SECTION 1. Section 10(b), Chapter 772 (H.B. 3602), Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

(b) On the uniform election date [first Tuesday after the first Monday] in May [November] of each subsequent second year following the election, the appropriate number of directors shall be elected.

SECTION 2. Section 12, Chapter 772 (H.B. 3602), Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

Sec. 12. FEES. Unless exempt under this Act or Chapter 36, Water Code, the board may establish by schedule and impose:

(1) a production fee based on the amount of groundwater authorized by permit to be withdrawn from a well or the amount of groundwater actually withdrawn from a well in an amount not to exceed 17 cents per thousand gallons [under Section 36.205, Water Code];

(2) an export fee for groundwater transferred out of the district in an amount not to exceed 150 percent of the maximum wholesale water rate charged by the City of Houston; and

(3) other fees as authorized by Chapter 36, Water Code.

SECTION 3. A director of the board of the Brazoria County Groundwater Conservation District who is serving on the day before the effective date of this Act shall serve until the director's term expires. A director whose term expires in November 2010 shall serve until the director's successor has qualified following the directors' election held on the uniform election date in May 2012 in accordance with Section 10, Chapter 772 (H.B. 3602), Acts of the 78th Legislature, Regular Session, 2003, as amended by this Act. A director whose term expires in November 2012 shall serve until the director's successor has qualified following the directors' election held on the uniform election date in May 2014.

SECTION 4. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

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

(c) The Texas Commission on Environmental Quality has filed 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 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, 2009.

Passed by the House on May 15, 2009: Yeas 144, Nays 0, 1 present, not voting; passed by the Senate on May 26, 2009: Yeas 31, Nays 0.

Approved June 19, 2009.

CHAPTER 1089

H.B. No. 4790

AN ACT

relating to the creation of the Brown's Ranch Municipal Utility District No. 1 of Grayson County; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.

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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 8348 to read as follows:

CHAPTER 8348. BROWN'S RANCH MUNICIPAL UTILITY DISTRICT NO. 1 OF GRAYSON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8348.001. DEFINITIONS. In this chapter:
(1) “Board” means the district’s board of directors.
(2) “Director” means a board member.
(3) “District” means the Brown’s Ranch Municipal Utility District No. 1 of Grayson County.

Sec. 8348.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8348.003. CONFIRMATION AND DIRECTORS’ 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. 8348.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8348.003 until 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.

Sec. 8348.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

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

Sec. 8348.006. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act creating this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act creating this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district’s:
(1) organization, existence, or validity;
(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;
(3) right to impose a tax; or
(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8348.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 8348.052, directors serve staggered four-year terms.

Sec. 8348.052. TEMPORARY DIRECTORS. (a) On or after September 1, 2009, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the Texas Commission on Environmental Quality requesting that the
commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 8348.003; or
(2) September 1, 2013.

(c) If permanent directors have not been elected under Section 8348.003 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 8348.003; or
(2) the fourth anniversary of the date of the appointment or reappointment.

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

[Sections 8348.053-8348.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8348.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8348.102. 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. 8348.103. 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. 8348.104. 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. 8348.105. COSTS OF ROAD PROJECT. The district shall bear the cost of maintaining, improving, operating, and repairing a road authorized by Section 8348.103 that is located in the district, regardless of whether the district conveys the road to this state, a county, or a municipality.

Sec. 8348.106. 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. 8348.107. LIMITATION ON USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain outside the district to acquire a site or easement for:

(1) a road project authorized by Section 8348.103; or
(2) a recreational facility as defined by Section 49.462, Water Code.

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Sec. 8348.108. LIMITATION ON ANNEXATION. The district may not annex land without the written consent by resolution or ordinance of each municipality in whose corporate limits or extraterritorial jurisdiction the land is located and the written consent of each water or sewer service provider that holds a certificate of public convenience and necessity and whose certified service area includes any part of the land.

Sec. 8348.109. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

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

(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act creating this chapter.

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

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 8348.003 to confirm the district’s creation.

(f) An order dividing the district shall:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint temporary directors for each new district; and

(4) provide for the division of assets and liabilities between or among the new districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a confirmation and directors’ election as required by Section 8348.003.

(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 8348.004 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

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

[Sections 8348.110–8348.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8348.151. 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 8348.153.

(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.

Sec. 8348.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8348.151, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.
(b) The board shall determine the tax rate. The rate may not exceed the rate approved at
the election.

Sec. 8348.153. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code,
the district may impose a tax other than an operation and maintenance tax and use the
revenue derived from the tax to make payments under a contract after the provisions of the
contract have been approved by a majority of the district voters voting at an election held for
that purpose.

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

[Sections 8348.154–8348.200 reserved for expansion]

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8348.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The
district may issue bonds or other obligations payable wholly or partly from ad valorem
taxes, impact fees, revenue, contract payments, grants, or other district money, or any
combination of those sources, to pay for any authorized district purpose.

Sec. 8348.202. TAXES FOR BONDS. At the time the district issues bonds payable
wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of
a continuing 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. 8348.203. 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 Brown's Ranch Municipal Utility District No. 1 of Grayson County
initially includes all the territory contained in the following area:

TRACT 1

BEING a tract of land located in the A.M. CROW SURVEY, ABSTRACT 291, W.H.
CROW SURVEY, ABSTRACT NO. 1539 and the W.H. CROW SURVEY, ABSTRACT NO.
309, Grayson County, Texas arid being part of a tract of land described in Deed to Marcus H.
Brown and wife, Emma Lee Brown, recorded in Volume 1481, Page 708, Deed Records,
Grayson County, Texas and all of a tract of land described in Deed to Marcus Brown,
recorded in Volume 2081, Page 657, Deed Records, Grayson County, Texas and all of a tract
of land described in Deed to Marcus H. Brown, recorded in Volume 2247, Page 744, Deed
Records, Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a railroad spike found at the intersection of the approximate centerline of
Wright Road with the approximate centerline of Enterprise Road, said point being the
Southeast corner of said Marcus H. Brown tract and the Northeast corner of a tract of land
described as Second Tract in Deed to H.M. Shytles, Jr. recorded in Volume 1966, Page 206,
Deed Records, Grayson County, Texas;

THENCE North 89 degrees 07 minutes 14 seconds West, a distance of
4,563.29 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set in the
North line of a tract of land described in Deed to Elizabeth Brown, recorded in Volume 2254,
Page 94, Deed Records, Grayson County, Texas at the Southeast corner of a tract of land
described in Deed to Patricia Ann Lawrence Sethaler, recorded in Volume 2467, Page 56,
Deed Records, Grayson County, Texas;

THENCE North 00 degrees 58 minutes 31 seconds East, a distance of 840.07 feet to a 1/2
inch iron rod with a yellow plastic cap stamped “DAA” set at the Northeast corner of said
Sethaler tract;

THENCE North 89 degrees 06 minutes 17 seconds West, a distance of
799.71 feet to a 3/4 inch iron rod found in the approximate centerline of Kusch Lane at the
Northwest corner of said Sethaler tract;
THENCE North 01 degrees 01 minutes 30 seconds East, along the approximate centerline of said Kusch Lane, a distance of 1,825.99 feet to a 1/2 inch iron rod found at the Northwest corner of said Marcus H. Brown and wife, Emma Lee Brown tract and the Southwest corner of a tract of land described in Deed to Madalene Carol Williams, recorded in Volume 2247, Page 732, Deed Records, Grayson County, Texas;

THENCE South 89 degrees 08 minutes 51 seconds East, a distance of 4,497.55 feet to a point in a pond at the Northwest corner of a tract of land described in Deed to Marcus Brown and wife, Emma Lee Brown, recorded in Volume 1193, Page 85, Deed Records, Grayson County, Texas;

THENCE South 00 degrees 40 minutes 39 seconds West, along the West line of said Marcus Brown and wife, Emma Lee Brown tract recorded in Volume 1193, Page 85, a distance of 450.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set at the Southwest corner of said Marcus Brown and wife, Emma Lee Brown tract recorded in Volume 1193, Page 85;

THENCE South 89 degrees 08 minutes 51 seconds East, along the South line of said Marcus Brown and wife, Emma Lee Brown tract recorded in Volume 1193, Page 85, a distance of 850.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set in said Enterprise Road at the Southeast corner of said Marcus Brown and wife, Emma Lee Brown tract recorded in Volume 1193, Page 85;

THENCE South 00 degrees 40 minutes 39 seconds West, a distance of 2,218.79 feet to the POINT OF BEGINNING and containing 303.755 acres of land, more or less.

