

AN ACT

relating to the creation, administration, powers, duties, functions, operations, and financing of the Rose Hill Special Utility District.

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

SECTION 1. Subtitle C, Title 6, Special District Local Laws Code, is amended by adding Chapter 7204 to read as follows:

CHAPTER 7204. ROSE HILL SPECIAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7204.001. DEFINITION. In this chapter, "district" means the Rose Hill Special Utility District.

Sec. 7204.002. NATURE OF DISTRICT. The district is a special utility district in Kaufman County created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 7204.003. CONFIRMATION ELECTION REQUIRED. If the creation of the district is not confirmed at a confirmation and initial directors' election held before September 1, 2007:

(1) the district is dissolved on September 1, 2007, except that:

(A) any debts of the district incurred shall be paid;

(B) any assets of the district that remain after the payment of debts shall be transferred to Kaufman County; and

1                   (C) the organization of the district shall be  
2 maintained until all debts are paid and remaining assets are  
3 transferred; and

4                   (2) this chapter expires September 1, 2010.

5                   Sec. 7204.004. APPLICABILITY OF OTHER SPECIAL UTILITY  
6 DISTRICT LAW. Except as otherwise provided by this chapter,  
7 Chapters 49 and 65, Water Code, apply to the district.

8                   Sec. 7204.005. INITIAL DISTRICT TERRITORY. (a) The  
9 district is initially composed of the territory described by  
10 Section 2 of the Act creating this chapter.

11                   (b) The boundaries and field notes contained in Section 2 of  
12 the Act creating this chapter form a closure. A mistake made in the  
13 field notes or in copying the field notes in the legislative process  
14 does not affect:

15                   (1) the organization, existence, or validity of the  
16 district;

17                   (2) the right of the district to issue any type of  
18 bond, including a refunding bond, for a purpose for which the  
19 district is created or to pay the principal of and interest on a  
20 bond; or

21                   (3) the legality or operation of the district or the  
22 board of directors of the district.

23                   [Sections 7204.006-7204.020 reserved for expansion]

24                   SUBCHAPTER A-1. TEMPORARY PROVISIONS

25                   Sec. 7204.021. TEMPORARY DIRECTORS. (a) The temporary  
26 board of directors of the district is composed of:

27                   (1) Stephen Hilborn;

- 1           (2) Bill Hobbs;
- 2           (3) Homer Norville;
- 3           (4) Randy Reznicek; and
- 4           (5) Harold Ross.

5           (b) Each temporary director shall qualify for office as  
6 provided by Section 49.055, Water Code.

7           (c) If a temporary director fails to qualify for office, the  
8 temporary directors who have qualified shall appoint a person to  
9 fill the vacancy. If at any time there are fewer than three  
10 qualified temporary directors, the Texas Commission on  
11 Environmental Quality shall appoint the necessary number of  
12 directors to fill all vacancies on the board.

13           (d) Temporary directors serve until initial directors are  
14 elected under Section 7204.022.

15           Sec. 7204.022. CONFIRMATION AND INITIAL DIRECTORS'  
16 ELECTION. (a) The temporary directors shall hold an election to  
17 confirm the creation of the district and to elect five initial  
18 directors in accordance with Chapters 49 and 65, Water Code, on or  
19 before September 1, 2007.

20           (b) The temporary board of directors shall determine the  
21 method for determining the initial term of each person on the  
22 initial board of directors. The terms must be clearly stated on the  
23 ballot for the confirmation and directors' election.

24           (c) Section 41.001(a), Election Code, does not apply to a  
25 confirmation election held as provided by this section.

26           (d) Initial directors serve until the first regularly  
27 scheduled election of directors under Subchapter C, Chapter 65,

1 Water Code.

2 Sec. 7204.023. TRANSFER OF ASSETS; DISSOLUTION. (a) If the  
3 district's creation is confirmed under Section 7204.022, the Rose  
4 Hill Water Supply Corporation shall transfer the assets, debts, and  
5 contractual rights and obligations of the corporation to the  
6 district.

