

By: Bettencourt
(Oliverson)

S.B. No. 2599

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 594; 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 7999A to read as follows:

CHAPTER 7999A. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 594

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7999A.0101. DEFINITIONS. In this chapter:

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

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

(3) "Director" means a board member.

(4) "District" means the Harris County Municipal Utility District No. 594.

Sec. 7999A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7999A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. 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.

1 Sec. 7999A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section
3 7999A.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 as required by
7 applicable law.

8 Sec. 7999A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

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

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

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

17 Sec. 7999A.0106. INITIAL DISTRICT TERRITORY. (a) The
18 district is initially composed of the territory described by
19 Section 2 of the Act enacting this chapter.

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

24 (1) organization, existence, or validity;

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

1 (3) right to impose a tax; or

2 (4) legality or operation.

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 7999A.0201. GOVERNING BODY; TERMS. (a) The district
5 is governed by a board of five elected directors.

6 (b) Except as provided by Section 7999A.0202, directors
7 serve staggered four-year terms.

8 Sec. 7999A.0202. TEMPORARY DIRECTORS. (a) On or after the
9 effective date of the Act enacting this chapter, the owner or owners
10 of a majority of the assessed value of the real property in the
11 district may submit a petition to the commission requesting that
12 the commission appoint as temporary directors the five persons
13 named in the petition. The commission shall appoint as temporary
14 directors the five persons named in the petition.

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

16 (1) the date permanent directors are elected under
17 Section 7999A.0103; or

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

20 (c) If permanent directors have not been elected under
21 Section 7999A.0103 and the terms of the temporary directors have
22 expired, successor temporary directors shall be appointed or
23 reappointed as provided by Subsection (d) to serve terms that
24 expire on the earlier of:

25 (1) the date permanent directors are elected under
26 Section 7999A.0103; or

27 (2) the fourth anniversary of the date of the

1 appointment or reappointment.

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

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 7999A.0301. GENERAL POWERS AND DUTIES. The district
11 has the powers and duties necessary to accomplish the purposes for
12 which the district is created.

13 Sec. 7999A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
14 DUTIES. The district has the powers and duties provided by the
15 general law of this state, including Chapters 49 and 54, Water Code,
16 applicable to municipal utility districts created under Section 59,
17 Article XVI, Texas Constitution.

18 Sec. 7999A.0303. AUTHORITY FOR ROAD PROJECTS. Under
19 Section 52, Article III, Texas Constitution, the district may
20 design, acquire, construct, finance, issue bonds for, improve,
21 operate, maintain, and convey to this state, a county, or a
22 municipality for operation and maintenance macadamized, graveled,
23 or paved roads, or improvements, including storm drainage, in aid
24 of those roads.

25 Sec. 7999A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
26 road project must meet all applicable construction standards,
27 zoning and subdivision requirements, and regulations of each

1 municipality in whose corporate limits or extraterritorial
2 jurisdiction the road project is located.

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

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

11 Sec. 7999A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
12 ORDINANCE OR RESOLUTION. The district shall comply with all
13 applicable requirements of any ordinance or resolution that is
14 adopted under Section 54.016 or 54.0165, Water Code, and that
15 consents to the creation of the district or to the inclusion of land
16 in the district.

17 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

18 Sec. 7999A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
19 The district may issue, without an election, bonds and other
20 obligations secured by:

- 21 (1) revenue other than ad valorem taxes; or
22 (2) contract payments described by Section
23 7999A.0403.

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

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

5 Sec. 7999A.0402. OPERATION AND MAINTENANCE TAX. (a) If
6 authorized at an election held under Section 7999A.0401, the
7 district may impose an operation and maintenance tax on taxable
8 property in the district in accordance with Section 49.107, Water
9 Code.

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

12 Sec. 7999A.0403. CONTRACT TAXES. (a) In accordance with
13 Section 49.108, Water Code, the district may impose a tax other than
14 an operation and maintenance tax and use the revenue derived from
15 the tax to make payments under a contract after the provisions of
16 the contract have been approved by a majority of the district voters
17 voting at an election held for that purpose.

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

21 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

22 Sec. 7999A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
23 OBLIGATIONS. The district may issue bonds or other obligations
24 payable wholly or partly from ad valorem taxes, impact fees,
25 revenue, contract payments, grants, or other district money, or any
26 combination of those sources, to pay for any authorized district
27 purpose.

1 Sec. 7999A.0502. TAXES FOR BONDS. At the time the district
2 issues bonds payable wholly or partly from ad valorem taxes, the
3 board shall provide for the annual imposition of a continuing
4 direct ad valorem tax, without limit as to rate or amount, while all
5 or part of the bonds are outstanding as required and in the manner
6 provided by Sections 54.601 and 54.602, Water Code.

7 Sec. 7999A.0503. BONDS FOR ROAD PROJECTS. At the time of
8 issuance, the total principal amount of bonds or other obligations
9 issued or incurred to finance road projects and payable from ad
10 valorem taxes may not exceed one-fourth of the assessed value of the
11 real property in the district.

