By:  Gates (Senate Sponsor - Kolkhorst) H.B. No. 4616

(In the Senate - Received from the House May 17, 2021; May 17, 2021, read first time and referred to Committee on Local Government; May 22, 2021, reported favorably by the following vote: Yeas 7, Nays 0; May 22, 2021, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Bettencourt       X

Menéndez          X

Eckhardt                    X

Gutierrez                   X

Hall              X

Nichols           X

Paxton            X

Springer          X

Zaffirini         X

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Fort Bend County Municipal Utility District No. 246; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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 7996 to read as follows:

CHAPTER 7996. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 246

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7996.0101.  DEFINITIONS. In this chapter:

(1)  "Board" means the district's board of directors.

(2)  "Commission" means the Texas Commission on Environmental Quality.

(3)  "Director" means a board member.

(4)  "District" means the Fort Bend County Municipal Utility District No. 246.

Sec. 7996.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7996.0103.  CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7996.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7996.0103 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.

Sec. 7996.0105.  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.

Sec. 7996.0106.  INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b)  The boundaries and field notes contained in Section 2 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.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7996.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 7996.0202, directors serve staggered four-year terms.

Sec. 7996.0202.  TEMPORARY DIRECTORS. (a) The temporary board consists of:

(1)  Andrew Chang;

(2)  Lauren Sposato;

(3)  Brian Taton;

(4)  David Pereira; and

(5)  Jason Jacob.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 7996.0103; or

(2)  the fourth anniversary of the effective date of the Act enacting this chapter.

(c)  If permanent directors have not been elected under Section 7996.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1)  the date permanent directors are elected under Section 7996.0103; or

(2)  the fourth anniversary of the date of the appointment or reappointment.

(d)  If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7996.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7996.0302.  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.

Sec. 7996.0303.  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.

Sec. 7996.0304.  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.

Sec. 7996.0305.  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.

Sec. 7996.0306.  PUBLIC INFORMATION. (a) The district shall maintain an Internet website.

(b)  The board shall make available on the district's Internet website the information required under Section 26.18, Tax Code.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7996.0401.  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 7996.0403.

(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.

Sec. 7996.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7996.0401, 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.

Sec. 7996.0403.  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.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7996.0501.  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.

Sec. 7996.0502.  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.

Sec. 7996.0503.  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.

SECTION 2.  The Fort Bend County Municipal Utility District No. 246 initially includes all the territory contained in the following area:

A METES & BOUNDS description of a 167.7 acre tract of land in the John Foster 2-1/2 Leagues Grant, Abstract 26, Fort Bend County, Texas, being that certain called 166.17 acre tract recorded under County Clerk's File Number 9619091, Official Public Records, Fort Bend County, Texas, said called 166.17 acre tract being comprised of the residue of a called 190.109 acre tract recorded in Volume 493, Page 363, Deed Records, Fort Bend County, Texas, a called 1.95 acre tract recorded in Volume 495, Page 702, Deed Records, Fort Bend County, Texas, and the residue of a called 51.9 acre tract recorded in Volume 493, Page 395, Deed Records, Fort Bend County, Texas, with all bearings based upon the Texas Coordinate System of 1983, South Central Zone, based upon GPS observations.

Beginning at a 1/2 inch iron pipe with cap marked "BGE" found in the southwest right-of-way line of F. M. Highway 359 (called 100-feet wide) for the east corner of said called 166.17 acre tract, same being the north corner of an adjoining called 2.0870 acre tract recorded in Volume 2331, Page 261, Official Records, Fort Bend County, Texas, for the east corner and Place of Beginning of the herein described tract, said point being at the intersection of the southwest right-of-way line of F. M. Highway 359 and the northwest right-of-way line of Foster Creek Drive, and being in the southwest line of an adjoining called 0.246 acre tract in deed to the State of Texas recorded in Volume 433, Page 182, Deed Records, Fort Bend County, Texas;

