

Bond Case Briefs

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EMINENT DOMAIN - TEXAS

City of Blue Mound v. Southwest Water Co.

Court of Appeals of Texas, Fort Worth - November 13, 2014 - S.W.3d - 2014 WL 5878039

City filed condemnation proceedings for the acquisition of the real property and fixtures of the Blue Mound Water and Wastewater System – a privately owned and operated water and wastewater system that was currently serving residents of the City. The City's condemnation petition alleged that the City sought to exercise its powers of eminent domain under Texas Local Government Code section 251.001 and Texas Property Code chapter 21 to acquire the entire water and wastewater system.

The Court of Appeals held that no statutory procedures exist permitting a municipality's condemnation in a Texas district court of a privately-owned public utility as a going concern, affirming the trial court's grant of summary judgment against the City.