7 (b) Not later than the 30th day after the date of the  
8 transfer under Subsection (a), the board of directors of the Rose  
9 Hill Water Supply Corporation shall commence dissolution  
10 proceedings of the corporation.

11 (c) On dissolution of the Rose Hill Water Supply  
12 Corporation, Certificate of Convenience and Necessity No. 10849 is  
13 considered to be held by the district.

14 (d) The board of directors of the Rose Hill Water Supply  
15 Corporation shall notify the Texas Commission on Environmental  
16 Quality of the dissolution of the corporation and of the transfer of  
17 Certificate of Convenience and Necessity No. 10849 to the district.

18 (e) On receipt of notice under Subsection (d), the Texas  
19 Commission on Environmental Quality shall note in its records that  
20 Certificate of Convenience and Necessity No. 10849 is held by the  
21 district and shall reissue the certificate in the name of the  
22 district without further application or notice.

23 Sec. 7204.024. EXPIRATION OF SUBCHAPTER. This subchapter  
24 expires September 1, 2010.

25 [Sections 7204.025-7204.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Sec. 7204.051. DIRECTORS. The district is governed by a

1 board of not fewer than five and not more than 11 directors.

2 [Sections 7204.052-7204.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 7204.101. GENERAL POWERS. Except as otherwise  
5 provided by this subchapter, the district has all of the rights,  
6 powers, privileges, authority, functions, and duties provided by  
7 the general law of this state, including Chapters 49 and 65, Water  
8 Code, applicable to special utility districts created under Section  
9 59, Article XVI, Texas Constitution.

10 Sec. 7204.102. WATER SERVICE IMPACT FEE. (a) The district  
11 may charge a water service impact fee that is equal to the sum of the  
12 equity buy-in fee, aids to construction fee, and connection fee  
13 charged by the Rose Hill Water Supply Corporation on January 15,  
14 2005, under that corporation's tariff.

15 (b) Chapter 395, Local Government Code, does not apply to  
16 the initial water service impact fee set under this section.

17 (c) The district may increase the water service impact fee  
18 only as provided by Chapter 395, Local Government Code, or as  
19 approved by the Texas Commission on Environmental Quality.

20 Sec. 7204.103. EMINENT DOMAIN. (a) Except as provided by  
21 Subsection (b), the district has all the authority under Chapters  
22 49 and 65, Water Code, of a special utility district to acquire by  
23 condemnation any land, easement, or other property located inside  
24 or outside the boundaries of the district for any district project  
25 or purpose.

26 (b) The district may not exercise the power of eminent  
27 domain to condemn, for sanitary sewer purposes, land, easements, or

1 other property located outside the boundaries of the district.

2 SECTION 2. The Rose Hill Special Utility District initially  
3 includes all the territory contained in the following area:

4 BEGINNING at the intersection of the north right-of-way for US  
5 Highway 175 and the center of Big Brushy Creek and further located  
6 approximately two and one half miles west of the City of Kaufman on  
7 the southwest perimeter of the certificated service area of Rose  
8 Hill Water Supply Corporation set forth in Certificate of  
9 Convenience and Necessity (CCN) No. 10849;

10 THENCE northerly along the center of Big Brushy Creek as it meanders  
11 approximately 39,499 feet to a point for a corner;

12 THENCE north 40 degrees 44 minutes 21 seconds east along a line  
13 approximately 3,116 feet to a point for a corner;

14 THENCE north 46 degrees 15 minutes 20 seconds west along a line  
15 approximately 1,683 feet to its intersection with the center of Big  
16 Brushy Creek for a corner;

17 THENCE northerly along the center of Big Brushy Creek as it meanders  
18 approximately 16,004 feet to its intersection with the center of  
19 the Missouri Pacific Railroad located south of US Highway 80 for a  
20 corner;

21 THENCE easterly along the center of the Missouri Pacific Railroad  
22 approximately 4,730 feet to a point for a corner;

23 THENCE south 8 degrees 51 minutes 34 seconds west along a line and  
24 parallel to County Road 238 approximately 3,000 feet to a point for  
25 a corner;

