

1-1 By: Sanford (Senate Sponsor - Springer) H.B. No. 4591
 1-2 (In the Senate - Received from the House May 17, 2021;
 1-3 May 17, 2021, read first time and referred to Committee on Local
 1-4 Government; May 22, 2021, reported favorably by the following
 1-5 vote: Yeas 7, Nays 0; May 22, 2021, 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	X			
1-16	X			

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

1-19 relating to the creation of the Blue Meadow Municipal Utility
 1-20 District No. 1 of Collin County; granting a limited power of eminent
 1-21 domain; providing authority to issue bonds; providing authority to
 1-22 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 7929A to read as follows:

1-26 CHAPTER 7929A. BLUE MEADOW MUNICIPAL UTILITY DISTRICT NO. 1 OF
 1-27 COLLIN COUNTY

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 7929A.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 Blue Meadow Municipal Utility
 1-35 District No. 1 of Collin County.

1-36 Sec. 7929A.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. 7929A.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. 7929A.0104. CONDITIONS PRECEDENT TO CONFIRMATION
 1-44 ELECTION. (a) The temporary directors may not hold an election
 1-45 under Section 7929A.0103 until:

1-46 (1) each municipality in whose corporate limits or
 1-47 extraterritorial jurisdiction the district is located has
 1-48 consented by ordinance or resolution to the creation of the
 1-49 district and to the inclusion of land in the district; and

1-50 (2) the district has entered into a contract with a
 1-51 municipality, Collin County, or another entity:

1-52 (A) for adequate supplemental police, fire,
 1-53 emergency, and animal control services for the district; and

1-54 (B) that is approved by the Commissioners Court
 1-55 of Collin County under Subsection (c).

1-56 (b) A contract under Subsection (a) may include a provision
 1-57 that the contract takes effect only on the approval of the
 1-58 Commissioners Court of Collin County and the voters in the district
 1-59 voting in an election held for that purpose.

1-60 (c) The Commissioners Court of Collin County shall review a
 1-61 contract under Subsection (a) and evaluate the supplemental police,

2-1 fire, emergency, and animal control services provided in the
 2-2 contract. If the commissioners court determines that the contract
 2-3 provides adequate services, the commissioners court shall adopt a
 2-4 resolution stating that the contract has met the requirements of
 2-5 Subsection (a).

2-6 Sec. 7929A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

2-7 (a) The district is created to serve a public purpose and benefit.

2-8 (b) The district is created to accomplish the purposes of:

2-9 (1) a municipal utility district as provided by
 2-10 general law and Section 59, Article XVI, Texas Constitution; and

2-11 (2) Section 52, Article III, Texas Constitution, that
 2-12 relate to the construction, acquisition, improvement, operation,
 2-13 or maintenance of macadamized, graveled, or paved roads, or
 2-14 improvements, including storm drainage, in aid of those roads.

2-15 Sec. 7929A.0106. INITIAL DISTRICT TERRITORY. (a) The
 2-16 district is initially composed of the territory described by
 2-17 Section 2 of the Act enacting this chapter.

2-18 (b) The boundaries and field notes contained in Section 2 of
 2-19 the Act enacting this chapter form a closure. A mistake made in the
 2-20 field notes or in copying the field notes in the legislative process
 2-21 does not affect the district's:

2-22 (1) organization, existence, or validity;

2-23 (2) right to issue any type of bond for the purposes
 2-24 for which the district is created or to pay the principal of and
 2-25 interest on a bond;

2-26 (3) right to impose a tax; or

2-27 (4) legality or operation.

2-28 SUBCHAPTER B. BOARD OF DIRECTORS

2-29 Sec. 7929A.0201. GOVERNING BODY; TERMS. (a) The district
 2-30 is governed by a board of five elected directors.

2-31 (b) Except as provided by Section 7929A.0202, directors
 2-32 serve staggered four-year terms.

