

1-1 By: Brown (Senate Sponsor - Deuell) H.B. No. 3498
1-2 (In the Senate - Received from the House May 20, 2005;
1-3 May 20, 2005, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 21, 2005, reported favorably by
1-5 the following vote: Yeas 5, Nays 0; May 21, 2005, sent to printer.)

1-6 HOUSE COMMITTEE SUBSTITUTE FOR H.B. NO. 3498 RECEIVED IN THE FORM OF
1-7 ENGROSSED RIDER IN LIEU OF A FULL ENGROSSMENT

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the creation, administration, powers, duties,
1-11 functions, operations, and financing of the Rose Hill Special
1-12 Utility District.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subtitle C, Title 6, Special District Local Laws
1-15 Code, is amended by adding Chapter 7204 to read as follows:

1-16 CHAPTER 7204. ROSE HILL SPECIAL UTILITY DISTRICT

1-17 SUBCHAPTER A. GENERAL PROVISIONS

1-18 Sec. 7204.001. DEFINITION. In this chapter, "district"
1-19 means the Rose Hill Special Utility District.

1-20 Sec. 7204.002. NATURE OF DISTRICT. The district is a
1-21 special utility district in Kaufman County created under and
1-22 essential to accomplish the purposes of Section 59, Article XVI,
1-23 Texas Constitution.

1-24 Sec. 7204.003. CONFIRMATION ELECTION REQUIRED. If the
1-25 creation of the district is not confirmed at a confirmation and
1-26 initial directors' election held before September 1, 2007:

1-27 (1) the district is dissolved on September 1, 2007,
1-28 except that:

1-29 (A) any debts of the district incurred shall be
1-30 paid;

1-31 (B) any assets of the district that remain after
1-32 the payment of debts shall be transferred to Kaufman County; and

1-33 (C) the organization of the district shall be
1-34 maintained until all debts are paid and remaining assets are
1-35 transferred; and

1-36 (2) this chapter expires September 1, 2010.

1-37 Sec. 7204.004. APPLICABILITY OF OTHER SPECIAL UTILITY
1-38 DISTRICT LAW. Except as otherwise provided by this chapter,
1-39 Chapters 49 and 65, Water Code, apply to the district.

1-40 Sec. 7204.005. INITIAL DISTRICT TERRITORY. (a) The
1-41 district is initially composed of the territory described by
1-42 Section 2 of the Act creating this chapter.

1-43 (b) The boundaries and field notes contained in Section 2 of
1-44 the Act creating this chapter form a closure. A mistake made in the
1-45 field notes or in copying the field notes in the legislative process
1-46 does not affect:

1-47 (1) the organization, existence, or validity of the
1-48 district;

1-49 (2) the right of the district to issue any type of
1-50 bond, including a refunding bond, for a purpose for which the
1-51 district is created or to pay the principal of and interest on a
1-52 bond; or

1-53 (3) the legality or operation of the district or the
1-54 board of directors of the district.

1-55 [Sections 7204.006-7204.020 reserved for expansion]

1-56 SUBCHAPTER A-1. TEMPORARY PROVISIONS

1-57 Sec. 7204.021. TEMPORARY DIRECTORS. (a) The temporary
1-58 board of directors of the district is composed of:

1-59 (1) Stephen Hilborn;

1-60 (2) Bill Hobbs;

1-61 (3) Homer Norville;

2-1 (4) Randy Reznicek; and

2-2 (5) Harold Ross.

2-3 (b) Each temporary director shall qualify for office as
2-4 provided by Section 49.055, Water Code.

2-5 (c) If a temporary director fails to qualify for office, the
2-6 temporary directors who have qualified shall appoint a person to
2-7 fill the vacancy. If at any time there are fewer than three
2-8 qualified temporary directors, the Texas Commission on
2-9 Environmental Quality shall appoint the necessary number of
2-10 directors to fill all vacancies on the board.

