103. 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 (j) Municipal consent to the creation of the district and to
 3-46 the inclusion of land in the district granted under Section
 3-47 8095.0104 acts as municipal consent to the creation of any new
 3-48 district created by the division of the district and to the
 3-49 inclusion of land in the new district.

3-50 (k) Any new district created by the division of the district
 3-51 must hold an election as required by this chapter to obtain voter
 3-52 approval before the district may impose a maintenance tax or issue
 3-53 bonds payable wholly or partly from ad valorem taxes.

3-54 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-55 Sec. 8095.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
 3-56 The 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 8095.0403.

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. 8095.0402. OPERATION AND MAINTENANCE TAX. (a) If
 3-69 authorized at an election held under Section 8095.0401, the

4-1 district may impose an operation and maintenance tax on taxable
 4-2 property in the district in accordance with Section 49.107, Water
 4-3 Code.

4-4 (b) The board shall determine the tax rate. The rate may not
 4-5 exceed the rate approved at the election.

4-6 Sec. 8095.0403. CONTRACT TAXES. (a) In accordance with
 4-7 Section 49.108, Water Code, the district may impose a tax other than
 4-8 an operation and maintenance tax and use the revenue derived from
 4-9 the tax to make payments under a contract after the provisions of
 4-10 the contract have been approved by a majority of the district voters
 4-11 voting at an election held for that purpose.

4-12 (b) A contract approved by the district voters may contain a
 4-13 provision stating that the contract may be modified or amended by
 4-14 the board without further voter approval.

4-15 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-16 Sec. 8095.0501. 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. 8095.0502. 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. 8095.0503. 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 Burns Branch Municipal Utility District
 4-34 No. 1 of Denton County initially includes all the territory
 4-35 contained in the following area:

4-36 *FIELD NOTES WISE COUNTY*

4-37 *SITUATED in the State of Texas and County of Wise, being part of the*
 4-38 *E. I McDaniel Survey, Abstract No. 808, Joseph Luce Survey,*
 4-39 *Abstract No. 497, William Chadwell Survey, Abstract No. 1321, S. D.*
 4-40 *Chadwell Survey, Abstract No. 1320, G. I Walton Survey, Abstract*
 4-41 *No. 1361 and the A. P Lancaster Survey, Abstract No. 1257 and being*
 4-42 *part of tract as recorded in CC# 2009-102747 of the Deed Records of*
 4-43 *Denton County, said premises being more particularly described as*
 4-44 *follows;*

4-45 *BEGINNING at a point for corner marking the southeast corner of said*
 4-46 *premises, said point being on the Denton Wise County line per deed*
 4-47 *recorded in Volume 264, Page 508;*

4-48 *THENCE with the south line of said premises as follows,*

- 4-49 *South 59°48'00" West, 592.47 feet;*
- 4-50 *South 45°55'34" West, 2,584.96 feet;*
- 4-51 *South 84°26'09" West, 729.95 feet;*
- 4-52 *South 89°51'00" West, 773.95 feet;*
- 4-53 *South 82°53'00" West, 525.14 feet;*
- 4-54 *South 73°44'00" West, 233.52 feet;*
- 4-55 *South 40°52'00" West, 79.51 feet;*
- 4-56 *North 50°55'00" West, 233.24 feet to a point for corner*

4-57 *marking the southwest corner of said premises and being in the*
 4-58 *center of Denton Creek;*

4-59 *THENCE with said creek as follows,*

- 4-60 *North 22°43'00" East, 173.47 feet;*
- 4-61 *North 35°51'00" East, 543.21 feet;*
- 4-62 *North 04°13'00" West, 19043 feet;*
- 4-63 *North 50°12'00" East, 117.32 feet;*
- 4-64 *North 83°41'00" East, 281.89 feet;*
- 4-65 *North 17°42'00" East, 98.69 feet;*
- 4-66 *North 11°48'00" West, 460.09 feet;*
- 4-67 *North 42°23'00" East, 155.68 feet;*
- 4-68 *South 89°47'00" East, 135.11 feet;*
- 4-69 *South 19°48'00" East, 132.88 feet;*