26 THENCE south 81 degrees 8 minutes 26 seconds east along a line  
27 approximately 600 feet to a point for a corner;

1 THENCE north 8 degrees 51 minutes 34 seconds east along a line and  
2 parallel to County Road 238 to its intersection with the center of  
3 the Missouri Pacific Railroad approximately 3,085 feet to a point  
4 for a corner;

5 THENCE easterly along the center of the Missouri Pacific Railroad  
6 approximately 459 feet to a point for a corner;

7 THENCE south 41 degrees 26 minutes 13 seconds east along the Terrell  
8 City Limits boundary line approximately 2,520 feet to a point for a  
9 corner;

10 THENCE south 57 degrees 30 minutes 51 seconds east along the Terrell  
11 City Limits boundary line approximately 3,452 feet to a point for a  
12 corner;

13 THENCE south 64 degrees 40 minutes 9 seconds east along the Terrell  
14 City Limits boundary line approximately 2,372 feet to a point for a  
15 corner;

16 THENCE south 45 degrees 55 minutes 21 seconds west along the Terrell  
17 City Limits boundary line approximately 1,162 feet to a point for a  
18 corner;

19 THENCE south 43 degrees 3 minutes 11 seconds east along the Terrell  
20 City Limits boundary line approximately 3,448 feet to a point for a  
21 corner;

22 THENCE south 35 degrees 12 minutes 0 seconds east along the Terrell  
23 City Limits boundary line approximately 478 feet to a point for a  
24 corner;

25 THENCE south 41 degrees 22 minutes 5 seconds east along the Terrell  
26 City Limits boundary line approximately 527 feet to a point for a  
27 corner;

1 THENCE south 45 degrees 56 minutes 34 seconds west along the Terrell  
2 City Limits boundary line approximately 35 feet to its intersection  
3 with the center of County Road 305 for a corner;

4 THENCE south easterly along the center of County Road 305 and the  
5 Terrell City Limits boundary line approximately 1,823 feet to a  
6 point for a corner;

7 THENCE north 45 degrees 51 minutes 45 seconds east along the Terrell  
8 City Limits boundary line approximately 1,140 feet to a point for a  
9 corner;

10 THENCE north 84 degrees 50 minutes 7 seconds east along the Terrell  
11 City Limits boundary line approximately 2,388 feet to a point for a  
12 corner;

13 THENCE north 43 degrees 18 minutes 53 seconds east along the Terrell  
14 City Limits boundary line approximately 859 feet to a point for a  
15 corner;

16 THENCE south 63 degrees 4 minutes 28 seconds east along the Terrell  
17 City Limits boundary line approximately 513 feet to a point for a  
18 corner;

19 THENCE south 47 degrees 26 minutes 45 seconds east along the Terrell  
20 City Limits boundary line approximately 303 feet to a point for a  
21 corner;

22 THENCE south 34 degrees 21 minutes 59 seconds west along the Terrell  
23 City Limits boundary line approximately 321 feet to a point for a  
24 corner;

25 THENCE south 47 degrees 26 minutes 58 seconds east along the Terrell  
26 City Limits boundary line approximately 1,019 feet to a point for a  
27 corner;



1 THENCE south 50 degrees 36 minutes 4 seconds west along the Terrell  
2 City Limits boundary line approximately 100 feet to a point for a  
3 corner;

4 THENCE south 48 degrees 34 minutes 58 seconds east along the Terrell  
5 City Limits boundary line approximately 1,131 feet to its  
6 intersection with the center of County Road 304 to a point for a  
7 corner;

8 THENCE northeasterly along the center of County Road 304 and the  
9 Terrell City Limits boundary line approximately 1085 feet to a  
10 point for a corner;

11 THENCE south 62 degrees 58 minutes 14 seconds east along the Terrell  
12 City Limits boundary line approximately 2,441 feet to a point for a  
13 corner;

14 THENCE south 64 degrees 2 minutes 15 seconds east along the Terrell  
15 City Limits boundary line approximately 4,551 feet to a point for a  
16 corner;

17 THENCE south 73 degrees 10 minutes 39 seconds east along the Terrell  
18 City Limits boundary line approximately 198 feet to a point for a  
19 corner;

