

By: Kolkhorst

S.B. No. 2178

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the Harris County Municipal Utility
3 District No. 576; granting a limited power of eminent domain;
4 providing authority to issue bonds; providing authority to impose
5 assessments, fees, and taxes.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subtitle F, Title 6, Special District Local Laws
8 Code, is amended by adding Chapter 7926A to read as follows:

9 CHAPTER 7926A. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 576

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7926A.0101. DEFINITIONS. In this chapter:

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

13 (2) "Commission" means the Texas Commission on
14 Environmental Quality.

15 (3) "Director" means a board member.

16 (4) "District" means the Harris County Municipal
17 Utility District No. 576.

18 Sec. 7926A.0102. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 7926A.0103. CONFIRMATION AND DIRECTOR ELECTION
22 REQUIRED. The temporary directors shall hold an election to
23 confirm the creation of the district and to elect five permanent
24 directors as provided by Section 49.102, Water Code.

1 Sec. 7926A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section
3 7926A.0103 until each municipality in whose corporate limits or
4 extraterritorial jurisdiction the district is located has
5 consented by ordinance or resolution to the creation of the
6 district and to the inclusion of land in the district.

7 Sec. 7926A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

9 (b) The district is created to accomplish the purposes of:

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

12 (2) Section 52, Article III, Texas Constitution, that
13 relate to the construction, acquisition, improvement, operation,
14 or maintenance of macadamized, graveled, or paved roads, or
15 improvements, including storm drainage, in aid of those roads.

16 Sec. 7926A.0106. INITIAL DISTRICT TERRITORY. (a) The
17 district is initially composed of the territory described by
18 Section 2 of the Act enacting this chapter.

19 (b) The boundaries and field notes contained in Section 2 of
20 the Act enacting this chapter form a closure. A mistake made in the
21 field notes or in copying the field notes in the legislative process
22 does not affect the district's:

23 (1) organization, existence, or validity;

24 (2) right to issue any type of bond for the purposes
25 for which the district is created or to pay the principal of and
26 interest on a bond;

27 (3) right to impose a tax; or

1 (4) legality or operation.

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 7926A.0201. GOVERNING BODY; TERMS. (a) The district
4 is governed by a board of five elected directors.

5 (b) Except as provided by Section 7926A.0202, directors
6 serve staggered four-year terms.

7 Sec. 7926A.0202. TEMPORARY DIRECTORS. (a) The temporary
8 board consists of:

9 (1) Mark Crosswell;

10 (2) Fred Wick;

11 (3) Aaron Brown;

12 (4) Tim Garde; and

13 (5) John Connolly.

14 (b) Temporary directors serve until the earlier of:

15 (1) the date permanent directors are elected under
16 Section 7926A.0103; or

17 (2) the fourth anniversary of the effective date of
18 the Act enacting this chapter.

19 (c) If permanent directors have not been elected under
20 Section 7926A.0103 and the terms of the temporary directors have
21 expired, successor temporary directors shall be appointed or
22 reappointed as provided by Subsection (d) to serve terms that
23 expire on the earlier of:

24 (1) the date permanent directors are elected under
25 Section 7926A.0103; or

26 (2) the fourth anniversary of the date of the
27 appointment or reappointment.

1 (d) If Subsection (c) applies, the owner or owners of a
2 majority of the assessed value of the real property in the district
3 may submit a petition to the commission requesting that the
4 commission appoint as successor temporary directors the five
5 persons named in the petition. The commission shall appoint as
6 successor temporary directors the five persons named in the
7 petition.

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 7926A.0301. GENERAL POWERS AND DUTIES. The district
10 has the powers and duties necessary to accomplish the purposes for
11 which the district is created.

12 Sec. 7926A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
13 DUTIES. The district has the powers and duties provided by the
14 general law of this state, including Chapters 49 and 54, Water Code,
15 applicable to municipal utility districts created under Section 59,
16 Article XVI, Texas Constitution.

17 Sec. 7926A.0303. AUTHORITY FOR ROAD PROJECTS. Under
18 Section 52, Article III, Texas Constitution, the district may
19 design, acquire, construct, finance, issue bonds for, improve,
20 operate, maintain, and convey to this state, a county, or a
21 municipality for operation and maintenance macadamized, graveled,
22 or paved roads, or improvements, including storm drainage, in aid
23 of those roads.

