

AN ACT

relating to the creation of the Fort Bend County Municipal Utility District No. 262; 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 7973A to read as follows:

CHAPTER 7973A. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 262

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7973A.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. 262.

Sec. 7973A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7973A.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.

1 Sec. 7973A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section
3 7973A.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 as required by
7 applicable law.

8 Sec. 7973A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

9 (a) The district is created to serve a public purpose and benefit.

10 (b) The district is created to accomplish the purposes of:

11 (1) a municipal utility district as provided by
12 general law and Section 59, Article XVI, Texas Constitution; and

13 (2) Section 52, Article III, Texas Constitution, that
14 relate to the construction, acquisition, improvement, operation,
15 or maintenance of macadamized, graveled, or paved roads, or
16 improvements, including storm drainage, in aid of those roads.

17 Sec. 7973A.0106. INITIAL DISTRICT TERRITORY. (a) The
18 district is initially composed of the territory described by
19 Section 2 of the Act enacting this chapter.

20 (b) The boundaries and field notes contained in Section 2 of
21 the Act enacting this chapter form a closure. A mistake made in the
22 field notes or in copying the field notes in the legislative process
23 does not affect the district's:

24 (1) organization, existence, or validity;

25 (2) right to issue any type of bond for the purposes
26 for which the district is created or to pay the principal of and
27 interest on a bond;

1 (3) right to impose a tax; or

2 (4) legality or operation.

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 7973A.0201. GOVERNING BODY; TERMS. (a) The district
5 is governed by a board of five elected directors.

6 (b) Except as provided by Section 7973A.0202, directors
7 serve staggered four-year terms.

8 Sec. 7973A.0202. TEMPORARY DIRECTORS. (a) On or after the
9 effective date of the Act enacting this chapter, the owner or owners
10 of a majority of the assessed value of the real property 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. The commission shall appoint as temporary
14 directors the five persons named in the petition.

15 (b) Temporary directors serve until the earlier of:

16 (1) the date permanent directors are elected under
17 Section 7973A.0103; or

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

20 (c) If permanent directors have not been elected under
21 Section 7973A.0103 and the terms of the temporary directors have
22 expired, successor temporary directors shall be appointed or
23 reappointed as provided by Subsection (d) to serve terms that
24 expire on the earlier of:

25 (1) the date permanent directors are elected under
26 Section 7973A.0103; or

27 (2) the fourth anniversary of the date of the

1 appointment or reappointment.

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

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 7973A.0301. GENERAL POWERS AND DUTIES. The district
11 has the powers and duties necessary to accomplish the purposes for
12 which the district is created.

13 Sec. 7973A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
14 DUTIES. The district has the powers and duties provided by the
15 general law of this state, including Chapters 49 and 54, Water Code,
16 applicable to municipal utility districts created under Section 59,
17 Article XVI, Texas Constitution.

18 Sec. 7973A.0303. AUTHORITY FOR ROAD PROJECTS. Under
19 Section 52, Article III, Texas Constitution, the district may
20 design, acquire, construct, finance, issue bonds for, improve,
21 operate, maintain, and convey to this state, a county, or a
22 municipality for operation and maintenance macadamized, graveled,
23 or paved roads, or improvements, including storm drainage, in aid
24 of those roads.

25 Sec. 7973A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
26 road project must meet all applicable construction standards,
27 zoning and subdivision requirements, and regulations of each

1 municipality in whose corporate limits or extraterritorial
2 jurisdiction the road project is located.

3 (b) If a road project is not located in the corporate limits
4 or extraterritorial jurisdiction of a municipality, the road
5 project must meet all applicable construction standards,
6 subdivision requirements, and regulations of each county in which
7 the road project is located.

8 (c) If the state will maintain and operate the road, the
9 Texas Transportation Commission must approve the plans and
10 specifications of the road project.

11 Sec. 7973A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
12 ORDINANCE OR RESOLUTION. The district shall comply with all
13 applicable requirements of any ordinance or resolution that is
14 adopted under Section 54.016 or 54.0165, Water Code, and that
15 consents to the creation of the district or to the inclusion of land
16 in the district.

17 Sec. 7973A.0306. DIVISION OF DISTRICT. (a) The board, on
18 its own motion or on receipt of a petition signed by the owner or
19 owners of a majority of the assessed value of the real property in
20 the district, may adopt an order dividing the district.

21 (b) An order dividing a district may create one or more new
22 districts and may provide for the continuation of the district.

23 (c) An order dividing the district shall:

24 (1) name any new district;

25 (2) include the metes and bounds description of the
26 territory of each of the districts;

27 (3) appoint temporary directors for any new district;

1 and

2 (4) provide for the division of assets and liabilities
3 between the districts.

4 (d) The board may adopt an order dividing the district
5 before or after the date the board holds an election to confirm the
6 district's creation.

7 (e) The district may be divided only if the district:

8 (1) has never issued any bonds; and

9 (2) is not imposing ad valorem taxes.

10 (f) A new district created by the division of the district
11 may not, at the time the new district is created, contain any land
12 outside the area described by Section 2 of the Act enacting this
13 chapter.

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) This chapter applies to any new district created by the
19 division of the district, and a new district has all the powers and
20 duties of the district.

21 (i) A new district created by the division of the district
22 shall hold a confirmation and directors' election.

23 (j) If the creation of the new district is confirmed, the
24 new district shall provide the election date and results to the
25 commission.

26 (k) A new district created by the division of the district
27 must hold an election as required by this chapter to obtain voter

approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

(1) The district may continue to rely on confirmation, directors', bond, or tax elections held prior to the division.

(m) Municipal consent to the creation of the district and to the inclusion of land in the district acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7973A.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 7973A.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. 7973A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7973A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water

1 Code.

2 (b) The board shall determine the tax rate. The rate may not
3 exceed the rate approved at the election.

4 Sec. 7973A.0403. CONTRACT TAXES. (a) In accordance with
5 Section 49.108, Water Code, the district may impose a tax other than
6 an operation and maintenance tax and use the revenue derived from
7 the tax to make payments under a contract after the provisions of
8 the contract have been approved by a majority of the district voters
9 voting at an election held for that purpose.

10 (b) A contract approved by the district voters may contain a
11 provision stating that the contract may be modified or amended by
12 the board without further voter approval.

13 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

14 Sec. 7973A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
15 OBLIGATIONS. The district may issue bonds or other obligations
16 payable wholly or partly from ad valorem taxes, impact fees,
17 revenue, contract payments, grants, or other district money, or any
18 combination of those sources, to pay for any authorized district
19 purpose.

20 Sec. 7973A.0502. TAXES FOR BONDS. At the time the district
21 issues bonds payable wholly or partly from ad valorem taxes, the
22 board shall provide for the annual imposition of a continuing
23 direct ad valorem tax, without limit as to rate or amount, while all
24 or part of the bonds are outstanding as required and in the manner
25 provided by Sections 54.601 and 54.602, Water Code.

26 Sec. 7973A.0503. BONDS FOR ROAD PROJECTS. At the time of
27 issuance, the total principal amount of bonds or other obligations

1 issued or incurred to finance road projects and payable from ad
2 valorem taxes may not exceed one-fourth of the assessed value of the
3 real property in the district.

4 SECTION 2. Fort Bend County Municipal Utility District No.
5 262 initially includes all the territory contained in the following
6 area:

7 Being a 796.5 acre tract of land located in the Nancy Spencer
8 Survey, Abstract No. 88, Fort Bend County, Texas; said 796.5 acre
9 tract being a portion of a called 3,719.849 acre tract of land
10 (Tract 11) recorded in Clerk's File (C.F.) No. 9632563 of the
11 Official Public Records of Fort Bend County (O.P.R.F.B.C.); said
12 796.5 acre tract being more particularly described as follows (all
13 bearings are referenced to the Texas Coordinate System, North
14 American Datum 1983 (NAD 83), South Central Zone):

15 Beginning at the southwest corner of said 3,719.849 acre
16 tract, the southeast corner of a called 191.415 acre tract of land
17 recorded in the name of J.F.D. Moore Estate Heirs Partnership, LTD.
18 in Volume 2729, Page 2237 of the Deed Records of Fort Bend County
19 (D.R.F.B.C.) and being on the northeasterly right-of-way line of
20 the G. C. & S.F. Railroad (formerly B.B.B. & C. Railroad) (100 feet
21 wide);

22 1. Thence, with the westerly line of said 3,719.849 acre
23 tract, the easterly line of said 191.415 acre tract, and the
24 westerly line of a called 640 acre tract of land recorded in the
25 name of J.F.D. Moore Estate Heirs Partnership, Ltd. in said Volume
26 2729, Page 2237, North 02 degrees 49 minutes 03 seconds West, a
27 distance of 2,329.33 feet;