2-11 (d) Temporary directors serve until initial directors are
2-12 elected under Section 7204.022.

2-13 Sec. 7204.022. CONFIRMATION AND INITIAL DIRECTORS'
2-14 ELECTION. (a) The temporary directors shall hold an election to
2-15 confirm the creation of the district and to elect five initial
2-16 directors in accordance with Chapters 49 and 65, Water Code, on or
2-17 before September 1, 2007.

2-18 (b) The temporary board of directors shall determine the
2-19 method for determining the initial term of each person on the
2-20 initial board of directors. The terms must be clearly stated on the
2-21 ballot for the confirmation and directors' election.

2-22 (c) Section 41.001(a), Election Code, does not apply to a
2-23 confirmation election held as provided by this section.

2-24 (d) Initial directors serve until the first regularly
2-25 scheduled election of directors under Subchapter C, Chapter 65,
2-26 Water Code.

2-27 Sec. 7204.023. TRANSFER OF ASSETS; DISSOLUTION. (a) If the
2-28 district's creation is confirmed under Section 7204.022, the Rose
2-29 Hill Water Supply Corporation shall transfer the assets, debts, and
2-30 contractual rights and obligations of the corporation to the
2-31 district.

2-32 (b) Not later than the 30th day after the date of the
2-33 transfer under Subsection (a), the board of directors of the Rose
2-34 Hill Water Supply Corporation shall commence dissolution
2-35 proceedings of the corporation.

2-36 (c) On dissolution of the Rose Hill Water Supply
2-37 Corporation, Certificate of Convenience and Necessity No. 10849 is
2-38 considered to be held by the district.

2-39 (d) The board of directors of the Rose Hill Water Supply
2-40 Corporation shall notify the Texas Commission on Environmental
2-41 Quality of the dissolution of the corporation and of the transfer of
2-42 Certificate of Convenience and Necessity No. 10849 to the district.

2-43 (e) On receipt of notice under Subsection (d), the Texas
2-44 Commission on Environmental Quality shall note in its records that
2-45 Certificate of Convenience and Necessity No. 10849 is held by the
2-46 district and shall reissue the certificate in the name of the
2-47 district without further application or notice.

2-48 Sec. 7204.024. EXPIRATION OF SUBCHAPTER. This subchapter
2-49 expires September 1, 2010.

2-50 [Sections 7204.025-7204.050 reserved for expansion]

2-51 SUBCHAPTER B. BOARD OF DIRECTORS

2-52 Sec. 7204.051. DIRECTORS. The district is governed by a
2-53 board of not fewer than five and not more than 11 directors.

2-54 [Sections 7204.052-7204.100 reserved for expansion]

2-55 SUBCHAPTER C. POWERS AND DUTIES

2-56 Sec. 7204.101. GENERAL POWERS. Except as otherwise
2-57 provided by this subchapter, the district has all of the rights,
2-58 powers, privileges, authority, functions, and duties provided by
2-59 the general law of this state, including Chapters 49 and 65, Water
2-60 Code, applicable to special utility districts created under Section
2-61 59, Article XVI, Texas Constitution.

2-62 Sec. 7204.102. WATER SERVICE IMPACT FEE. (a) The district
2-63 may charge a water service impact fee that is equal to the sum of the
2-64 equity buy-in fee, aids to construction fee, and connection fee
2-65 charged by the Rose Hill Water Supply Corporation on January 15,
2-66 2005, under that corporation's tariff.

2-67 (b) Chapter 395, Local Government Code, does not apply to
2-68 the initial water service impact fee set under this section.

2-69 (c) The district may increase the water service impact fee

3-1 only as provided by Chapter 395, Local Government Code, or as
3-2 approved by the Texas Commission on Environmental Quality.