12 SECTION 2. The Harris County Municipal Utility District No.
13 594 initially includes all the territory contained in the following
14 area:

15 Being 113.297 acres of land located in the William Hurd
16 Survey, Abstract 377, Harris County, Texas, and being all of that
17 certain called 111.2797 acre tract conveyed to Martens Family
18 Partnership Ltd., by an instrument of record in File Number
19 20120088210, of the Official Public Records of Real Property of
20 said Harris County, Texas, (H.C.O.P.R.R.P.), and all of that
21 certain called 2.000 acre save and except tract described in said
22 File Number 20120088210, H.C.O.P.R.R.P., said 113.297 acre tract
23 being more particularly described by metes and bounds as follows,
24 (all bearings referenced to the Texas Coordinate System, South
25 Central Zone, NAD 83, 2001 Adjustment):

26 BEGINNING at a 1/2-inch iron rod found marking the southwest
27 corner of said 111.2797 acre tract, same being the northwest corner

1 of that certain called 113.2797 acre tract conveyed to Kimmel
2 Decedent's Trust U/T/A 4/28/1999, Irma Kimmel, Trustee (58.09%
3 interest) by an instrument of record in File Number RP-2020-77718,
4 H.C.O.P.R.R.P. and Kimmel Survivor's Trust U/T/A 4/28/1999, Irma
5 Kimmel, Trustee (41.91% interest), by an instrument of record under
6 File Number RP-2020-77719, H.C.O.P.R.R.P., said point lying on the
7 east line of that certain called 24.6576 acre tract conveyed to
8 Allen Arthur Krahn and Rhonda Jean Krahn by an instrument of record
9 under File Number RP-2022-293701, H.C.O.P.R.R.P.;

10 Thence, North 01° 52' 17" West, along the west line of said
11 111.2797 acre tract, same being the east line of said 24.6576 acre
12 tract, passing at 76.60 feet the northeast corner of said 24.6576
13 acre tract, from which a found 1/2-inch iron rod bears South 86° 15'
14 53" East, 0.49 feet, continuing along the west line of said 111.2797
15 acre tract, along the east line of that certain called 11.2033 acre
16 tract conveyed to Kenneth Ervin Krahn by an instrument of record
17 under File Number M592368, H.C.O.P.R.R.P., passing at 497.50 feet a
18 5/8-inch iron rod with cap stamped "TONY SWONKE RPLS 4767" found for
19 the northeast corner of said 11.2033 acre Kenneth Krahn tract, same
20 being the southeast corner of that certain called 11.2033 acre
21 tract conveyed to Shirley Ann McKinney by an instrument of record
22 under File Number S338090, H.C.O.P.R.R.P., continuing along the
23 west line of said 111.2797 acre tract, same being the east line of
24 said 11.2033 acre McKinney tract, passing at 886.53 feet the
25 northeast corner of said 11.2033 acre McKinney tract, same being
26 the southeast corner of that certain called 11.2033 acre tract
27 conveyed to Anita Lynn Treichel by an instrument of record under

1 File Number S338144, H.C.O.P.R.R.P., from which a found 1/2-inch
2 iron rod bears North 88° 34' 47" West, 0.38 feet, continuing along
3 the west line of said 111.2791 acre tract, same being the east line
4 of said 11.2033 acre Treichel tract, passing at 1,281.61 feet the
5 northeast corner of said 11.2033 acre Treichel tract, same being
6 the southeast corner of that certain called 11.2033 acre tract
7 conveyed to Kathleen Diane Schultz by an instrument of record under
8 File Number S338091, H.C.O.P.R.R.P., from which a found 5/8-inch
9 iron rod bears North 78° 45' 01" West, 0.49 feet, and continuing
10 along a west line of said 111.2791 acre tract, same being the east
11 line of said 11.2033 acre Schultz tract for a total distance of
12 1,665.30 feet to a 5/8-inch iron rod with cap stamped "LJA SURVEY"
13 set for the northwest corner of said 111.2797 acre tract, same being
14 the southwest corner of that certain called 114.9706 acre tract
15 conveyed to Festival Properties, Inc. (57.5%) and Silvestri
16 Investments of Florida, Inc. (42.5%), by an instrument of record
17 under File Number RP-2020-302036, H.C.O.P.R.R.P.;

18 Thence, North 88° 02' 48" East, departing the east line of
19 said 11.2033 acre Schultz tract, along the north line of said
20 111.2797 acre tract, same being the south line of said 114.9706 acre
21 tract, 2,954.33 feet to a 1/2-inch iron rod found for the northeast
22 corner of said 111.2797 acre tract, same being the southeast corner
23 of said 114.9706 acre tract, said point lying in the right-of-way of
24 Telge Road (called 60 feet wide);

25 Thence, South 02° 30' 25" East, along the east line of said
26 111.2797 acre tract, 1,665.38 feet to the southeast corner of said
27 111.2797 acre tract, same being the northeast corner of the

1 aforementioned 113.2797 acre tract, said point lying in the
2 right-of-way of said Telge Road, from which a found 5/8-inch iron
3 rod bears North 68° 52' 49" East, 0.56 feet;

4 Thence, South 88° 02' 48" West, along the south line of said
5 111.2797 acre tract common to the north line of said 113.2797 acre
6 tract, 2,972.80 feet to the POINT OF BEGINNING and containing
7 113.297 acres of land.

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

15 (b) The governor, one of the required recipients, has
16 submitted the notice and Act to the Texas Commission on
17 Environmental Quality.

18 (c) The Texas Commission on Environmental Quality has filed
19 its recommendations relating to this Act with the governor, the
20 lieutenant governor, and the speaker of the house of
21 representatives within the required time.

22 (d) All requirements of the constitution and laws of this
23 state and the rules and procedures of the legislature with respect
24 to the notice, introduction, and passage of this Act are fulfilled
25 and accomplished.

26 SECTION 4. (a) If this Act does not receive a two-thirds
27 vote of all the members elected to each house, Subchapter C, Chapter

1 7999A, Special District Local Laws Code, as added by Section 1 of
2 this Act, is amended by adding Section 7999A.0306 to read as
3 follows:

4 Sec. 7999A.0306. NO EMINENT DOMAIN POWER. The district may
5 not exercise the power of eminent domain.

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

9 SECTION 5. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2023.