

ORDINANCE NO. 2025-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, TEXAS, DISSOLVING GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 14; DIRECTING THE DISTRICT TO EXECUTE ALL DOCUMENTS NECESSARY TO RELEASE ANY SECURITY INTERESTS; PROVIDING FOR REQUIRED FILINGS; AUTHORIZING THE CITY MANAGER TO EXECUTE RELATED DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS Galveston County Municipal Utility District No. 14 (the “District”) lies wholly within the corporate limits of the City of League City, Texas (the “City”) and operates pursuant to a Restated Utility Agreement approved by Ordinance No. 99-17 (the “RUA”); and

WHEREAS Section 43.074 of the Texas Local Government Code authorizes the governing body of a municipality to abolish a municipal utility district wholly within the municipality by ordinance adopted by at least two-thirds of the entire membership of the governing body, upon findings that the district is no longer needed or that its services and functions can be furnished and performed by the municipality and that abolition is in the best interests of the residents and property in the municipality and the district; and

WHEREAS under the RUA, the District functioned solely as a financing vehicle for the construction of water, wastewater, and drainage improvements, all of which have been conveyed to and are owned, operated, and maintained by the City; and

WHEREAS the District’s Board submitted a written request dated October 27, 2025 asking the City to dissolve the District; and

WHEREAS the District has certified that its final debt-service payment occurred on October 1, 2025 and that all bonds and obligations of the District have been fully resolved;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, TEXAS:

SECTION 1. Findings. The City Council hereby finds that (1) the District is no longer needed and the services furnished and functions performed by the District can be furnished and performed by the City; and (2) the abolition of the District is in the best interests of the residents and property in the City and in the District.

SECTION 2. Dissolution. Galveston County Municipal Utility District No. 14 is hereby abolished and dissolved as a separate political subdivision. The District shall cease to exist as an independent political entity upon the effective date of this ordinance.

SECTION 3. Release of Security Interests. Because the District’s bonded indebtedness

has been fully discharged, the District is directed to execute and deliver all documents necessary to formally release any and all security interests, liens, claims, reservations, or encumbrances previously held under the RUA in any City-owned water, wastewater, or drainage facilities. The City Manager is authorized to accept those releases on behalf of the City.

SECTION 4. Winding Up and Records. The former officers of the District shall complete the winding up of the District's affairs in accordance with the Texas Water Code, including execution of the releases described in Section 3, final accounting, disposition of records, and transfer of any remaining funds or property as required by law or the RUA. Upon dissolution, the City shall serve as successor custodian of the District's permanent records to the extent required by the Texas Water Code and the Local Government Records Act.

SECTION 5. Filings and Notice. The City Secretary shall file a certified copy of this ordinance with the Texas Commission on Environmental Quality, the Galveston County Clerk, the Galveston Central Appraisal District, the District's registered agent and attorney, and any other entity required by law. These filings are ministerial and do not delay the ordinance's effectiveness.

SECTION 6. Authorization of City Manager. The City Manager is authorized to execute any document necessary to implement, evidence, or complete the dissolution of the District and the transactions related to it.

SECTION 7. Severability. If any provision of this ordinance is held invalid, the remainder shall continue in full force and effect.

SECTION 8. Effective Date. This ordinance takes effect after the District has provided all necessary security lien releases and delivered any remaining assets to the City.

SECTION 7. Savings. All rights and remedies which have accrued in favor of the City under this Ordinance and amendments thereto shall be and are preserved for the benefit of the City.

SECTION 8. Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid, unconstitutional or otherwise unenforceable

by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 9. Repealer. All ordinances and parts of ordinances in conflict herewith are hereby repealed but only to the extent of such conflict.

SECTION 10. Codification. It is the intent of the City Council of the City of League City, Texas, that the provisions of this Ordinance shall be codified in the City's official Code of Ordinances as provided hereinabove.

SECTION 11. Publication and Effective Date. The City Secretary shall cause this Ordinance, or its caption, to be published in the official newspaper of the City of League City, upon passage of such Ordinance. This Ordinance shall become effective upon passage.

PASSED first reading the ____ day of _____, 2025.

PASSED AND ADOPTED the ____ day of _____, 2025.

NICK LONG
Mayor

ATTEST:

DIANA M. STAPP
City Secretary

APPROVED AS TO FORM:

MICHELLE L. VILLARREAL
City Attorney (mv)