3-3 Sec. 7204.103. EMINENT DOMAIN. (a) Except as provided by
3-4 Subsection (b), the district has all the authority under Chapters
3-5 49 and 65, Water Code, of a special utility district to acquire by
3-6 condemnation any land, easement, or other property located inside
3-7 or outside the boundaries of the district for any district project
3-8 or purpose.

3-9 (b) The district may not exercise the power of eminent
3-10 domain to condemn, for sanitary sewer purposes, land, easements, or
3-11 other property located outside the boundaries of the district.

3-12 SECTION 2. The Rose Hill Special Utility District initially
3-13 includes all the territory contained in the following area:

3-14 BEGINNING at the intersection of the north right-of-way for US
3-15 Highway 175 and the center of Big Brushy Creek and further located
3-16 approximately two and one half miles west of the City of Kaufman on
3-17 the southwest perimeter of the certificated service area of Rose
3-18 Hill Water Supply Corporation set forth in Certificate of
3-19 Convenience and Necessity (CCN) No. 10849;

3-20 THENCE northerly along the center of Big Brushy Creek as it meanders
3-21 approximately 39,499 feet to a point for a corner;

3-22 THENCE north 40 degrees 44 minutes 21 seconds east along a line
3-23 approximately 3,116 feet to a point for a corner;

3-24 THENCE north 46 degrees 15 minutes 20 seconds west along a line
3-25 approximately 1,683 feet to its intersection with the center of Big
3-26 Brushy Creek for a corner;

3-27 THENCE northerly along the center of Big Brushy Creek as it meanders
3-28 approximately 16,004 feet to its intersection with the center of
3-29 the Missouri Pacific Railroad located south of US Highway 80 for a
3-30 corner;

3-31 THENCE easterly along the center of the Missouri Pacific Railroad
3-32 approximately 4,730 feet to a point for a corner;

3-33 THENCE south 8 degrees 51 minutes 34 seconds west along a line and
3-34 parallel to County Road 238 approximately 3,000 feet to a point for
3-35 a corner;

3-36 THENCE south 81 degrees 8 minutes 26 seconds east along a line
3-37 approximately 600 feet to a point for a corner;

3-38 THENCE north 8 degrees 51 minutes 34 seconds east along a line and
3-39 parallel to County Road 238 to its intersection with the center of
3-40 the Missouri Pacific Railroad approximately 3,085 feet to a point
3-41 for a corner;

3-42 THENCE easterly along the center of the Missouri Pacific Railroad
3-43 approximately 459 feet to a point for a corner;

3-44 THENCE south 41 degrees 26 minutes 13 seconds east along the Terrell
3-45 City Limits boundary line approximately 2,520 feet to a point for a
3-46 corner;

3-47 THENCE south 57 degrees 30 minutes 51 seconds east along the Terrell
3-48 City Limits boundary line approximately 3,452 feet to a point for a
3-49 corner;

3-50 THENCE south 64 degrees 40 minutes 9 seconds east along the Terrell
3-51 City Limits boundary line approximately 2,372 feet to a point for a
3-52 corner;

3-53 THENCE south 45 degrees 55 minutes 21 seconds west along the Terrell
3-54 City Limits boundary line approximately 1,162 feet to a point for a
3-55 corner;

3-56 THENCE south 43 degrees 3 minutes 11 seconds east along the Terrell
3-57 City Limits boundary line approximately 3,448 feet to a point for a
3-58 corner;

3-59 THENCE south 35 degrees 12 minutes 0 seconds east along the Terrell
3-60 City Limits boundary line approximately 478 feet to a point for a
3-61 corner;

3-62 THENCE south 41 degrees 22 minutes 5 seconds east along the Terrell
3-63 City Limits boundary line approximately 527 feet to a point for a
3-64 corner;

3-65 THENCE south 45 degrees 56 minutes 34 seconds west along the Terrell
3-66 City Limits boundary line approximately 35 feet to its intersection
3-67 with the center of County Road 305 for a corner;

