

1-1 By: Stephenson, et al. (Senate Sponsor - Huffman) H.B. No. 4639
1-2 (In the Senate - Received from the House April 29, 2019;
1-3 April 30, 2019, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 16, 2019, reported favorably by
1-5 the following vote: Yeas 7, Nays 0; May 16, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to the creation of the Fort Bend County Municipal Utility
1-18 District No. 237; granting a limited power of eminent domain;
1-19 providing authority to issue bonds; providing authority to impose
1-20 assessments, fees, and taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws
1-23 Code, is amended by adding Chapter 8063 to read as follows:

1-24 CHAPTER 8063. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 237

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8063.0101. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "Commission" means the Texas Commission on
1-29 Environmental Quality.

1-30 (3) "Director" means a board member.

1-31 (4) "District" means the Fort Bend County Municipal
1-32 Utility District No. 237.

1-33 Sec. 8063.0102. NATURE OF DISTRICT. The district is a
1-34 municipal utility district created under Section 59, Article XVI,
1-35 Texas Constitution.

1-36 Sec. 8063.0103. CONFIRMATION AND DIRECTOR ELECTION
1-37 REQUIRED. The temporary directors shall hold an election to
1-38 confirm the creation of the district and to elect five permanent
1-39 directors as provided by Section 49.102, Water Code.

1-40 Sec. 8063.0104. CONSENT OF MUNICIPALITY REQUIRED. The
1-41 temporary directors may not hold an election under Section
1-42 8063.0103 or 8063.0401, issue bonds, or incur any debt until each
1-43 municipality in whose corporate limits or extraterritorial
1-44 jurisdiction the district is located has consented by ordinance or
1-45 resolution to the creation of the district and to the inclusion of
1-46 land in the district.

1-47 Sec. 8063.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-48 (a) The district is created to serve a public purpose and benefit.

1-49 (b) The district is created to accomplish the purposes of:

1-50 (1) a municipal utility district as provided by
1-51 general law and Section 59, Article XVI, Texas Constitution; and

1-52 (2) Section 52, Article III, Texas Constitution, that
1-53 relate to the construction, acquisition, improvement, operation,
1-54 or maintenance of macadamized, graveled, or paved roads, or
1-55 improvements, including storm drainage, in aid of those roads.

1-56 Sec. 8063.0106. INITIAL DISTRICT TERRITORY. (a) The
1-57 district is initially composed of the territory described by
1-58 Section 2 of the Act enacting this chapter.

1-59 (b) The boundaries and field notes contained in Section 2 of
1-60 the Act enacting this chapter form a closure. A mistake made in the
1-61 field notes or in copying the field notes in the legislative process

2-1 does not affect the district's:
 2-2 (1) organization, existence, or validity;
 2-3 (2) right to issue any type of bond for the purposes
 2-4 for which the district is created or to pay the principal of and
 2-5 interest on a bond;
 2-6 (3) right to impose a tax; or
 2-7 (4) legality or operation.

2-8 SUBCHAPTER B. BOARD OF DIRECTORS

2-9 Sec. 8063.0201. GOVERNING BODY; TERMS. (a) The district is
 2-10 governed by a board of five elected directors.

2-11 (b) Except as provided by Section 8063.0202, directors
 2-12 serve staggered four-year terms.

2-13 Sec. 8063.0202. TEMPORARY DIRECTORS. (a) On or after the
 2-14 effective date of the Act enacting this chapter, the owner or owners
 2-15 of a majority of the assessed value of the real property in the
 2-16 district may submit a petition to the commission requesting that
 2-17 the commission appoint as temporary directors the five persons
 2-18 named in the petition. The commission shall appoint as temporary
 2-19 directors the five persons named in the petition.

2-20 (b) Temporary directors serve until the earlier of:

2-21 (1) the date permanent directors are elected under
 2-22 Section 8063.0103; or

2-23 (2) the fourth anniversary of the effective date of
 2-24 the Act enacting this chapter.

2-25 (c) If permanent directors have not been elected under
 2-26 Section 8063.0103 and the terms of the temporary directors have
 2-27 expired, successor temporary directors shall be appointed or
 2-28 reappointed as provided by Subsection (d) to serve terms that
 2-29 expire on the earlier of:

2-30 (1) the date permanent directors are elected under
 2-31 Section 8063.0103; or

2-32 (2) the fourth anniversary of the date of the
 2-33 appointment or reappointment.

2-34 (d) If Subsection (c) applies, the owner or owners of a
 2-35 majority of the assessed value of the real property in the district
 2-36 may submit a petition to the commission requesting that the
 2-37 commission appoint as successor temporary directors the five
 2-38 persons named in the petition. The commission shall appoint as
 2-39 successor temporary directors the five persons named in the
 2-40 petition.

2-41 SUBCHAPTER C. POWERS AND DUTIES

2-42 Sec. 8063.0301. GENERAL POWERS AND DUTIES. The district
 2-43 has the powers and duties necessary to accomplish the purposes for
 2-44 which the district is created.

2-45 Sec. 8063.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-46 DUTIES. The district has the powers and duties provided by the
 2-47 general law of this state, including Chapters 49 and 54, Water Code,
 2-48 applicable to municipal utility districts created under Section 59,
 2-49 Article XVI, Texas Constitution.

2-50 Sec. 8063.0303. AUTHORITY FOR ROAD PROJECTS. Under Section
 2-51 52, Article III, Texas Constitution, the district may design,
 2-52 acquire, construct, finance, issue bonds for, improve, operate,
 2-53 maintain, and convey to this state, a county, or a municipality for
 2-54 operation and maintenance macadamized, graveled, or paved roads, or
 2-55 improvements, including storm drainage, in aid of those roads.

2-56 Sec. 8063.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-57 road project must meet all applicable construction standards,
 2-58 zoning and subdivision requirements, and regulations of each
 2-59 municipality in whose corporate limits or extraterritorial
 2-60 jurisdiction the road project is located.

2-61 (b) If a road project is not located in the corporate limits
 2-62 or extraterritorial jurisdiction of a municipality, the road
 2-63 project must meet all applicable construction standards,
 2-64 subdivision requirements, and regulations of each county in which
 2-65 the road project is located.

2-66 (c) If the state will maintain and operate the road, the
 2-67 Texas Transportation Commission must approve the plans and
 2-68 specifications of the road project.

2-69 Sec. 8063.0305. COMPLIANCE WITH MUNICIPAL CONSENT

3-1 ORDINANCE OR RESOLUTION. The district shall comply with all
3-2 applicable requirements of any ordinance or resolution that is
3-3 adopted under Section 54.016 or 54.0165, Water Code, and that
3-4 consents to the creation of the district or to the inclusion of land
3-5 in the district.

3-6 Sec. 8063.0306. DIVISION OF DISTRICT. (a) The district may
3-7 be divided into two or more new districts only if the district:

3-8 (1) has no outstanding bonded debt; and

3-9 (2) is not imposing ad valorem taxes.

3-10 (b) This chapter applies to any new district created by the
3-11 division of the district, and a new district has all the powers and
3-12 duties of the district.

3-13 (c) Any new district created by the division of the district
3-14 may not, at the time the new district is created, contain any land
3-15 outside the area described by Section 2 of the Act enacting this
3-16 chapter.

3-17 (d) The board, on its own motion or on receipt of a petition
3-18 signed by the owner or owners of a majority of the assessed value of
3-19 the real property in the district, may adopt an order dividing the
3-20 district.

3-21 (e) The board may adopt an order dividing the district
3-22 before or after the date the board holds an election under Section
3-23 8063.0103 to confirm the creation of the district.

3-24 (f) An order dividing the district shall:

3-25 (1) name each new district;

3-26 (2) include the metes and bounds description of the
3-27 territory of each new district;

3-28 (3) appoint temporary directors for each new district;

3-29 and

3-30 (4) provide for the division of assets and liabilities
3-31 between or among the new districts.

3-32 (g) On or before the 30th day after the date of adoption of
3-33 an order dividing the district, the district shall file the order
3-34 with the commission and record the order in the real property
3-35 records of each county in which the district is located.

3-36 (h) Any new district created by the division of the district
3-37 shall hold a confirmation and directors' election as required by
3-38 Section 8063.0103.

3-39 (i) If the creation of the new district is confirmed, the
3-40 new district shall provide the election date and results to the
3-41 commission.

3-42 (j) Any new district created by the division of the district
3-43 must hold an election as required by this chapter to obtain voter
3-44 approval before the district may impose a maintenance tax or issue
3-45 bonds payable wholly or partly from ad valorem taxes.

3-46 (k) Municipal consent to the creation of the district and to
3-47 the inclusion of land in the district granted under Section
3-48 8063.0104 acts as municipal consent to the creation of any new
3-49 district created by the division of the district and to the
3-50 inclusion of land in the new district.

3-51 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-52 Sec. 8063.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
3-53 The district may issue, without an election, bonds and other
3-54 obligations secured by:

3-55 (1) revenue other than ad valorem taxes; or

3-56 (2) contract payments described by Section 8063.0403.

3-57 (b) The district must hold an election in the manner
3-58 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-59 before the district may impose an ad valorem tax or issue bonds
3-60 payable from ad valorem taxes.

3-61 (c) The district may not issue bonds payable from ad valorem
3-62 taxes to finance a road project unless the issuance is approved by a
3-63 vote of a two-thirds majority of the district voters voting at an
3-64 election held for that purpose.

3-65 Sec. 8063.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-66 authorized at an election held under Section 8063.0401, the
3-67 district may impose an operation and maintenance tax on taxable
3-68 property in the district in accordance with Section 49.107, Water
3-69 Code.

4-1 (b) The board shall determine the tax rate. The rate may not
 4-2 exceed the rate approved at the election.

4-3 Sec. 8063.0403. CONTRACT TAXES. (a) In accordance with
 4-4 Section 49.108, Water Code, the district may impose a tax other than
 4-5 an operation and maintenance tax and use the revenue derived from
 4-6 the tax to make payments under a contract after the provisions of
 4-7 the contract have been approved by a majority of the district voters
 4-8 voting at an election held for that purpose.

4-9 (b) A contract approved by the district voters may contain a
 4-10 provision stating that the contract may be modified or amended by
 4-11 the board without further voter approval.

4-12 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-13 Sec. 8063.0501. AUTHORITY TO ISSUE BONDS AND OTHER
 4-14 OBLIGATIONS. The district may issue bonds or other obligations
 4-15 payable wholly or partly from ad valorem taxes, impact fees,
 4-16 revenue, contract payments, grants, or other district money, or any
 4-17 combination of those sources, to pay for any authorized district
 4-18 purpose.

4-19 Sec. 8063.0502. TAXES FOR BONDS. At the time the district
 4-20 issues bonds payable wholly or partly from ad valorem taxes, the
 4-21 board shall provide for the annual imposition of a continuing
 4-22 direct ad valorem tax, without limit as to rate or amount, while all
 4-23 or part of the bonds are outstanding as required and in the manner
 4-24 provided by Sections 54.601 and 54.602, Water Code.

4-25 Sec. 8063.0503. BONDS FOR ROAD PROJECTS. At the time of
 4-26 issuance, the total principal amount of bonds or other obligations
 4-27 issued or incurred to finance road projects and payable from ad
 4-28 valorem taxes may not exceed one-fourth of the assessed value of the
 4-29 real property in the district.

4-30 SECTION 2. The Fort Bend County Municipal Utility District
 4-31 No. 237 initially includes all the territory contained in the
 4-32 following area:

4-33 Being an approximate 2,555.5 acres located in the Abraham D.
 4-34 Kelker Survey, Abstract 273, the M. M. Ryon Survey, Abstract 368,
 4-35 the William Byrne Survey, Abstract 112, and the Henry Wilcox
 4-36 Survey, Abstract 342, and located in extraterritorial jurisdiction
 4-37 of the Town of Thompsons, Fort Bend County, Texas, more
 4-38 particularly described by metes and bounds as follows, (all
 4-39 bearings referenced to the Texas Coordinate System, South Central
 4-40 Zone, NAD83):

4-41 TRACT 1

4-42 BEGINNING at the north or northwest corner of the M. M. Ryon
 4-43 Survey, Abstract 380, said corner being an interior corner on the
 4-44 south line of the M. M. Ryon Survey, Abstract 368;

4-45 Thence, South 42° 11' 26" West, along the northwesterly line
 4-46 of the M. M. Ryon Survey, Abstract 380, 1,372.63 feet more or less
 4-47 to a point for a westerly southwest corner of said M. M. Ryon
 4-48 Survey, Abstract 368, same being the northeast corner of the
 4-49 Michael Young League, Abstract 99, Fort Bend County, Texas;

4-50 Thence, North 47° 55' 18" West, departing the northwesterly
 4-51 line of said M. M. Ryon Survey, Abstract 380 and along the
 4-52 northeasterly line of said Michael Young League and along the
 4-53 southwesterly line of said M. M. Ryon Survey, Abstract 368, at
 4-54 594.00 feet more or less pass the common south corner of said M. M.
 4-55 Ryon Survey, Abstract 368 and said William Byrne Survey, continuing
 4-56 along the northeasterly line of said Michael Young League and along
 4-57 the southwesterly line of said William Byrne Survey, at 5,130.00
 4-58 feet more or less pass the common south corner of said William Byrne
 4-59 Survey and the aforementioned Henry Wilcox Survey, continuing along
 4-60 the northeasterly line of said Michael Young League and along the
 4-61 southwesterly line of said Henry Wilcox Survey, in all a total of
 4-62 14,246.76 feet more or less to a point for the common west corner of
 4-63 said Henry Wilcox Survey and said Michael Young League, said point
 4-64 being on the southeasterly line of the E. P. Everett Survey,
 4-65 Abstract 387, Fort Bend County, Texas;

4-66 Thence, North 42° 00' 43" East, along the northwesterly line
 4-67 of said Henry Wilcox Survey and the southeasterly line of said E. P.
 4-68 Everett Survey, 1,416.67 feet more or less to a point for the common
 4-69 north corner of said Henry Wilcox Survey and said S. B. Pentecost

5-1 Survey, said point being on the southwesterly line of the Wiley
5-2 Martin League, Abstract 56, Fort Bend County, Texas;
5-3 Thence, South 67° 54' 35" East, along the southwesterly line
5-4 of the Wiley Martin League and the northeasterly line of said Henry
5-5 Wilcox Survey, 9,702.78 feet more or less to a point for the
5-6 northeast corner of said Henry Wilcox Survey, said point being the
5-7 northwest corner of the Peter Teal Survey, Abstract 337, Fort Bend
5-8 County, Texas;
5-9 Thence, South 42° 04' 42" West, along the southeasterly line
5-10 of said Henry Wilcox Survey and the northwesterly line of the Peter
5-11 Teal Survey, 1,661.11 feet more or less to a point for the common
5-12 west corner of said Peter Teal Survey and the aforementioned
5-13 William Byrne Survey;
5-14 Thence, South 47° 55' 18" East, along the northeasterly line
5-15 of said William Byrne Survey and the southwesterly line of said
5-16 Peter Teal Survey, 4,536.11 feet more or less to a point for the
5-17 common east corner said Peter Teal Survey and said William Byrne
5-18 Survey, said point being on the northwesterly line of the
5-19 aforementioned M. M. Ryon Survey, Abstract 368;
5-20 Thence, North 42° 04' 42" East, along the northeasterly line
5-21 of said M. M. Ryon Survey, Abstract 368 and the southwesterly line
5-22 of said Peter Teal Survey, 3,389.92 feet more or less to a point for
5-23 corner in the centerline of a farm road;
5-24 Thence, South 25° 06' 53" West, along the centerline of a farm
5-25 road, 843.77 feet more or less to a point for corner;
5-26 Thence, South 67° 30' 40" East, 2,249.84 feet more or less to a
5-27 point for corner on the west right-of-way line of State Farm to
5-28 Market Road No. 762 (called 80 feet wide);
5-29 Thence, South 22° 25' 03" West, along west right-of-way line
5-30 of said State Farm to Market Road No. 762, 5,356.02 feet more or
5-31 less to a point for corner on the northeasterly line of the
5-32 aforementioned M. M. Ryon Survey, Abstract 380 and the
5-33 southwesterly line of said M. M. Ryon Survey, Abstract 368;
5-34 Thence, North 47° 48' 34" West, along the northeasterly line
5-35 of said M. M. Ryon Survey, Abstract 380 and the southwesterly line
5-36 of said M. M. Ryon Survey, Abstract 368, 3,571.19 feet more or less
5-37 to the POINT OF BEGINNING and containing 1,339.9 acres of land more
5-38 or less.

5-39 TRACT 2
5-40 BEGINNING at a point for the northwest corner of that certain
5-41 called 95.392 acre tract (referred to as Parcel PS09-C03) conveyed
5-42 to Texas Genco Holdings, Inc by an instrument of record in File
5-43 Number 2002094433, F.B.C.O.P.R., said Texas Genco Holdings, Inc
5-44 formerly known as NRG Texas, LP by certificate of Merger dated March
5-45 15, 2006 and filed for record under File Number 2006042648,
5-46 F.B.C.O.P.R., and now known as NRG Texas Power LLC by certificate of
5-47 Merger dated June 28, 2007 and filed for record under File Number
5-48 2007089660, F.B.C.O.P.R., said point being on the southerly
5-49 right-of-way line of Smithers Lake Road (Width varies);
5-50 Thence, South 36° 10' 27" West, along the west line of said
5-51 95.392 acre tract, 73.99 feet more or less to a point for corner;
5-52 Thence, South 53° 49' 32" East, along a southwesterly line of
5-53 said 95.392 acre tract, 2,501.52 feet more or less to a point for
5-54 corner;
5-55 Thence, South 53° 49' 45" East, continuing along a
5-56 southwesterly line of said 95.392 acre tract, 10.54 feet more or
5-57 less to a point for corner on the easterly line of the
5-58 aforementioned Abraham D. Kelker Survey, same being the westerly
5-59 line of the H. A. Alsbury Survey, Abstract 102, Fort Bend County,
5-60 Texas;
5-61 Thence, South 22° 26' 59" West, along the easterly line of
5-62 said Abraham D. Kelker Survey and the westerly line of said H. A.
5-63 Alsbury Survey, 5,076.45 feet more or less to a point for the south
5-64 corner of said Abraham D. Kelker Survey and said H. A. Alsbury
5-65 Survey, said point being on the northerly line of the A. P. George
5-66 Survey, Abstract 754, Fort Bend County, Texas;
5-67 Thence, North 67° 33' 01" West, along the southerly line of
5-68 said Abraham D. Kelker Survey and the northerly line of said A. P.
5-69 George Survey, 8,571.11 feet more or less to a point for corner on

6-1 the east right-of-way line of State Farm to Market Road No. 762
6-2 (called 80 feet wide);

6-3 Thence, North 22° 26' 59" East, along the east right-of-way
6-4 line of said State Farm Market Road No. 762, 7,245.94 feet more or
6-5 less to a point for corner at the intersection of the east
6-6 right-of-way line of said State Farm to Market Road No. 762 and the
6-7 aforementioned southerly right-of-way line of Smithers Lake Road;

6-8 Thence, South 53° 49' 32" East, along the southerly
6-9 right-of-way line of said Smithers Lake Road, 6,329.05 feet more or
6-10 less to the POINT OF BEGINNING and containing 1,215.6 acres of land.

6-11 Said Tract 1 and Tract 2 containing a total of 2,555.5 acres
6-12 of land more or less.

6-13 SECTION 3. (a) The legal notice of the intention to
6-14 introduce this Act, setting forth the general substance of this
6-15 Act, has been published as provided by law, and the notice and a
6-16 copy of this Act have been furnished to all persons, agencies,
6-17 officials, or entities to which they are required to be furnished
6-18 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6-19 Government Code.

6-20 (b) The governor, one of the required recipients, has
6-21 submitted the notice and Act to the Texas Commission on
6-22 Environmental Quality.

6-23 (c) The Texas Commission on Environmental Quality has filed
6-24 its recommendations relating to this Act with the governor, the
6-25 lieutenant governor, and the speaker of the house of
6-26 representatives within the required time.

6-27 (d) All requirements of the constitution and laws of this
6-28 state and the rules and procedures of the legislature with respect
6-29 to the notice, introduction, and passage of this Act are fulfilled
6-30 and accomplished.

6-31 SECTION 4. (a) If this Act does not receive a two-thirds
6-32 vote of all the members elected to each house, Subchapter C, Chapter
6-33 8063, Special District Local Laws Code, as added by Section 1 of
6-34 this Act, is amended by adding Section 8063.0307 to read as follows:

6-35 Sec. 8063.0307. NO EMINENT DOMAIN POWER. The district may
6-36 not exercise the power of eminent domain.

6-37 (b) This section is not intended to be an expression of a
6-38 legislative interpretation of the requirements of Section 17(c),
6-39 Article I, Texas Constitution.

6-40 SECTION 5. This Act takes effect immediately if it receives
6-41 a vote of two-thirds of all the members elected to each house, as
6-42 provided by Section 39, Article III, Texas Constitution. If this
6-43 Act does not receive the vote necessary for immediate effect, this
6-44 Act takes effect September 1, 2019.

6-45 * * * * *