By: Stephenson H.B. No. 4660

## A BILL TO BE ENTITLED

| 1  | AN ACT   |
|----|--|
| 2  | relating to the creation of the Fort Bend County Municipal Utility |
| 3  | District No. 239; granting a limited power of eminent domain;      |
| 4  | providing authority to issue bonds; providing authority to impose  |
| 5  | assessments, fees, and taxes.                                      |
| 6  | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:            |
| 7  | SECTION 1. Subtitle F, Title 6, Special District Local Laws        |
| 8  | Code, is amended by adding Chapter 8080 to read as follows:        |
| 9  | CHAPTER 8080. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 239  |
| 10 | SUBCHAPTER A. GENERAL PROVISIONS                                   |
| 11 | Sec. 8080.0101. DEFINITIONS. In this chapter:                      |
| 12 | (1) "Board" means the district's board of directors.               |
| 13 | (2) "Commission" means the Texas Commission or                     |
| 14 | Environmental Quality.   |
| 15 | (3) "Director" means a board member.                               |
| 16 | (4) "District" means the Fort Bend County Municipal                |
| 17 | Utility District No. 239.  |
| 18 | Sec. 8080.0102. NATURE OF DISTRICT. The district is a              |
| 19 | municipal utility district created under Section 59, Article XVI,  |
| 20 | Texas Constitution.  |
| 21 | Sec. 8080.0103. CONFIRMATION AND DIRECTOR ELECTION                 |
| 22 | REQUIRED. The temporary directors shall hold an election to        |
| 23 | confirm the creation of the district and to elect five permanent   |
| 24 | directors as provided by Section 49.102, Water Code.               |

```
H.B. No. 4660
```

- Sec. 8080.0104. CONSENT OF MUNICIPALITY REQUIRED. The
  temporary directors may not hold an election under Section
- 3 8080.0103 until each municipality in whose corporate limits or
- 4 extraterritorial jurisdiction the district is located has
- 5 consented by ordinance or resolution to the creation of the
- 6 district and to the inclusion of land in the district.
- 7 Sec. 8080.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.
- 8 (a) The district is created to serve a public purpose and benefit.
- 9 (b) The district is created to accomplish the purposes of:
- 10 (1) a municipal utility district as provided by
- 11 general law and Section 59, Article XVI, Texas Constitution; and
- 12 (2) Section 52, Article III, Texas Constitution, that
- 13 relate to the construction, acquisition, improvement, operation,
- 14 or maintenance of macadamized, graveled, or paved roads, or
- 15 improvements, including storm drainage, in aid of those roads.
- Sec. 8080.0106. INITIAL DISTRICT TERRITORY. (a) The
- 17 district is initially composed of the territory described by
- 18 Section 2 of the Act enacting this chapter.
- 19 (b) The boundaries and field notes contained in Section 2 of
- 20 the Act enacting this chapter form a closure. A mistake made in the
- 21 field notes or in copying the field notes in the legislative process
- 22 does not affect the district's:
- 23 (1) organization, existence, or validity;
- 24 (2) right to issue any type of bond for the purposes
- 25 for which the district is created or to pay the principal of and
- 26 interest on a bond;
- 27 (3) right to impose a tax; or