3-68 THENCE south easterly along the center of County Road 305 and the
3-69 Terrell City Limits boundary line approximately 1,823 feet to a

4-1 point for a corner;
 4-2 THENCE north 45 degrees 51 minutes 45 seconds east along the Terrell
 4-3 City Limits boundary line approximately 1,140 feet to a point for a
 4-4 corner;
 4-5 THENCE north 84 degrees 50 minutes 7 seconds east along the Terrell
 4-6 City Limits boundary line approximately 2,388 feet to a point for a
 4-7 corner;
 4-8 THENCE north 43 degrees 18 minutes 53 seconds east along the Terrell
 4-9 City Limits boundary line approximately 859 feet to a point for a
 4-10 corner;
 4-11 THENCE south 63 degrees 4 minutes 28 seconds east along the Terrell
 4-12 City Limits boundary line approximately 513 feet to a point for a
 4-13 corner;
 4-14 THENCE south 47 degrees 26 minutes 45 seconds east along the Terrell
 4-15 City Limits boundary line approximately 303 feet to a point for a
 4-16 corner;
 4-17 THENCE south 34 degrees 21 minutes 59 seconds west along the Terrell
 4-18 City Limits boundary line approximately 321 feet to a point for a
 4-19 corner;
 4-20 THENCE south 47 degrees 26 minutes 58 seconds east along the Terrell
 4-21 City Limits boundary line approximately 1,019 feet to a point for a
 4-22 corner;
 4-23 THENCE south 50 degrees 36 minutes 4 seconds west along the Terrell
 4-24 City Limits boundary line approximately 100 feet to a point for a
 4-25 corner;
 4-26 THENCE south 48 degrees 34 minutes 58 seconds east along the Terrell
 4-27 City Limits boundary line approximately 1,131 feet to its
 4-28 intersection with the center of County Road 304 to a point for a
 4-29 corner;
 4-30 THENCE northeasterly along the center of County Road 304 and the
 4-31 Terrell City Limits boundary line approximately 1085 feet to a
 4-32 point for a corner;
 4-33 THENCE south 62 degrees 58 minutes 14 seconds east along the Terrell
 4-34 City Limits boundary line approximately 2,441 feet to a point for a
 4-35 corner;
 4-36 THENCE south 64 degrees 2 minutes 15 seconds east along the Terrell
 4-37 City Limits boundary line approximately 4,551 feet to a point for a
 4-38 corner;
 4-39 THENCE south 73 degrees 10 minutes 39 seconds east along the Terrell
 4-40 City Limits boundary line approximately 198 feet to a point for a
 4-41 corner;
 4-42 THENCE south 44 degrees 7 minutes 56 seconds west along the Terrell
 4-43 City Limits boundary line approximately 1,088 feet to a point for a
 4-44 corner;
 4-45 THENCE south 46 degrees 22 minutes 18 seconds east along the Terrell
 4-46 City Limits boundary line approximately 2,509 feet to its
 4-47 intersection with the northwest right of way for County Road 301 for
 4-48 a corner;
 4-49 THENCE northeasterly along County Road 301 northwest right of way
 4-50 and the Terrell City Limits boundary line approximately 417 feet to
 4-51 a point for a corner;
 4-52 THENCE south 1 degree 20 minutes 1 second east along the Terrell
 4-53 City limits boundary Line approximately 2,460 feet to a point for a
 4-54 corner;
 4-55 THENCE south 45 degrees 38 minutes 12 seconds west along the Terrell
 4-56 City Limits boundary line approximately 911 feet to a point for a
 4-57 corner;
 4-58 THENCE south 44 degrees 24 minutes 51 seconds east along the Terrell
 4-59 City Limits boundary line approximately 803 feet to a point for a
 4-60 corner;
 4-61 THENCE north 57 degrees 17 minutes 50 seconds east along the Terrell
 4-62 City Limits boundary line approximately 390 feet to a point for a
 4-63 corner;
 4-64 THENCE south 18 degrees 36 minutes 16 seconds east along the Terrell
 4-65 City Limits boundary line approximately 1454 feet to a point for a
 4-66 corner;
 4-67 THENCE north 67 degrees 46 minutes 58 seconds east along the Terrell
 4-68 City Limits boundary line approximately 991 feet to its
 4-69 intersection with the center of Kings Creek for a corner;

