1-1 By: Thompson of Brazoria
H.B. No. 1962

1-2 (Senate Sponsor - Taylor of Galveston)
1-3 (In the Senate - Received from the House May 1, 2017; 1-4 May 2, 2017, read first time and referred to committee on 1-5 Administration; May 2, 2017, reported favorably by the following 1-6 vote: Yeas 6, Nays 0; May 2, 2017, sent to printer.)

## COMMITTEE VOTE

|  | Yea | Nay | Absent |
| :--- | :---: | :---: | :---: | PNV | Kolkhorst | X |  |
| :--- | :--- | :--- |
| Burton | X |  |
| Huffines | X |  |
| Hughes | X |  |
| Nichols |  |  |
| West | X | X |
| Zaffirini | X |  |

## A BILL TO BE ENTITLED AN ACT

relating to the creation of the Brazoria County Municipal Utility District No. 69; 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 7970 to read as follows:

CHAPTER 7970. BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 69 SUBCHAPTER A. GENERAL PROVISIONS
Sec. 7970.001. 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 Brazoria County Municipal Utility District No. 69.

Sec. 7970.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7970.003. CONFIRMATION AND DIRECTORS' 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. 7970.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7970.003 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. 7970.005. 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. 7970.006. 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

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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. 7970.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.
(b) Except as provided by Section 7970.052 , directors serve staggered four-year terms.

Sec. 7970.052. TEMPORARY DIRECTORS. (a) On or after the 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 district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.
(b) Temporary directors serve until the earlier of:
(1) the date permanent directors are elected under Section 7970.003; 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 7970.003 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 7970.003; 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. 7970.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7970.102. 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. 7970.103. 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. 7970.104. 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. 7970.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
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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.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
Sec. 7970.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(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 tofinance 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. 7970.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7970.151, 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. 7970.153. 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. 7970.201. 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. 7970.202. 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. 7970.203. 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 Brazoria County Municipal Utility District No. 69 initially includes all the territory contained in the following area:

TRACT ONE
Being a tract of land containing 158.478 acres $(6,903,334$ square feet), located within the C.W. Groos Survey, Abstract-525 in Brazoria County, Texas; Said 158.478 acre tract being a portion of a called 160 acre tract recorded in the name of Richard Rogers in Volume 103, Page 371 of the Brazoria County Deed Records (B.C.D.R.) and all of a called 13.655 acre tract recorded in the name of H.L.\& P. Co. in Volume 1149, Page 240 of the B.C.D.R.; Said 158.478 acre tract being more particularly described by metes and bounds as follows (Bearings are based on the Texas Coordinate System of 1983, South Central Zone per GPS observations):

Beginning at a 5/8-inch iron rod found at the southwest corner of a called 40.0000 acre tract of land recorded in the name of Prabhakar Rao Draksharam in Brazoria County Clerk's File Number

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(B.C.C.F. No.) 2007030107, same being on the north line of a called 151.44 acre tract recorded in the name of C.W. Way in Volume 272, Page 103 of the B.C.D.R., for the southeast corner of said 160 acre tract and the herein described tract, said iron rod being on the Right-Of-Way (R.O.W.) line of County Road 128 ( 30 foot easement reserved along the north line in Volume 124, Page 477 of the B.C.D.R., no easement reserved along the south line of said 160 acre tract found);

Thence, with the north line of said 151.44 acre tract and the south line of said 160 acre tract and said 13.655 acre tract, South 87 degrees 19 minutes 22 seconds West, a distance of 2634.42 feet to a $5 / 8$-inch iron rod with a Miller Survey Group (MSG) cap set at an angle point in said 151.44 acre tract, for the southwest corner of said 160 acre tract and the herein described tract;

Thence, with the upper east line of said 151.44 acre tract, the east line of a called 138.83 acre tract of land recorded in the name of Margurite Massey Smith Charitable Remainder Trust, U.A. in B.C.C.F. No. 2010013347, same being the west line of said 160 acre tract, North 02 degrees 36 minutes 15 seconds West, at a distance of 1389.29 feet pass a $5 / 8$-inch iron rod found at the southeast corner of said 138.83 acre tract, same being the upper northeast corner of said 151.44 acre tract, and continue in all a total distance of 2634.99 feet to a 5/8-inch iron rod with a MSG cap set for the northwest corner of said 160 acre tract and the herein described tract;

Thence, with the north line of said 160 acre tract, said 13.655 acre tract and the south line of a called 80 acre tract recorded in the name of Georgeanne and William Reeves in B.C.C.F. No. 99026030, the south line of a called 247.91 acre tract recorded in the name of RMJ Miller Real Estate Holdings, Ltd. in B.C.C.F. No. 2002020349, and the south lines of a called 0.8902 acre tract of land recorded in the name of the City of Pearland in B.C.C.F. No. 2009045975, the following three (3) courses:

1. North 87 degrees 17 minutes 52 seconds East, at a distance of 12.2 feet pass a railroad rail in concrete found at the called southwest corner of said 80 acre tract, from which a found 1-inch iron pipe bears South 76 degrees 10 minutes East, a distance of 30.8 feet, and at a distance of 1320.06 feet pass a 3/4-inch iron pipe found at the southeast corner of said 80 acre tract and continue in all a total distance of 2227.43 feet to a 5/8-inch iron rod with a MSG cap set at the northwest corner of said 0.8902 acre tract, for the westerly northeast corner of the herein described tract;
2. South 51 degrees 39 minutes 45 seconds East, a distance of 165.85 feet to a $5 / 8$-inch iron rod with a CL Davis cap found at the southwest corner of said 0.8902 acre tract, for an angle point in the north line of the herein described tract;
3. North 87 degrees 18 minutes 49 seconds East, a distance of 279.87 feet to a 5/8-inch iron rod with a CL Davis cap found the southeast corner of said 0.8902 acre tract, same being on the lower west line of said 247.91 acre tract, and being on the east line of said 160 acre tract, for the easterly northeast corner of the herein described tract;

Thence, with the lower west line of said 247.91 acre tract, the west line of said 40.0000 acre tract and the east line of said 160 acre tract; South 02 degrees 38 minutes 46 seconds East, at a distance of 1207.41 feet pass a concrete monument found at a southwest corner of said 247.91 acre tract, same being the northwest corner of said 40.0000 acre tract, and continue in all a total distance of 2527.16 feet to the Point of Beginning and containing 158.478 acres of land.

TRACT TWO
Being a tract of land containing 212.174 acres $(9,242,293$ square feet), located within the H. Stevens Survey, Abstract-593 in Brazoria County, Texas; Said 212.174 acre tract being a portion of a called 138.83 acre tract recorded in the name of Margurite Massey Smith Charitable Remainder Trust U.A. in Brazoria County Clerk's File Number (B.C.C.F. No.) 2010013347, all of a called 5.00 acre tract of land recorded in the name of William Stephen Summers and

5-1 wife, Lois Winifrede Smith Summers in Volume (V.) 1318, Page 9 (P.)
5-2 700 of the Brazoria County Deed Records (B.C.D.R.), all of a called
5-3 5.00 acre tract of land recorded in the name of Lois Winifrede
5-4 Summers in V. 1775, P. 250 of the B.C.D.R., a portion of a called
5-5 5.00 acre tract of land recorded in the name of Lois Winifrede
5-6 Summers in V. 1775, P. 248 of the B.C.D.R., all of a called 10.55
5-7 acre tract of land recorded in the name of Lois Smith Summers in
5-8 B.C.C.F. No. 2013052681, a portion of a called 4.45 acre tract of
5-9 land recorded in the name of Lois Smith Summers in B.C.C.F. 5-10 No. 2013052682, and all of a called 45.00 acre tract of land
5-11 recorded in the name of Lois Smith Summers in B.C.C.F.
$5-12$ No. 2013052682; Said 212.174 acre tract being more particularly
5-13 described by metes and bounds as follows (Bearings are based on the
5-14 Texas Coordinate System of 1983, South Central Zone per GPS
5-15 observations):
Beginning at a 1-inch ion pipe found at the northwest corner
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5-18 of a called 151.44 acre tract recorded in the name of C.W. Way in
Volume 272, Page 103 of the Brazoria County Deed Records, same being on the east line of a Lot 44 of the Allison-Richey Gulf Coast Home
5-20 Co. Part of Suburban Gardens, a subdivision plat of record in Volume
5-21 2, Page 89 of the Brazoria County Plat Records (B.C.P.R.), said Lot
5-22 44, recorded in the name of Plains Exploration \& Production
5-23 Company, L.P. in B.C.C.F. No. 02-033007, for the southwest corner
5-24 of said 138.83 acre tract and the herein described tract;
Thence, with the east line of Lots 44 thru 42 all recorded in
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5-27 said B.C.C.F. No. 02-03307, the east line of Lots 41 and 40 being recorded in the name of Jimmy Brown in B.C.C.F. No. 1998020191, the
5-28 east line of Lot 39 recorded in said B.C.C.F. No. 02-033007, the
5-29 east line of Lot 38 recorded in the name of Danny 0 . Waldon in
5-30 B.C.C.F. No. 96-0254867, the east line of Lot 37 recorded in the
5-31 name of International Victory Christian Church in B.C.C.F.
5-32 No. 2015007219, same being the west line of said 138.83 acre tract,
5-33 North 02 degrees 36 minutes 15 seconds West, at a distance of
5-34 2905.73 feet pass a found railroad spike at the northeast corner of
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5-65 said Lot 39 , and at a distance of 3862.37 feet pass a 5/8-inch iron rod with a Miller Survey Group (MSG) cap set on the occupied south Right-Of-Way (R.O.W.) line of McKeever Road (County Road 100 width varies, monumented at 62.7 feet, north 20 feet per Volume 2, Page 89, B.C.P.R.), and continue in all a total distance of 3897.23 feet to a "P-K" nail set in asphalt pavement for the northwest corner of said 138.83 acre tract and the herein described tract;