| 1  | (4) legality or operation.                                      |
|----|---|
| 2  | SUBCHAPTER B. BOARD OF DIRECTORS                                |
| 3  | Sec. 8080.0201. GOVERNING BODY; TERMS. (a) The district is      |
| 4  | governed by a board of five elected directors.                  |
| 5  | (b) Except as provided by Section 8080.0202, directors          |
| 6  | serve staggered four-year terms.                                |
| 7  | Sec. 8080.0202. TEMPORARY DIRECTORS. (a) The temporary          |
| 8  | <pre>board consists of:</pre>                                   |
| 9  | (1) Laurence Doherty;   |
| 10 | (2) Lindsey Lee;  |
| 11 | (3) Ed Best;  |
| 12 | (4) Andrew Alvis; and   |
| 13 | (5) Caroline Duncan.  |
| 14 | (b) Temporary directors serve until the earlier of:             |
| 15 | (1) the date permanent directors are elected under              |
| 16 | <u>Section 8080.0103; or</u>                                    |
| 17 | (2) the fourth anniversary of the effective date of             |
| 18 | the Act enacting this chapter.                                  |
| 19 | (c) If permanent directors have not been elected under          |
| 20 | Section 8080.0103 and the terms of the temporary directors have |
| 21 | expired, successor temporary directors shall be appointed or    |
| 22 | reappointed as provided by Subsection (d) to serve terms that   |
| 23 | <pre>expire on the earlier of:</pre>                            |
| 24 | (1) the date permanent directors are elected under              |
| 25 | <u>Section 8080.0103; or</u>                                    |
| 26 | (2) the fourth anniversary of the date of the                   |
| 27 | appointment or reappointment.                                   |

- 1 (d) If Subsection (c) applies, the owner or owners of a
- 2 majority of the assessed value of the real property in the district
- 3 may submit a petition to the commission requesting that the
- 4 commission appoint as successor temporary directors the five
- 5 persons named in the petition. The commission shall appoint as
- 6 successor temporary directors the five persons named in the
- 7 petition.
- 8 SUBCHAPTER C. POWERS AND DUTIES
- 9 Sec. 8080.0301. GENERAL POWERS AND DUTIES. The district
- 10 has the powers and duties necessary to accomplish the purposes for
- 11 which the district is created.
- 12 Sec. 8080.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
- 13 DUTIES. The district has the powers and duties provided by the
- 14 general law of this state, including Chapters 49 and 54, Water Code,
- 15 applicable to municipal utility districts created under Section 59,
- 16 Article XVI, Texas Constitution.
- 17 Sec. 8080.0303. AUTHORITY FOR ROAD PROJECTS. Under Section
- 18 52, Article III, Texas Constitution, the district may design,
- 19 acquire, construct, finance, issue bonds for, improve, operate,
- 20 maintain, and convey to this state, a county, or a municipality for
- 21 operation and maintenance macadamized, graveled, or paved roads, or
- 22 improvements, including storm drainage, in aid of those roads.
- Sec. 8080.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
- 24 road project must meet all applicable construction standards,
- 25 zoning and subdivision requirements, and regulations of each
- 26 municipality in whose corporate limits or extraterritorial
- 27 jurisdiction the road project is located.

- 1 (b) If a road project is not located in the corporate limits
- 2 or extraterritorial jurisdiction of a municipality, the road
- 3 project must meet all applicable construction standards,
- 4 subdivision requirements, and regulations of each county in which
- 5 the road project is located.
- 6 (c) If the state will maintain and operate the road, the
- 7 Texas Transportation Commission must approve the plans and
- 8 specifications of the road project.
- 9 Sec. 8080.0305. COMPLIANCE WITH MUNICIPAL CONSENT
- 10 ORDINANCE OR RESOLUTION. The district shall comply with all
- 11 applicable requirements of any ordinance or resolution that is
- 12 adopted under Section 54.016 or 54.0165, Water Code, and that
- 13 consents to the creation of the district or to the inclusion of land
- 14 in the district.
- Sec. 8080.0306. DIVISION OF DISTRICT. (a) The district may
- 16 <u>be divided into two or more new districts only if the district:</u>
- 17 (1) has never issued any bonds; and
- 18 (2) is not imposing ad valorem taxes.
- 19 (b) This chapter applies to any new district created by
- 20 division of the district, and a new district has all the powers and
- 21 <u>duties of the district.</u>
- (c) A new district created by the division of the district
- 23 may not, at the time the new district is created, contain any land
- 24 outside the area described by Section 2 of the Act enacting this
- 25 chapter.
- 26 (d) The board, on its own motion or on receipt of a petition
- 27 signed by the owner or owners of a majority of the assessed value of