20 THENCE south 44 degrees 7 minutes 56 seconds west along the Terrell  
21 City Limits boundary line approximately 1,088 feet to a point for a  
22 corner;

23 THENCE south 46 degrees 22 minutes 18 seconds east along the Terrell  
24 City Limits boundary line approximately 2,509 feet to its  
25 intersection with the northwest right of way for County Road 301 for  
26 a corner;

27 THENCE northeasterly along County Road 301 northwest right of way

1 and the Terrell City Limits boundary line approximately 417 feet to  
2 a point for a corner;  
3 THENCE south 1 degree 20 minutes 1 second east along the Terrell  
4 City limits boundary Line approximately 2,460 feet to a point for a  
5 corner;  
6 THENCE south 45 degrees 38 minutes 12 seconds west along the Terrell  
7 City Limits boundary line approximately 911 feet to a point for a  
8 corner;  
9 THENCE south 44 degrees 24 minutes 51 seconds east along the Terrell  
10 City Limits boundary line approximately 803 feet to a point for a  
11 corner;  
12 THENCE north 57 degrees 17 minutes 50 seconds east along the Terrell  
13 City Limits boundary line approximately 390 feet to a point for a  
14 corner;  
15 THENCE south 18 degrees 36 minutes 16 seconds east along the Terrell  
16 City Limits boundary line approximately 1454 feet to a point for a  
17 corner;  
18 THENCE north 67 degrees 46 minutes 58 seconds east along the Terrell  
19 City Limits boundary line approximately 991 feet to its  
20 intersection with the center of Kings Creek for a corner;  
21 THENCE southwesterly along the center of Kings Creek as it meanders  
22 approximately 48,462 feet to its intersection with the north  
23 boundary of the certificated service area of the City of Kaufman set  
24 forth in CCN No. 10877 for a corner;  
25 THENCE west along the north boundary line of the City of Kaufman CCN  
26 No. 10877 approximately 5,356 feet to a point for a corner;  
27 THENCE south along the west boundary line of the City of Kaufman CCN

1 No. 10877 approximately 5,708 feet to its intersection with the  
2 State Highway 243 north right of way for a corner;  
3 THENCE westerly along the State Highway 243 north right of way  
4 approximately 210 feet to its intersection with the US Highway 175  
5 north right of way for a corner;  
6 THENCE westerly along the US Highway 175 north right of way  
7 approximately 1433 feet to a point for a corner;  
8 THENCE north 3 degrees 2 minutes 15 seconds east along a line  
9 approximately 150 feet to a point for a corner;  
10 THENCE north 33 degrees 6 minutes 40 seconds west along a line  
11 approximately 177 feet to a point for a corner;  
12 THENCE north 87 degrees 47 minutes 47 seconds west along a line  
13 approximately 178 feet to a point for a corner;  
14 THENCE south 49 degrees 3 minutes 38 seconds west along a line  
15 approximately 159 feet to a point for a corner;  
16 THENCE south 4 degrees 24 minutes 29 seconds west along a line  
17 approximately 180 feet to its intersection with the US Highway 175  
18 north right of way for a corner;  
19 THENCE westerly along the US Highway 175 north right of way  
20 approximately 2,442 feet to a point for a corner;  
21 THENCE north 10 degrees 44 minutes 2 seconds east along a line  
22 approximately 500 feet to a point for a corner;  
23 THENCE south 87 degrees 36 minutes 10 seconds west and parallel to  
24 the US Highway 175 north right of way approximately 370 feet to a  
25 point for a corner;  
26 THENCE north 81 degrees 2 minutes 35 seconds west and parallel to  
27 the US Highway 175 north right of way approximately 3,506 feet to a

