By: Zerwas (Senate Sponsor - Kolkhorst) H.B. No. 4696 1-1 (In the Senate - Received from the House May 6, 2019; 1**-**2 1**-**3 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 1-4 1-5 1-6 printer.)

COMMITTEE VOTE 1-7

1-8		Yea	Nay	Absent	PNV
1-9	Lucio	Х			•
1-10	Schwertner	Х			•
1-11	Alvarado	Х			•
1-12	Campbell	X			
1-13	Fallon	Х			
1-14	Menéndez	Х			•
1-15	Nichols	X			

A BILL TO BE ENTITLED AN ACT

relating to the creation of the Fort Bend County Municipal Utility District No. 240; 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 8347 to read as follows:

CHAPTER 8347. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO.

SUBCHAPTER A. GENERAL PROVISIONS
8347.0101. DEFINITIONS. In this chapter:
(1) "Board" means the district's board of directors.

"Commission" means the Texas Commission

Environmental Quality.

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"Director" means a board member.
"District" means the Fort Bend County Municipal (4)

Utility District No. 240.

Sec. 8347.0102. NATURE OF DISTRICT. The district municipal utility district created under Section 59, Article XVI,

Texas Constitution.

Sec. 8347.0103. CONFIRMATION AND DIRECTOR ELECTION 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. 8347.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8347.0103 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. 8347.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

The district is created to accomplish the purposes of: (b) (1) a municipal utility district as provided

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. 8347.0106. INITIAL DISTRICT TERRITORY. (a)

The district is initially composed of the territory described Section 2 of the Act enacting this chapter.

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

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does not affect the district's:
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organization, existence, or validity; 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 legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8347.0201. GOVERNING BODY; TERMS. (a) The district is

governed by a board of five elected directors.

(b) Except as provided by Section 8347.0202, directors serve staggered four-year terms.

Sec. 8347.0202. 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 8347.0103; 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 8347.0103 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 8347.0103; or

fourth anniversary of the date of (2) the the

appointment or reappointment.

If Subsection (c) applies, the owner or owners of 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 petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8347.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for

which the district is created.

Sec. 8347.0302. 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. 8347.0303. AUTHORITY FOR ROAD PROJECTS. Sec. 8347.0303. AUTHORITY FUR RUAD PROJECTS. OHDER Section.

Article III, Texas Constitution, the district may design, Under Section 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. 8347.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A

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

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, Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 8347.0305. 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 3-1 3-2 3-3 3-4 consents to the creation of the district or to the inclusion of land 3-5

in the district.
Sec. 8347.0306. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

has never issued any bonds; and

is not imposing ad valorem taxes. (2)

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

A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.

(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 the real property in the district, may adopt an order dividing the

district. (e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 8347.0103 to confirm the creation of the district.

(f) An order dividing the district shall:

name each new district; include the metes and bounds description of the territory of each new district;

(3) appoint temporary directors for each new district;

and

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

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

(h) A new district created by the division of the district

shall hold a confirmation and directors' election as required by Section 8347.0103.

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

Any new district created by the division of the district 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.

(k) Municipal consent to the creation of the district and to

inclusion of land in the district granted under Section 8347.0104 acts as municipal consent to the creation of any new district created by the division of the district and to inclusion of land in the new district.

8347.0401. ELECTIONS REGARDING TAXES OR BONDS. district may issue, without an election, bonds and other obligations secured by:

revenue other than ad valorem taxes; or contract payments described by Section 8347.0403.

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. 8347.0402. OPERATION AND MAINTENANCE TAX. authorized at an election held under Section 8347.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

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

Sec. 8347.0403. 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

AUTHORITY ТО 8347.0501. ISSUE BONDS AND 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

Sec. 8347.0502. 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. 8347.0503. 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 240 initially includes all the territory contained in the following area:

TRACT 1 - 203.50 ACRES

Being a 203.50 acre tract of land out of the Randolph Foster League, Abstract 28, and the Thomas Westfall League, Abstract 92 and the Noel F. Roberts League, Abstract 79 Fort Bend County, Texas; said 203.50 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at the Northwest corner of Thomas Westfall League, Abstract 92; THENCE North 89° 53' 37'' East with the common line of said Foster League and said Westfall League, 1645.89 feet to a point in the East right-of-way line of F.M. 1489 for the POINT OF BEGINNING of the herein tract of land;