- 1 the real property in the district, may adopt an order dividing the
- 2 district.
- 3 (e) The board may adopt an order dividing the district
- 4 before or after the date the board holds an election under Section
- 5 8080.0103 to confirm the district's creation.
- 6 (f) An order dividing the district shall:
- 7 (1) name each new district;
- 8 (2) include the metes and bounds description of the
- 9 territory of each new district;
- 10 (3) appoint temporary directors for each new district;
- 11 and
- 12 (4) provide for the division of assets and liabilities
- 13 between the new districts.
- 14 (g) On or before the 30th day after the date of adoption of
- 15 an order dividing the district, the district shall file the order
- 16 with the commission and record the order in the real property
- 17 records of each county in which the district is located.
- 18 (h) A new district created by the division of the district
- 19 shall hold a confirmation and directors' election as required by
- 20 Section 8080.0103.
- 21 (i) If the creation of the new district is confirmed, the
- 22 new district shall provide the election date and results to the
- 23 commission.
- 24 (j) A new district created by the division of the district
- 25 must hold an election as required by this chapter to obtain voter
- 26 approval before the district may impose a maintenance tax or issue
- 27 bonds payable wholly or partly from ad valorem taxes.

- 1 (k) Municipal consent to the creation of the district and to
- 2 the inclusion of land in the district granted under Section
- 3 8080.0104 acts as municipal consent to the creation of any new
- 4 district created by the division of the district and to the
- 5 inclusion of land in the new district.
- 6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 7 Sec. 8080.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
- 8 The district may issue, without an election, bonds and other
- 9 obligations secured by:
- 10 (1) revenue other than ad valorem taxes; or
- 11 (2) contract payments described by Section 8080.0403.
- 12 (b) The district must hold an election in the manner
- 13 provided by Chapters 49 and 54, Water Code, to obtain voter approval
- 14 before the district may impose an ad valorem tax or issue bonds
- 15 payable from ad valorem taxes.
- 16 <u>(c) The district may not issue bonds payable from ad valorem</u>
- 17 taxes to finance a road project unless the issuance is approved by a
- 18 vote of a two-thirds majority of the district voters voting at an
- 19 election held for that purpose.
- Sec. 8080.0402. OPERATION AND MAINTENANCE TAX. (a) If
- 21 authorized at an election held under Section 8080.0401, the
- 22 district may impose an operation and maintenance tax on taxable
- 23 property in the district in accordance with Section 49.107, Water
- 24 Code.
- 25 (b) The board shall determine the tax rate. The rate may not
- 26 exceed the rate approved at the election.
- Sec. 8080.0403. CONTRACT TAXES. (a) In accordance with

- H.B. No. 4660
- 1 Section 49.108, Water Code, the district may impose a tax other than
- 2 an operation and maintenance tax and use the revenue derived from
- 3 the tax to make payments under a contract after the provisions of
- 4 the contract have been approved by a majority of the district voters
- 5 voting at an election held for that purpose.
- 6 (b) A contract approved by the district voters may contain a
- 7 provision stating that the contract may be modified or amended by
- 8 the board without further voter approval.
- 9 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS
- Sec. 8080.0501. AUTHORITY TO ISSUE BONDS AND OTHER
- 11 OBLIGATIONS. The district may issue bonds or other obligations
- 12 payable wholly or partly from ad valorem taxes, impact fees,
- 13 revenue, contract payments, grants, or other district money, or any
- 14 combination of those sources, to pay for any authorized district
- 15 purpose.
- Sec. 8080.0502. TAXES FOR BONDS. At the time the district
- 17 issues bonds payable wholly or partly from ad valorem taxes, the
- 18 board shall provide for the annual imposition of a continuing
- 19 direct ad valorem tax, without limit as to rate or amount, while all
- 20 or part of the bonds are outstanding as required and in the manner
- 21 provided by Sections 54.601 and 54.602, Water Code.
- Sec. 8080.0503. BONDS FOR ROAD PROJECTS. At the time of
- 23 issuance, the total principal amount of bonds or other obligations
- 24 issued or incurred to finance road projects and payable from ad
- 25 valorem taxes may not exceed one-fourth of the assessed value of the
- 26 real property in the district.
- 27 SECTION 2. The Fort Bend County Municipal Utility District