Thence South 64 degrees 47 minutes 07 seconds West (called South 67 degrees 33 minutes 36 seconds West) along the southeast line of the herein described tract and said called 166.17 acre tract, same being the northwest line of said adjoining called 2.0870 acre tract, 394.22 feet (called 393.49 feet) to a 2-inch iron pipe found for angle point;

Thence South 64 degrees 12 minutes 08 seconds West (called South 66 degrees 57 minutes 54 seconds West) continuing along said line, 903.79 feet (called 903.21 feet) to a 1-inch iron pipe found for angle point, said point being a west corner of said adjoining called 2.0870 acre tract, same being the east corner of an adjoining called 4.7984 acre tract recorded under County Clerk's File Number 2020009817, Official Public Records, Fort Bend County, Texas;

Thence South 65 degrees 23 minutes 33 seconds West (called South 68 degrees 09 minutes 19 seconds West) along the southeast line of the herein described tract and said called 166.17 acre tract, same being the northwest line of said adjoining called 4.7984 acre tract, and the northwest line of the adjoining called 2.2476 acre tract (Tract 1) recorded under County Clerk's File Number 2019076157, Official Public Records, Fort Bend County, Texas, being the Northwest line of the adjoining Foster Creek Estates Section I (unrecorded), 1,323.90 feet (called 1,323.75 feet) to a 3/4 inch iron pipe found for a reentry corner to the herein described tract and said called 166.17 acre tract, same being the northwest corner of said adjoining called 2.2476 acre tract;

Thence South 00 degrees 32 minutes 24 seconds West (called South 03 degrees 18 minutes 10 seconds West) along the lower east line of the herein described tract and said called 166.17 acre tract, at 150.33 feet pass a 5/8 inch iron rod with cap marked "Jones | Carter Reference Point" set on said line, and continuing for a total distance of 200.33 feet (called 200.33 feet) to a point in the centerline of Jones Creek for the southmost corner of the herein described tract and said called 166.17 acre tract, said point being in the north line of the adjoining Foster Island Estates Subdivision, according to map or plat thereof recorded under County Clerk's File Number 20040121, Plat Records, Fort Bend County, Texas;

Thence along the common line of the herein described tract and said adjoining Foster Island Estates Subdivision, and an adjoining called 8.366 acre tract recorded under County Clerk's File Number 9896247, Official Public Records, Fort Bend County, Texas, the adjoining Karaugh II Subdivision, according to map or plat thereof recorded under Slide Number 1116-A, Plat Records, Fort Bend County, Texas, the adjoining Karaugh I Subdivision, according to map or plat thereof recorded under Slide Number 1492-B and 1493-A, Plat Records, Fort Bend County, Texas, an adjoining called 7.7856 acre tract recorded under County Clerk's File Number 2008003503, Official Public Records, Fort Bend County, Texas, being Lots 18, 19 and 20 of Bella Vista Subdivision (unrecorded), and an adjoining tract being called Lot 17 recorded under County Clerk's File Number 2003047705, Official Public Records, Fort Bend County, Texas, being the centerline of Jones Creek, with the following meanders:

North 87 degrees 04 minutes 35 seconds West, 289.67 feet;

North 85 degrees 29 minutes 43 seconds West, 251.76 feet;

North 84 degrees 40 minutes 36 seconds West, 342.97 feet;

North 86 degrees 50 minutes 56 seconds West, 62.39 feet;

North 74 degrees 35 minutes 50 seconds West, 55.93 feet;

North 66 degrees 11 minutes 06 seconds West, 29.61 feet;

North 54 degrees 10 minutes 40 seconds West, 153.83 feet;

North 40 degrees 09 minutes 54 seconds West, 134.38 feet;

North 27 degrees 37 minutes 35 seconds West, 181.25 feet;

North 19 degrees 58 minutes 36 seconds West, 88.57 feet;

North 07 degrees 20 minutes 02 seconds West, 72.18 feet;

North 01 degree 44 minutes 42 seconds West, 81.65 feet;

North 06 degrees 08 minutes 04 seconds East, 124.80 feet;

North 15 degrees 03 minutes 32 seconds East, 127.07 feet;

North 17 degrees 42 minutes 04 seconds East, 161.56 feet;