24 Sec. 7926A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
25 road project must meet all applicable construction standards,
26 zoning and subdivision requirements, and regulations of each
27 municipality in whose corporate limits or extraterritorial

1 jurisdiction the road project is located.

2 (b) If a road project is not located in the corporate limits
3 or extraterritorial jurisdiction of a municipality, the road
4 project must meet all applicable construction standards,
5 subdivision requirements, and regulations of each county in which
6 the road project is located.

7 (c) If the state will maintain and operate the road, the
8 Texas Transportation Commission must approve the plans and
9 specifications of the road project.

10 Sec. 7926A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
11 ORDINANCE OR RESOLUTION. The district shall comply with all
12 applicable requirements of any ordinance or resolution that is
13 adopted under Section 54.016 or 54.0165, Water Code, and that
14 consents to the creation of the district or to the inclusion of land
15 in the district.

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 7926A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
18 The district may issue, without an election, bonds and other
19 obligations secured by:

- 20 (1) revenue other than ad valorem taxes; or
21 (2) contract payments described by Section
22 7926A.0403.

23 (b) The district must hold an election in the manner
24 provided by Chapters 49 and 54, Water Code, to obtain voter approval
25 before the district may impose an ad valorem tax or issue bonds
26 payable from ad valorem taxes.

27 (c) The district may not issue bonds payable from ad valorem

1 taxes to finance a road project unless the issuance is approved by a
2 vote of a two-thirds majority of the district voters voting at an
3 election held for that purpose.

4 Sec. 7926A.0402. OPERATION AND MAINTENANCE TAX. (a) If
5 authorized at an election held under Section 7926A.0401, the
6 district may impose an operation and maintenance tax on taxable
7 property in the district in accordance with Section 49.107, Water
8 Code.

9 (b) The board shall determine the tax rate. The rate may not
10 exceed the rate approved at the election.

11 Sec. 7926A.0403. CONTRACT TAXES. (a) In accordance with
12 Section 49.108, Water Code, the district may impose a tax other than
13 an operation and maintenance tax and use the revenue derived from
14 the tax to make payments under a contract after the provisions of
15 the contract have been approved by a majority of the district voters
16 voting at an election held for that purpose.

17 (b) A contract approved by the district voters may contain a
18 provision stating that the contract may be modified or amended by
19 the board without further voter approval.

20 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

21 Sec. 7926A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
22 OBLIGATIONS. The district may issue bonds or other obligations
23 payable wholly or partly from ad valorem taxes, impact fees,
24 revenue, contract payments, grants, or other district money, or any
25 combination of those sources, to pay for any authorized district
26 purpose.

27 Sec. 7926A.0502. TAXES FOR BONDS. At the time the district

1 issues bonds payable wholly or partly from ad valorem taxes, the
2 board shall provide for the annual imposition of a continuing
3 direct ad valorem tax, without limit as to rate or amount, while all
4 or part of the bonds are outstanding as required and in the manner
5 provided by Sections 54.601 and 54.602, Water Code.

6 Sec. 7926A.0503. BONDS FOR ROAD PROJECTS. At the time of
7 issuance, the total principal amount of bonds or other obligations
8 issued or incurred to finance road projects and payable from ad
9 valorem taxes may not exceed one-fourth of the assessed value of the
10 real property in the district.

11 SECTION 2. The Harris County Municipal Utility District
12 No. 576 initially includes all the territory contained in the
13 following area:

14 Being a 617.0 acre tract of land located in the James O'Brien
15 Survey, Abstract No. 615 in Harris County, Texas; said 617.0 acre
16 tract being all of a called 617.0 acre tract of land recorded in the
17 name of Emptor Hockley, LLC. in Clerk's File (C.F.)
18 No. RP-2020-106668 of the Official Public Records of Real Property
19 of Harris County (O.P.R.R.P.H.C.); said 617.0 acre tract being more
20 particularly described by metes and bounds as follows (all bearings
21 are referenced to the Texas Coordinate System, North American Datum
22 of 1983 (NAD83), South Central Zone):

23 Beginning at a 1/2-inch iron rod found at the most easterly
24 southeast corner of said 617.0 acre tract and the northeast corner
25 of a called 10.0814 acre tract of land recorded in the name of C.
26 Sanchez Children's Commercial Real Estate Investments, Ltd. in C.F.
27 No. RP-2019-1083 of the O.P.R.R.P.H.C., and being on the westerly

