By: Brown of Kaufman H.B. No. 3621

Substitute the following for H.B. No. 3621:

By: Callegari C.S.H.B. No. 3621

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the creation, administration, powers, duties,
- 3 operation, and financing of the Kingsborough Municipal Utility
- 4 District No. 2 of Kaufman County.
- 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) "Commission" means the Texas Commission on
- 10 Environmental Quality.
- 11 (3) "District" means the Kingsborough Municipal
- 12 Utility District No. 2 of Kaufman County.
- 13 SECTION 2. CREATION. (a) A conservation and reclamation
- 14 district, to be known as the Kingsborough Municipal Utility
- 15 District No. 2 of Kaufman County, is created in Kaufman County,
- 16 subject to approval at a confirmation election under Section 13 of
- 17 this Act.
- 18 (b) The district is a governmental agency and a political
- 19 subdivision of this state.
- 20 SECTION 3. AUTHORITY FOR CREATION. The district is created
- 21 under and is essential to accomplish the purposes of Section 52,
- 22 Article III, and Section 59, Article XVI, Texas Constitution.
- 23 SECTION 4. FINDING OF BENEFIT AND PUBLIC PURPOSE. (a) The
- 24 district is created to serve a public use and benefit.

- 1 (b) All of the land and other property included within the
- 2 boundaries of the district will be benefited by the works and
- 3 projects that are to be accomplished by the district under powers
- 4 conferred by Section 52, Article III, and Section 59, Article XVI,
- 5 Texas Constitution.
- 6 SECTION 5. BOUNDARIES. The boundaries of the district are
- 7 as follows:
- 8 BEING all that certain lot, tract or parcel of land located in
- 9 the J. G. Moore Survey, Abstract No. 309, Kaufman County, Texas, and
- 10 being a portion of that certain tract of land described as Tract K31
- in the deed to West Foundation, according to the deed filed for
- 12 record in Volume 720, Page 860 of the Deed Records of Kaufman
- 13 County, Texas, and being more particularly described by metes and
- 14 bounds as follows:
- BEGINNING at the intersection of the Southwesterly boundary
- line of said Tract K31 and the Southeasterly right-of-way line of
- 17 Farm-Market 741 (a 90 foot wide right-of-way), said iron rod being
- in the center of County Road No. 269;
- 19 THENCE along the Southwesterly right-of-way line of said
- 20 Farm-Market 741 as follows:
- North 43 deg. 59 min. 38 sec. East, along the Southeasterly
- 22 right-of-way line of said Farm-Market 741, a distance of 2525.09
- 23 feet;
- North 44 deg. 20 min. 25 sec. East, a distance of 4582.54
- 25 feet, to the beginning of a curve to the left having a radius of
- 26 761.20 feet;
- 27 Along said curve to the left, through a central angle of 11

- C.S.H.B. No. 3621
- deg. 23 min. 36 sec., an arc length of 151.37 feet and having a long
- 2 chord which bears North 38 deg. 38 min. 37 sec. East, 151.12 feet;
- North 44 deg. 20 min. 25 sec. East, a distance of 463.83 feet,
- 4 to the beginning of a curve to the left having a radius of 127.30
- 5 feet;
- Along said curve to the left, through a central angle of 40
- 7 deg. 09 min. 07 sec., an arc length of 89.21 feet and having a long
- 8 chord which bears North 24 deg. 15 min. 15 min. East, 87.40 feet;
- 9 THENCE North 44 deg. 20 min. 24 sec. East, along the
- 10 Northwesterly line of said Tract K31, a distance of 14.48 feet, to a
- 11 point in County Road No. 260 (an undefined width right of way);
- 12 THENCE South 46 deg. 07 min. 54 sec. East, along said County
- 13 Road No. 260, a distance of 3434.03 feet;
- 14 THENCE South 44 deg. 14 min. 23 sec. West, departing said
- 15 County Road No. 260, a distance of 5193.79 feet, to the beginning of
- a non-tangent curve to the left having a radius of 2640.00 feet;
- 17 THENCE along said non-tangent curve to the left, through a
- central angle of 90 deg. 07 min. 01 sec., an arc length of 4152.29
- 19 feet, and having a long chord which bears South 89 deg. 10 min. 52
- 20 sec. West, 3737.33 feet, to a point in County Road No. 269 (an
- 21 undefined width right-of-way);
- THENCE North 45 deg. 52 min. 38 sec. West, along said County
- 23 Road No. 269, a distance of 747.41 feet to the POINT OF BEGINNING
- and containing 484.081 acres (21,086,547 square feet) of land.
- 25 SECTION 6. FINDINGS RELATING TO BOUNDARIES. The
- 26 legislature finds that the boundaries and field notes of the
- 27 district form a closure. If a mistake is made in the field notes or