5-1 THENCE southwesterly along the center of Kings Creek as it meanders
5-2 approximately 48,462 feet to its intersection with the north
5-3 boundary of the certificated service area of the City of Kaufman set
5-4 forth in CCN No. 10877 for a corner;
5-5 THENCE west along the north boundary line of the City of Kaufman CCN
5-6 No. 10877 approximately 5,356 feet to a point for a corner;
5-7 THENCE south along the west boundary line of the City of Kaufman CCN
5-8 No. 10877 approximately 5,708 feet to its intersection with the
5-9 State Highway 243 north right of way for a corner;
5-10 THENCE westerly along the State Highway 243 north right of way
5-11 approximately 210 feet to its intersection with the US Highway 175
5-12 north right of way for a corner;
5-13 THENCE westerly along the US Highway 175 north right of way
5-14 approximately 1433 feet to a point for a corner;
5-15 THENCE north 3 degrees 2 minutes 15 seconds east along a line
5-16 approximately 150 feet to a point for a corner;
5-17 THENCE north 33 degrees 6 minutes 40 seconds west along a line
5-18 approximately 177 feet to a point for a corner;
5-19 THENCE north 87 degrees 47 minutes 47 seconds west along a line
5-20 approximately 178 feet to a point for a corner;
5-21 THENCE south 49 degrees 3 minutes 38 seconds west along a line
5-22 approximately 159 feet to a point for a corner;
5-23 THENCE south 4 degrees 24 minutes 29 seconds west along a line
5-24 approximately 180 feet to its intersection with the US Highway 175
5-25 north right of way for a corner;
5-26 THENCE westerly along the US Highway 175 north right of way
5-27 approximately 2,442 feet to a point for a corner;
5-28 THENCE north 10 degrees 44 minutes 2 seconds east along a line
5-29 approximately 500 feet to a point for a corner;
5-30 THENCE south 87 degrees 36 minutes 10 seconds west and parallel to
5-31 the US Highway 175 north right of way approximately 370 feet to a
5-32 point for a corner;
5-33 THENCE north 81 degrees 2 minutes 35 seconds west and parallel to
5-34 the US Highway 175 north right of way approximately 3,506 feet to a
5-35 point for a corner;
5-36 THENCE north 15 degrees 34 minutes 29 seconds east along a line
5-37 approximately 3,469 feet to its intersection with County Road 284
5-38 south right of way to a point for a corner;
5-39 THENCE southerly along the County Road 284 south right of way
5-40 approximately 597 feet to a point for a corner;
5-41 THENCE northerly along the County Road 284 south right of way
5-42 approximately 1,071 feet to a point for a corner;
5-43 THENCE south 46 degrees 20 minutes 42 seconds east along a line and
5-44 parallel to County Road 284 approximately 1387 feet to a point for a
5-45 corner;
5-46 THENCE north 44 degrees 12 minutes 44 seconds east along a line and
5-47 parallel to County Road 284 approximately 1122 feet to a point for a
5-48 corner;
5-49 THENCE north 45 degrees 47 minutes 16 seconds west along a line
5-50 approximately 300 feet to a point for a corner;
5-51 THENCE south 44 degrees 12 minutes 44 seconds west along a line and
5-52 parallel to County Road 284 approximately 824 feet to a point for a
5-53 corner;
5-54 THENCE north 46 degrees 20 minutes 42 seconds west along a line and
5-55 parallel to County Road 284 approximately 1,088 feet to a point for
5-56 a corner;
5-57 THENCE north 43 degrees 39 minutes 18 seconds east along a line
5-58 approximately 609 feet to a point for a corner;
5-59 THENCE north 45 degrees 1 minute 17 seconds west along a line
5-60 approximately 600 feet to a point for a corner;
5-61 THENCE south 43 degrees 44 minutes 37 seconds west along a line and
5-62 parallel to County Road 284 approximately 1248 feet to a point for a
5-63 corner;
5-64 THENCE north 33 degrees 49 minutes 57 seconds west along a line
5-65 approximately 370 feet to a point for a corner;
5-66 THENCE north 15 degrees 49 minutes 23 seconds east along a line and
5-67 parallel to Farm to Market Road 2578 approximately 2,781 feet to a
5-68 point for a corner;
5-69 THENCE north 28 degrees 9 minutes 34 seconds west along a line