Thence, with the north line of said 138.83 acre tract, said 10.55 acre tract, said 5.00 acre tract (V. 1775, P. 248) and said 4.45 acre tract, North 87 degrees 21 minutes 45 seconds East, a distance of 2384.30 feet to a "P-K" nail set in asphalt pavement at the northeast corner of said 4.45 acre tract, for the northeast corner of the herein described tract;

Thence, with the east line of said 4.45 acre tract, South 02 degrees 36 minutes 15 seconds East, at a distance of 32.55 feet pass a $5 / 8$-inch iron rod with a Miller Survey Group (MSG) cap set on the occupied south R.O.W. line of said McKeever Road, at a distance of 41.87 feet pass a $5 / 8$-inch iron rod found, and continue in all a total distance of 246.27 feet to a $5 / 8$-inch iron rod with a cap found on the northeast line of a called 1.1852 acre tract of land recorded in the name of the City of Pearland, Texas in B.C.C.F. No. 2011044376, from which a 5/8-inch iron rod with a CL Davis cap found bears South 51 degrees 41 minutes 48 seconds East, a distance of 12.55 feet;

Thence, with the lines of said 1.1852 acre tract, the following four (4) courses:

1. North 51 degrees 41 minutes 48 seconds West, a distance of 262.16 feet to a $5 / 8$-inch iron rod with a cap found at an angle point;
2. South 87 degrees 18 minutes 40 seconds West, a distance of 49.92 feet to a 5/8-inch iron rod with a cap found at an angle point;
3. South 38 degrees 18 minutes 12 seconds West, a

5-69 distance of 107.26 feet to a 5/8-inch iron rod with a cap found at an angle point; 4. South 51 degrees 41 minutes 48 seconds East, a distance of 421.14 feet to a $5 / 8$-inch iron rod with a cap found on the east line of said 4.45 acre tract, from which a $5 / 8$-inch iron rod with a CL Davis cap found bears South 51 degrees 41 minutes 48 seconds East, a distance of 12.84 feet;

Thence, with the east line of said 4.45 acre tract and the east line of said 138.83 acre tract, South 02 degrees 36 minutes 15 seconds East, a distance of 3465.72 feet to a 5/8-inch iron rod found at the northeast corner of said 151.44 acre tract, for the southeast corner of said 138.83 acre tract and the herein described tract;

Thence, with the line north line of said 151.44 acre tract and the south line of said 138.83 acre tract and said 45.00 acre tract, South 87 degrees 21 minutes 45 seconds West, a distance of 2384.30 feet to the Point of Beginning and containing 212.174 acre of land.

Save and except the following 0.1697 acre tract:
Being a tract of land containing 0.1697 acres $(7,394$ square feet), located in the H. Stevens Survey, Abstract-593 in Brazoria County, Texas; Said 0.1697 acre tract being all of a called 0.1319 acre tract of land recorded in the name of the City of Pearland, Texas in B.C.C.F. No. 2011044376 and all of a called 0.0378 acre tract of land recorded in the name of the City of Pearland, Texas in B.C.C.F. No. 2011044379; Said 0.1697 acre tract being more particularly described by metes and bounds as follows (Bearings are based on the Texas Coordinate System of 1983, South Central Zone per GPS observations):

Commencing at a 5/8-inch iron rod found at the northeasterly corner of a called 1.1852 acre tract recorded in the name of the City of Pearland, Texas in B.C.C.F. No. 2011044376;

Thence, through and across a called 4.45 acre tract recorded in the name of Lois Smith Summers in B.C.C.F. No. 2013052682, North 51 degrees 41 minutes 48 seconds West, a distance of 18.29 feet to a 5/8-inch iron rod with a MSG cap set at the southeast corner of said 0.1319 acre tract for the southeast corner of and Point of Beginning of the herein described tract;

Thence, with the south line of said 0.1319 acre tract and 0.0378 acre tract, South 87 degrees 18 minutes 47 seconds West, a distance of 263.76 feet to a 5/8-inch iron rod found at the southwest corner of said 0.0378 acre tract, for the southwest corner of the herein described tract;

Thence, with the west line of said 0.0378 acre tract, North 02 degrees 41 minutes 13 seconds West, a distance of 30.00 feet to a 5/8-inch iron rod with a MSG cap set at the northwest corner of said 0.0378 acre tract, for the northwest corner of the herein described tract;

Thence, with the north line of said 0.0378 acre tract and 0.1319 acre tract, North 87 degrees 18 minutes 47 seconds East, a distance of 229.23 feet to a $5 / 8$-inch iron rod with a MSG cap set at the northeast corner of said 0.1319 acre tract, for the northeast corner of the herein described tract;

Thence, with the easterly line of said 0.1319 acre tract, South 51 degrees 41 minutes 48 seconds East, a distance of 45.74 feet to the Point of Beginning and containing 0.1697 acres of land.

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

7-1 to the notice, introduction, and passage of this Act are fulfilled 7-2 and accomplished.

SECTION 4. (a) If this Act does not receive a two-thirds

7-15 Act does not receive the vote necessary for immediate effect, this
7-16 Act takes effect September 1, 2017. vote of all the members elected to each house, Subchapter C, Chapter 7970, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7970.106 to read as follows:

Sec. 7970.106. 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