- 1 in copying the field notes in the legislative process, the mistake
- 2 does not affect in any way:
- 3 (1) the organization, existence, or validity of the
- 4 district;
- 5 (2) the right of the district to impose taxes; or
- 6 (3) the legality or operation of the district or the
- 7 board.
- 8 SECTION 7. GENERAL POWERS. (a) Except as provided by
- 9 Subsection (b) of this section, the district has all of the rights,
- 10 powers, privileges, authority, functions, and duties provided by
- 11 the general law of this state, including Chapters 49 and 54, Water
- 12 Code, applicable to municipal utility districts created under
- 13 Section 59, Article XVI, Texas Constitution. This Act prevails
- 14 over any provision of general law that is in conflict or
- inconsistent with this Act.
- 16 (b) The district may not provide retail water service to an
- 17 area designated by ordinance or resolution of the governing body of
- 18 a municipality as within the water service area, extraterritorial
- 19 jurisdiction, or corporate limits of that municipality if the
- 20 municipality:
- 21 (1) has a population of less than 5,000; and
- 22 (2) has not given its express written consent.
- 23 SECTION 8. ADDITIONAL POWERS. (a) The district has the
- 24 additional rights, powers, privileges, authority, and functions
- 25 provided by this section.
- 26 (b) To the extent authorized by Section 52, Article III,
- 27 Texas Constitution, the district may provide for the construction,

- 1 maintenance, and operation inside or outside the boundaries of the
- 2 district of:
- 3 (1) paved roads and turnpikes; or
- 4 (2) works, facilities, or improvements related to the
- 5 roads and turnpikes.
- 6 SECTION 9. BONDS. (a) The district may issue bonds as
- 7 provided by Chapters 49 and 54, Water Code, and the general laws of
- 8 this state.
- 9 (b) The district may issue bonds, notes, or other
- 10 obligations of the district to finance construction, maintenance,
- and operation under Section 8 of this Act and may impose a tax to pay
- 12 the principal of or interest on bonds issued under this subsection.
- 13 (c) The district may not issue bonds under Subsection (b) of
- 14 this section unless the issuance is approved by a vote of a
- 15 two-thirds majority of the qualified voters of the district voting
- 16 at an election called for that purpose. Bonds, notes, or other
- obligations issued or incurred under Subsection (b) of this section
- 18 may not exceed one-fourth of the assessed value of the real property
- 19 in the district.
- 20 (d) Sections 49.181 and 49.182, Water Code, do not apply to
- 21 projects undertaken by the district under Section 8(b) of this Act
- or to bonds issued by the district under Subsection (b) of this
- 23 section.
- 24 SECTION 10. EMINENT DOMAIN. The district may exercise the
- 25 right of eminent domain, as provided by Section 49.222, Water Code,
- only within the boundaries of the district.
- 27 SECTION 11. BOARD OF DIRECTORS. (a) The district is

