1-1 Zerwas (Senate Sponsor - Kolkhorst) H.B. No. 4675 By: 1-2 1-3 (In the Senate - Received from the House May 6, 2019; May 6, 2019, read first time and referred to Committee on Intergovernmental Relations; May 15, 2019, reported favorably by the following vote: Yeas 7, Nays 0; May 15, 2019, sent to printer.) 1-4 1-5 1-6 COMMITTEE VOTE 1-7 Yea Absent PNV Nav 1-8 Х Lucio Schwertner Х 1-9 1-10 1-11 Alvarado Χ Χ Campbell 1-12 Fallon Х 1-13 Menéndez Х 1-14 Х Nichols A BILL TO BE ENTITLED 1-15 1 - 16AN ACT relating to the creation of the Fort Bend County Municipal Utility District No. 222; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose 1-17 -1**-**18 1-19 1-20 assessments, fees, and taxes. 1-21 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 8076 to read as follows: 1-22 1**-**23 1-24 CHAPTER 8076. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 222 1-25 SUBCHAPTER A. GENERAL PROVISIONS 8076.0101. 1-26 DEFINITIONS. In this chapter: Sec. "Board" means the district's board of directors. 1-27 (1)"Commission" Texas 1-28 (2) the Commission means on Environmental Quality. 1-29 "Director" means a board member. "District" means the Fort Bend County Municipal 1-30 (3) 1-31 (4)Utility District No. 222. Sec. 8076.0102. NATURE OF DISTRICT. 1-32 1 - 33The district is а 1-34 municipal utility district created under Section 59, Article XVI, 1-35 Texas Constitution. 1-36 Sec. 8076.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent 1-37 1-38 directors as provided by Section 49.102, Water Code. 1-39 Sec. 8076.0104. CONSENT OF MUNICIPALITY REQUIRED. 1 - 40The temporary directors may not hol 8076.0103 until each municipality 1-41 hold an election under Section 8076.0103 until each municipality in whose corporate limit extraterritorial jurisdiction the district is located 1-42 limits or 1-43 has 1 - 44consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district. 1-45 1-46 Sec. 8076.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. 1-47 The district is created to serve a public purpose and benefit. (b) The district is created to accomplish the purposes of: (a) 1-48 1-49 (1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and 1-50 (2) Section 52, Article III, Texas Constitution, that 1-51 improvement, operation, d, or paved roads, or 1-52 relate to the construction, acquisition, improvement, or maintenance of macadamized, graveled, or paved 1-53 improvements, including storm drainage, in aid of those roads. 1-54 Sec. 8076.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by 1-55 1-56 Section 2 of the Act enacting this chapter. (b) The boundaries and field notes contained in Section 2 of 1-57 1-58 1-59 the Act enacting this chapter form a closure. A mistake made in the 1-60 field notes or in copying the field notes in the legislative process

1-61 does not affect the district's:

2-1	H.B. No. 4675 (1) organization, existence, or validity;
2-2	(2) right to issue any type of bond for the purposes
2-3	for which the district is created or to pay the principal of and
2 - 4 2 - 5	<u>interest on a bond;</u> (3) right to impose a tax; or
2-6	(4) legality or operation.
2-7	SUBCHAPTER B. BOARD OF DIRECTORS
2-8 2-9	Sec. 8076.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.
2-10	(b) Except as provided by Section 8076.0202, directors
2-11	serve staggered four-year terms.
2-12	Sec. 8076.0202. TEMPORARY DIRECTORS. (a) On or after the
2-13 2-14	effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the
2-15	district may submit a petition to the commission requesting that
2-16	the commission appoint as temporary directors the five persons
2 - 17 2 - 18	named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.
2-10	(b) Temporary directors serve until the earlier of:
2-20	(1) the date permanent directors are elected under
2-21	Section 8076.0103; or
2-22 2-23	(2) the fourth anniversary of the effective date of the Act enacting this chapter.
2-24	(c) If permanent directors have not been elected under
2-25	Section 8076.0103 and the terms of the temporary directors have
2 - 26 2 - 27	expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that
2-28	expire on the earlier of:
2-29	(1) the date permanent directors are elected under
2-30	Section 8076.0103; or (2) the fourth anniversary of the date of the
2-31 2-32	(2) the fourth anniversary of the date of the appointment or reappointment.
2-33	(d) If Subsection (c) applies, the owner or owners of a
2-34	majority of the assessed value of the real property in the district
2 - 35 2 - 36	may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five
2-37	persons named in the petition. The commission shall appoint as
2-38	successor temporary directors the five persons named in the
2-39 2-40	petition. SUBCHAPTER C. POWERS AND DUTIES
2-40	Sec. 8076.0301. GENERAL POWERS AND DUTIES. The district
2-42	has the powers and duties necessary to accomplish the purposes for
2-43 2-44	which the district is created.
2 - 44 2 - 45	Sec. 8076.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the
2-46	general law of this state, including Chapters 49 and 54, Water Code,
2-47	applicable to municipal utility districts created under Section 59,
2 - 48 2 - 49	Article XVI, Texas Constitution. Sec. 8076.0303. AUTHORITY FOR ROAD PROJECTS. Under Section
2-50	52, Article III, Texas Constitution, the district may design,
2-51	acquire, construct, finance, issue bonds for, improve, operate,
2 - 52 2 - 53	maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or
2-54	improvements, including storm drainage, in aid of those roads.
2-55	Sec. 8076.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
2-56	road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each
2 - 57 2 - 58	municipality in whose corporate limits or extraterritorial
2-59	jurisdiction the road project is located.
2-60	(b) If a road project is not located in the corporate limits
2-61 2-62	or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards,
2-63	subdivision requirements, and regulations of each county in which
2-64	the road project is located.
2 - 65 2 - 66	(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and
2-68 2 - 67	specifications of the road project.
2-68	Sec. 8076.0305. COMPLIANCE WITH MUNICIPAL CONSENT
2-69	ORDINANCE OR RESOLUTION. The district shall comply with all

	H.B. No. 4675
3-1	applicable requirements of any ordinance or resolution that is
3-2	adopted under Section 54.016 or 54.0165, Water Code, and that
3-3	consents to the creation of the district or to the inclusion of land
3 - 4 3 - 5	<u>in the district.</u> Sec. 8076.0306. DIVISION OF DISTRICT. (a) The district may
3-6	be divided into two or more new districts only if the district:
3-7	(1) has never issued any bonds; and
3-8	(2) is not imposing ad valorem taxes.
3-9	(b) This chapter applies to any new district created by
3-10 3-11	division of the district, and a new district has all the powers and duties of the district.
3-12	(c) A new district created by division of the district may
3-13	not, at the time the new district is created, contain any land
3-14	outside the area described by Section 2 of the Act enacting this
3-15 3-16	(d) The board, on its own motion or on receipt of a petition
3 - 16 3 - 17	(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
3-18	the real property in the district, may adopt an order dividing the
3-19	district.
3-20	(e) The board may adopt an order dividing the district
3-21 3-22	before or after the date the board holds an election under Section 8076.0103 to confirm the district's creation.
3-23	(f) An order dividing the district shall:
3-24	(1) name each new district;
3-25	(2) include the metes and bounds description of the
3-26	territory of each new district;
3-27 3-28	(3) appoint temporary directors for each new district; and
3-29	(4) provide for the division of assets and liabilities
3-30	between or among the new districts.
3-31	(g) On or before the 30th day after the date of adoption of
3-32 3-33	an order dividing the district, the district shall file the order with the commission and record the order in the real property
3 - 33	records of each county in which the district is located.
3-35	(h) A new district created by division of the district shall
3-36	hold a confirmation and directors' election as required by Section
3-37	<u>8076.0103.</u>
3-38 3-39	(i) If the creation of the new district is confirmed, the new district shall provide the election date and results to the
3-40	commission.
3-41	(j) A new district created by division of the district must
3-42	hold an election as required by this chapter to obtain voter
3 - 43 3 - 44	approval before the district may impose a maintenance tax or issue
3 - 44 3 - 45	bonds payable wholly or partly from ad valorem taxes. (k) Municipal consent to the creation of the district and to
3-46	the inclusion of land in the district granted under Section
3-47	8076.0104 acts as municipal consent to the creation of any new
3-48	district created by division of the district and to the inclusion of
3-49 3-50	land in the new district. SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
3-51	Sec. 8076.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
3-52	The district may issue, without an election, bonds and other
3-53	obligations secured by:
3 - 54 3 - 55	 (1) revenue other than ad valorem taxes; or (2) contract payments described by Section 8076.0403.
3-55	(b) The district must hold an election in the manner
3-57	provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-58	before the district may impose an ad valorem tax or issue bonds
3-59	payable from ad valorem taxes.
3-60 3-61	(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a
3-62	vote of a two-thirds majority of the district voters voting at an
3-63	election held for that purpose.
3-64	Sec. 8076.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-65 3-66	authorized at an election held under Section 8076.0401, the district may impose an operation and maintenance tax on taxable
3-66 3-67	property in the district in accordance with Section 49.107, Water
3-68	<u>Code.</u>
3-69	(b) The board shall determine the tax rate. The rate may not