1 right-of-way line of Warren Ranch Road (60-feet wide);

2 1. Thence, with a southerly line of said 617.0 acre tract
3 and the northerly line of said 10.0814 acre tract, South 88 degrees
4 40 minutes 41 seconds West, a distance of 256.66 feet to a 5/8-inch
5 iron rod with cap stamped "COSTELLO INC" found;

6 2. Thence, continuing with said southerly line of the 617.0
7 acre tract and the northerly line of said 10.0814 acre tract, South
8 88 degrees 48 minutes 30 seconds West, a distance of 360.03 feet to
9 a 5/8-inch iron rod with cap stamped "COSTELLO INC" found at an
10 interior corner of said 617.0 acre tract and the northwest corner of
11 said 10.0814 acre tract;

12 3. Thence, with an easterly line of said 617.0 acre tract
13 and the westerly line of said 10.0814 acre tract, South 02 degrees
14 08 minutes 06 seconds East, a distance of 713.51 feet to a 1/2-inch
15 iron rod found at the most southerly southeast corner of said 617.0
16 acre tract and the southwest corner of said 10.0814 acre tract, and
17 being on the northerly right-of-way line of Mound Road (50-feet
18 wide);

19 4. Thence, with the southerly line of said 617.0 acre tract
20 and said northerly right-of-way line of Mound Road, South 87
21 degrees 56 minutes 38 seconds West, a distance of 968.79 feet to a
22 5/8-inch iron rod with cap stamped "COSTELLO INC" found;

23 5. Thence, continuing with said southerly line of the 617.0
24 acre tract and said northerly right-of-way line of Mound Road,
25 South 87 degrees 54 minutes 14 seconds West, a distance of 1,722.99
26 feet to a 1/2-inch iron rod found at the southeast corner of a
27 called 105.000 acre tract of land recorded in the name of James A.

1 Warren in Clerk's File No. 20140186578 of the O.P.R.R.P.H.C.;

2 6. Thence, with the easterly line of said 105.000 acre
3 tract, North 02 degrees 59 minutes 19 seconds West, at 1,758.45 feet
4 pass a found 1/2-inch iron rod and continuing a total distance of
5 3,930.54 feet to a 1/2-inch iron rod with cap stamped "RPLS 2085"
6 found at an interior corner of aforesaid 617.0 acre tract and the
7 northeast corner of said 105.000 acre tract;

8 7. Thence, with the southerly line of said 617.0 acre tract,
9 the northerly line of said 105.000 acre tract, and the northerly
10 line of a called 95.000 acre tract of land recorded in the name of
11 the estate of John W. Warren, IV, by Nancy Warren, independent
12 co-executor and James A. Warren, independent co-executor in C.F.
13 No. 20140187356 of the O.P.R.R.P.H.C., South 88 degrees 07 minutes
14 49 seconds West, at a distance of 1,163.10 feet pass a 1/2-inch iron
15 rod with cap stamped "RPLS 2085" found at the northwest corner of
16 said 105.000 acre tract and the northeast corner of said 95.000 acre
17 tract and continuing a total distance of 2,215.06 feet to a 1/2-inch
18 rod found at an interior corner of said 617.0 acre tract, the
19 northwest corner of said 95.000 acre tract, and the northeast
20 corner of a called 447.471 acre tract of land (Tract II) recorded in
21 the name of Hilcroft-Medstar Joint Venture in C.F. No. Y173252 of
22 the O.P.R.R.P.H.C.;

23 8. Thence, continuing with the southerly line of said 617.0
24 acre tract and the northerly line of said 447.471 acre tract, South
25 87 degrees 45 minutes 02 seconds West, a distance of 4,977.98 feet
26 to a 1-inch iron pipe found at the most westerly southwest corner of
27 said 617.0 acre tract and the northwest corner of said 447.471 acre

1 tract, and being on the easterly line of a called 649.4535 acre
2 tract of land recorded in the name of Story-Lindsey, Family Limited
3 Partnership in C.F. No. S350808 of the O.P.R.R.P.H.C.;

4 9. Thence, with the westerly line of said 617.0 acre tract
5 and said easterly line of the 649.4535 acre tract, North 03 degrees
6 22 minutes 21 seconds West, a distance of 1,043.15 feet to a
7 5/8-inch iron rod with cap stamped "COSTELLO INC" found;