North 16 degrees 13 minutes 50 seconds East, 258.44 feet;

North 16 degrees 18 minutes 33 seconds East, 155.30 feet;

North 10 degrees 25 minutes 11 seconds East, 268.61 feet;

North 11 degrees 22 minutes 10 seconds East, 221.57 feet;

North 00 degrees 44 minutes 27 seconds West, 73.43 feet;

North 00 degrees 35 minutes 53 seconds West, 227.47 feet;

North 00 degrees 33 minutes 29 seconds West, 338.43 feet to a point for the northwest corner of the herein described tract and said called 166.17 acre tract, same being the southwest corner of an adjoining called 55.876 acre tract recorded under County Clerk's File Number 2019037877, Official Public Records, Fort Bend County, Texas, said point being in the east line of the aforementioned adjoining Lot 17;

Thence North 87 degrees 02 minutes 40 seconds East (called North 88 degrees 55 minutes 40 seconds East) along the north line of the herein described tract and said called 166.17 acre tract, same being the south line of said adjoining called 55.876 acre tract, the south line of an adjoining called 5.5428 acre tract, an adjoining called 1.419 acre tract, and an adjoining called 15.554 acre tract, all recorded under County Clerk's File Number 2019037877, Official Public Records, Fort Bend County, Texas, at 30.00 feet pass a 5/8 inch iron rod with cap marked "Jones | Carter Reference Point" set on said line, at 947.67 feet pass a 3/4 inch iron pipe found on said line for the southeast corner of said adjoining called 1.419 acre tract, same being the southwest corner of said adjoining called 50.554 acre tract, and continuing for a total distance of 1,455.77 feet (called 1,468.16 feet) to a 1/2 inch iron pipe with cap marked "BGE" found for angle point, said point being the southeast corner of said adjoining called 50.554 acre tract, same being the southwest corner of an adjoining called 26.623 acre tract recorded under County Clerk's File Number 2011089606, Official Public Records, Fort Bend County, Texas;

Thence North 78 degrees 42 minutes 14 seconds East (called North 80 degrees 38 minutes 40 seconds East) along the north line of the herein described tract and said called 166.17 acre tract, same being the south line of said adjoining called 26.623 acre tract, 94.16 feet (called 94.16 feet) to a 1/2 inch iron pipe with cap marked "BGE" found for angle point;

Thence North 85 degrees 27 minutes 59 seconds East (called North 87 degrees 21 minutes 10 seconds East) continuing along said line, 1,232.81 feet (called 1,232.98 feet) to a 1/2 inch iron pipe with cap marked "BGE" found for the northeast corner of the herein described tract and said called 166.17 acre tract, same being the southeast corner of said adjoining called 26.623 acre tract, and being in the southwest right-of-way line of F. M. Highway 359, being the southwest line of an adjoining called 0.084 acre tract in deed to the State of Texas recorded in Volume 433, Page 185, Deed Records, Fort Bend County, Texas;

Thence South 23 degrees 48 minutes 05 seconds East (adjoiner called South 22 degrees 09 minutes East) along the northeast line of the herein described tract and said called 166.17 acre tract, same being the southwest right-of-way line of F. M. Highway 359, 571.26 feet (adjoiner called 577.0 feet) to a concrete monument found for angle point;

Thence South 24 degrees 24 minutes 26 seconds East (adjoiner called South 22 degrees 47 minutes East) continuing along said line, at 84.92 feet pass a 1/2 inch iron rod found 1.36 feet left of said line, at 118.14 feet pass a 1/2 inch iron pipe with cap marked "BGE" found 0.98 feet right of said line, at 821.48 feet pass a concrete monument found on said line, and continuing for a total distance of 1,054.61 feet to the Place of Beginning and containing 167.7 acres of land, more or less.

SECTION 3.  (a) The legal notice of the intention to 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, Government Code.

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

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

(d)  All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled 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 7996, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7996.0307 to read as follows:

Sec. 7996.0307.  NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(b)  This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

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 Act takes effect September 1, 2021.

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