H.B. No. 4675 exceed the rate approved at the election. 4-1 4-2 Section 49.108, Water Code, the district may impose a tax other than 4-3 4 - 4an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of 4-5 the contract have been approved by a majority of the district voters 4-6 voting at an election held for that purpose. 4-7 4-8 (b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by 4-9 4-10 4-11 the board without further voter approval. SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS 4-12 8076.0501. AUTHORITY TO ISSUE BONDS OTHER AND Sec The district may issue bonds or other obligations OBLIGATIONS. 4-13 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 4-14 4**-**15 4**-**16 4-17 <u>purpose</u>. <u>Sec. 8076.0502.</u> 4-18 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 4-19 4-20 4-21 4-22 provided by Sections 54.601 and 54.602, Water Code. 4-23 Sec. 8076.0503. 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 4-24 4-25 4**-**26 4-27 valorem taxes may not exceed one-fourth of the assessed value of the 4-28 real property in the district. 4-29 SECTION 2. The Fort Bend County Municipal Utility District 4-30 222 initially includes all the territory contained in the No. 4**-**31 following area: 4-32 BEING a 1,309.2 acre tract of land situated in the Micajah Autrey Survey, Abstract No. 100, the H. & T.C. R.R. Co. Survey, Section 75, Abstract No. 732, and the John J. Bond Survey, Abstract No. 113 of Fort Bend County, Texas and being a portion of a called 4-33 4-34 4-35 4-36 1,316.47 acre tract of land as described in an instrument to F, H, & 4-37 L 2012 Trust U/T/A, et. al. recorded under Fort Bend County Clerk's File Number (F.B.C.C.F. No.) 2012149037, said 1,309.2 acre tract of 4-38 4-39

land described by metes and bounds as follows: BEGINNING at a 1/2-inch iron pipe with cap stamped "KALKOMEY SURVEYING" found for the Southwest corner of the herein described 4-40 4-41 4-42 tract, lying in the South line of said John J. Bond Survey, same 4-43 being the common North line of the Rufus Wright Survey, Abstract 4 - 44No. 344 and a called 461.36 acre tract of land described as Tract 2 in an instrument to FF Texas Holdings LP recorded under F.B.C.C.F. No. 2013104491, lying on the East right-of-way line of Jordan Road 4-45 4-46 (80 feet wide) as recorded under Volume 398, Page 94 through 100 of 4-47 the Deed Records of Fort Bend County (D.R.F.B.C.), and bears N 87° 31'41" E, 39.79 feet from the common Southwest corner of said 1,316.47 acre tract and said John J. Bond Survey lying on the centerline of said Jordan Road and the East line of the Nathan 4-48 4-49 4-50 4-51 4-52 Brookshire League, Abstract No. 14;

4-53 THENCE, along and with the East right-of-way line of said 4-54

Jordan Road, the following courses and distance: N 02° 21' 18" W, a distance of 1,588.78 feet to a 1/2-inch pipe with cap stamped "BGE INC" for an angle point in the West line 4-55 4-56 4-57

of the herein described tract; N 02° 16' 07" W, continuing along the East right-of-way line of said Jordan Road for a total distance of 5,174.62 feet to a 4-58 4-59 1/2-inch pipe with cap stamped "BGE INC" for an angle point in the 4-60 4-61 West line of the herein described tract;