1 Thence, across said 3,719.849 acre tract, the following three
2 (3) courses:

3 2. 5,835.67 feet along the arc of a curve to the right, said
4 curve having a central angle of 63 degrees 19 minutes 32 seconds, a
5 radius of 5,280.00 feet and a chord that bears North 76 degrees 18
6 minutes 17 seconds East, a distance of 5,543.15 feet;

7 3. South 73 degrees 24 minutes 35 seconds East, a distance
8 of 140.77 feet;

9 4. South 76 degrees 00 minutes 11 seconds East, a distance
10 of 2,189.13 feet to the westerly high bank of the Brazos River;

11 Thence, generally with said westerly high bank of the Brazos
12 River, the following four (4) courses:

13 5. South 49 degrees 01 minutes 22 seconds East, a distance
14 of 169.55 feet;

15 6. South 51 degrees 38 minutes 53 seconds East, a distance
16 of 192.18 feet;

17 7. South 57 degrees 20 minutes 38 seconds East, a distance
18 of 148.58 feet;

19 8. South 60 degrees 24 minutes 29 seconds East, a distance
20 of 144.73 feet to the westerly line of a called 22.3 acre tract of
21 land (Tract 4) recorded in the name of Moore Homeplace, LLC. in C.F.
22 No. 2016144508 of the O.P.R.F.B.C.;

23 Thence, with the westerly line of said 22.3 acre tract, the
24 following three (3) courses:

25 9. South 56 degrees 01 minutes 27 seconds West, a distance
26 of 256.42 feet to a found fence post;

27 10. South 20 degrees 00 minutes 37 seconds West, a distance

1 of 501.91 feet to a found fence post;

2 11. South 23 degrees 59 minutes 06 seconds East, a distance
3 of 1,044.89 feet to a bent 1-inch iron pipe found at the most
4 southerly corner of said 22.3 acre tract and being on the easterly
5 line of aforesaid 3,719.849 acre tract and the westerly line of a
6 called 759.300 acre tract of land (Tract 1) recorded in the name of
7 Moore Homeplace, LLC. in aforesaid C.F. No. 2016144508 of the
8 O.P.R.F.B.C.;

9 12. Thence, with the easterly line of said 3,719.849 acre
10 tract and the westerly line of said 759.300 acre tract, South 21
11 degrees 16 minutes 35 seconds West, a distance of 2,722.61 feet to a
12 bent 3/4-inch iron bar found at the southeast corner of said
13 3,719.849 acre tract and the southwest corner of said 759.300 acre
14 tract, and being on the northerly line of a called 103.6 acre tract
15 of land (Tract 2) recorded in the name of Moore Homeplace, LLC. in
16 aforesaid C.F. No. 2016144508 of the O.P.R.F.B.C.;

17 13. Thence, with the southerly line of said 3,719.849 acre
18 tract and the northerly line of said 103.6 acre tract, South 87
19 degrees 46 minutes 26 seconds West, at a distance of 1,702.70 feet
20 pass the northwest corner of said 103.6 acre tract and continuing a
21 total distance of 2,041.60 feet to a 5/8-inch iron rod with
22 "RPLS4505" cap found on the northerly right-of-way line of
23 aforesaid G.C. & S.F. Railroad;

24 Thence, with the southerly line of said 3,719.849 acre tract
25 and the northerly right-of-way line of said railroad, the following
26 three (3) courses:

27 14. North 75 degrees 38 minutes 06 seconds West, a distance

1 of 346.54 feet;

2 15. North 75 degrees 55 minutes 06 seconds West, a distance
3 of 400.00 feet;

4 16. North 73 degrees 10 minutes 06 seconds West, a distance
5 of 4,543.03 feet to the Point of Beginning and containing 796.5
6 acres of 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 7973A, Special District Local Laws Code, as added by Section 1 of

1 this Act, is amended by adding Section 7973A.0307 to read as
2 follows:

3 Sec. 7973A.0307. NO EMINENT DOMAIN POWER. The district may
4 not exercise the power of eminent domain.

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

8 SECTION 5. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 5329 was passed by the House on May 2, 2023, by the following vote: Yeas 115, Nays 29, 3 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 5329 was passed by the Senate on May 17, 2023, by the following vote: Yeas 27, Nays 4.

Secretary of the Senate

APPROVED: _____

Date

Governor