- 5-1 North 88°39'00" East, 128.16 feet;
5-2 North 21°15'00" East, 214.06 feet;
5-3 North 88°46'00" East, 92.85 feet;
5-4 South 57°38'00" East, 203.77 feet;
5-5 North 19°45'00" East, 192.38 feet;
5-6 North 62°17'00" East, 333.60 feet;
5-7 North 50°53'00" East, 710.57 feet;
5-8 North 60°48'00" East, 789.80 feet;
5-9 North 10°41'00" West, 53.93 feet;
5-10 *THENCE* departing said creek and with the west line of said premises,
5-11 South 43°54'00" East, 1,720.82 feet to a point for corner marking an
5-12 internal corner of said premises;
5-13 *THENCE* with the north line of said premises, South 46°27'00" East,
5-14 505.40 feet to a point for corner marking an internal corner of said
5-15 premises;
5-16 *THENCE* with the east line of said premises, North 45°00'00" East,
5-17 135.94 feet to a point for corner in said Denton Creek;
5-18 *THENCE* with the south line of said premises and said creek as
5-19 follows:
5-20 North 24°24'00" West, 331.93 feet;
5-21 North 47°17'00" West, 655.25 feet;
5-22 South 69°27'00" West, 188.21 feet;
5-23 North 52°23'00" West, 121.21 feet;
5-24 North 16°37'00" East, 237.97 feet;
5-25 North 58°06'00" West, 113.70 feet;
5-26 North 90°00'00" West, 199.05 feet;
5-27 South 26°23'00" West, 583.80 feet;
5-28 North 71°42'00" West, 137.05 feet;
5-29 North 38°17'00" West, 435.90 feet;
5-30 South 17°03'00" West, 143.45 feet;
5-31 North 72°49'00" West, 230.18 feet;
5-32 North 66°25'00" West, 120.10 feet;
5-33 North 02°24'00" West, 430.07 feet;
5-34 North 49°09'00" West, 195.71 feet;
5-35 South 58°07'00" West, 53.10 feet;
5-36 North 86°47'00" West, 89.24 feet;
5-37 South 21°48'00" West, 132.99 feet;
5-38 South 37°08'00" West, 165.69 feet;
5-39 South 20°40'00" West, 113.42 feet;
5-40 South 85°00'00" West, 229.63 feet;
5-41 South 14°54'00" East, 198.77 feet;
5-42 South 70°59'00" West, 175.97 feet;
5-43 North 64°46'06" West, 456.73 feet;
5-44 North 70°03'37" West, 911.94 feet;
5-45 *THENCE* departing said creek and with the west line of said premises,
5-46 North 45°00'00" East, 2,775.00 feet to a point for corner marking an
5-47 internal corner of said premises;
5-48 *THENCE* with the west line of said premises, North 44°36'00" West,
5-49 2,515.28 feet to a point for corner marking the northwest corner of
5-50 said premises;
5-51 *THENCE* with the west line of said premises, North 45°04'00" East,
5-52 6,222.22 feet to a point for corner marking the northeast corner of
5-53 said premises and being on said county line per deed;
5-54 *THENCE* with the east line of said premises and said county line,
5-55 South 00°56'02" West, 11,402.11 feet to the point of beginning and
5-56 containing 755.414 acres of land.
5-57 **FIELD NOTES DENTON COUNTY**
5-58 *SITUATED* in the State of Texas and County of Denton, being part of
5-59 the W. G. McDaniel Survey, Abstract No. 809 and the R. R. Jowell
5-60 Survey, Abstract No. 660 being part of tract as recorded in CC#
5-61 2009-102747 of the Deed Records of Denton County, said premises
5-62 being more particularly described as follows;
5-63 *BEGINNING* at a point for corner marking the southeast corner of said
5-64 premises and said tract;
5-65 *THENCE* with the south line of said premises, South 85°55'00" West,
5-66 6,846.94 feet to a point for corner marking the southwest corner of
5-67 said premises and being on the Denton Wise county line per deed
5-68 recorded in Volume 264, Page 508;
5-69 *THENCE* with said county line and the west line of said premises,

6-1 North 00°57'03" East, 11,402.11 feet to a point for corner marking
6-2 the northwest corner of said premises;
6-3 THENCE with the north line of said premises, South 89°48'00" East,
6-4 4,626.11 feet to a point for corner marking the most northerly
6-5 northeast corner of said premises;
6-6 THENCE with the east line of said premises, South 00°15'00" West,
6-7 5,963.06 feet to a point for corner marking an internal corner of
6-8 said premises;
6-9 THENCE with the north line of said premises, South 89°50'00" East,
6-10 3,515.83 feet to a point for corner marking the most easterly
6-11 northeast corner of said premises;
6-12 THENCE with the east line of said premises, South 00°00'00" East,
6-13 2,405.00 feet to a point for corner marking the most easterly
6-14 southeast corner of said premises;
6-15 THENCE with the south line of said premises, North 90°00'00" West,
6-16 1,475.56 feet to a point for corner marking an internal corner of
6-17 said premises;
6-18 THENCE with the east line of said premises, South 00°00'00" East,
6-19 2,518.61 feet to the point of beginning and containing 1,526.734
6-20 acres of land.

6-21 SECTION 3. (a) The legal notice of the intention to
6-22 introduce this Act, setting forth the general substance of this
6-23 Act, has been published as provided by law, and the notice and a
6-24 copy of this Act have been furnished to all persons, agencies,
6-25 officials, or entities to which they are required to be furnished
6-26 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6-27 Government Code.

6-28 (b) The governor, one of the required recipients, has
6-29 submitted the notice and Act to the Texas Commission on
6-30 Environmental Quality.

6-31 (c) The Texas Commission on Environmental Quality has filed
6-32 its recommendations relating to this Act with the governor, the
6-33 lieutenant governor, and the speaker of the house of
6-34 representatives within the required time.

6-35 (d) All requirements of the constitution and laws of this
6-36 state and the rules and procedures of the legislature with respect
6-37 to the notice, introduction, and passage of this Act are fulfilled
6-38 and accomplished.

6-39 SECTION 4. (a) If this Act does not receive a two-thirds
6-40 vote of all the members elected to each house, Subchapter C, Chapter
6-41 8095, Special District Local Laws Code, as added by Section 1 of
6-42 this Act, is amended by adding Section 8095.0307 to read as follows:

6-43 Sec. 8095.0307. NO EMINENT DOMAIN POWER. The district may
6-44 not exercise the power of eminent domain.

6-45 (b) This section is not intended to be an expression of a
6-46 legislative interpretation of the requirements of Section 17(c),
6-47 Article I, Texas Constitution.

6-48 SECTION 5. This Act takes effect September 1, 2019.

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