N 02° 30' 17" W, continuing along and with the East right-of-way line of said Jordan Road for a total distance of 1,757.92 feet to a 1/2-inch pipe with cap stamped "BGE INC" for the Northwest corner of the herein described tract from which the centerline of Jordan Road and the Northwest corner of said 1,316.47 4-62 4-63 4-64 4-65 4-66 4-67

acre tract bears S 87° 38' 20" W, 40.00 feet; THENCE, N 87° 38' 20" E, continuing along and with the North 4-68 line of said 1,316.47 acre tract for a total distance of 5,994.26 4-69

 $$\rm H.B.$ No. 4675 feet to a 2-inch pipe found for the common Northeast corner of said 5-1 5-2

1,316.47 acre tract and the herein described tract, THENCE, S 01° 59' 02'' E, along and with the common East line 5-3 5-4 of said 1,316.47 acre tract and said H. & T.C. R.R. Co. Survey, Section 75, A-732 for a total distance of 5,617.04 feet to a 1/2-inch iron pipe with cap stamped "BGE INC" for the common interior corner of said 1,316.47 acre tract, said Micajah Autrey 5-5 5-6 5-7 Survey, and the herein described tract; 5-8

THENCE, N 87° 50' 09" E, a distance of 2,143.64 feet along and with the common line of said 1,316.47 acre tract and said Micajah Autrey Survey, to a 1-1/2-inch iron pipe found for a common corner 5-9 5-10 5-11 of said 1,316.47 acre tract and the herein described tract; THENCE, S 02° 28' 42" E, along and with the East line of said 5-12

5-13 1,316.47 acre tract for a total distance of 2,879.51 feet to a 1-inch iron pipe found for the common Southeast corner of said 1,316.47 acre tract, said John J. Bond Survey, and the herein 5-14 5**-**15 5**-**16 5-17 described tract;

THENCE, S $87^\circ\;29'\;13"$ W, a distance of 2,539.09 feet along and 5-18 5-19 with the common South line of said 1,316.47 acre tract and said John J. Bond Survey to a found 5/8-inch iron rod; THENCE, S 87° 31' 41" W, a distance of 5,571.85 feet along and

5**-**20 5**-**21 5-22 with the common South line of said 1,316.47 acre tract and said John J. Bond Survey to the POINT OF BEGINNING and containing 1,309.2 5-23 5-24 acres of land.

Bearing orientation is based on the Texas Coordinate System of 1983 (NAD83), South Central Zone 4204 and is referenced to 5-25 5-26 monuments found along the perimeter of a called 1,316.47 acre tract 5-27 of land as cited herein and as shown on a survey plat of even date prepared by the undersigned in conjunction with this metes and 5-28 5-29 5-30 bounds description.

5-31 The legal notice of the intention to SECTION 3. (a) 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, 5-32 5-33 5-34 5-35 5-36 5-37 Government Code.

5-38 (b) The governor, one of the required recipients, has 5-39 the notice and Act to the submitted Texas Commission on 5-40 Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed 5-41 5-42 its recommendations relating to this Act with the governor, the 5-43 of the lieutenant governor, and the speaker house of 5-44 representatives within the required time.

5-45 All requirements of the constitution and laws of this (d) state and the rules and procedures of the legislature with respect 5-46 5-47 to the notice, introduction, and passage of this Act are fulfilled 5-48 and accomplished.

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 5-49 5-50 8076, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8076.0307 to read as follows: 5-51 5-52 5-53 Sec. 8076.0307. NO EMINENT DOMAIN POWER. The district may

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not exercise the power of eminent domain. (b) This section is not intended to be an expression of a 5-55 legislative interpretation of the requirements of Section 17(c), 5-56 5-57 Article I, Texas Constitution.

5-58 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 5-59 5-60 5-61 Act takes effect September 1, 2019. 5-62

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