TRACT 2

BEING a tract of land located in the I.N. WINDROW SURVEY, ABSTRACT NO. 1378, Grayson County, Texas and being part of a tract of land described in Deed to Madalene Carol Williams, recorded in Volume 2247, Page 732, Deed Records, Grayson County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found in the approximate centerline of Kusch Lane at the Southwest corner of said Williams tract and the Northwest corner of a tract of land described in Deed to Marcus H. Brown and wife, Emma Lee Brown, recorded in Volume 1481, Page 708, Deed Records, Grayson County, Texas;

THENCE North 00 degrees 56 minutes 29 seconds East, a distance of 1,680.18 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set at the intersection of the Southeasterly right-of-way line of M–K–T Railroad, a variable width right-of-way, with the Westerly line of said Williams tract, said point being at the beginning of a non-tangent curve to the left having a central angle of 07 degrees 17 minutes 31 seconds, a radius of 5,789.65 feet and a chord bearing and distance of North 46 degrees 26 minutes 26 seconds East, 736.85 feet;

THENCE Northeasterly, along said Southeasterly right-of-way line, the following three (3) courses and distances:

Northeasterly, along said curve to the left, an arc distance of 736.85 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set for corner;

North 46 degrees 52 minutes 08 seconds West, a distance of 10.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set at the beginning of a non-tangent curve to the left having a central angle of 05 degrees 50 minutes 28 seconds, a radius of 5,779.65 feet and a chord bearing and distance of North 39 degrees 52 minutes 25 seconds East, 588.97 feet;

Northeasterly, along said curve to the left, an arc distance of 588.97 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set at intersection of said Southeasterly right-of-way line with the North line of said Williams tract;

THENCE South 88 degrees 59 minutes 13 seconds East, leaving said Southeasterly right-of-way line and along the North line of said Williams tract, a distance of 883.12 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set at the Northeast corner of said Williams tract;
THENCE South 00 degrees 40 minutes 39 seconds West, along the East line of said Williams tract, a distance of 2657.33 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set in the North line of said Brown tract at the Southeast corner of said Williams tract;

THENCE North 89 degrees 08 minutes 51 seconds West, along the common line of said Williams tract and said Brown tract, a distance of 1783.26 feet to the POINT OF BEGINNING and containing 97.718 acres of land, more or less.

TRACT 3

BEING a tract of land located in the I.N. WINDROW SURVEY, ABSTRACT NO. 1378 and the CYRUS PALMER SURVEY, ABSTRACT NO. 982, Grayson County, Texas and being all of a tract of land described in Deed to Ron Acton, recorded in Volume 3726, Page 390, Deed Records, Grayson County, Texas and being more particularly described as follows:

BEGINNING at a PK nail found at the intersection of the approximate centerline of Quail Run Road with the approximate centerline of Enterprise Road, said point being the Northeast corner of said Acton tract and the Southeast corner of a tract of land described in Deed to The Veterans Land Board of The State of Texas, recorded in Volume 2248, Page 172, Deed Records, Grayson County, Texas;

THENCE South 00 degrees 40 minutes 39 seconds West, along the East line of said Acton tract, a distance of 2,647.35 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set at the Southeast corner of said Acton tract and the Northeast corner of a tract of land described in Deed to Marcus Brown and wife, Emma Lee Brown, recorded in Volume 1193, Page 85, Deed Records, Grayson County, Texas;

THENCE North 89 degrees 08 minutes 51 seconds West, leaving said East line, a distance of 3,564.29 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set in the North line of a tract of land described in Deed to Marcus H. Brown and wife, Emma Lee Brown, recorded in Volume 1481, Page 708, Deed Records, Grayson County, Texas, at the Southwest corner of said Acton tract;

THENCE North 00 degrees 40 minutes 39 seconds East, leaving the North line of said Brown tract, a distance of 2657.33 feet to a 1/2 inch iron rod with a yellow plastic cap stamped “DAA” set in the approximate centerline of said Quail Run Road at the Northwest corner of said Acton tract;

THENCE South 88 degrees 59 minutes 13 seconds East, along the approximate centerline of said Quail Run Road, a distance of 3564.33 feet to the POINT OF BEGINNING and containing 217.026 acres of land, more or less.

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

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

(c) The Texas Commission on Environmental Quality has filed 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. This Act takes effect September 1, 2009.

Passed by the House on May 12, 2009: Yeas 149, Nays 0, 1 present, not voting; passed by the Senate on May 27, 2009: Yeas 31, Nays 0.

Approved June 19, 2009.

Effective September 1, 2009.