2-33 Sec. 7929A.0202. TEMPORARY DIRECTORS. (a) The temporary
 2-34 board consists of:

2-35 (1) Philip Tomlinson;

2-36 (2) Ben Nieswiadomy;

2-37 (3) Wil Walters;

2-38 (4) Connor Campbell; and

2-39 (5) Bryce Garoutte.

2-40 (b) Temporary directors serve until the earlier of:

2-41 (1) the date permanent directors are elected under
 2-42 Section 7929A.0103; or

2-43 (2) the fourth anniversary of the effective date of
 2-44 the Act enacting this chapter.

2-45 (c) If permanent directors have not been elected under
 2-46 Section 7929A.0103 and the terms of the temporary directors have
 2-47 expired, successor temporary directors shall be appointed or
 2-48 reappointed as provided by Subsection (d) to serve terms that
 2-49 expire on the earlier of:

2-50 (1) the date permanent directors are elected under
 2-51 Section 7929A.0103; or

2-52 (2) the fourth anniversary of the date of the
 2-53 appointment or reappointment.

2-54 (d) If Subsection (c) applies, the owner or owners of a
 2-55 majority of the assessed value of the real property in the district
 2-56 may submit a petition to the commission requesting that the
 2-57 commission appoint as successor temporary directors the five
 2-58 persons named in the petition. The commission shall appoint as
 2-59 successor temporary directors the five persons named in the
 2-60 petition.

2-61 SUBCHAPTER C. POWERS AND DUTIES

2-62 Sec. 7929A.0301. GENERAL POWERS AND DUTIES. The district
 2-63 has the powers and duties necessary to accomplish the purposes for
 2-64 which the district is created.

2-65 Sec. 7929A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-66 DUTIES. The district has the powers and duties provided by the
 2-67 general law of this state, including Chapters 49 and 54, Water Code,
 2-68 applicable to municipal utility districts created under Section 59,
 2-69 Article XVI, Texas Constitution.

3-1 Sec. 7929A.0303. AUTHORITY FOR ROAD PROJECTS. Under
 3-2 Section 52, Article III, Texas Constitution, the district may
 3-3 design, acquire, construct, finance, issue bonds for, improve,
 3-4 operate, maintain, and convey to this state, a county, or a
 3-5 municipality for operation and maintenance macadamized, graveled,
 3-6 or paved roads, or improvements, including storm drainage, in aid
 3-7 of those roads.

3-8 Sec. 7929A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
 3-9 road project must meet all applicable construction standards,
 3-10 zoning and subdivision requirements, and regulations of each
 3-11 municipality in whose corporate limits or extraterritorial
 3-12 jurisdiction the road project is located.

3-13 (b) If a road project is not located in the corporate limits
 3-14 or extraterritorial jurisdiction of a municipality, the road
 3-15 project must meet all applicable construction standards,
 3-16 subdivision requirements, and regulations of each county in which
 3-17 the road project is located.

3-18 (c) If the state will maintain and operate the road, the
 3-19 Texas Transportation Commission must approve the plans and
 3-20 specifications of the road project.

3-21 Sec. 7929A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
 3-22 ORDINANCE OR RESOLUTION. The district shall comply with all
 3-23 applicable requirements of any ordinance or resolution that is
 3-24 adopted under Section 54.016 or 54.0165, Water Code, and that
 3-25 consents to the creation of the district or to the inclusion of land
 3-26 in the district.

3-27 Sec. 7929A.0306. DIVISION OF DISTRICT. (a) The district
 3-28 may be divided into two or more new districts only if the district:

- 3-29 (1) has no outstanding bond debt; and
- 3-30 (2) is not imposing ad valorem taxes.

3-31 (b) This chapter applies to any new district created by
 3-32 division of the district, and a new district has all the powers and
 3-33 duties of the district.

3-34 (c) A new district created by the division of the district
 3-35 may not, at the time the new district is created, contain any land
 3-36 outside the area described by Section 2 of the Act enacting this
 3-37 chapter.

3-38 (d) The board, on its own motion or on receipt of a petition
 3-39 signed by the owner or owners of a majority of the assessed value of
 3-40 the real property in the district, may adopt an order dividing the
 3-41 district.

3-42 (e) The board may adopt an order dividing the district
 3-43 before or after the date the board holds an election under Section
 3-44 7929A.0103 to confirm the district's creation.

3-45 (f) An order dividing the district shall:

- 3-46 (1) name each new district;
- 3-47 (2) include the metes and bounds description of the
 3-48 territory of each new district;
- 3-49 (3) appoint temporary directors for each new district;

3-50 and

- 3-51 (4) provide for the division of assets and liabilities
 3-52 between the new districts.

3-53 (g) On or before the 30th day after the date of adoption of
 3-54 an order dividing the district, the district shall file the order
 3-55 with the commission and record the order in the real property
 3-56 records of each county in which the district is located.

3-57 (h) Any new district created by the division of the district
 3-58 shall hold a confirmation and directors' election as required by
 3-59 Section 7929A.0103. If the voters of a new district do not confirm
 3-60 the creation of the new district, the assets, obligations,
 3-61 territory, and governance of the new district revert to the
 3-62 original district.

3-63 (i) Municipal consent to the creation of the district and to
 3-64 the inclusion of land in the district granted under Section
 3-65 7929A.0104 acts as municipal consent to the creation of any new
 3-66 district created by the division of the district and to the
 3-67 inclusion of land in the new district.

3-68 (j) Any new district created by the division of the district
 3-69 must hold an election as required by this chapter to obtain voter

4-1 approval before the district may impose a maintenance tax or issue
4-2 bonds payable wholly or partly from ad valorem taxes.

4-3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4-4 Sec. 7929A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)

4-5 The district may issue, without an election, bonds and other
4-6 obligations secured by:

4-7 (1) revenue other than ad valorem taxes; or

4-8 (2) contract payments described by Section

4-9 7929A.0403.

4-10 (b) The district must hold an election in the manner
4-11 provided by Chapters 49 and 54, Water Code, to obtain voter approval
4-12 before the district may impose an ad valorem tax or issue bonds
4-13 payable from ad valorem taxes.

4-14 (c) The district may not issue bonds payable from ad valorem
4-15 taxes to finance a road project unless the issuance is approved by a
4-16 vote of a two-thirds majority of the district voters voting at an
4-17 election held for that purpose.

4-18 Sec. 7929A.0402. OPERATION AND MAINTENANCE TAX. (a) If
4-19 authorized at an election held under Section 7929A.0401, the
4-20 district may impose an operation and maintenance tax on taxable
4-21 property in the district in accordance with Section 49.107, Water
4-22 Code.

4-23 (b) The board shall determine the tax rate. The rate may not
4-24 exceed the rate approved at the election.

4-25 Sec. 7929A.0403. CONTRACT TAXES. (a) In accordance with
4-26 Section 49.108, Water Code, the district may impose a tax other than
4-27 an operation and maintenance tax and use the revenue derived from
4-28 the tax to make payments under a contract after the provisions of
4-29 the contract have been approved by a majority of the district voters
4-30 voting at an election held for that purpose.

4-31 (b) A contract approved by the district voters may contain a
4-32 provision stating that the contract may be modified or amended by
4-33 the board without further voter approval.

4-34 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-35 Sec. 7929A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
4-36 OBLIGATIONS. The district may issue bonds or other obligations
4-37 payable wholly or partly from ad valorem taxes, impact fees,
4-38 revenue, contract payments, grants, or other district money, or any
4-39 combination of those sources, to pay for any authorized district
4-40 purpose.

4-41 Sec. 7929A.0502. TAXES FOR BONDS. At the time the district
4-42 issues bonds payable wholly or partly from ad valorem taxes, the
4-43 board shall provide for the annual imposition of a continuing
4-44 direct ad valorem tax, without limit as to rate or amount, while all
4-45 or part of the bonds are outstanding as required and in the manner
4-46 provided by Sections 54.601 and 54.602, Water Code.

4-47 Sec. 7929A.0503. BONDS FOR ROAD PROJECTS. At the time of
4-48 issuance, the total principal amount of bonds or other obligations
4-49 issued or incurred to finance road projects and payable from ad
4-50 valorem taxes may not exceed one-fourth of the assessed value of the
4-51 real property in the district.

4-52 SECTION 2. The Blue Meadow Municipal Utility District No. 1
4-53 of Collin County initially includes all the territory contained in
4-54 the following area:

4-55 BEING all that tract of land in Collin County, Texas, out of
4-56 the Jonathan Douthit Survey, A-251, and being part of that called
4-57 196.345 acres, all of that called 169.531 acres, and part of that
4-58 called 79.452 acres of land described as Tract I, Tract 2, Tract 3,
4-59 respectively, in deed to Stonehollow Homes, LLC as recorded under
4-60 CC# 20170322000362630 of the Official Public Records of Collin
4-61 County, Texas, and being all of that called 75.012 acres of land
4-62 described in deed to Stonehollow Homes, LLC as recorded under CC#
4-63 20170104000011010 of the Official Public Records of Collin County,
4-64 Texas, and being all of that called 37.530 acres of land in deed to
4-65 Stonehollow Homes, LLC as recorded under CC# 20170104000011020 of
4-66 the Official Public Records of Collin County, Texas, and being all
4-67 of that called 37.432 acres of land described in deed to Stonehollow
4-68 Homes, LLC as recorded under CC# 20170104000011000 of the Official
4-69 Public Records of Collin County, Texas, and being further described

5-1 as follows:

5-2 BEGINNING at a 5/8 inch steel rod found at a turn in County

5-3 Road No. 502, at the Southeast corner of said 196.345 acres, and at

5-4 the Southwest corner of that called 10.363 acres of land described

5-5 in deed to Byron Shelton and Sadie Shelton as recorded under CC#

5-6 20190418000415530 of the Official Public Records of Collin County,

5-7 Texas;

5-8 THENCE North 89 degrees 50 minutes 47 seconds West, 99.86

5-9 feet to a 5/8 inch steel rod set;

5-10 THENCE North 00 degrees 38 minutes 29 seconds East, 323.07

5-11 feet to a 5/8 inch steel rod set;

5-12 THENCE North 89 degrees 21 minutes 31 seconds West, 2400.00

5-13 feet to a 5/8 inch steel rod set;

5-14 THENCE South 00 degrees 38 minutes 29 seconds West, 300.00

5-15 feet to a 5/8 inch steel rod set;

5-16 THENCE North 89 degrees 21 minutes 31 seconds West, 85.00

5-17 feet to a 5/8 inch steel rod set;

5-18 THENCE North 00 degrees 38 minutes 29 seconds East, 300.00

5-19 feet to a 5/8 inch steel rod set;

5-20 THENCE North 89 degrees 21 minutes 31 seconds West, 900.00

5-21 feet to a 5/8 inch steel rod set;

5-22 THENCE South 00 degrees 38 minutes 29 seconds West, 300.00

5-23 feet to a 5/8 inch steel rod set;

5-24 THENCE North 89 degrees 21 minutes 31 seconds West, 60.00

5-25 feet to a 5/8 inch steel rod set;

5-26 THENCE North 00 degrees 38 minutes 29 seconds East, 300.00

5-27 feet to a 5/8 inch steel rod set;

5-28 THENCE North 89 degrees 21 minutes 31 seconds West, 601.65

5-29 feet to a 5/8 inch steel rod set;

5-30 THENCE South 00 degrees 19 minutes 52 seconds West, 340.05

5-31 feet to a 5/8 inch steel rod set to a point in the center of County

5-32 Road No. 502;