- 1 governed by a board of five directors.
- 2 (b) Temporary directors serve until initial directors are
- 3 elected under Section 13 of this Act.
- 4 (c) Initial directors serve until permanent directors are
- 5 elected under Section 14 of this Act.
- 6 (d) Permanent directors serve staggered four-year terms.
- 7 (e) Each director must qualify to serve as director in the 8 manner provided by Section 49.055, Water Code.
- 9 SECTION 12. APPOINTMENT OF TEMPORARY DIRECTORS. (a) On or
- 10 after the effective date of this Act, a person who owns land in the
- 11 district may submit a petition to the commission requesting that
- 12 the commission appoint as temporary directors the five persons
- 13 named in the petition.
- (b) Subject to Subsection (e) of this section, the
- 15 commission shall appoint as temporary directors the five persons
- 16 named in the first petition received by the commission.
- 17 (c) If a temporary director fails to qualify for office, the
- 18 commission shall appoint a person to fill the vacancy.
- 19 (d) As soon as practicable after all of the temporary
- 20 directors have qualified, the temporary directors shall meet and
- 21 elect officers from among their membership.
- (e) The commission may appoint temporary directors for a
- 23 district that is located wholly or in part within an area designated
- 24 by ordinance or resolution of the governing body of a municipality
- 25 with a population of less than 5,000 as the water service area,
- 26 extraterritorial jurisdiction, or corporate limits of that
- 27 municipality only if the municipality has given its express written

- 1 consent to the creation of the district. The municipality may give
- 2 its consent only on the execution of a written agreement between the
- 3 developer of the district and a school district affiliated with the
- 4 municipality providing that the district will:
- 5 (1) fund the construction of buildings and
- 6 improvements for the school district; and
- 7 (2) establish an educational fund for the school
- 8 district of an amount based on an annually determined transaction
- 9 fee on the sale and resale of any home within the district
- 10 boundaries for the duration of the existence of the district.
- 11 SECTION 13. CONFIRMATION AND INITIAL DIRECTORS ELECTION.
- 12 (a) Subject to Subsection (b) of this section, the temporary board
- 13 of directors shall call and hold an election to confirm
- 14 establishment of the district and to elect five initial directors
- in the manner provided by Chapter 49, Water Code.
- 16 (b) The temporary board of directors may call and hold an
- 17 election to confirm establishment of a district that is located
- 18 wholly or in part within an area designated by ordinance or
- 19 resolution of the governing body of a municipality with a
- 20 population of less than 5,000 as the water service area,
- 21 extraterritorial jurisdiction, or corporate limits of that
- 22 municipality only if the municipality has given its express written
- 23 consent to the creation of the district. The municipality may give
- 24 its consent only on the execution of a written agreement between the
- 25 developer of the district and a school district affiliated with the
- 26 municipality providing that the district will:
- 27 (1) fund the construction of buildings and

- 1 improvements for the school district; and
- 2 (2) establish an educational fund for the school
- 3 district of an amount based on an annually determined transaction
- 4 fee on the sale and resale of any home within the district
- 5 boundaries for the duration of the existence of the district.
- 6 SECTION 14. ELECTION OF DIRECTORS. The board shall call and
- 7 hold elections to elect permanent directors in the manner provided
- 8 by Chapter 49, Water Code.
- 9 SECTION 15. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS.
- 10 (a) The legal notice of the intention to introduce this Act,
- 11 setting forth the general substance of this Act, has been published
- 12 as provided by law, and the notice and a copy of this Act have been
- 13 furnished to all persons, agencies, officials, or entities to which
- 14 they are required to be furnished under Section 59, Article XVI,
- 15 Texas Constitution, and Chapter 313, Government Code.
- 16 (b) The governor has submitted the notice and Act to the
- 17 commission.
- 18 (c) The commission has filed its recommendations relating
- 19 to this Act with the governor, lieutenant governor, and speaker of
- 20 the house of representatives within the required time.
- 21 (d) All requirements of the constitution and laws of this
- 22 state and the rules and procedures of the legislature with respect
- 23 to the notice, introduction, and passage of this Act are fulfilled
- 24 and accomplished.
- 25 SECTION 16. EFFECTIVE DATE; EXPIRATION DATE. (a) This Act
- takes effect September 1, 2003.
- 27 (b) If the creation of the district is not confirmed at a

- 1 confirmation election held under Section 13 of this Act before
- 2 September 1, 2005, this Act expires on that date.