1 point for a corner;  
2 THENCE north 15 degrees 34 minutes 29 seconds east along a line  
3 approximately 3,469 feet to its intersection with County Road 284  
4 south right of way to a point for a corner;  
5 THENCE southerly along the County Road 284 south right of way  
6 approximately 597 feet to a point for a corner;  
7 THENCE northerly along the County Road 284 south right of way  
8 approximately 1,071 feet to a point for a corner;  
9 THENCE south 46 degrees 20 minutes 42 seconds east along a line and  
10 parallel to County Road 284 approximately 1387 feet to a point for a  
11 corner;  
12 THENCE north 44 degrees 12 minutes 44 seconds east along a line and  
13 parallel to County Road 284 approximately 1122 feet to a point for a  
14 corner;  
15 THENCE north 45 degrees 47 minutes 16 seconds west along a line  
16 approximately 300 feet to a point for a corner;  
17 THENCE south 44 degrees 12 minutes 44 seconds west along a line and  
18 parallel to County Road 284 approximately 824 feet to a point for a  
19 corner;  
20 THENCE north 46 degrees 20 minutes 42 seconds west along a line and  
21 parallel to County Road 284 approximately 1,088 feet to a point for  
22 a corner;  
23 THENCE north 43 degrees 39 minutes 18 seconds east along a line  
24 approximately 609 feet to a point for a corner;  
25 THENCE north 45 degrees 1 minute 17 seconds west along a line  
26 approximately 600 feet to a point for a corner;  
27 THENCE south 43 degrees 44 minutes 37 seconds west along a line and

1 parallel to County Road 284 approximately 1248 feet to a point for a  
2 corner;  
3 THENCE north 33 degrees 49 minutes 57 seconds west along a line  
4 approximately 370 feet to a point for a corner;  
5 THENCE north 15 degrees 49 minutes 23 seconds east along a line and  
6 parallel to Farm to Market Road 2578 approximately 2,781 feet to a  
7 point for a corner;  
8 THENCE north 28 degrees 9 minutes 34 seconds west along a line  
9 approximately 625 feet to a point for a corner;  
10 THENCE south 43 degrees 46 minutes 15 seconds west along a line and  
11 parallel to Robin Lane approximately 2,805 feet to a point for a  
12 corner;  
13 THENCE south 73 degrees 19 minutes 40 seconds west along a line and  
14 parallel to County Road 285 approximately 1,766 feet to a point for  
15 a corner;  
16 THENCE south 16 degrees 40 minutes 20 seconds east along a line  
17 approximately 600 feet to a point for a corner;  
18 THENCE north 73 degrees 19 minutes 40 seconds east along a line and  
19 parallel to County Road 285 approximately 1,494 feet to a point for  
20 a corner;  
21 THENCE south 34 degrees 12 minutes 1 seconds east along a line and  
22 parallel to County Road 285 approximately 857 feet to a point for a  
23 corner;  
24 THENCE south 15 degrees 34 minutes 20 seconds west along a line and  
25 parallel to Farm to Market Road 2578 approximately 3,922 feet to a  
26 point for a corner;  
27 THENCE north 78 degrees 29 minutes 32 seconds west along a line and

1 parallel to the US Highway 175 north right of way approximately  
2 1,084 feet to a point for a corner;  
3 THENCE south 10 degrees 0 minutes 13 seconds west along a line to  
4 its intersection with the US Highway 175 north right of way  
5 approximately 516 feet for a corner;  
6 THENCE westerly along the US Highway 175 north right of way  
7 approximately 624 feet to its intersection with the center of Big  
8 Brushy Creek and back to the place of beginning and containing  
9 approximately 27,817 acres.

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

17 (b) The governor has submitted the notice and Act to the  
18 Texas Commission on Environmental Quality.

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

23 (d) The general law relating to consent by political  
24 subdivisions to the creation of a conservation and reclamation  
25 district and the inclusion of land in the district has been complied  
26 with. All requirements of the constitution and laws of this state  
27 and the rules and procedures of the legislature with respect to the

1 notice, introduction, and passage of this Act are fulfilled and  
2 accomplished.

3 SECTION 4. This Act takes effect immediately if it receives  
4 a vote of two-thirds of all the members elected to each house, as  
5 provided by Section 39, Article III, Texas Constitution. If this  
6 Act does not receive the vote necessary for immediate effect, this  
7 Act takes effect September 1, 2005.

H.B. No. 3498

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3498 was passed by the House on May 20, 2005, by the following vote: Yeas 139, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3498 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor