

By: Howard

H.B. No. 3571

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the assumption of road utility district authority by  
3 the Fort Bend County Levee Improvement District No. 15, including  
4 the authority to impose taxes and issue bonds.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. DEFINITIONS. In this Act:

7 (1) "Board" means the board of directors of the  
8 district.

9 (2) "City" means the city of Sugar Land, Texas, or the  
10 city of Missouri City, Texas, depending on the location of the  
11 project.

12 (3) "District" means the Fort Bend County Levee  
13 Improvement District No. 15.

14 (4) "Project" means a project under Section 6 of this  
15 Act.

16 SECTION 2. AUTHORITY. The district is granted road utility  
17 district authority under Section 52(b)(3), Article III, Texas  
18 Constitution, and Chapter 441, Transportation Code, including the  
19 authority to repair and maintain streets and roadways in the  
20 district. In addition, the district has the powers under Section  
21 451.065, Transportation Code, of a metropolitan rapid transit  
22 authority confirmed before July 1, 1985, except that Subsection (d)  
23 of that section does not apply to the district.

24 SECTION 3. FINDING OF BENEFIT AND PUBLIC PURPOSE. (a) The

1 district is created to serve a public use and benefit.

2 (b) All of the land and other property included within the  
3 boundaries of the district will be benefited by the works and  
4 projects that are to be accomplished by the district under the  
5 powers conferred by Section 52, Article III, Texas Constitution.

6 SECTION 4. POWERS. (a) The district retains all the  
7 rights, powers, privileges, authority, duties, and functions that  
8 it had before the effective date of this Act.

9 (b) The district has all of the rights, powers, privileges,  
10 authority, duties, and functions, including the authority to impose  
11 taxes, conferred by the general law of this state, including  
12 Chapter 441, Transportation Code, applicable to road utility  
13 districts created under Section 52, Article III, Texas  
14 Constitution, to the extent those provisions can be made  
15 applicable.

16 SECTION 5. APPLICABILITY OF OTHER LAW. (a) If any  
17 provision of general law relating to road utility districts is in  
18 conflict or inconsistent with this Act or Chapter 49 or 57, Water  
19 Code, this Act and Chapters 49 and 57, Water Code, prevail.

20 (b) This Act prevails over any provision of general law that  
21 is in conflict or inconsistent with this Act, including any  
22 provision of Chapter 49 or 57, Water Code.

23 (c) Subchapters B, C, D, H, K, and L, Chapter 441,  
24 Transportation Code, do not apply to the district.

25 SECTION 6. PROJECTS. (a) The district may construct,  
26 acquire, improve, maintain, and operate macadamized, graveled, or  
27 paved roads and turnpikes or improvements in aid of those roads or

1 turnpikes, within the boundaries of the district, to the extent  
2 authorized by Section 52, Article III, Texas Constitution.

3 (b) The works, facilities, or improvements may include  
4 drainage or landscaping improvements and lights, signs, or signals  
5 that are incidental to those roads and turnpikes and their  
6 construction, maintenance, or operation.

7 (c) A project authorized by this section must meet all  
8 applicable construction standards, zoning and subdivision  
9 requirements, and regulatory ordinances of the city.

10 (d) On completion of any project authorized by this Act, the  
11 district, with the consent of the city, may convey that project to  
12 the city, provided the conveyance is free of all indebtedness of the  
13 district. If the city becomes the owner of a project, the city is  
14 responsible for all future maintenance and upkeep, and the district  
15 has no further responsibility for the project or its maintenance or  
16 upkeep.

17 SECTION 7. JOINT PROJECTS. (a) A district contract for a  
18 joint project with a state agency, political subdivision, or  
19 corporation created under Chapter 431, Transportation Code, may:

20 (1) provide for joint payment of the costs of the  
21 project; and

22 (2) require the state agency, political subdivision,  
23 or corporation to design, construct, or improve a project,  
24 including landscaping for the project, as provided by the contract.

25 (b) The district may issue bonds to pay all or part of the  
26 costs of the project and any other payments required under the  
27 contract.

1 SECTION 8. BONDS AND OTHER OBLIGATIONS. (a) The district  
2 may issue bonds, notes, and other obligations secured by revenues  
3 or contract payments from any lawful source other than ad valorem  
4 taxation without an election.

5 (b) The district may issue bonds, notes, and other  
6 obligations under Section 52(b)(3), Article III, Texas  
7 Constitution, secured in whole or in part by ad valorem taxation and  
8 impose ad valorem taxes to pay the principal of and interest on  
9 those obligations only if the issuance is approved by a two-thirds  
10 majority of the voters of the district voting at an election called  
11 and held for that purpose.

12 SECTION 9. MAINTENANCE TAX. The district may impose a  
13 maintenance tax in an amount not to exceed 25 cents on each \$100 of  
14 assessed valuation of property in the district to be used for any  
15 authorized purpose of the district if the authority to impose the  
16 tax is approved by a majority of the voters of the district voting  
17 at an election on that proposition.

18 SECTION 10. DISTRICT CONTRACTS. The district may make  
19 contracts in the same manner as a road utility district under  
20 Subchapter E, Chapter 441, Transportation Code, except that  
21 competitive bidding for a contract is governed by Section 49.273,  
22 Water Code.

23 SECTION 11. NONPROFIT CORPORATION. (a) The board by  
24 resolution may authorize the creation of a nonprofit corporation to  
25 assist and act on behalf of the district in implementing a project  
26 or providing a service authorized by this Act.

27 (b) The board shall appoint the board of directors of a

1 nonprofit corporation created under this section. The board of  
2 directors of the nonprofit corporation shall serve in the same  
3 manner as the board of directors of a local government corporation  
4 created under Chapter 431, Transportation Code.

5 (c) A nonprofit corporation created under this section has  
6 the powers of and is considered for purposes of this Act to be a  
7 local government corporation created under Chapter 431,  
8 Transportation Code.

9 (d) A nonprofit corporation created under this section may  
10 implement any project and provide any services authorized by this  
11 Act.

12 SECTION 12. SUIT AND JUDGMENT. (a) The district, through  
13 its board and in the name of the district, may sue and be sued in a  
14 state court. Process in a suit may be served on the presiding  
15 officer of the board.

16 (b) A state court shall take judicial notice of the creation  
17 of the board.

18 (c) A state court that renders a money judgment against the  
19 district may require the board to pay the judgment from money in the  
20 district depository that is not dedicated to the payment of  
21 district debt.

22 (d) If the voters of the district have specifically  
23 authorized the imposition of taxes for the payment of judgments,  
24 the court may issue a writ of mandamus to compel the district to  
25 impose the tax to pay the judgment immediately in a lump sum or over  
26 time in installments.

27 (e) A court may not require the board to pay a judgment

1 rendered on a breach of contract claim by a contractor if the  
2 district or a third party has paid the contractor the bid price of  
3 the contract plus any change orders approved by the board in  
4 writing.

5 SECTION 13. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS.

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

12 (b) The governor has submitted the notice and Act to the  
13 Texas Commission on Environmental Quality.

14 (c) The Texas Commission on Environmental Quality has filed  
15 its recommendations relating to this Act with the governor, the  
16 lieutenant governor, and the speaker of the house of  
17 representatives within the required time.

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

22 SECTION 14. This Act takes effect immediately if it  
23 receives a vote of two-thirds of all the members elected to each  
24 house, as provided by Section 39, Article III, Texas Constitution.  
25 If this Act does not receive the vote necessary for immediate  
26 effect, this Act takes effect September 1, 2003.