

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 6. WATER AND WASTEWATER
SUBTITLE F. MUNICIPAL UTILITY DISTRICTS
CHAPTER 7919A. HIGH POINTE RANCH MUNICIPAL UTILITY DISTRICT NO. 1
OF DENTON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7919A.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Commission" means the Texas Commission on Environmental Quality.
- (3) "City" means the City of Aubrey, Texas.
- (4) "Director" means a board member.
- (5) "District" means the High Pointe Ranch Municipal Utility District No. 1 of Denton County.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section [59](#), Article XVI, Texas Constitution.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district as provided by Section [49.102](#), Water Code.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section [7919A.0103](#) 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. 4627), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0105. 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. 4627), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 4(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 4(b) of the Act enacting 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. 4627), Sec. 4(a), eff. March 31, 2022.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7919A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of

each even-numbered year.

(b) The governing body of the city, by a majority vote, shall appoint one member of the board.

(c) The commission shall appoint four members of the board in the manner provided by Section 7919A.0202.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. 4627), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0202. APPOINTMENT BY COMMISSION. (a) Before the term of a director appointed by the commission expires, the board shall recommend to the commission a person to serve as a successor director. The commission shall appoint as director the person recommended by the board.

(b) A person recommended by the board under Subsection (a) must be:

- (1) at least 18 years of age;
- (2) an owner of property in the district;
- (3) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district;
- (4) an owner of a beneficial interest in a trust that owns property in the district; or
- (5) an agent, employee, or tenant of a person described by Subdivision (2), (3), or (4).

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. 4627), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0203. VACANCY. (a) Except as provided by Subsection (b), if a vacancy occurs on the board, the remaining directors shall appoint a director for the remainder of the unexpired term.

(b) If a vacancy occurs in the position of the board member appointed by the city, the city shall appoint a director for the remainder of the unexpired term.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. 4627), Sec. 4(a), eff. March 31, 2022.

For expiration of this section, see Subsection (d).

Sec. 7919A.0204. INITIAL DIRECTORS. (a) The initial directors that will be replaced by appointment by the commission are as follows:

- (1) Clark Overlander;
- (2) Justin Morse;
- (3) Zach Stateson; and
- (4) Michelle Dobson.

(b) The initial director that will be replaced by appointment by the governing body of the city is Mark Kaiser.

(c) The initial directors shall determine by lot which two positions expire after two years, and which three positions expire after four years.

(d) This section expires March 31, 2026.
Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7919A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0306. 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 division of the district, and a new district has all the powers and duties of the district.

(c) A 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 4(b) of the Act enacting 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 [7919A.0103](#) 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 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 commission and record the order in the real property records of each county in which the district is located.

(h) A new district created by the division of the district shall hold a confirmation and directors' election as required by Section [7919A.0103](#). If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to the original district.

(i) If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

(j) A 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.

(k) Municipal consent to the creation of the district and to

the inclusion of land in the district granted under Section [7919A.0104](#) 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(c), eff. March 31, 2022.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7919A.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 [7919A.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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section [7919A.0401](#), 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0403. 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7919A.0501. 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.0502. 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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.

Sec. 7919A.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.

Added by Acts 2021, 87th Leg., R.S., Ch. 756 (H.B. [4627](#)), Sec. 4(a), eff. March 31, 2022.