6-1 approximately 625 feet to a point for a corner;
6-2 THENCE south 43 degrees 46 minutes 15 seconds west along a line and
6-3 parallel to Robin Lane approximately 2,805 feet to a point for a
6-4 corner;
6-5 THENCE south 73 degrees 19 minutes 40 seconds west along a line and
6-6 parallel to County Road 285 approximately 1,766 feet to a point for
6-7 a corner;
6-8 THENCE south 16 degrees 40 minutes 20 seconds east along a line
6-9 approximately 600 feet to a point for a corner;
6-10 THENCE north 73 degrees 19 minutes 40 seconds east along a line and
6-11 parallel to County Road 285 approximately 1,494 feet to a point for
6-12 a corner;
6-13 THENCE south 34 degrees 12 minutes 1 seconds east along a line and
6-14 parallel to County Road 285 approximately 857 feet to a point for a
6-15 corner;
6-16 THENCE south 15 degrees 34 minutes 20 seconds west along a line and
6-17 parallel to Farm to Market Road 2578 approximately 3,922 feet to a
6-18 point for a corner;
6-19 THENCE north 78 degrees 29 minutes 32 seconds west along a line and
6-20 parallel to the US Highway 175 north right of way approximately
6-21 1,084 feet to a point for a corner;
6-22 THENCE south 10 degrees 0 minutes 13 seconds west along a line to
6-23 its intersection with the US Highway 175 north right of way
6-24 approximately 516 feet for a corner;
6-25 THENCE westerly along the US Highway 175 north right of way
6-26 approximately 624 feet to its intersection with the center of Big
6-27 Brushy Creek and back to the place of beginning and containing
6-28 approximately 27,817 acres.

6-29 SECTION 3. (a) The legal notice of the intention to
6-30 introduce this Act, setting forth the general substance of this
6-31 Act, has been published as provided by law, and the notice and a
6-32 copy of this Act have been furnished to all persons, agencies,
6-33 officials, or entities to which they are required to be furnished
6-34 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6-35 Government Code.

6-36 (b) The governor has submitted the notice and Act to the
6-37 Texas Commission on Environmental Quality.

6-38 (c) The Texas Commission on Environmental Quality has filed
6-39 its recommendations relating to this Act with the governor,
6-40 lieutenant governor, and speaker of the house of representatives
6-41 within the required time.

6-42 (d) The general law relating to consent by political
6-43 subdivisions to the creation of a conservation and reclamation
6-44 district and the inclusion of land in the district has been complied
6-45 with. All requirements of the constitution and laws of this state
6-46 and the rules and procedures of the legislature with respect to the
6-47 notice, introduction, and passage of this Act are fulfilled and
6-48 accomplished.

6-49 SECTION 4. This Act takes effect immediately if it receives
6-50 a vote of two-thirds of all the members elected to each house, as
6-51 provided by Section 39, Article III, Texas Constitution. If this
6-52 Act does not receive the vote necessary for immediate effect, this
6-53 Act takes effect September 1, 2005.

6-54 * * * * *