- H.B. No. 4660
- 1 No. 239 initially includes all the territory contained in the
- 2 following area:
- 3 A Field Note Description of the Mary D. Moore Estate
- 4 483.40+/- Acres of Land, being 1/2 of 966.80 Acres of Land, being
- 5 out of the original John Lewis Moore call 1001.69 Acre Tract
- 6 recorded in Volume 346, Page 290 of the Deed Records of Fort Bend
- 7 County, Texas, SAVE & EXCEPT the Todd Doucet call 3.00 Acre Tract
- 8 (FBC 2000094613) and Calvin B. Bowers call 8.469 Acres (FBC
- 9 2000094615), calculated 966.80 Acres to a line 150 feet Northeast
- 10 of and parallel to the centerline of Big Creek, and being in the
- 11 W.T. Austin League, Abstract No. 5, Fort Bend County, Texas.
- 12 For Connection Begin at the East corner of said W.T. Austin
- 13 League, Abstract No. 5; THENCE, North 45deg. West, along the
- 14 centerline of State Farm Market Road No. 762, 9038.4 feet to a
- 15 point; THENCE, North 37deg.59' 10" West, 233.5 feet along Ricefield
- 16 Road to an angle point; THENCE, North 45deg.02' West, 697.4 feet
- 17 along Ricefield Road to a point marking the East corner and place of
- 18 beginning for this tract; said corner also marking the East corner
- 19 of said original John Lewis Moore call 1001.69 Acre Tract and the
- 20 North corner of the Mary D. Moore Estate call 2020.64 Acre Tract
- 21 (Volume 346, Page 299; Deed Records);
- THENCE, South 44deg.58' West, along the Northwest line of
- 23 said Mary D. Moore Estate call 2020.64 Acre Tract, 5127.85 feet to a
- 24 point marking the South corner of this tract;
- THENCE, North 45deg.02' West, 4106.40 feet to a point marking
- 26 the West corner of this tract;
- THENCE, North 44deg.58' East, along the centerline of Big

H.B. No. 4660

- 1 Creek Road, 5127.85 feet to point marking the North corner of this
- 2 tract; said corner also marking the North corner of said W.T. Austin
- 3 League, Abstract No. 5 and of said call 1001.69 Acre Tract;
- 4 THENCE, South 45deg.02' East, along Ricefield Road, 4106.40
- 5 feet to the place of beginning and containing 483.40+/- Acres of
- 6 Land.
- 7 SECTION 3. (a) The legal notice of the intention to
- 8 introduce this Act, setting forth the general substance of this
- 9 Act, has been published as provided by law, and the notice and a
- 10 copy of this Act have been furnished to all persons, agencies,
- 11 officials, or entities to which they are required to be furnished
- 12 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
- 13 Government Code.
- 14 (b) The governor, one of the required recipients, has
- 15 submitted the notice and Act to the Texas Commission on
- 16 Environmental Quality.
- 17 (c) The Texas Commission on Environmental Quality has filed
- 18 its recommendations relating to this Act with the governor, the
- 19 lieutenant governor, and the speaker of the house of
- 20 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 4. (a) If this Act does not receive a two-thirds
- 26 vote of all the members elected to each house, Subchapter C, Chapter
- 27 8080, Special District Local Laws Code, as added by Section 1 of

H.B. No. 4660

- 1 this Act, is amended by adding Section 8080.0307 to read as follows:
- 2 Sec. 8080.0307. NO EMINENT DOMAIN POWER. The district may
- 3 not exercise the power of eminent domain.
- 4 (b) This section is not intended to be an expression of a
- 5 legislative interpretation of the requirements of Section 17(c),
- 6 Article I, Texas Constitution.
- 7 SECTION 5. This Act takes effect immediately if it receives
- 8 a vote of two-thirds of all the members elected to each house, as
- 9 provided by Section 39, Article III, Texas Constitution. If this
- 10 Act does not receive the vote necessary for immediate effect, this
- 11 Act takes effect September 1, 2019.