8 10. Thence, continuing with said westerly line of the 617.0
9 acre tract and said easterly line of the 649.4535 acre tract, North
10 03 degrees 35 minutes 34 seconds West, a distance of 310.26 feet to
11 a 5/8-inch iron rod with cap stamped "COSTELLO INC" found at the
12 northwest corner of said 617.0 acre tract, the northeast corner of
13 said 649.4535 acre tract, the southeast corner of a called 646.727
14 acre tract recorded in the name of Story-Lindsey, Family Limited
15 Partnership in C.F. No. S350808 of the O.P.R.R.P.H.C., and the
16 southwest corner of a called 636.3636 acre tract of land recorded in
17 the name of Story-Lindsey, Family Limited Partnership in C.F.
18 No. S350808 of the O.P.R.R.P.H.C.;

19 Thence, with the northerly line of said 617.0 acre tract and
20 the southerly line of said 636.3636 acre tract, the following four
21 (4) courses:

22 11. North 88 degrees 00 minutes 05 seconds East, a distance
23 of 3,037.93 feet to a 5/8-inch iron rod with cap stamped "COSTELLO
24 INC" found;

25 12. North 87 degrees 46 minutes 27 seconds East, a distance
26 of 423.91 feet to a 5/8-inch iron rod with cap stamped "COSTELLO
27 INC" found;

1 13. North 87 degrees 55 minutes 43 seconds East, a distance
2 of 1,014.75 feet to a 1/2-inch iron rod found;

3 14. North 87 degrees 57 minutes 47 seconds East, a distance
4 of 863.26 feet to a 1/2-inch iron rod with cap stamped "PREJEAN"
5 found at the southeast corner of said 636.3636 acre tract and the
6 southwest corner of a called 197.0000 acre tract of land recorded in
7 the name of DXC Technology Services LLC. in C.F. No. RP-2018-66195
8 of the O.P.R.R.P.H.C.;

9 15. Thence, with said northerly line of the 617.0 acre tract
10 , the southerly line of said 197.0000 acre tract, the southerly line
11 of a called 389.313 acre tract of land (Tract I) recorded in the
12 name of Hilcroft-Medstar Joint Venture in C.F. No. Y173252 of the
13 O.P.R.R.P.H.C., and the southerly line of a called 39.365 acre
14 tract of land recorded in the name of Floyd Emanuel Dennison and
15 wife, Ruby Dennison in C.F. No. J223460 of the O.P.R.R.P.H.C.,
16 North 88 degrees 01 minutes 10 seconds East, a distance of 5,264.15
17 feet to a 1-1/4-inch iron pipe found at the northeast corner of said
18 617.0 acre tract and the southeast corner of said 39.365 acre tract,
19 and being on the westerly right-of-way line of aforesaid Warren
20 Ranch Road;

21 16. Thence, with the easterly line of said 617.0 acre tract
22 and said westerly right-of-way line of Warren Ranch Road, South 01
23 degrees 57 minutes 51 seconds East, a distance of 4,558.73 feet to
24 the Point of Beginning and containing 617.0 acres of land.

25 SECTION 3. (a) The legal notice of the intention to
26 introduce this Act, setting forth the general substance of this
27 Act, has been published as provided by law, and the notice and a

1 copy of this Act have been furnished to all persons, agencies,
2 officials, or entities to which they are required to be furnished
3 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4 Government Code.

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

8 (c) The Texas Commission on Environmental Quality has filed
9 its recommendations relating to this Act with the governor, the
10 lieutenant governor, and the speaker of the house of
11 representatives within the required time.

12 (d) All requirements of the constitution and laws of this
13 state and the rules and procedures of the legislature with respect
14 to the notice, introduction, and passage of this Act are fulfilled
15 and accomplished.

16 SECTION 4. (a) If this Act does not receive a two-thirds
17 vote of all the members elected to each house, Subchapter C, Chapter
18 7926A, Special District Local Laws Code, as added by Section 1 of
19 this Act, is amended by adding Section 7926A.0306 to read as
20 follows:

21 Sec. 7926A.0306. NO EMINENT DOMAIN POWER. The district may
22 not exercise the power of eminent domain.

23 (b) This section is not intended to be an expression of a
24 legislative interpretation of the requirements of Section 17(c),
25 Article I, Texas Constitution.

26 SECTION 5. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2021.