THENCE with said East right-of-way line, along the arc of a curve to the right, having a radius of 2166.91 feet, a central angle of 01° 46' 20", an arc length of 67.02 feet, and a chord bearing North 04° 34' 23" East, 67.02 feet to a point for corner;

THENCE South 88° 56' 17" East, 4353.01 feet to a point for corner in the centerline of Big Bayou (Bessie's Creek);

- THENCE with the meanders of said centerline as follows: South 46° 57' 47" East, 639.50 feet to a point for corner;
- South 49° 22' 47" East, 386.90 feet to a point for corner;
- South 68° 19' 37" East, 544.00 feet to a point for corner; South 23° 42' 07" East, 440.41 feet to a point for corner; South 22° 08' 03" West, 221.91 feet to a point for corner; South 53° 41' 23" West, 287.12 feet to a point for corner;

- North 86° 22' 00" West, 2.51 feet to a point for corner;
 THENCE South 00° 43' 33" West, 136.84 feet to a point for corner in the West right-of-way line of Vernon Frost Road;

THENCE with said West right-of-way line as follows:

- South 13° 55' 15" West, 116.39 feet to a point for corner;
- South 00° 01' 45" East, 883.80 feet to a point for corner;
- South 52° 29' 11" West, 41.12 feet to a point for corner in the North right-of-way line of said Vernon Frost Road;

THENCE with said North right-of-way line as follows:

- North 83° 31' 42" West, 2367.99 feet to a point for corner; South 64° 33' 59" West, 248.96 feet to a point for corner; THENCE North 04° 02' 15" West, 982.17 feet to a point for 4-67 4-68

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THENCE North 05° 25' 55" East, 275.65 feet to a point for 5-1 corner in the aforementioned centerline of Big Bayou; 5-2

THENCE with the meanders of said centerline as follows:

- South 73° 53' 23" West, 212.50 feet to a point for corner; South 56° 15' 13" West, 133.89 feet to a point for corner; THENCE North 01° 05' 23" East, 948.59 feet to a point for corner;

THENCE North 88° 57' 42" West, 2,489.02 feet to a point for corner in the aforementioned east right-of-way line of F.M. 1489;

THENCE with said East right-of-way as follows:
- North 03° 01' 27" West, 312.88 feet to a point for corner and the beginning of a curve to the right;

Along the arc of said curve to the right, having a radius of 2166.91 feet, a central angle of 06° 42' 40", an arc length of 253.82 feet, and a chord bearing North 00° 19' 53" East, 253.67 feet to the POINT OF BEGINNING; containing 203.50 acres of land, more or less.

TRACT 2 - 47.74 ACRES

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Being a 47.74 acre tract of land out of the Thomas Westfall League, Abstract 92 Fort Bend County, Texas; said 47.74 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a point in the East line of said Thomas Westfall League, Abstract 92 and being in the South right-of-way line of Vernon Frost Road; THENCE North 83° 31' 43" West with said South right-of-way line, 979.03 feet to a point in the West line of a Roadway for Ingress and Egress and Utilities and for the POINT OF BEGINNING of the herein tract of land;

THENCE South 20° 02' 44" West with said West line, 1452.74 feet to a point for corner;

THENCE North 83° 42' 22" West, 930.30 feet to a point for corner;

THENCE South 22° 36' 17" West, 8.24 feet to a point for corner; THENCE South 71° 32' 11" West, 1961.02 to a point for corner in the East right-of-way line of F.M. 1489;

THENCE North 33° 39' 18" West with said East right-of-way

line, 694.24 feet to a point for corner;

THENCE North 64° 33' 59" East, 1369.17 feet to a point for corner;

THENCE South 83° 31' 43" East, 1324.09 feet to a point for corner;

THENCE North 06° 28' 17" East, 883.00 feet to a point for corner in the South right-of-way line of the aforementioned Vernon Frost Road;

THENCE South 83° 31' 43" East with said South right-of-way line, 23.23 to the POINT OF BEGINNING; containing 47.74 acres of land, more or less.

TRACT 3 - 10.95 ACRES

Being a 10.95 acre tract of land out of the Thomas Westfall League, Abstract 92 Fort Bend County, Texas; said 10.95 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a point in the East line of said Thomas Westfall League, Abstract 92 and being in the South right-of-way line of Vernon Frost Road; THENCE North 83° 31' 43" East with said South right-of-way line, 30.19 feet to the POINT OF BEGINNING of the herein tract of land;

THENCE South 00° 05' 00" West, 593.27 feet to a point for corner;

THENCE North 83° 31' 42" West, 694.99 feet to a point for corner in the East line of a Roadway for Ingress and Egress and Utilities;

THENCE North 20° 02' 44" West with said East line, 658.90 feet to a point for corner in the South right-of-way line of the aforementioned Vernon Frost Road;

THENCE South 83° 31' 43" East with said South right-of-way line, 923.16 to the POINT OF BEGINNING; containing 10.95 acres of land, more or less.

TRACT 4 - 84.60 ACRES

Being a 95.93 acre tract of land out of the Randolph Foster League, Abstract 28, and the Thomas Westfall League, Abstract 92 Fort Bend County, Texas; said 95.93 acre tract of land being more particularly described by metes and bounds as follows:

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COMMENCING at the Northwest corner of Thomas Westfall League, Abstract 92; THENCE North 89° 53' 37" East with the common line of said Foster League and said Westfall League, 1645.89 feet to a point in the East right-of-way line of F.M. 1489;

THENCE with said East right-of-way line, along the arc of a curve to the right, having a radius of 2166.91 feet, a central angle of 01° 46' 20", an arc length of 67.02 feet, and a chord bearing North 04° 34' 23" East, 67.02 feet to the POINT OF BEGINNING of the herein tract of land;

THENCE with said East right-of-way line, along the arc of a curve to the right, having a radius of 2166.91 feet, a central angle of 05° 49' 38", an arc length of 220.39 feet, and a chord bearing North 08° 22' 23" East, 220.29 feet to a point for corner;

THENCE North 10° 25' 33" East, 567.79 feet to a point for corner;

THENCE North 42° 48' 13" East, 161.59 feet to a point for corner;

THENCE North 89° 49' 13" East, 776.80 feet to a point for corner;

THENCE North 89° 50' 13" East, 1300.00 feet to a point for corner;

THENCE North 89° 47' 53" East, 1493.99 feet to a point for corner;

THENCE South 05° 13' 23" West, 121.36 feet to a point for corner in the centerline of Big Bayou (Bessie's Creek);

- THENCE with the meanders of said centerline as follows:

 South 20° 06' 37" East, 255.79 feet to a point for corner;

 South 33° 09' 07" East, 391.61 feet to a point for corner;
- South 39° 30' 39" East, 386.36 feet to a point for corner;
- South 46° 57' 47" East, 639.50 feet to a point for corner; South 49° 22' 47" East, 386.90 feet to a point for corner; THENCE South 40° 37' 13" West, 400.00 feet to a point for corner;

THENCE North 49° 22' 47" West, 395.34 feet to a point for corner;

THENCE North 46° 57' 47" West, 700.28 feet to a point for corner;

THENCE North 39° 00' 27" West, 342.84 feet to a point for corner;

THENCE North 88° 56' 17" West, 3825.88 feet to the POINT OF BEGINNING; containing 95.93 acres of land more or less;

SAVE AND EXCEPT an 11.33 acre tract of land being more

particularly described by metes and bounds as follows:

COMMENCING at a point in the East right-of-way for the Southwest corner of said 95.93 acre tract of land; Thence South 88° 56' 17 East, 3825.88 feet to the PLACE OF BEGINNING;

THENCE South 88° 56' 17" East, 527.13 feet to a point for corner in the centerline of Big Bayou (Bessie's Creek);

THENCE with the meanders of said centerline as follows:

- South 46° 57' 47" East, 639.50 feet to a point for corner; South 49° 22' 47" East, 386.90 feet to a point for corner; THENCE South 40° 37' 13" West, 400.00 feet to a point for

corner; THENCE North 49° 22' 47" West, 395.34 feet to a point for

corner; THENCE North 46° 57' 47" West, 700.28 feet to a point for

corner; THENCE North 39° 00' 27" West, 342.84 to the POINT

BEGINNING; containing 11.33 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,

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- (b) The governor, one of the required recipients, has ted the notice and Act to the Texas Commission on submitted 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 8347, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8347.0307 to read as follows:

Sec. 8347.0307. 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, 2019.

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