5-33 THENCE North 88 degrees 46 minutes 28 seconds West, 50.01

5-34 feet along the approximate center of said County Road No. 502 to a

5-35 60d nail set at the Southwest corner of said 79.452 acres, and at

5-36 the Southeast corner of that called 6.000 acres of land described as

5-37 Tract I in deed to Alton W. Hopper as recorded under CC#

5-38 20060407000462250 of the Official Public Records of Collin County,

5-39 Texas;

5-40 THENCE North 00 degrees 19 minutes 52 seconds East, 1291.43

5-41 feet to a 1/2 inch steel rod found at the Westerly most Northwest

5-42 corner of said 79.452 acres, at the Northeast corner of that called

5-43 11.621 acres of land described as Tract I in deed to Collin County

5-44 as recorded in Volume 5910, Page 3146 of the Land Records of Collin

5-45 County, Texas, and on the South line of that called 54 acres of land

5-46 described in deed to Kimberly Cantrell Wright as recorded under CC#

5-47 20080516000598880 of the Official Public Records of Collin County,

5-48 Texas;

5-49 THENCE North 89 degrees 41 minutes 48 seconds East, 130.95

5-50 feet to a 3/8 inch steel rod found at an ell corner of said 79.452

5-51 acres, and at the Southeast corner of said 54 acres;

5-52 THENCE North 01 degrees 16 minutes 55 seconds East, 1623.59

5-53 feet to a 1/2 inch steel rod found at the Northwest corner of said

5-54 79.452 acres, at the Southwest corner of said 37.432 acres, at the

5-55 Southeast corner of said 37.530 acres, and at the Northeast corner

5-56 of said 54 acres;

5-57 THENCE North 89 degrees 54 minutes 28 seconds West, 730.81

5-58 feet to a 5/8 inch steel rod set at the Southwest corner of said

5-59 37.530 acres, and at the Southeast corner of that called 37.48 acres

5-60 of land described as Tract Two in deed to Justin Ray Armbrister and

5-61 Wendi Lynn Armbrister as recorded under CC# 20160104000002710 of

5-62 the Official Public Records of Collin County, Texas;

5-63 THENCE North 01 degrees 00 minutes 40 seconds West, 1219.81

5-64 feet to a point on the South line of the Anna E.T.J.;

5-65 THENCE Northeasterly, 2067.03 feet along said South line of

5-66 Anna E.T.J. and a curve to the left having a radius of 5358.48 feet

5-67 and a central angle of 22 degrees 06 minutes 07 seconds (Chord bears

5-68 North 55 degrees 19 minutes 30 seconds East, 2054.24 feet) to a

5-69 point;

6-1 THENCE South 89 degrees 36 minutes 54 seconds East, 482.37
6-2 feet to a 3/8 inch steel rod found at an ell corner of said 169.531
6-3 acres, and at the Southeast corner of that called 25.05 acres of
6-4 land described in deed to Leroy W. Warren, Jr. and Linda F. Warren
6-5 as recorded under CC# 20070530000726310 of the Official Public
6-6 Records of Collin County, Texas;

6-7 THENCE North 00 degrees 56 minutes 06 seconds West, 191.40
6-8 feet to a 1/2 inch steel rod found at a Northwest corner of said
6-9 169.531 acres, and at the Southwest corner of that called 96.806
6-10 acres of land described in deed to R&D Aycock, Ltd. as recorded in
6-11 Volume 5105, Page 2819 of the Land Records of Collin County, Texas;

6-12 THENCE South 88 degrees 31 minutes 34 seconds East, 1381.94
6-13 feet to a 1/2 inch steel rod found at an ell corner of said 169.531
6-14 acres, and at the Southeast corner of said 96.806 acres;

6-15 THENCE North 89 degrees 56 minutes 56 seconds East, 1325.67
6-16 feet to a 5/8 inch steel rod set on the East line of said 75.012
6-17 acres;

6-18 THENCE along the East line of said 75.012 acres as follows:

6-19 North 89 degrees 05 minutes 15 seconds East, 16.83 feet to a
6-20 5/8 inch steel rod set;

6-21 South 02 degrees 35 minutes 43 seconds West, 1434.52 feet to a
6-22 5/8 inch pipe found at the Southeast corner of said 75.012 acres,
6-23 and at the Northeast corner of that called 51.26 acres of land
6-24 described in deed to Joe Brent Cantrell as recorded under CC#
6-25 96-0016857 of the Land Records of Collin County, Texas;

6-26 THENCE South 89 degrees 56 minutes 04 seconds West, 2009.91
6-27 feet to a 1/2 inch steel rod found at an ell corner of said 169.531
6-28 acres, and at the Northwest corner of said 51.26 acres;

6-29 THENCE South 00 degrees 05 minutes 52 seconds East, 1121.56
6-30 feet to a 1/2 inch steel rod found at the Southerly most Southeast
6-31 corner of said 169.531 acres, and at the Southwest corner of said
6-32 51.26 acres;

6-33 THENCE North 89 degrees 54 minutes 51 seconds East, 1960.98
6-34 feet to a 5/8 inch steel rod set at the Northeast corner of said
6-35 196.345 acres, and at the Southeast corner of said 51.26 acres;

6-36 THENCE South 00 degrees 50 minutes 54 seconds East, 85.79
6-37 feet to a Bois d'arc post found at an angle point of said 196.345
6-38 acres, and at the Northwest corner of that called 5.311 acres of
6-39 land described as Tract Two in deed to J.D. Horton and Linda K.
6-40 Horton as recorded under CC# 94-0004753 of the Land Records of
6-41 Collin County, Texas;

6-42 THENCE South 00 degrees 35 minutes 21 seconds West, 1835.45
6-43 feet to a 5/8 inch steel rod set at centerline intersection of a
6-44 turn in County Road No. 502;

6-45 THENCE South 00 degrees 31 minutes 06 seconds East, 1013.39
6-46 feet along the approximate center of said County Road No. 502 to the
6-47 POINT OF BEGINNING, containing 444.35 acres of land.

6-48 SECTION 3. (a) The legal notice of the intention to
6-49 introduce this Act, setting forth the general substance of this
6-50 Act, has been published as provided by law, and the notice and a
6-51 copy of this Act have been furnished to all persons, agencies,
6-52 officials, or entities to which they are required to be furnished
6-53 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6-54 Government Code.

6-55 (b) The governor, one of the required recipients, has
6-56 submitted the notice and Act to the Texas Commission on
6-57 Environmental Quality.

6-58 (c) The Texas Commission on Environmental Quality has filed
6-59 its recommendations relating to this Act with the governor, the
6-60 lieutenant governor, and the speaker of the house of
6-61 representatives within the required time.

6-62 (d) All requirements of the constitution and laws of this
6-63 state and the rules and procedures of the legislature with respect
6-64 to the notice, introduction, and passage of this Act are fulfilled
6-65 and accomplished.

6-66 SECTION 4. (a) If this Act does not receive a two-thirds
6-67 vote of all the members elected to each house, Subchapter C, Chapter
6-68 7929A, Special District Local Laws Code, as added by Section 1 of
6-69 this Act, is amended by adding Section 7929A.0307 to read as

7-1 follows:

7-2 Sec. 7929A.0307. NO EMINENT DOMAIN POWER. The district may
7-3 not exercise the power of eminent domain.

7-4 (b) This section is not intended to be an expression of a
7-5 legislative interpretation of the requirements of Section 17(c),
7-6 Article I, Texas Constitution.

7-7 SECTION 5. This Act takes effect immediately if it receives
7-8 a vote of two-thirds of all the members elected to each house, as
7-9 provided by Section 39, Article III, Texas Constitution. If this
7-10 Act does not receive the vote necessary for immediate effect, this
7-11 Act takes effect September 1, 2021.

7-12

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